

# Is Mubarak shutting down Egypt's Dope, Inc. network?

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A few days after the formal appointment of Hosni Mubarak as new President of Egypt Oct. 15, an Egyptian journalist interviewed on the BBC stressed that what "Egypt now needs is not a popular government. There have been too many 'popular' personalities in previous regimes. It needs a government which will function, and then [on that basis] become popular."

Now, three months later, Mubarak seems, by all standards, to have been able to meet that challenge. Keeping a low profile, so different from that of his predecessors, he is nonetheless on his way to becoming an extremely popular president. He has not accomplished this by major shifts or changes in Egyptian foreign policy. Rather, he is making a series of ruthless internal reforms which are striking at those corrupted layers probably more responsible than anyone else within the country for the assassination of President Sadat and the attempted destabilization of the country.

In concert with this anti-corruption drive, Mubarak is pushing for the economic reforms essential to rebuilding Egypt, calling for a national meeting to set economic policy at the end of January (see box). As a result of this commitment and the cleaning out of the drug trade at which it is aimed, social peace prevails in Egypt, and, at present, there is no danger in sight to the stability of the regime. This is in spite of the fact that most of the left- and right-wing extremists arrested by Sadat in September have been freed. The hard-core extremists, such as pro-Khomeini Sheikh Kishk and his colleagues, are still jailed, but no one is asking for their release.

## Crackdown on Dope, Inc.

Mubarak has made the flourishing drug market one of the first targets of his anti-corruption drive. Since the 19th century start of British colonialism, in Egypt, hashish and other drugs have been sold openly in most parts of Egypt—primarily Cairo. Neither Nasser nor Sadat dared to confront the drug dealers in a country where the average annual consumption has reached five grams of hashish per person, according to recent studies. The spread of drug consumption was one of the main reasons why the Egyptian Army was so easily

defeated in 1967—most high-ranking officers, including Marshall Amer, the chief of staff, were addicts.

A series of well-organized arrests throughout the country began to deal with the problem. After the arrests of hundreds of dealers, the price of hashish has now trebled in Cairo due to lack of supply.

A key reason for Mubarak's war on the drug market is that drugs are a major source of income for the British intelligence asset, the Muslim Brotherhood, in Egypt. Other reasons for the crackdown became clear during the well-publicized trial in December of Egypt's "king of hashish," Rashad Osman. Osman, a millionaire, was put on trial as part of the first series of current purges of those "inner circles" around Sadat. Osman was also a leading luminary of Sadat's own political party, the National Democratic Party (NDP).

Beginning in December, Osman's trial, which had first been kept low-keyed after his arrest in September, quickly became a major political scandal. Under Mubarak's direction, the editor of the NDP's own newspaper, *Mayo*, Ibrahim Saada, began to name the names of associates of the drug-dealer. Those named were compelled to appear in court to defend themselves, including Sadat's brother, Esmat Sadat; Abu Taleb, the former governor of Alexandria; Abdel Akher, Minister for Parliamentary Affairs; and Osman Ahmed Osman, another millionaire. All were accused of having used their political power to favor Rashad Osman's drug dealings.

Results came rapidly. Osman was jailed and forced to pay a significant fine. Implicated ministers were forced to resign. Akher and Meguid, the latter, the "father" of Egypt's Open Door economic policy, were not given jobs in the new government announced on Jan. 1. Even Interior Minister Nabawi Ismael was "kicked upstairs" and put in charge only of local communities. His wife is the member of parliament for the same Cairo district where drug dealers operate for Rashad Osman, and she is known to have received monies and political support from such quarters.

A less publicized purge is going on at other levels of the administration, including police and customs.

Those presently named in the scandal are nothing

but the so-called Egyptian elite which has been running the country for decades. This elite was responsible for the Infitah policy, the open-door policy which was used primarily for its proponents' speculative aims, including drug-smuggling.

Perhaps the most significant persons named in the trials were Abdel Akher and Osman Ahmed Osman.

Abdel Akher, a Minister for Parliamentary Affairs until his resignation in December, was primarily known for his earlier activities as part of the "Assiut Mafia," named after the upper Egyptian town. In the mid-1970s when Sadat decided to dismantle Nasser's Arab Socialist Union to create his own party, Akher was appointed deputy governor of Assuit and was a known proponent of the theory that Egypt had three main enemies: 1) The Christians, 2) the Communists, and 3) the Jews. By promoting such a Dark Ages mentality, the Assuit Mafia helped the reemergence of the fundamentalist cult, the Muslim Brotherhood organization dismantled under Nasser, as a tool to be used against the left. Less known was the fact that this also implied helping the Brotherhood to develop its best asset in the region: the cultivation of opium. Opium is exchanged for weapons, especially Israeli ones, which the Brotherhood could use for terrorist capabilities, including murdering Sadat.

One key leader of the network who acts as an interface—through drug and weapon smuggling—between the Egyptian elite and the Muslim Brotherhood, is Osman Ahmed Osman, cited last June in the Egyptian press as a member of the Italian-based secret-society Propaganda-2, which has been running left and right terrorism in Italy and Europe for the last decade.

Osman Ahmed Osman made his fortune out of the type of building projects like those in front of the pyramids which Mubarak ordered destroyed in December. His son's marriage to Sadat's daughter provided political protection for a man who had been investigated in 1969 by Nasser's head of intelligence services, Amin Howeidy, for his intelligence relations with Israel. Mohammed Metwalli, Osman's second in command, was convicted of transmitting vital military secrets to the Israelis. This is even more ironic considering that Osman is known to have made membership in the Muslim Brotherhood obligatory for his 50,000 employees. In his last months, Sadat began to suspect Osman, and rumors spread of an impending divorce between his daughter and Osman's son.

Sadat was reacting to a crisis that Osman had deliberately provoked, with the aim of driving a further wedge between the President and the Egyptian population. Using his personal situation as well as his position of Deputy Prime Minister, Osman wrote an autobiography in which he accused Nasser and his family of corruption. Despite the fact that Sadat immediately ordered a parliamentary commission to investigate the book's claims, an orchestrated press campaign accused Sadat of having ordered the book to discredit Nasser and build his own image. Even Osman's sudden dismissal did nothing to clear the suspicion, which was key in mobilizing public opinion against Sadat in October.

At last, Osman Ahmed Osman's star seems about to fall. Investigation of his activities would doubtless bring to light his activities regarding Sadat's murder. This should be Mubarak's next step.

## A push toward real economic development

Egyptian President Hosni Mubarak has called a meeting the last week in January of the ruling National Democratic Party and various opposition parties to draw up Egypt's future economic policy. Mubarak is fully committed to a policy, barely begun by Sadat, to reroute Egypt's economy toward expanding its agricultural and industrial capacity, with an emphasis on raising standards of living.

Mubarak has repeatedly stressed that his number-one policy concern is the domestic economy. His aim is to root out the growing drug trade and corrupt real-estate and financial speculation of the moneyed Egyptian elites centered around construction magnate Ahmed Osman Ahmed. Mubarak has stressed that he

will continue Sadat's Open Door policy, a scheme introduced in 1975 to invite badly needed foreign investment in Egypt; but he has made it clear that future investment in Egypt must be oriented to production.

Over the last nine months, Egyptian parliamentary committees have drawn up proposals to limit the activities of the unregulated offshore banks which have been accused of usurious lending practices and promoting capital flight from Egypt. The offshore banks are one facet of the destructive free-enterprise system introduced to Egypt by Henry Kissinger and David Rockefeller via the Open Door policy.

Mubarak aims to revitalize Egypt's economy through the construction of eight nuclear plants in order to meet Egypt's growing energy needs. Mubarak is preparing talks with European and Japanese companies to bring new investment to Egypt, in order to stimulate industry and agriculture.