



THE JACOB RADER MARCUS CENTER OF THE
AMERICAN JEWISH ARCHIVES

Preserving American Jewish History

MS-603: Rabbi Marc H. Tanenbaum Collection, 1945-1992.

Series D: International Relations Activities. 1961-1992

Box 54, Folder 12, Arab boycott, 1976-1978.



Mor Rosenbaum

75-630-10

THE AMERICAN JEWISH COMMITTEE

date February 23, 1976
to Seymour Samet
from Samuel Rabinove
subject Possible stockholders' suit against U.S. corporation for Arab boycott compliance

As I reported on January 2, Dan Shapiro and I had met with Abraham Pomerantz, a prominent lawyer who specializes in stockholder actions, to explore with him the feasibility of such a suit based on the possible damage to shareholder interests where a company accedes to Arab boycott demands. Our theory was that boycott compliance exposes a company to the possibility of incurring costly penalties in a suit by the Department of Justice and/or an aggrieved third party under the U.S. anti-trust law. Mr. Pomerantz seemed to be interested in the possibility of bringing such an action, noting that he would like to think about it further.

Mr. Pomerantz has now advised me that he would be reluctant to bring such a shareholder action. All factors considered, he believes that it would not be a very strong case. Such a company, probably, would defend its boycott compliance on the grounds that its action is in the best economic interests of its shareholders and that any possibility of an anti-trust suit against it is highly conjectural. Mr. Pomerantz stated, however, that he would be most happy to represent a specific subcontractor who claims to be aggrieved as a result of another company's boycott compliance. If we can produce such a possible plaintiff, he would be delighted to proceed accordingly.

It continues to be my own opinion that a shareholder suit, even if it is not the strongest possible case, would be a desirable undertaking. The mere fact of bringing such a suit, with its attendant publicity, might well have a deterrent effect on other companies which seek to do business in the Middle East and which are tempted to capitulate to Arab boycott demands. If AJC were to be the plaintiff, the institutional benefits are apparent.

As I see it, the main problem is to select an appropriate target company. Assuming we can reach a consensus on this, we can then purchase a small number of its shares and endeavor to find an experienced corporate attorney who will be willing to represent us on a pro bono basis in a suit against that company.

SR:rd

cc: ARECWA Staff Task Force, Theodore Ellenoff, Bertram H. Gold, H.L. Greenberger, Esq., Richard Maass, Alfred H. Moses, Esq., Daniel S. Shapiro, Esq.

MEMORANDUM

Christians Fight Arab Boycott of Israel

By IRVING SPIEGEL

Special to The New York Times

WASHINGTON, May 12 —

Several major Christian denominations have notified American corporations in which they own stock that they would withdraw their investments if the concerns submit to the Arab boycott against Israel or discriminate against Jews, it was disclosed today at the American Jewish Committee's 70th annual meeting.

Rabbi Marc H. Tanenbaum, national interreligious affairs director of the agency, gave a detailed outline of this development in an interview, saying:

"The use of church investments by a number of major Christian bodies and ecumenical groups to change the policies of those industries which have caused social injury and violated the civil rights of American citizens by capitulating to the Arab boycott against Israel and to anti-Jewish discrimination is a significant and welcome contribution to re-

storing ethical accountability and social responsibility in the world of commerce."

Rabbi Tanenbaum said that one of the most active groups in this effort was the National Ministries Board of the American Baptist Churches. The church owns approximately \$36 million in stock.

In the letter to the various corporations, the Baptist group reminded them that "all boycott demands against any country having diplomatic relations with the United States are contrary to the stated policy of our Government."

Other religious groups that have taken similar actions, Rabbi Tanenbaum said, were the Interdenominational Committee on Corporate Responsibility of Pennsylvania and the Forum for Investment Responsibility of New York. Both groups are ecumenical in membership and include church representatives from the Episcopal, Presbyterian, Baptist,

Methodist, Lutheran, Unitarian, Quaker and Ethical Culture bodies. These ecumenical groups are related to the Interfaith Center on Corporate Responsibility, which consists of the major Protestant denominations and Catholic orders, all working in the field of corporate responsibility.

Rabbi Tanenbaum did not disclose how much money had been invested by these groups in various corporations. He said that the American Baptist churches had received replies from 22 corporations and are considering follow-up action.

Dakota Flood Peril Ends

MINOT, N.D., May 14 (AP)—

The Souris River dropped below flood stage here today for the first time in 38 days, according to the National Weather Service. The river was four inches below flood stage at 8 A.M., officials said.

COUNTRY FUN FOR KIDS

August 7, 1978

Reverend Michael P. Walsh, S.J.
Chairman of the Board of Directors
Georgetown University
Boston College High School
150 Morrissey Boulevard
Dorchester, Mass. 02128

Dear Reverend Walsh:

I have known Father Timothy Healy, S.J., since his arrival in Washington. I have found Father Healy to be a remarkable human being, a fine intellect and a worthy successor to the past illustrious presidents of Georgetown University.

I have not always agreed with Father Healy on every issue, but I could always trust his honesty and integrity in any decision that he made. If I thought that Georgetown should have been hesitant in accepting large amounts of money from Libya for the Center for Contemporary Arab Studies, I knew that under Father Healy's leadership publications or classes would have high academic standing and would be a contribution in the "give and take" of contemporary intellectual conversation and university studies.

I was shocked by the vitriolic attack on Father Healy by the Director of the Center for Contemporary Arab Studies, Dr. Hisham Sharabi. If I read the interview correctly, he has challenged Georgetown University to make a decision for or against academic honesty. His interest is propaganda. The charter of Georgetown University mandates that its interests be learning and the dissemination of knowledge.

Dr. Sharabi has said, "I have a greater stake in the university than he has -- 25 years. He's a newcomer. ...I'm going to fight that man in every way I can."

The academic credentials of Georgetown University have been challenged. While not an alumnus, I am a sometime student in the graduate program and in seminars, because I enjoy the high level of academic competence I find on the Georgetown campus. But, frankly, I am frightened by what I have read.

I ask the Board of Directors to publicly state whether a Center for a basic study or project on the Georgetown campus may allow itself to become a center for propaganda of one political ideology.

(over)

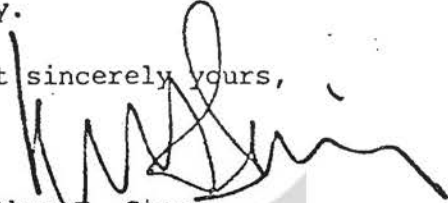
Reverend Michael P. Walsh, S.J.

-2-

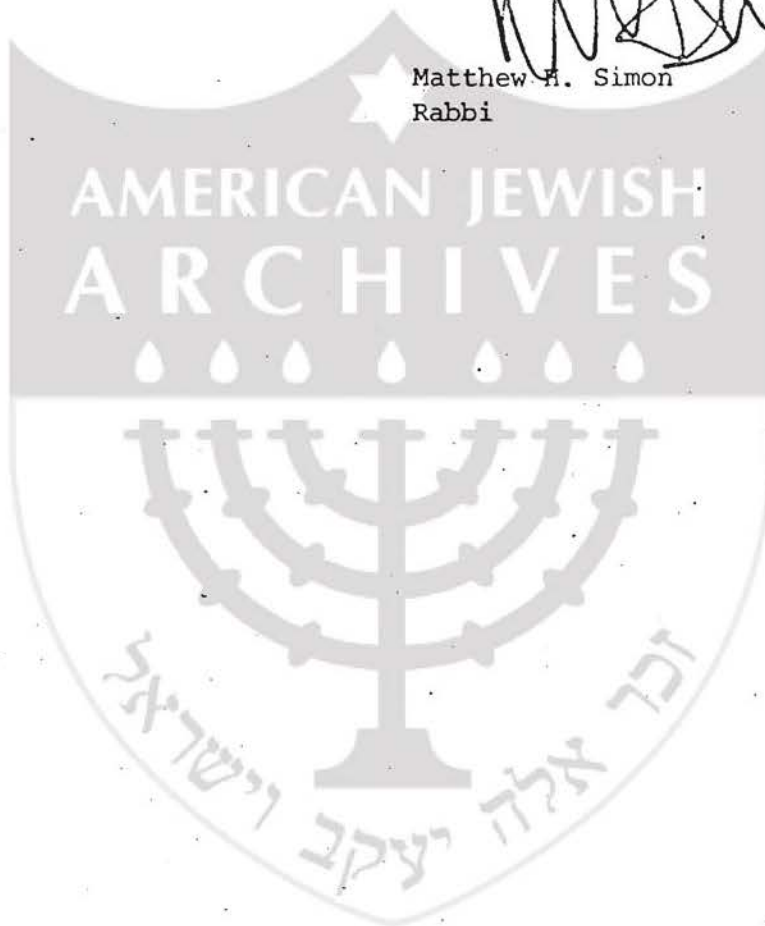
August 7, 1978

Father Healy's reputation has been challenged. I know that your Board will uphold his status and support his efforts to continue making Georgetown University the center of intellectual life it has been since the eighteenth century.

Most sincerely yours,


Matthew H. Simon
Rabbi

MHS/lh
enc.



August 7, 1978

Father Timothy S. Healy, S.J.
President, Georgetown University
Washington, D. C. 20057

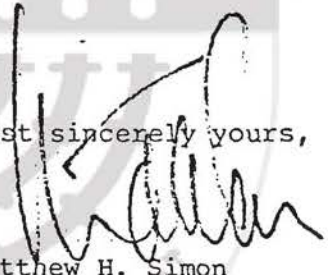
Dear Tim:

-I wanted to do something as quickly as possible. I trust my judgment was good and I have not over-reacted. It is always important that your Board know the feelings of the community.

I will try to stay in touch with any follow-up to the interview.

Best personal regards.

Most sincerely yours,



Matthew H. Simon
Rabbi

MHS/lh
enc.

August 7, 1978

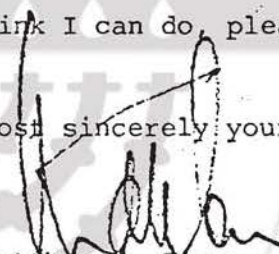
Mr. Herschel Blumberg
3300 Pauline Drive
Chevy Chase, Md. 20015

Dear Herschel:

I appreciated the time you gave me on the telephone regarding Georgetown. It is rather important that the community makes its feelings known to the University. I know that you, in your capacity as an alumnus and a community leader, will support Father Healy against the vicious attack printed in the Washington Post.

If there is something else you think I can do, please let me know.

Most sincerely yours,



Matthew H. Simon
Rabbi

MHS/lh
enc.

August 7, 1978

Mr. and Mrs. William S. Louchheim, Jr.
Mr. Thomas Louchheim
712 North Beverly Drive
Beverly Hills, Calif. 90210

Dear Marlene and Sandy and Tom:

I thought you would have a special interest in reading the frightening interview in this week's Washington Post. Father Timothy Healy is now in Toronto and was unable to respond. Out of personal affection, I took the liberty of writing the Board of Directors of Georgetown University.

You may recall when you were last here my mentioning the special responsibility we have to see that Georgetown retains balances in its commitments. Clearly, the Jewish community is non-competitive with petrodollars. At the same time, we are desperate for a simple Chair of Judaic Studies -- not for the sake of Israel but for presenting Judaism at its intellectual best and finest.

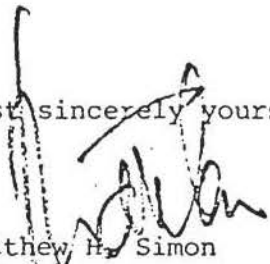
The summer has gone well -- and very quiet. For the first time in years, Sara and I have done almost nothing. After years of travel, touring and visiting, we have done little more than sit in our back yard and take an excursion in the area. We have not made Georgetown as yet. Forty-five miles is the best we have done, out of a desire to catch up on our own lives and catch up with our own thoughts.

I trust Tom will be returning to Georgetown this fall. He is clearly what the school needs by way of a committed student. I can tell you my own delight in being with him.

I trust that in November Sara and I will be visiting in San Francisco, when we will drive down to Los Angeles. If we miss that opportunity, the last week of January and the beginning of February we will be in Beverly Hills at the national convention of the Rabbinical Assembly, the organization of Conservative rabbis. I will be in touch as soon as plans begin to gel.

All our love.

Most sincerely yours,


Matthew H. Simon
Rabbi

MHS/lh
enc.

August 7, 1978

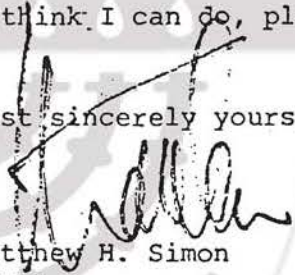
Dr. Israel Shulman
5002 Massachusetts Ave., N. W.
Washington, D. C. 20016

Dear Sonny:

I appreciated the time you gave me on the telephone regarding Georgetown. It is rather important that the community makes its feelings known to the University. I know that you, in your capacity as an alumnus and a community leader, will support Father Healy against the vicious attack printed in the Washington Post.

If there is something else you think I can do, please let me know.

Most sincerely yours,



Matthew H. Simon
Rabbi

MHS/lh
enc.

THE AMERICAN JEWISH COMMITTEE
INSTITUTE OF HUMAN RELATIONS
165 East 56th Street
New York, New York 10022

DATE

Sept 28/78

FROM: RABBI MARC H. TANENBAUM

TO:

Dr. Silverman

Please circulate to:

- For Approval
- For Your Information
- Please Handle
- Read And Return
- Returned As Requested
- Telephone Me
- Your Comments, Please

REMARKS:

Dr. Silverman
Thought you would want to know about this -

Marc

Rabbi - can you get any more info on this group - since their return from Libya? Shela

AUG 72

ESIDENT DPC

all contents



ARAB AMERICAN DIALOGUE COMMITTEE



1800 M STREET, N.W.
SUITE 780 - SOUTH BUILDING
WASHINGTON, D.C. 20036
202-833-1373

RICHARD C. SHADYAC
CHAIRMAN

HELEN M. HAJE
EXECUTIVE SECRETARY

AHMED ARAJI, Ph. D.
MEMBER

MICHAEL HUDSON, Ph. D.
MEMBER

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رئيس مجلس ادارة
هيلين م - حجاج
مكينة الادارة
دكتور احمد الراعي
عضو
دكتور ميشيل هدسون
عضو



The purpose of the Dialogue is to bring together responsible and outstanding representatives from the U.S. and the Arab world in an attempt to create an atmosphere for better better understanding and for exchanging views and positions on matters of mutual concern to all the countries involved.

The program plans to deal with several elements of Arab American relations which, at the present time, are major factors contributing to misunderstandings which do exist. It is our contention that more can be accomplished through dialogue on a people-to-people level, than through any other means. Dialogue such as this can be extremely effective.

August 1, 1978

Attending the Conference will be many outstanding Americans representing various segments of American life; distinguished journalists, media personalities, politicians, academicians, as well as other professional and business persons; who will meet with their counterparts from throughout the Arab world.

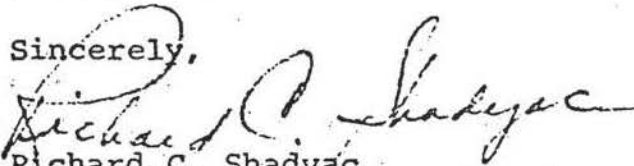
We know that plane hi-jacking has been an area of major concern to your organization, as well as to the rest of the world. We would like to have you meet with your counterparts in Libya, or at least with Arabs who have the same concerns as you have.

I hope you will be able to accept our invitation to take part in this unique and historic event. The planning Committee is prepared to provide you with round-trip air and related travel accommodations. However, your written acceptance is necessary in order for us to reserve plane and hotel space for you. Won't you please fill out the enclosed form and return it to this office with your letter of acceptance as soon as possible.

We are also enclosing a copy of our Joint Statement of Purposes, and a copy of a Brochure which outlines the program of the Conference. If you have any questions, or wish to discuss this invitation further, please do not hesitate to call. I will be happy to speak with you, or meet with you, at a mutually convenient time and place, should you so desire.

We look forward to an early response.

Sincerely,


Richard C. Shadyac
Chairman

/hh
Encl:

JOINT STATEMENT OF PURPOSES

OCTOBER 9-14, 1978
THE PEOPLE'S HALL

A PEOPLE TO PEOPLE CONFERENCE

The relationship between the Arab and American people has become increasingly important during the last decade.

It has become more complex and problematical. The M.E. crisis has cast a shadow over all the dimensions of this relationship — economic and cultural as well as political.

There is a need for mutual study and comprehension on both sides.

The Arab American Dialogue Conference to be held in Tripoli, Libya, October 9, 10, 11, and 12, 1978 is intended to provide a forum for the full and frank discussion of this relationship. Distinguished figures from the Arab World and the United States will discuss the present conditions and future prospects of the Arab American relationships in the area of: (a) political disagreements, (b) the importance of Arab American economic exchanges, (c) cultural, scientific and educational exchanges, and (d) the role of the mass media on each side. It is the hope of the DIALOGUE PLANNING COMMITTEE that the "Tripoli" discussion will produce fruitful suggestions for the improvement of Arab American relations in all these areas.

The principal speakers in the conference will be outstanding Arab and American specialists in their respective fields. They will be given broad latitude to analyze and express their candid opinions on their subjects. The participants in the Dialogue will represent a cross-section from Arab and American societies, as befits the "people-to-people" philosophy underlying the Dialogue. They will come from a variety of geographic and occupational backgrounds.

The basic purpose of the Dialogue is to bring Arabs and Americans closer together through an objective and informed discussion of the points of convergence and divergence in the increasingly important relationship between the United States and Arab World.

THE FIRST
ARAB-AMERICAN
DIALOGUE
Tripoli, SPLAJ

**THE ARAB AMERICAN
DIALOGUE PLANNING
COMMITTEE**

**HONORABLE CHAIRMAN OF
THE JOINT COMMITTEE**

Ahmed El-Shahati

**Head of the Foreign Liaison Office
People's General Congress
(Secretariat of Foreign Relations)
The Socialist People's Libyan
Arab Jamahiriya**

THE AMERICAN PLANNING COMMITTEE

**Richard C. Shadyac, Esq.
Chairman
Helen M. Haje
Executive Secretary
Professor Ahmed Araji
Member
Professor Michael Hudson
Member**

THE ARAB PLANNING COMMITTEE

**Mohammed H. Burki
Dr. Wafik El-Tibi
Dr. Omar Al-Fathali
Dr. Ali El-Hawat
Hussein Fallah
Abdulsalam Ali El-Arabi
Ahmed Attabib**

**THE ARAB AMERICAN
DIALOGUE COMMITTEE
1800 M. Street, N.W.
Suite 780 So.
Washington, D.C. 20036
Tel: 202-833-1373**

PROGRAM

(Tentative Agenda)

MONDAY, October 9, 1978

The Dialogue will open on the evening of Monday, October 9, 1978 in Tripoli, The Socialist Peoples' Libyan Arab Jamahiriya with a Reception and Dinner to welcome the members, participants and guests of the Conference, in order to give both the Americans and Arabs an opportunity to meet informally, and become acquainted.

TUESDAY, October 10, 1978

- Panelist: An American
Title: Prospects for American Policy
- Panelist: An Arab
Title: Prospects of the Arab Policy in the Middle East.

EVENING: No schedule has been announced. Some social function will be held, or a Dinner with a Speaker.

TUESDAY, October 10, 1978

MORNING SESSION
The People's Hall

- 9:30 AM Opening Remarks
Arab Representative
American Representative
- INTRODUCTION:
Presiding Officers
- 10:30 AM First Panel
"AMERICAN AND ARAB
POLICIES IN THE MIDDLE
EAST ... EVALUATIONS
AND PROSPECTS"
- Moderator: Dr. Omar El-Fathali
- Panelist: An American
Title: Evaluation and Analysis of
the American Policy in the
Middle East
- Panelist: An Arab
Title: Evaluation of Arab Policy
in the Middle East

1:00 PM LUNCHEON (With a
Speaker)

AFTERNOON SESSION
The People's Hall

2:30 PM Continuation of First Panel

WEDNESDAY, October 11, 1978

MORNING SESSION
The People's Hall

- 10:30 AM Second Panel:
"ARAB-AMERICAN ECON-
OMIC COOPERATION:
IMPORTANCE AND
AND PROBLEMS."
- Moderator: Professor Ahmed Araji
- Panelist: An American
Title: The Importance of Arab-
American Cooperation in
Economics in the U.S.
- Panelist: An Arab
Title: The Importance of Arab-
American Cooperation in
Economics in the M.E.
- Panelist: An American
Title: The Problems in Arab-
American Cooperation
- Panelist: An Arab
Title: The Problems in Arab-
American Cooperation

1:00 PM LUNCHEON (With a
Speaker)

AFTERNOON SESSION
The People's Hall

THURSDAY, October 12, 1978

2:30 PM Third Panel
"CULTURAL, SCIENTIFIC,
AND EDUCATIONAL
EXCHANGE"

Panelist: An Arab
Title: Analysis of the Future
Relationship with the Press

Moderator: Dr. Ali Al-Hawat

1:00 PM LUNCHEON (With a
Speaker)

Panelist: An American
Title:

AFTERNOON SESSION
The People's Hall

Panelist: An Arab
Title:

Panelist: An American
Title:

Panelist: An Arab
Title:

2:30 PM PRESENTATION OF
RESOLUTIONS, AWARDS,
AND OTHER BUSINESS

(The meeting will adjourn at approximately 5:30
PM and a Banquet will be held at 8:00 PM with a
speaker)

8:00 PM DINNER (With a
Speaker)
FORMAL CLOSING OF THE
FIRST ARAB AMERICAN
DIALOGUE.

THURSDAY, October 12, 1978

MORNING SESSION
The People's Hall

FRIDAY, October 13, 1978

10:00 AM Fourth Panel
"THE ROLE OF THE MASS
MEDIA IN ARAB
AMERICAN RELATIONS"

Bus and Helicopter Tours of projects and sites of
interest to be planned in advance.

Moderator: Dr. Hisham Sharabi

FRIDAY and SATURDAY
October 13 and 14, 1978

Panelist: An American
Title: Analysis of the Present
Relationship with the Media

Guests, and Participants depart for their res-
pective homes.

Panelist: An Arab
Title: Analysis of the Present
Relationship with the Media

Panelist: An American
Title: Analysis of the Future
Relationship with the Press

DIALOGUE NUMBER ONE ADJOURNS

AMERICAN BUSINESS CAN WELL AFFORD TO SAY NO TO BOYCOTT DEMANDS

A Background Memorandum

With petrodollars continuing to flow like oil into the coffers of the Arab oil nations, U.S. companies are vying for business opportunities in Arab lands. Does that mean they have to bow to Arab boycott pressures? Most evidence indicates this does not follow at all.

Acquiescence in the Arab boycott against Israel not only calls for refusal to buy from, sell to or invest in the Jewish state; it also requires a willingness to discriminate against American Jewish manufacturers, suppliers, subcontractors, investors--even against Jewish board members, executives, managers and technological experts. The U.S. Government, the American business community and the many civic and religious groups that keep watch over American policies and practices have all made it clear that they are not prepared to agree to such demands.

The Export Administration Act of 1969 declares it the policy of the U.S. "to oppose restrictive trade practices or boycotts fostered or imposed by foreign countries against other countries friendly to the U.S." The Sherman Anti-Trust Act prohibits restraint of trade. Employment discrimination violates the Federal Civil Rights Law as well as numerous other Federal, state and local statutes. And new laws and regulations are under consideration to tighten restrictions and increase the penalties against companies complying with boycott demands.

To counter this trend, a new series of rumors seem to have been floated by the Arabs and their friends. Anti-boycott requirements, it is said, are costing American companies contracts, investment capital and orders. Is this true? The widely respected Mitchell, Hutchins Inc., in a report issued in August 1975 analyzing OPEC Expenditures: Size, Timing, Nature and Beneficiaries, points out that the largest current OPEC markets are Iran, Venezuela and Indonesia--none of them involved in the boycott. And The New York Times, in a report from Paris dated April 4, 1976, notes that the Netherlands and the United States--special targets of the 1973 Arab oil embargo because of their pro-Israel stance--both increased their exports to the Mideast in 1974 and 1975, while France, its pro-Arab policies notwithstanding, has fallen behind. The same pragmatism marks most of the Arabs' business dealings.

By far the largest Arab purchases in the U.S. involve military weapons, hardware and parts. As of March 1976, the U.S. Army Corps of Engineers was authorized to subcontract and supervise the building of \$18 billion-worth of military facilities in Saudi Arabia alone. There are 3,000 Saudis studying in the U.S., and many of that country's highest officials were educated here. The Saudis are buying 110 Northrop F-5E jet fighters, and want our tanks, anti-tank missiles and armored personnel carriers. Only American companies can provide the technology for this sophisticated equipment, and the personnel to teach the Arabs how to use and maintain it. A decision to shift this business to other countries because U.S. companies will not bow to the boycott would mean not only scrapping and replacing expensive equipment but retraining pilots, aircraft technicians and artillerymen as well as essential civilian workers--an enormous waste of petrodollars. And in sparsely populated countries like Saudi Arabia and Kuwait, the limited labor supply would make such a switch particularly difficult and unlikely.

Of course, military supplies are not all the Arabs buy. In the next few years they are expected to increase their imports from the West in order to build schools, housing, hospitals and other facilities their countries are now lacking. For these goods and services too, the Arab states are most likely to look to the U.S., for neither Japan nor Europe nor both together have the industrial capacity to meet this high-priority need. "Despite anti-American sentiment in some of the Near and Middle East countries through the past decade, and sharp Japanese and European competition, there is marked preference for American products," Mitchell, Hutchins declares. "U.S. products are often the standard by which all other industrial machinery, transport equipment and consumer durable goods are evaluated." In the two most dynamic markets, Iran and Saudi Arabia, no single supplier is dominant, the study indicates, "but the U.S. has a commanding leading position in both of these countries."

Virtually all the Saudi development plans have been worked out by American experts and are based on contracts with American firms; many are already being implemented. Thus, a shift to other suppliers could cripple expensive projects under way. Indeed, as U.S. News and World Report reported in February 1976, despite their insistence on boycott compliance, the Saudis are worried that some large American firms will avoid business deals that may conflict with American law.

American equity markets also enjoy a special advantage. The Arabs are cautious investors, very much concerned with the diversity, stability and safety of their holdings, and the American capital market is the largest and most liquid in the world, more capable of accommodating big investments than any other. OPEC nations invested about \$1.5 billion in U.S. equities in 1975, up sharply from \$360 million in 1974. There was also a large increase in the flow of Arab money into U.S. Treasury notes, bank certificates of deposit, corporate stocks and bonds, real estate and other instruments.

The dollar, despite its vicissitudes in recent years, remains the most important reserve currency in international finance. As large holders of dollar-denominated securities, it is doubtful that the Arabs would follow a money policy that could do damage to their own wealth. But even if they chose to place their funds in foreign markets, that money would still be available to borrowers here. And realistically, as an Arab banker said in an interview reported in Business Week (March 15, 1976), even if there is no direct contact, a "pro-Israel" bank cannot with any certainty be eliminated from an underwriting: "It's like driving a train. You can choose who is going to run it, but you can't select the passengers."

Further, as Mitchell, Hutchins documents, while OPEC purchases of Western goods and services have increased sharply since 1973, "exports to the oil-producing countries still occupy only a small place in the trading activities of the developed world. [In 1974] exports to OPEC represented only about 5.5 per cent of total OECD exports." If the U.S. maintains its current market share, such OPEC purchases "could represent about 0.7 of 1 per cent of GNP in 1976." Similarly, the \$1.5 billion the Arab states invested in equities here is a minuscule portion of the well over \$800 billion in shares on U.S. stock exchanges.

It is also evident that when the Arab states need American goods, services or know-how they are ready to overlook or evade their own boycott rules. Many American companies--including IBM, TRW, General Electric, Textron, General Telephone and Electronics, Raytheon, McDonnell Douglas, United Aircraft, TWA, Boeing, Hilton, Hertz, Avis--are doing business with both Israel and the Arab world. Ford, Bacon & Davis, a large engineering firm on Algeria's blacklist, was chosen by Saudi Arabia for a new \$4 million contract; and Air Products & Chemical, which is on the Saudi list, is supplying the technology for a big plant in Algeria. Egypt is negotiating with the Ford Motor Company, which has been on the Arab League blacklist since 1966, for a \$150 million joint venture to build diesel engines and assemble trucks and tractors, even though Ford has said it will not stop dealing with Israel.

At the same time, the Administration is clamping down on U.S. companies that violate the law by overt or covert boycott compliance. The Justice Department has filed a civil anti-trust suit against the Bechtel Corporation, a construction company charged with excluding blacklisted subcontractors from its Middle East work. The Government argues that an American company operating under U.S. law may not do harm to other Americans in order to comply with the business conditions set by a foreign state, and that consent to such practices is tantamount to relinquishing this nation's sovereign right to make the laws controlling our commerce.

Thus, it is clear that Arab boycott demands are likely to meet growing resistance on both legal and moral grounds. But there is little danger that American businesses rejecting those demands will suffer for standing firm.

THE AMERICAN JEWISH COMMITTEE

date August 9, 1978
to Area Directors
(one per office; please share)
from Sonya F. Kaufer
subject Jewish Tribute to Pope Paul VI,
Saudi "Moderation"?

MEMORANDUM

Both these op-eds are tied to issues that are right now in the news, and must be put in the works at once if they are to be picked up.

I am getting very few clippings back on recent op-eds. Does this mean you are not using them--or just not sending them back to me? Please let me know.

Regards.



A handwritten signature in cursive script, reading "Sonya F. Kaufer". The signature is written in black ink and is positioned below the typed name "Sonya F. Kaufer" in the header. A large, faint watermark of the American Jewish Archives logo is visible in the background behind the signature.

SFK:hkp

cc: National Professional Staff

78-965-30

SAUDI "MODERATION"?

"Saudi Arabia is of critical importance as a moderate, constructive influence in the Middle East, particularly in the quest for peace," the Carter Administration declared in justification of the F-15 sale to Saudi Arabia. Indeed, many of the Senators who supported the Administration on the arms package cited Saudi moderation as a key factor in their votes. Now we hear that the Saudis are pressing for an end to the current Egyptian-Israeli peace initiative--a very peculiar evidence of moderation indeed.

Actually, the fabled Saudi moderation never existed. They never supported Mr. Sadat's decision to pursue peace with Israel; all they did at the urging of the U.S., was to refrain from the vitriolic condemnation of the Egyptian President that some of their Arab brethren engaged in.

Peace in the Middle East is vital to U.S. interests. If the Saudis persist in blocking the peace effort, the Carter Administration may want to reexamine its assumption of Saudi moderation--and to hold up the billions of dollars in arms and other exports to that country until the reassessment is completed. The Senators who supported the F-15 sale and the American people as a whole, have the right to be sure that they haven't been taken in.

JEWISH TRIBUTE TO POPE PAUL

American Jews join with their Catholic friends in mourning the death of Pope Paul VI.

Pope Paul's appointment of the Vatican Secretariat on Catholic-Jewish Relations and his issuance of the Vatican Guidelines calling for concrete actions to improve ties between our faiths and peoples were fundamental contributions to interreligious friendship. It was during his reign that major strides were made toward advancing understanding and mutual respect between Catholics and Jews the world over.

