

MEMORANDUM

NATIONAL SECURITY COUNCIL

8312

INFORMATION

December 1, 1972

~~SECRET~~

MEMORANDUM FOR: MR. KISSINGER

FROM: RICHARD T. KENNEDY *AK*

SUBJECT: The Terrorist Threat to United States
Business Interests Abroad

OBE

To assist the Cabinet Committee on Terrorism, CIA has assessed the terrorist threat to U.S. business enterprises overseas. The principal conclusions, summarized below, are of interest:

- While terrorist attacks have been a persistent problem for a decade, at worst they have been a minor problem in most countries.
- U.S. official installations overseas continue to be subjected to harassment and attack more frequently than U.S. private interests.
- The most dangerous immediate threat to U.S. business abroad now stems from Arab extremists seeking the destruction of firms they regard either as symbols of U.S. "imperialism" or as sources of significant support to Israel.
- Once the war in Vietnam is concluded, terrorist groups may direct their energies -- hitherto spent on anti-war activities -- against symbols of U.S. economic imperialism.
- Indications are that no sharp global upsurge of attacks against U.S. private interests abroad is at hand.
- There is no evidence of an international terrorist conspiracy specifically directed against U.S. business interests although various international terrorist groups cooperate on specific actions.

Area by area, the threat to our business interests is:

~~SECRET~~

DECLAS:12-31-80

- Western Europe: Despite the substantial U.S. investment in West European countries, physical attack on American companies have not been numerous or significant.
- Middle East and Africa: Very little terrorism in this region has so far been directed against U.S. firms despite the proximity of the nations of the area to the Arab-Israeli conflict. However, our oil installations are vulnerable and rumors persist that they will be targets for terrorist acts.
- Western Hemisphere: Violence against U.S. firms is declining, but -- depending on local political issues -- could return to earlier higher levels or become more troublesome than in the past.
- Far East: In no country of this area is terrorist activity against our business establishment great, although local political events could lead to some increase of violence. In Hong Kong, Singapore, and Tokyo, the security atmosphere is now congenial to American firms.

In short, while greater terrorist activity against U.S. business establishments is likely in some countries or regions -- depending on the local political situation -- we have no reason to expect at this time a general increase worldwide of such activity.