

GRS 500

UNCLASSIFIED

FM CAIRO 040925Z JAN 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 3 OF 4 JANUARY

INFO IMMEDIATE UKREP BRUSSELS

INFO ROUTINE AMMAN, BEIRUT, DAMASCUS, JEDDA, KHARTOUM, TRIPOLI,

TEL AVIV, WASHINGTON, UKMIS NEW YORK.

AND SAVING TO ALL OTHER MIDDLE EAST POSTS

NEW EGYPTIAN GOVERNMENT

1. ON 2 JANUARY MUBARAK APPOINTED FORMER FIRST DEPUTY PRIME MINISTER FOUAD MOHIEDDIN PRIME MINISTER, AND ASKED HIM TO FORM A NEW GOVERNMENT, HAVING ACCEPTED THE RESIGNATION OF THE OLD CABINET. THE NEW MINISTRY, WHICH WILL BE SWORN IN TODAY, WAS ANNOUNCED ON 3 JANUARY.

2. IT CONSISTS OF (FORMER POSTS IN BRACKETS WHERE DIFFERENT FROM PRESENT POSTS):

(A) PRIME MINISTER - DR FOUAD MOHIEDDIN (FIRST DEPUTY PRIME MINISTER)

(B) FIVE DEPUTY PRIME MINISTERS

FIKRY MAKRAM EBEID, DEPUTY PRIME MINISTER FOR PEOPLE'S ASSEMBLY AND SHURA COUNCIL AFFAIRS.

KAMAL HASSAN ALY, DEPUTY PRIME MINISTER AND MINISTER OF FOREIGN AFFAIRS

AHMED EZZ EDDIN HILAL, DEPUTY PRIME MINISTER FOR PRODUCTION AND MINISTER OF PETROLEUM

MOHAMMED NABAWI ISMAIL, DEPUTY PRIME MINISTER FOR SERVICES AND MINISTER OF LOCAL GOVERNMENT

MOHAMMED ABDEL FATAH IBRAHIM, DEPUTY PRIME MINISTER FOR ECONOMIC AFFAIRS AND MINISTER OF INVESTMENT AND ECONOMIC COOPERATION (GOVERNOR OF THE CENTRAL BANK).

(C) ELEVEN NEW MINISTERS.

MINISTER OF THE INTERIOR, MAJOR GENERAL HASSAN ABOU BASHA (HEAD OF THE SECURITY SERVICE)

MINISTER OF THE ECONOMY, DR FOUAD HASHIM (PROFESSOR OF ECONOMICS, CAIRO UNIVERSITY AND ECONOMIC ADVISER TO THE PRESIDENT)

MINISTER OF FINANCE, DR SALAH HAMID (MINISTER OF FINANCE IN 1976-79, PRESIDENTIAL ADVISER AND ECONOMICS PROFESSOR OF HELWAN UNIVERSITY)

MINISTER OF PLANNING, ENGINEER KAMAL EL GANZOURI (PRESIDENTIAL ADVISER AND FORMER GOVERNOR OF BENI SUEF)

MINISTER OF HEALTH, DR SABRY ZAKI (GOVERNOR OF ASWAN, FORMALLY HEAD OF THE SOCIAL INSURANCE ORGANISATION)

MINISTER OF INDUSTRY, ENGINEER FOUAD ABU ZAGHLA (CHAIRMAN OF THE EGYPTIAN IRON AND STEEL COMPANY)

MINISTER OF WAQFS, SHEKH GAD AL HAQQ ALY GAD AL HAQQ (MUFTI OF THE REPUBLIC)

MINISTER OF INFORMATION, SAFWAT AL SHERIF (HEAD OF THE EGYPTIAN RADIO AND TV FEDERATION)

/ MINISTER

MINISTER OF STATE FOR CABINET AFFAIRS, ARDEL ABDEL BAQI  
(SECRETARY-GENERAL OF THE CABINET)  
MINISTER OF AGRICULTURE, DR YOUSSEF WALI (TECHNICAL ADVISER TO  
THE MINISTER)  
MINISTER OF TOURISM AND CIVIL AVIATION, ADEL TAHER (UNDER-SECRETARY,  
MINISTER OF TOURISM)  
(D) SEVENTEEN OTHER MINISTERS WHO RETAIN THEIR PREVIOUS PORT-  
FOLIOS.

3. TWO NEW MINISTRIES, OF INFORMATION AND OF CABINET AFFAIRS,  
ARE ESTABLISHED. NINE FORMER CABINET MINISTERS ARE DROPPED:  
DR ABDUL RAZEK ABDUL MEGUID, DEPUTY PRIME MINISTER FOR ECONOMIC  
AFFAIRS

DR MAHMOUD MUHAMMED DAWUD, MINISTER OF AGRICULTURE  
HILMY AHED AKHER, MINISTER OF STATE FOR PEOPLE'S ASSEMBLY  
AND SHURA COUNCIL AFFAIRS

GAMAL EL NAZER, MINISTER OF TOURISM AND CIVIL AVIATION

DR MAMDOUH GABR, MINISTER OF HEALTH

ENGINEER TAHER ZAKI, MINISTER OF INDUSTRY

DR ZAKARIA EL BARRI, MINISTER OF WAQFS

FOUAD HUSSEIN, MINISTER OF STATE FOR FINANCE

DR SOLIMAN NUREDDIN, MINISTER OF STATE FOR THE ECONOMY.

4. SEE MIFT FOR COMMENT. FULL LIST OF NEW CABINET AND LPRS  
OF NEW MINISTERS FOLLOW BY BAG.

FCO PSE PASS SAVING TO ALL OTHER MIDDLE EAST POSTS.

REEVE

[REPEATED AS REQUESTED]

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FM CAIRO 040935Z JAN 82

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MIPT: NEW EGYPTIAN GOVERNMENT

1. THIS RESHUFFLE REFLECTS MUBARAK'S MAIN PRIORITY OF IMPROVING ECONOMIC PERFORMANCE AND GOVERNMENT EFFICIENCY.

2. THE OTHER OUTSTANDING (AND CURIOUS) FEATURE IS THE REMOVAL OF THE POWERFUL INTERIOR MINISTRY FROM NABAWI ISMAIL, WHILE ALLOWING HIM TO RETAIN HIS DEPUTY PRIME MINISTERSHIP. HE HAS ALSO GIVEN NABAWI THE VERY MINOR MINISTRY OF LOCAL GOVERNMENT, PREVIOUSLY SUPERVISED BY FOUAD MOHIEDDIN. NABAWI WAS WIDELY BLAMED FOR FAILING TO CONTAIN THE SPREAD OF THE ISLAMIC GROUPS, AND FOR THE MISTAKES IN ROUNDING UP THOSE RESPONSIBLE FOR SADAT'S ASSASSINATION. HIS SUCCESSOR, HASSAN ABU BASHA, HAS SPENT HIS ENTIRE CAREER IN THE EGYPTIAN SECURITY SERVICE AND WAS HEAD OF THE SERVICE FROM 1976 TO 1978. HE WAS REAPPOINTED HEAD OF THE SERVICE IN OCTOBER 1981 AND HAD BEEN NABAWI'S DEPUTY SINCE THAT TIME.

3. IN SACKING ABDEL MEGUID AND HIS TWO MINISTERS OF STATE, MUBARAK WILL BE MEETING WIDESPREAD CONCERN ABOUT ECONOMIC POLICY AND PARTICULARLY ABOUT ABDEL MEGUID'S PERFORMANCE. THE NEW TEAM HAVE ALL SERVED IN SENIOR GOVERNMENT POSTS BEFORE, AND AT FIRST SIGHT GIVE LITTLE CONFIDENCE THAT THEY WILL BRING ABOUT THE RADICAL CHANGES NEEDED IN ECONOMIC POLICY. WE PRESUME THAT THIS WILL STILL BE DECIDED AT THE ECONOMIC CONFERENCE, PROMISED FOR THE END OF THIS MONTH.

4. MUBARAK HAS ALSO TAKEN THIS OPPORTUNITY TO REMOVE SOME OF THE DEADWOOD FROM THE CABINET AND TO STREAMLINE ITS OPERATING PROCEDURES. BY PROMOTING THE CABINET SECRETARY-GENERAL TO MINISTERIAL RANK AND BY TRANSFERRING SOME OF FOUAD MOHIEDDIN'S RESPONSIBILITIES (INFORMATION, LOCAL GOVERNMENT) HE NO DOUBT HOPES TO IMPROVE COORDINATION AT THE CENTRE. TO THE SAME END IT IS ALSO ANNOUNCED THAT THERE ARE TO BE NO MORE THAN 4 CABINET COMMITTEES. IT IS WORTH NOTING THAT THE NEW MINISTERS OF HEALTH, AGRICULTURE, INFORMATION, TOURISM AND CABINET AFFAIRS ARE ALL TECHNOCRATS AND FORMER CIVIL SERVANTS.

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