

Saturday, 27 April 2013

## Egypt opposition files court case to reveal budget



Several Egyptian opposition parties and civil society groups filed a lawsuit on Saturday to try to force the government to disclose the upcoming fiscal year's planned budget for the country where the economy has waned amid continued unrest. The lawsuit is the latest move by groups complaining that President Mohammed Mursi's government has not been transparent about economic measures they say could hurt Egypt's poor. Egypt's economy has been hard hit by two years of turmoil following the ouster of longtime autocratic President Hosni Mubarak. The new draft budget for the fiscal year beginning in July was presented earlier this week to the economic committee of the Shura Council, an elected advisory body that is serving as a temporary parliament. It is dominated by Islamist parties, which have swept all of Egypt's elections since the fall of Mubarak. Egypt's finance minister, El-Mursi Hegazi, told lawmakers in the council this week that the new projected budget deficit is expected at \$28.5 billion, around \$1.7 billion more than the current fiscal year's. The government has been burning through its foreign currency reserves, which have fallen to a critical level of just \$13.4 billion, a third of the pre-uprising level. Much of that has been spent on propping up the currency and importing fuel and wheat for the country's subsidy system. Egypt spends some \$14.5 billion a year subsidizing fuel and \$4 billion in food subsidies, the bulk of which goes to bread. Hegazi said the new budget would slash fuel subsidies by \$5.2 billion and food subsidies by just over \$300 million. Cuts in subsidies are linked to talks underway for a \$4.8 billion loan from the International Monetary Fund. The loan could help cover some of the government's deficit and might build investor confidence in Egypt. Talks for the loan, though, have dragged on for more than a year. The government has been hesitant so far to implement wide-scale austerity measures that could spur further unrest. Nearly half of Egypt's 90 million people, around 5 million of which live outside the country, subsist on around \$2 a day and rely on subsidies for survival. Many Egyptians and economists say that with parliamentary elections scheduled for some time later this year, the president's Muslim Brotherhood party might be reluctant to push forward with painful subsidy cuts that could hurt them at the polls. Representatives from prominent opposition parties, including rights advocate Mohammed ElBaradei's Dustour Party, said the new draft budget must be released in full. They said the Shura Council only received proposed government spending in vague terms and that the general public has yet to see what the draft budget looks like. A statement released recently by 17 rights groups, activist movements and opposition parties said Egypt has signed on to international agreements that stipulate the government should make its budget public three months before the new fiscal year starts in July. "It is time for the Egyptian government to know it is the people's right to know and participate," the groups said. They said it is people's right to know how much is being spent to bolster the security forces, for example, and the specifics of what is being spent on education and healthcare. Opposition activist Ali Soliman, a member of one of the opposition groups involved in the lawsuit, said he does not trust the Shura Council to actively debate the budget since it is packed with Brotherhood lawmakers and allies of the president. "It's as if the Muslim Brotherhood is presenting the budget to themselves," he told The Associated Press. Some of the groups also are questioning the legality of the Shura Council to act as a legislature. The country's high court is set to rule on its constitutionality next month. The body was elected under the same laws that led to the dissolution of the law-making lower house of parliament last year. "Any talk that questions the legitimacy of this body is rejected," Brotherhood Shura Council member Mohammed Abdel-Maguid said. "People went out and voted in free elections and elected us." Abdel-Maguid also is head of the body's economic committee. He told the AP that lawmakers will make a website for citizens to submit suggestions about the budget, which he said they intend to make public. He did not give a timeframe. He said that almost a quarter of the government's spending in the coming