

RELEASE IN FULL

From: Abedin, Huma <AbedinH@state.gov>
Sent: Tuesday, July 5, 2011 9:51 AM
To: H
Subject: Fw: Egypt court clears ex-ministers in graft cases (Reuters)

From: OpsNewsTicker
Sent: Tuesday, July 05, 2011 09:43 AM
To: NEWS-Mahogany
Cc: SES-O
Subject: Egypt court clears ex-ministers in graft cases (Reuters)

CAIRO (Reuters) - An Egyptian court cleared three ministers from former President Hosni Mubarak's administration of graft on Tuesday, the first ruling to exonerate such senior officials since Egypt's popular uprising.

Some of the defendants looked surprised when Judge Mohamed Fathi Sadek read the verdicts in the courtroom, which was filled mainly with their relatives and friends. Cheers of "Long live justice" erupted:

The public prosecutor for financial crimes said he would appeal against the verdicts because they contradicted the evidence, and he demanded a retrial and a new judge.

The protests that unseated Mubarak in February were driven by widespread anger at high-level corruption and the trials of his former associates are regarded as a credibility test for the military council that took power after his downfall.

Former information minister Anas el-Fekky and former finance minister Youssef Boutros-Ghali were found innocent of charges of graft, specifically squandering public funds. Boutros-Ghali, who has fled the country, was tried in absentia.

In a separate ruling by the same court, former housing minister Ahmed el-Maghrabi and Palm Hills Development Chairman Yasseen Mansour were also acquitted of graft.

Frustration at perceived foot-dragging in prosecuting former officials has brought Egyptians on to the streets and sparked sporadic clashes with police.

Activists are calling for another mass demonstration on July 8 to press for quicker prosecution of Mubarak and his former lieutenants, and a swifter move to democracy from military rule.

Most of the popular indignation is directed towards Mubarak, his close allies and former Interior Minister Habib al-Adli, who along with six other former senior officials is charged with killing protesters.

More than 800 people died in the uprising and anger is still raw among their relatives, some of whom blocked a main road in Cairo late on Monday after a court freed police officers who were on trial over the deaths.

"I am going down on the 8th," said one Facebook user, Mohamed Ali, who complained of "the slow process of trials, insulting the martyrs of the revolution, exonerating the ghouls of the fallen regime and the return of police abuse as they act like little Pharoahs".

REVOLUTION ONGOING

Large crowds have turned out for hearings involving Adli, prompting calls for his trial to be moved to a bigger location -- even a stadium -- to accommodate all the activists, lawyers and relatives of the dead and injured.

Corruption cases have proved less emotive. Dozens of riot police guarded the Cairo court house on Tuesday when the verdicts were read out but only a small crowd of supporters of the former ministers demonstrated.

Tuesday's verdicts "are all cases of financial corruption. They are not the main, vital cases that public opinion is concerned with," said Adel Soliman, head of the Cairo-based International Centre for Future and Strategic Studies.

"The message for next Friday is that revolutionary sentiment in Egypt has not yet calmed, that the revolution's demands have not been met and that it insists on seeing them met."

Fekky, who was close to Mubarak, faces other charges, and Boutros-Ghali and Maghrabi have been sentenced to terms in prison for other crimes.

The prosecutor indicted Fekky and Boutros-Ghali in March on charges of profiteering and wasting public funds after investigations showed Fekky received 36 million Egyptian pounds (\$6.04 million) from the Finance Ministry for parliamentary election media campaigns and to promote the ousted ruling party.

Fekky still faces charges that he deliberately misused funds from the state-run Radio and Television Union.

Boutros-Ghali is widely viewed in Egypt as a public face of a government that enriched the wealthy at the expense of the poor. He quit his post in late January then fled abroad only days after the eruption of the uprising that ousted Mubarak.

He was convicted last month and sentenced to 30 years in prison for profiteering and abuse of state and private assets.

In a third ruling, former Trade Minister Rachid Mohamed Rachid was sentenced in absentia to five years in prison for squandering public funds.

Rachid was convicted in June to five years in prison for profiteering and squandering public funds.

NewsTickers alert senior Department officials to breaking news. This item appears as it did in its original publication and does not contain analysis or commentary by Department sources.