

# Arab Boycott US & Israeli Goods

Shah Abdul Halim

The boycott of American and Israeli goods and products is gaining momentum, especially in the Middle East, although most Arab regimes have not officially endorsed it. The movement is spreading rapidly, with individuals and groups taking the campaign to new areas, largely through the internet. In Saudi Arabia individuals, groups, businessmen, khatibs at mosques and even school and university teachers are supporting a campaign that is helping ordinary people to feel empowered for the first time. Unlike the campaign against apartheid in South Africa in the seventies and eighties, which had the backing of the United Nations, the current anti-Israeli campaign is entirely driven by individuals.

High-visibility American food-chains are hardest hit. Branch managers of McDonald's and Kentucky Fried Chicken in Egypt have admitted that sales have fallen between 20 and 50 percent since the beginning of the second intifada, 22 months ago. Similar losses have been reported from Saudi Arabia, which imports US \$ 6 billion worth of goods from US each year, compared to US \$ 3.7 billion for Egypt. With consumers and pro-boycott groups placing advertisements in newspapers and posting messages on the internet, the boycott campaign has developed teeth, and beginning to bite.

In Bahrain, when one supermarket chain announced that it was taking nearly one million dollars' worth of American goods off its shelves, its sales shot up by 60 percent: consumers flocked to its stores to shop there in appreciation.

Other American goods that have suffered are such brand-name products as Coke, Pepsi, Levi jeans and Starbuck. American-manufactured Marlboro cigarettes are also being abandoned, with smokers switching to French or local brands. Owners of American franchises are trying desperately to win back customers with such gimmicks as offering to donate 20 percent of their profits to support Palestinian orphans, but consumers are not falling for cheap moves like that.

Others have placed advertisements in newspapers and on television saying that the boycott is hurting local workers. The people are however not influenced by such advertisements and are prepared to make more sacrifices. The truth is that the boycott campaign is hurting the pockets of pro-American and pro-Israeli businessmen.

In May 2002 delegates from 19 Arab countries gathered in Damascus, Syria for a meeting of Arab Boycott Bureau. The group which was established by the Arab League in 1951, oversees the boycott of companies that deal with Israel. The meeting was the second held since 1993, when it was forced by US pressure to end the boycott of pro-Israeli companies after the signing of Oslo Accords. That the Accords were a fraud perpetrated against the Palestinian people has now become apparent to all.

Egypt, Jordan and Mauritania, which have diplomatic relations with Israel, stayed away from the Damascus meeting. The government of Hosni Mubarak, while permitting boycott of US and Israeli goods, has refused to take part officially. However, the Egyptian people remain among the most ardent supporters of the boycott campaign, with protest rallies being held at the university campuses almost daily. Kentucky Fried Chicken was the target of the protesters at Cairo University. They torched one of its outlets, reports Crescent International, Canada.

New York Times reported that Saudi nationals, enraged by Washington's Middle East policies, are boycotting US goods that have led to a sharp fall of US exports to Saudi Arabia. Official US figures show exports plunged 33 percent to US \$ 2.8 billion between September 2001 and March 2002. In the first quarter of 2002, exports fell 43 percent to US \$ 986 million from US \$ 1.74 billion a year earlier. Many Saudi consumers have shifted to European and Japanese products encouraged by campaigners wearing Palestinian checkered headscarves who have distributed leaflets at mosques, schools and shopping malls. The boycott items include US made household products, vehicles, food, beverage, fast-food restaurants and tobacco in protest against Washington's pro-Israel bias and anti-Saudi campaign by some US senators and media. Two-way trade estimated at US \$ 20 billion. Saudi exports to US also fell 36 percent to US \$ 2.44 billion during the first quarter year-on-year from US \$ 3.83 billion. US Embassy commercial officer in Riyadh Charley Kestenbaum believes that there would not be much fall in US exports to the Kingdom since there is no official boycott and the boycott is only at the popular level. Kestenbaum expects that total US exports to Saudi Arabia to shrink by about 20 percent in 2002 from US \$ 5.97 billion in 2001 when they fell by six percent drop from the year before.

US exports to Saudi Arabia in first half of 2002 plunged to a 12 year low, reported prestigious Saudi daily Arab News. The value of exports reached to US \$ 2.2 billion on June 30, a drop of 30.5 percent in the same period in 2001, the Foreign Trade Division of the US Census Bureau said in figure released on the Internet. The figure is the lowest for US exports to Saudi Arabia since 1990- when Iraqi forces invaded Kuwait, which led to the 1991 Gulf War. Then, first-half exports reached only US \$ 1.7 billion. It is also less than half of an all time high US \$ 5 billion in a half year recorded in 1998. Saudi exports to the US also dropped 24.2 percent to US \$ 5.6 billion in the first half from US \$ 7.4 billion a year earlier. The value of Saudi exports to US reached US \$ 13.3 billion last year, of which US \$ 12.6 billion, or 95 percent, were oil and gas related products. The drop in US exports to Saudi Arabia is attributed mainly to a 39 percent decline in exports of machinery and equipment from US \$ 2.1 billion in the first half of 2001 to US \$ 1.28 billion. Exports of beverage and tobacco plunged by 55 percent to just US \$ 59.6 million from US \$ 132.5 million.

A grass root campaign to boycott US products in Saudi Arabia was launched in April following a Washington backed Israeli military offensive against Palestinians. The campaign was conducted from mosques, schools and universities, and through newspapers, the Internet and mobile phone text message urging consumers to shun products originating from United States, reports Arab News. Saudi Arabia has been the US main trading partner in the Middle East, with US civilian and military exports valued at US \$ 6.2 billion and imports at US \$ 14.2 billion in 2000, according to official figures.

Few would doubt there are more who hate America today than a year ago. On the walls of buildings in Cairo, posters angrily declare, "American commodities are Israeli bullets". Another chides, "Buy McDonalds's and kill a Palestinian", reports The Boston Globe, New England.