

Arab League Economic Boycott Against Israel

Background

DOS REVIEWED 27-Dec-2010: NO OBJECTION TO DECLASSIFICATION

The current controversy over the issue of Arab discrimination against certain Jewish-owned business firms has renewed interest in the Arab League economic boycott. It has also confused two separate issues: (1) the boycott itself and (2) anti-Jewish discrimination. The Arab League boycott regulations are written to exclude from Arab markets firms and individuals believed by the Arabs to be engaged in activities which support and strengthen Israel. The regulations are not aimed at Jews or firms with Jewish officials as such.

However, anti-Israel feelings often have extended to Jews in general. King Faisal's outright anti-semitism is the extreme case which leads to the Saudi general practice of denying visas to Jews unless they are official visitors.

Congressman Henry Waxman (D., Cal.) has said that because he is Jewish the Saudi Embassy refused his visa application for his travel to Riyadh with CODEL Price in February and relented only after the Department intervened. We think the problem was complicated by Waxman's application being filed only 48 hours in advance of the CODEL's departure and the inability of the Saudi Embassy to issue him a visa without obtaining authorization from Riyadh because he is Jewish. Waxman's complaint may stimulate questions from the Wednesday morning group.

Talking Points

-- The Arab League governments many years ago decided to invoke an economic boycott against business firms investing in Israel. Its purpose was to exclude from Arab markets firms and individuals believed by the Arabs to be engaged in activities which support and strengthen Israel.

-- Since initiation of the boycott, US policy, as implemented by the Departments of State and Commerce, has been to oppose it. We have made our position clear on repeated occasions at all levels of our contacts with Arab League governments.

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-- The main problem which we face is the Arab's conviction that the boycott is a legitimate measure of economic warfare. They see the issue as too clearly associated with the basic elements of the Arab/Israel conflict to be dealt with except as progress is made toward resolution of that conflict.

-- There are two ways in which we can deal with this problem -- confrontation, which we do not believe will work, or by continuing a policy of quiet diplomacy and persuasion based on our broad effort to strengthen bilateral relations with the Arab League governments and our promotion of a negotiated Arab-Israeli settlement. We believe we have made some progress, but realistically one cannot anticipate a formal lifting of the boycott until we are much closer to a settlement.

-- Recently, the issue of the boycott has been complicated by reports of anti-Jewish discrimination in connection with the boycott.

-- As I noted previously, the Arab boycott regulations as written are aimed at the State of Israel, not at Jews and firms with Jewish officials as such. There are firms on the boycott list with no Jewish association; and there are Jewish-officered firms which do business in the Arab world. There are Muslim-owned firms in Turkey and Iran on the boycott list.

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-- We are most concerned that continued public discussion linking what we believe to be two separate issues, a boycott aimed at Israel and anti-Jewish discrimination, may very well strengthen the position of factions calling for more stringent application of the boycott, reverse recent favorable trends and, perhaps, even impact on prospects for a negotiated settlement.

-- At the President's direction a review is under way by the State Department and other concerned agencies to determine the circumstances under which acts in support of the boycott might violate US laws or regulations.

-- While we are not at this moment aware of any cases involving American-owned firms in which religious discrimination has been practiced, there can be no question that we would find such practices unacceptable.

If questioned concerning State Department personnel policies:

-- US Government officials of Jewish extraction do travel to the Arab nations with which we have relations on official business. State Department personnel are assigned without regard to race or religion. Our policy was stated in a Foreign Affairs Manual Circular released on January 11, 1972. It says "...assignments to all positions in each agency, domestic and overseas, are made without consideration of the race, color, religion, sex, or national origin

of the employee concerned. No post in the field and no office in State, AID, or USIA can refuse the assignment of an employee on the basis of race, color, religion, sex, or national origin."

-- Saudi Arabia does require a certificate of religious affiliation as part of its visa application process. Any nation has the sovereign right to set its own standards for entry into its territory.

-- I cannot state categorically whether or not any American Jews serving in the Foreign Service are now assigned to Saudi Arabia because the Department does not keep records showing our employees' religion.