

emergency laws for three years.

One of the main demands of the opposition, which makes up almost 25 per cent of the assembly, has been the lifting of the emergency laws, in force since the 6 October 1981 assassination of president Sadat. Leaders of the two opposition groupings — the Wafd and the Socialist Labour-Muslim Brother-Liberal alliance — said the handling of the issue has shown the government's scorn for the principles of parliamentary democracy.

Prime Minister Atef Sedki, presenting the proposal, said the fresh extension is necessary to combat terrorism and protect democracy. The laws, which give the security forces wide powers of arrest and detention, were first extended for two years in April 1986. Sedki added that "the government will not hesitate to end the state of emergency as soon as the reasons for its application have ceased to exist." He pledged that the emergency laws will be applied only in extreme circumstances.

A similar pledge was made by Interior Minister Zaki Badr. But the minister then proceeded to give an all-embracing category of cases in which the emergency laws would be applied: he said they would only be used "in cases of terrorism, drugs smugglers, black market currency dealers, dangerous criminals and miscreants." Badr added that the validity of keeping the laws in force has been borne out by the events of the past two years, including assassination attacks on former interior ministers and Israeli and American diplomats.

The interior ministry under Badr's tough stewardship has succeeded in arresting alleged members of three groups responsible for terrorist attacks — two Muslim fundamentalist and one Nasserist. With the Nasserist Egypt's Revolution group — which killed two Israeli diplomats — the arrests were made as a result of a member of the organisation giving himself up to the American embassy, press reports say. In the other two cases, Badr used a dragnet approach, arresting hundreds of students and suspected activists under the emergency laws to help the investigation.

The opposition was particularly incensed that it received no warning of when the motion to extend the emergency laws would be tabled. Tempers were already running high because of the recent bugging up by police of Muslim Brother assembly member Issam el-Arian, who had been prevented from travelling to the Upper Egypt towns of Asyut and Sohag. The emergency laws extension is to be debated in committee, before going to a vote in the assembly. The motion is certain to be passed because of the large government majority.

BRIEF

The local **Arab Organisation for Industrialisation (AOI)** has won contracts

totaling \$50 million in the past month to supply Ain Saqr (Hawkeye) anti-aircraft missiles, chairman General Ahmed el-Orabi says. The Ain Saqr is a modified version of the SAM-7 missile. El-Orabi did not name the clients. However, he added that negotiations are being held with Kuwait and the UAE for the sale of locally assembled air-defence systems, including the Ain Saqr and the more elaborate Amun system (MEED 5:3:88, page 6).

● Crude oil export prices have been cut by \$0.75 a barrel for the second half of March. This follows a \$1-a-barrel cut for the first half of the month. The new prices are \$13.25 for Suez blend and Ras Bahar, \$12.40 for Belayim, \$11.70 for Ras Badran and \$11.30 for Ras Ghareb.

● A team from the Abu Dhabi Fund for Arab Economic Development is to visit Cairo soon to study a proposal to invest in a land reclamation scheme. The scheme entails developing 215,000 feddans (90,300 hectares) of desert land for agriculture. Cost is estimated at £E 600 million (\$270 million). The fund's involvement was approved during UAE President Shaikh Zayed's mid-March visit. Plans for Abu Dhabi investment in tourist schemes in Sinai were also discussed during the visit.

● The government has allocated £E 60 million (\$27 million) for building flour mills in the 1988/89 investment budget, which starts in July. The new mills, with a combined daily production capacity of 1,800 tonnes, will be built in Shoubra el-Khaima, Benha, Edfu, El-Arish and Dikheila. The budget also calls for increased production of pasta and bread.

● Negotiations are being held with Canada's **Husky Manufacturing** about a proposal for the local assembly of light aircraft to be used for crop spraying. The aircraft — the Norseman — comes in single and twin-seat form. The single-seat version is capable of spraying 50 hectares of farmland with one 30-gallon tank. The government is reported to be interested in eventually buying up to 1,000 kits. However, industry observers say that if a contract with Husky is signed, it is likely to entail several phases, starting with the delivery of a small number of finished aircraft.

● A \$Aus19 million (\$13.6 million) contract has been awarded to a Sydney-based concern identified as **EPT** to build three grain silos in Upper Egypt. The order was placed by the Australian Wheat Board (AWB), which is carrying out a grain storage programme as part of a five-year (1984-89) agreement to supply 10 million tonnes of wheat. The new silos — with a combined capacity of 90,000 tonnes — are to be built at Qus, Edfu and El-Banyana. Silos have already been built at Sohag and Esna according to the AWB programme (MEED 19:7:86).

● Talks are to be held with companies and authorities in Czechoslovakia, Hungary and the Soviet Union about a project to build rapid rail transport systems to link the new desert cities with Cairo and Alexandria.

● The government has signed contracts to import a total 76,000 tonnes of sugar from Brazil and the EEC, and 1,000 tonnes of tea from Kenya. There have been serious shortages of several commodities in recent weeks, particularly sugar and cooking oil (MEED 19:3:88, page 4).

● The US Agency for International Development (USAID) has agreed to grant \$5 million for

buying a new computer to be installed in the Finance Ministry. The computer will be used to improve the tax system.

● The government has said it will take measures to push through the despatch of 5,000 local drivers to Saudi Arabia to work there during the hajj in July.

● A draft law covering the activities of Islamic investment companies will be presented to the people's assembly by the end of March, Prime Minister Atef Sedki says. The law is expected to specify the framework whereby the companies will become shareholding entities, rather than deposit-takers. By offering high rates of return on deposits, the companies have succeeded in attracting savings of up to \$10,000 million. Sedki emphasised that the law will not seek to determine the interest rate or rate of return provided by the companies (MEED 9:1:88, page 9).

● Defence & Military Production Minister Field Marshal Mohamed Abdel-Halim Abu Ghazala arrived in Washington on 19 March for 10 days of talks focusing on the project to assemble locally the **General Dynamics M1-A1 Abrams** main battle tank. The Reagan administration is expected to seek congressional approval for the scheme soon. It is to be financed from the US military aid programme, which has been running at \$1,300 million a year.

● Several US and US/local joint ventures have applied to prequalify for a construction management contract for a scheme to build wastewater treatment plants in the three Canal cities — Ismailia, Port Said and Suez. The estimated \$500 million project is to be financed by the US Agency for International Development (USAID).

● Industry Minister Mohamed Abdel-Wahab has announced proposals to include employee share ownership schemes in several new projects. He says it is planned that employees should have about 30 per cent of the shares in a venture being set up to manufacture tyres (MEED 25:4:87).

IRAN

Moscow targeted on missiles

Senior officials have resumed their strong criticism of the Soviet Union for its alleged role in Iraqi missile attacks against Iranian cities. The Soviet Union is accused of both supplying and "directing" the missiles, and their explanations have been dismissed as unacceptable.

The verbal assault follows initial acceptance of Moscow's statements that the missiles had been supplied to Iraq some time ago and have been modified, without permission, to increase their range. A later Soviet statement also referred to Iran's own Scud-B missiles which Libya, again without permission, may have supplied Tehran.

The strongest attack came from majlis Speaker Hashemi Rafsanjani, who referred

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