**Deep Dive** 

## Are Iran-Egypt relations on cusp of 'seismic shift'?



In the heart of old Cairo two months ago, one of the Middle East's longest-running rifts was being publicly laid to rest.

Iranian Foreign Minister Abbas Araghchi, flanked by Egyptian officials, walked through Cairo's historic Khan el-Khalili bazaar, prayed at the Al-Hussein Mosque, and dined with former Egyptian foreign ministers at the storied Naguib Mahfouz restaurant. Araghchi was unequivocal when he posted during his trip that Egyptian-Iranian relations had "entered a new phase".

This visit was more than routine diplomacy, but a signal of a potentially seismic shift between two Middle Eastern powers, drawn together by the pull of shared crises. The rupture began in 1979, when Iran's revolutionary leaders severed diplomatic relations after Egyptian president Anwar Sadat signed the Camp David Accords with Israel — a betrayal in Tehran's eyes. The schism deepened when Cairo granted asylum to the deposed Shah Mohammad Reza Pahlavi, who had just been overthrown by a popular revolution that birthed a new Islamic Republic under the leadership of Ayatollah Khomeini. The Shah died and was buried in Egypt in 1980.

During the Iran-Iraq War (1980-1988), Egypt's material support for Saddam Hussein's regime cemented Tehran's view of Cairo as an antagonist. For decades thereafter, diplomatic relations remained frozen, with only intermittent and largely fruitless attempts at dialogue.

Against this backdrop of accumulated grievances, Tehran's recent renaming of "Khalid al-Islambouli Street" is a particularly significant gesture. The street had honored the chief suspect in Sadat's 1981 assassination, whom Iran hailed as a "martyr" after his court-mandated execution by firing squad. The new name, "Hassan Nasrallah Street," instead pays tribute to Hezbollah's slain leader, killed by Israeli air strikes in 2024, rectifying a decades-old insult to Egypt. This renaming represents a strategic concession, resolving what Araghchi called the "final hurdle" to normalization weeks earlier. Cairo's swift public embrace of the move, with Foreign Ministry spokesperson Ambassador Tamim Khallaf calling it a "positive step" that "helps put matters back on the right track," demonstrated Egypt's willingness to turn the page.

During marathon meetings with President Abdel Fattah el-Sisi and Foreign Minister Badr Abdelatty in June, Araghchi asserted that "trust between Cairo and Tehran has never been this high." The tangible outcome of the meetings was an agreement to establish regular political consultations at the sub-ministerial level — a structured channel absent since 1979. Crucially, Abdelatty carefully framed the visit as a pragmatic necessity, not as unconditional alignment. "There is a mutual desire to develop our relations, taking into account the concerns and perspectives of each side," Egypt's chief diplomat said.

This nascent détente is less about newfound affection than

cold-eyed calculation amid emerging and converging crises. First, Houthi attacks on Red Sea shipping, launched in solidarity with Palestinians in Gaza, struck Egypt's economic jugular. Billions of dollars in Suez Canal revenues evaporated as shipping rerouted around Africa.

While Araghchi publicly downplayed direct control over the Houthis, insisting that Yemen "makes its own decisions," Cairo desperately needs Tehran's leverage to restore maritime security. Abdelatty's blunt emphasis on "protecting freedom of navigation in the Red Sea" during a March phone call with Araghchi underscores this vital priority.

While Yemen's Houthis maintain operational independence from Tehran, Iranian support for the group is well-documented, and statements from Egyptian leadership calculate that Iran could exert significant influence on the Houthis.

For Iran, reeling from Israeli and US strikes on its nuclear and military infrastructure in June, normalization with Egypt — the Arab world's cultural heart and an important US ally — helps establish its regional legitimacy and expands its diplomatic options. Larger regional dynamics are increasingly conducive to Iranian-Egyptian normalization. China's 2023 brokering of Saudi-Iranian rapprochement removed a critical veto. With Riyadh restoring ties with Tehran, Cairo gained freedom to engage Iran without fear of alienating its vital Persian Gulf financiers.

This new diplomatic freedom is being accelerated by the brutal reality of Sudan's civil war. The conflict has pushed the Sudanese Armed Forces (SAF) to revive a dormant alliance with Iran in a desperate search for military support. Since Egypt is also a key backer of the SAF, Cairo and Tehran now share a mutual ally in a war raging on Egypt's southern doorstep, creating an unexpected arena of common interest.

These regional realignments, coupled with shared economic pain — Egypt's debt crisis and Iran's crippling sanctions — make tangible cooperation on trade, and religious tourism (primarily for Iranians to visit Shiite sites in Egypt) Suddenly



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Additionally, Israel's 12-day assault on Iran further intensified cooperation between Cairo and Tehran.

The offensive created parallel crises for both: For Iran, Israeli strikes — conducted with US assistance — against its defense and nuclear infrastructure violated its territory and derailed nuclear diplomacy. Concurrently, Egypt suffered collateral damage to its energy security when Israeli-operated gas fields, supplying 15–20% of its needs, were shuttered. This forced emergency measures and sparked blackout fears, revealing a shared vulnerability exploited by the conflict.

The attacks also amplified Egypt's mediating role while drawing Iran and Egypt closer. Sisi's late-night call with Iranian President Masoud Pezeshkian, just hours before US strikes on Iranian nuclear sites — in which Sisi condemned Israeli "escalation" — highlighted Cairo's unique positioning. Egypt's foreign minister has since embarked on a diplomatic blitz, coordinating with Oman, which has mediated US-Iran talks, US Special Envoy for Middle East Affairs Steve Witkoff, and Rafael Grossi, director general of the International Atomic Energy Agency (IAEA), in hopes of reviving nuclear negotiations.

Despite the momentum, full dip-

lomatic trust remains constrained by structural divides. Egypt's pro-Western orientation — anchored in US military aid and its 46-year-old treaty with Israel clashes with Tehran's revolutionary ethos. Hostility toward the US ("the Great Satan" as the Islamic Republic's founders called it) has remained a core, albeit flexible pillar of Iranian foreign policy.

For Cairo, its relationship with Israel is non-negotiable, for reasons both strategic and existential. Israel is not only a critical energy supplier, but also an indispensable counterpart in Gaza cease-fire talks aimed at ending the brutal war raging on Egypt's Sinai border. Iran's anti-Western posture, meanwhile, has been hardened by a series of Israeli escalations: direct strikes killing senior military and scientific figures, and explicit threats to assassinate Iran's Leader Ayatollah Seyyed Ali

Significantly, Iran's support for Hamas — the Resistance group Israel has been fighting in Gaza for nearly two years — isn't merely a complication; It's a structural barrier.

Egypt, in addition to being a key mediator in the Gaza conflict, is also a significant stakeholder with sensitive national security interests on the line. Its primary objectives are to secure a ceasefire, establish a governing authority in a post-war Gaza, and, crucially, prevent a mass influx of Palestinian refugees into the Sinai Peninsula.

However, Cairo's goals clash head-on with Iran's public declarations in support of the Resistance group. For Egypt, Hamas is not a partner but a dangerous security threat. Cairo views the group as a hostile offshoot of its primary domestic arch-nemesis, the Muslim Brotherhood, and has long accused it of fueling the brutal Islamist insurgency in the Sinai Peninsula. This deep-seated animosity is irreconcilable with Tehran's position.

After Hamas's October 7 attacks on Israel, Iran's late president Ebrahim Raisi hailed the attacks as a "victorious operation" that "made the Islamic Ummah happy". In a recent interview with Fox News, Iran's Foreign Minister called Hamas "freedom fighters... fighting for a just cause".

This praise is not just political; It was backed by operational links managed by figures like the recently assassinated Revolutionary Guard commander Saeed Izadi, who reportedly oversaw military coordination with Hamas. While reports indicate Iran did not participate in the October 7th attack, its praise for Hamas is backed by decades of material support that built the group's military strength.

Iran's support for Hamas, and its fundamental hostility towards Israel, which itself is a necessary albeit frustrating partner for Egypt, will continue to complicate the burgeoning relationship.

The Cairo-Tehran rapprochement, therefore, is not a grand strategic embrace but rather a marriage of convenience. Its trajectory leans toward deeper engagement because mutual necessity — securing waterways, averting an all-out regional war, surviving economically — now outweighs the costs of avoidance..

It looks probable that the two nations will soon upgrade their current low-level missions to full embassies, that economic ties will continue to grow, and that diplomatic channels will remain active on flashpoints like the Red Sea crisis and US-Iran nuclear talks. However, this relationship will remain inherently transactional, constrained by their competing national interests.

The full article first appeared on Responsible Statecraft.



Iranian Foreign Minister Abbas Araghchi (2nd.R) meets with former Egyptian foreign ministers Nabil Fahmy, Amr Moussa, and Mohamed Orabi in Cairo, Egypt, on June 2, 2025. IRNA



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Egypt's President Abdel Fattah El-Sisi (R) welcomes his Iranian counterpart, Masoud Pezeshkian, during the D-8 summit in Cairo, Egypt, on December 19, 2024.

