



Department of State

TELEGRAM

FT-11-2

1975-8-M, Assad, Ismail, Boycott

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ACTION NEA-10

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INFO OUT-01 ISD-00 AID-05 CIAE-00 COME-00 ER-07 FRB-03
INK-07 NSAE-00 USIA-06 TRSE-00 XMB-02 UPLC-03 SR-02
CIEP-01 LAB-04 SIL-01 UMB-01 L-03 NSC-05 SS-15 STR-04
CEA-01 H-02 PA-01 PRS-01 SAJ-01 SAM-01 IO-10 /097 W

R 190904Z AUG 75
FM AMEMBASSY DAMASCUS
TO BELTSITE WASHDC 4298
INFO AMEMBASSY ABU DHABI
AMEMBASSY ALGIERS
AMEMBASSY AMMAN
AMEMBASSY BEIRUT
AMEMBASSY CAIRO
AMEMBASSY DUMA
AMEMBASSY JIDDA
AMEMBASSY KUKAIT
AMEMBASSY MANAMA
AMEMBASSY MUSCAT
AMEMBASSY KABAT
AMEMBASSY TEL AVIV
AMEMBASSY TRIPOLI

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BEIRUT PASS BAGHDAD

R.O. 11052: N/A
TAGS: DTLO: SY

SUBJ: ARAB BOYCOTT: NEW SYRIAN DECREE SEEN AS MORE LIBERAL

1. SUMMARY: NEW SARG DECREE STATES BOYCOTTED FIRMS "COULD BE REMOVED" FROM BOYCOTT LIST "IF THEY ESTABLISH INDUSTRY IN ARAB COUNTRY." SYRIAN OFFICIAL AND PRIVATE SECTORS VIEW THIS AS LIBERALIZING STEP. END SUMMARY.

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2. SARG OFFICIAL GAZETTE NO. 31, AUG 6, 1975 PUBLISHED
DECISION 482 OF JULY 19, 1975 (INFORMAL EMBASSY TRANSLATION):
"THE MINISTER OF ECONOMY AND FOREIGN TRADE DECREES THE FOL-
LOWING:

ARTICLE I: ANY FOREIGN COMPANY OR INSTITUTION, WHEN IT
IS ESTABLISHED THAT IT SOLD TO ISRAEL A PLANT CONTRIBUTING
TO STRENGTHENING ITS ECONOMY OR WAK EFFORT, SHALL BE BOYCOTTED.

ARTICLE II: THE CONDITION OF COMPANIES ON WHICH THE
PRINCIPLE SPECIFIED IN ARTICLE I SHALL BE APPLIED SHALL BE
DISCUSSED AT BOYCOTT OFFICERS' CONFERENCE AND DECISION ON IT
SHALL BE DECIDED IN LIGHT OF NATURE OF PLANT WHICH SAID COM-
PANY SOLD TO ISRAEL AND ROLE WHICH THIS PLANT PLAYS IN
STRENGTHENING ISRAEL'S ECONOMY OR WAK EFFORT.

ARTICLE III: IF CONFERENCE DECIDES ON AN EMBARGO ON
THE COMPANY, THAT WILL BE DONE WITHOUT NEED FOR A WARNING,
CONSIDERING THAT THE WARNING BECOMES INEFFECTIVE AFTER THE
VIOLATION HAS ACTUALLY OCCURRED.

ARTICLE IV: NAMES OF COMPANIES LISTED FOR REASON SPECI-
FIED IN ARTICLE I COULD BE REMOVED FROM LIST OF BOYCOTTED
COMPANIES IF THEY ESTABLISH AN INDUSTRY IN THE ARAB COUNTRIES
FOR THEIR OWN ACCOUNT OR BY PARTICIPATION WITH ARAB CAPITAL
PROVIDED THEY DO NOT HAVE OTHER RELATIONS VIOLATING
THE BOYCOTT PRINCIPLES.

ARTICLE V: THIS DECREE SHALL BE PUBLISHED AND SHALL GO
INTO FORCE AS OF DATE OF ITS ISSUE."

3. SOME PRIVATE, WELL-INFORMED SYRIAN BUSINESSMEN AGREE
WITH INTERPRETATION OF ARTICLE IV APPEARING IN BOYCOTT ARTICLE
IN AUGUST 17 JOURNENT-LEJOUR (BEIRUT) -- THAT ARTICLE IV
PROCEDURE TO BE REMOVED FROM BOYCOTT LIST IS NEW ELEMENT --
AND SEE THIS AS LIBERAL MOVE BY SARG.

4. DURING CALL DEALING WITH OTHER MATTERS ON DR. ABDULLAH
AZMER, SARG DEPUTY MINISTER OF ECONOMY AND FOREIGN TRADE,
EMBASSY SHOWED HIM L'ORIENT ARTICLE AND AZMER SAJU INTERPRETA-

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PLAN WAS CURRENT, THIS WAS NEW, MORE LIBERAL SARG POLICY.
WHEN ASKED ABOUT SOMEWHAT CONFLICTING BOYCOTT STATEMENT BY
COMMISSIONER GENERAL MANGUUB (MIDEAST MARKETS, 12/23/74) HE
NEED FOR FIRM ALSO TO SEVER TIES WITH ISRAEL, AZMEH
SAID MANGUUB MAY RECOMMEND POLICIES TO ALL ARAB STATES, BUT
THAT IN SYRIA SARG MAKES ITS OWN BOYCOTT RULES. AZMEH CON-
CLUDED ARTICLE IN THEREFORE STANDS AS ISSUED AND SEVERING TIES
WITH ISRAEL IS NOT ABSOLUTE PRECONDITION TO BEING REMOVED
FROM BOYCOTT LIST SO LONG AS COMPANY MAKES SIMILAR OR EQUAL
COMMERCIAL INVESTMENT IN ARAB COUNTRY.
MURPHY

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