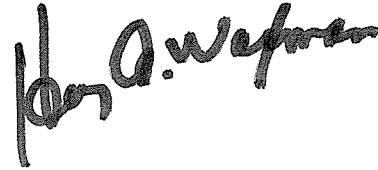


Rep. Henry A. Waxman
H.Con.Res. 370
April 5, 2006



Mr. Speaker, the Arab boycott against Israel is one of the worst vestiges of the Arab League's campaign to isolate and destroy Israel.

Originating shortly after Israel's founding in 1948, the embargo's objective was to squeeze the fledgling Jewish state out of existence and punish its allies. Israel's astonishing economic growth despite these constraints ultimately dulled the impact. Enforcement also declined after Egypt and Jordan signed peace treaties with Israel. However, the boycott continues to be a shameless exercise in blackmail. Support for the policy is unfortunately still widely popular in most Arab nations.

Saudi Arabia, for its part, has been among the most vocal instigators rallying support for the boycott's continuation. Despite agreeing to provide Most Favored Nation status to all member states, including Israel, upon joining the WTO in November, Saudi Arabia continues to be a hub of boycott activity. In December, a Saudi official emphatically stated that the boycott would be maintained, and in March, the Saudi government hosted a meeting of the Organization of the Islamic Conference aimed at continuing the embargo.

Unfortunately, Saudi Arabia's inconsistent track record is somewhat common among our Arab trading partners. In October 2005, just one month after Bahrain signed a Free Trade Agreement (FTA) with the United States, the Bahraini parliament voted to reject its government's decision to lift the anti-Israel embargo.

Likewise, the United Arab Emirates, which is currently negotiating an FTA with the United States, has kept the policy in place. The issue recently got attention when it was revealed that a Dubai company seeking to take over operations in six U.S. ports complied with the boycott. It was revealed that the Department of Commerce's Office of Antiboycott Compliance had fined several U.S. companies in the last year for abiding by UAE's boycott rules.

Oman, which has an FTA now pending before Congress, opened a trade mission with Israel in 1996, but closed the office several years later in response to anti-Israel demonstrations.

The international trading system is designed not only to promote prosperity but to foster peaceful relations between nations. The United States has invested a great deal of time and effort in negotiating new trade pacts in the Middle East to build stronger ties between our countries and among our regional partners. But it is not acceptable to continue along this path if Israel is to be left out.

Israel is a valuable economic partner of the United States and a strategic ally. It would be a tactical error, a moral blunder, and a departure from our own anti-boycott laws, to continue expanding our trade ties with countries like Saudi Arabia that refuse to abide by their commitments on this issue.

I urge my colleagues to support this measure and take a firm stand to put an end to Saudi Arabia's duplicitous actions.