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FBIS 63

MENA REPORTS ON SAUDI THREAT OF OIL BOYCOTT

JN271600 CAIRO MENA IN ARABIC 2254 GMT 25 SEP 76 JN

(TEXT) WASHINGTON, 25 SEPTEMBER--SAUDI ARABIC HAS WARNED THE UNITED STATES THAT THE APPROVAL OF THE ANTI-ARAB BOYCOTT BILL WHICH IS NOW BEFORE CONGRESS MIGHT MEAN THE SUSPENSION OF OIL SHIPMENTS TO THE UNITED STATES. THE WARNING, WHICH WAS HANDED TO ASSISTANT SECRETARY OF THE TREASURY GERALD PARSKY, IS SPECIFICALLY CONNECTED TO AN AMENDMENT OF THE GOVERNMENT EXPORTS LAW WHICH THE SENATE IS CURRENTLY DEBATING AND WHICH IT IS EXPECTED TO VOTE ON AT THE BEGINNING OF NEXT WEEK.

THE MENA CORRESPONDENT IN WASHINGTON SAYS THAT THE LETTER CONTAINING THIS WARNING INDICATES THAT SAUDI ARABIA WILL NOT TAKE ANY ACTION UNLESS IT FEELS COMPELLED TO DO SO AS A RESULT OF ACTION TAKEN BY THE U.S. CONGRESS. THE AMENDMENT TO THE U.S. GOVERNMENT EXPORTS LAW IS ONE OF SEVERAL LEGISLATIVE ACTIONS AGAINST THE ARAB BOYCOTT, WHICH IS AIMED AT COMPANIES WHICH ESTABLISH COMMERCIAL DEALINGS WITH ISRAEL.

PARSKY, WHO RECEIVED THE WARNING FROM SAUDI FOREIGN MINISTER PRINCE SA'UD IBN FAYSAL, HAS COMMENTED ON THIS AMENDMENT, WHICH IS BACKED BY NEW YORK DEMOCRATIC REPRESENTATIVES JONATHAN BINGHAM AND BENJAMIN ROSENTHAL. PARSKY COMMENTED THAT THIS AMENDMENT WOULD MAKE IT IMPOSSIBLE FOR SAUDI ARABIA TO DEAL WITH U.S. PETROLEUM COMPANIES. THE SAUDI WARNING, HE SAID, IS A SERIOUS THREAT TO AT LEAST 18 PERCENT OF U.S. OIL IMPORTS.

THE ASSISTANT SECRETARY SAID THAT THE PROPOSED AMENDMENT OF THE GOVERNMENT EXPORTS LAW WOULD ALSO PREVENT AMERICAN FIRMS FROM GIVING INFORMATION TO ANY COUNTRY IN ORDER TO TIGHTEN THE BOYCOTT. THE DIFFICULT THING, PARSKY SAID, IS THAT SAUDI ARABIA IS ASKING PETROLEUM COMPANIES TO PROVIDE CERTIFICATES SHOWING THAT THE CARGOES ARE NOT BEING SHIPPED TO ISRAEL.

BEFORE LEAVING FOR NEW YORK TO ATTEND THE 31ST SESSION OF THE UN GENERAL ASSEMBLY, PRINCE SA'UD IBN FAYSAL HELD INTENSE CONTACTS WITH CONGRESSMEN AND REPRESENTATIVES OF IMPORTANT AND INFLUENTIAL ESTABLISHMENTS, DURING WHICH HE WARNED AGAINST THE RESULTS OF THE ANTI-ARAB BOYCOTT LEGISLATION. THE SAUDI FOREIGN MINISTER STRESSED DURING HIS CONTACTS WITH THE U.S. OFFICIALS THAT THE ARAB STATES INTEND TO CONTINUE THE USE OF THE BOYCOTT AS AN ECONOMIC AND POLITICAL WEAPON AGAINST ISRAEL UNTIL A MIDDLE EAST SETTLEMENT IS REACHED. HE POINTED OUT THAT THE BOYCOTT IS NOT A RELIGIOUS SUBJECT AND DOES NOT ENTAIL ANY DISCRIMINATION OF ANY KIND.

(MORE)

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