

### THE WHITE HOUSE

WASHINGTON

CONFIDENTIAL (GDS)

VICE PRESIDENT'S MEETING WITH JORDAN'S CROWN PRINCE HASSAN

Thursday, May 23, 1974 10:30 a.m. (20 minutes) Vice President's Office

From: Brent Scowcroft

I. PURPOSE

To demonstrate the continuing importance we attach to US-Jordanian relations by receiving Crown Prince Hassan for a courtesy call.

# II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. <u>Background:</u> Crown Prince Hassan is in Washington to promote interest in Jordan's economic development. Following the June 1967 war, Jordan's economy was basically sustained by subsidies from other Arab states and, after the September 1970 clash with the fedayeen, by US Supporting Assistance. In FY 1973, we also agreed to provide a development loan for an irrigation project in the Jordan Valley. In FY 1975, we intend to provide \$10 million for development purposes.

The Crown Prince is very interested in attracting private American investment to Jordan. He has succeeded in establishing wideranging contracts in the US business and financial community where considerable interest exists in developing Jordanian phosphates and copper, in exploring for oil, and in Jordanes potential for tourism.

Hassan will be anxious to receive reaffirmation of our interest in Jordan's economic well-being, although he will not expect any specific commitments during this trip. His visit provides an opportunity to review our programs in Jordan and to underscore our interest in close US-Jordanian relations, especially at a time when Jordan is feeling somewhat left out of Middle East diplomacy.

GONEIDENTIAL (GDS) WHM 10/24/00

- B. <u>Participants:</u> Crown Prince Hassan, Jordanian Ambassador Salah.
- C. <u>Press Plan</u>: Meeting to be routinely announced as part of your daily schedule.

### III. TALKING POINTS

- 1. Your Royal Highness, it is a pleasure to receive you in Washington. I had the honor of meeting King Hussein during his visit in March. He was kind enough to invite me to visit your country and I hope to be able to accept his invitation sometime in the future.
- 2. I want you to know that the United States attaches the highest importance to its relationship with Jordan. The ties between our two countries are firmly rooted in trust and mutual confidence. We particularly value Jordan's friendship as we work for peace in the Middle East.
- 3. I understand that the primary purpose of your trip is to discuss Jordan's efforts in the field of economic development. I would like to hear your views on how the United States and Jordan can work more closely in this field and how we can best help you in meeting your objectives of economic growth and eventual self-reliance.
- 4. Please convey my best wishes to His Majesty and assure him of our determination to work toward a just and lasting peace in the Middle East.

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#### UNCLASSIFIED

#### DEVELOPMENT OF THE EAST BANK OF THE JORDAN VALLEY

The East Bank of the Jordan Valley is potentially the most agriculturally productive area in Jordan. The area, referred to as the East Ghor, is a narrow strip of land some 80 miles long, lying between the Yarmouk River in the north and the Dead Sea in the south. It is from 900-1100 feet below sea level and contains about 80,000 arable acres of land. Irrigated crops can be grown the year around in the hot, dry climate, potentially producing fresh fruits and vegetables for the high price European winter market.

Recognizing the high potential of the Valley in the early 1960s, AID provided major assistance for an irrigation project in the northern part of the Valley, utilizing diverted water from the Yarmouk River. Completed in 1966, the project brought some 28,000 acres under irrigation with a main canal extending 44 miles down the Valley.

Initial production increases were significant and about 50,000 people lived in the project area. The land was just being put into production on an irrigated basis, when the 1967 war with Israel severely curtailed any activity in the Valley. While many farmers initially stayed on after the war, fedayeen activity and Israeli retaliatory fire made the Valley an increasingly inhospitable place to live. The outbreak of civil war in 1970 drove the last inhabitants out of the Valley, leaving it virtually deserted.

The civil war ended with the elimination of the fedayeen as an internal threat in mid-1971. However, the conflict with Israel in 1967 and the continuing strife in the Valley over the succeeding four years resulted in extensive physical damage to houses, schools, roads and the canal system itself. What was not damaged by fighting, deteriorated badly from lack of attention after the people had fled. Further, the entire structure of governmental supporting services, research, extension, schools, clinics, etc., disappeared.

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With the cessation of fighting, people began to return, and the Government of Jordan turned its attention to rehabilitation and further developing the resources of the Valley, publishing a Valley Development Plan in October 1972. This effort was carried out under the direction of Crown Prince Hassan. The responsibility for implementation of the Plan rests with the Jordan Valley Commission (JVC), headed by Mr. Omar Abdullah. The JVC is a small, temporary agency having a wide mandate, with authority to negotiate loans with foreign donors and to draw on other GOJ ministry personnel to carry out technical projects.

The development envisaged in the plan falls into three areas:

1. The development of water resources including repair and expansion of the existing irrigation system, drainage, landlevelling, roads, and construction of a dam on the Zarka River.

2. Agricultural development, including research, extension, land improvement and reform, marketing, afforestation, credit and farm management.

3. Social development, including housing, school construction, public health, water, power and other public services.

Financial requirements of the Valley plan were estimated to be \$93 million over the three-year period. However, it is expected that it will take at least 5 years to carry out the Plan. Successful implementation of the Plan is dependent upon substantial external financial assistance. Foreign donors have examined GOJ requests for assistance with a sympathetic eye, and have provided liberal amounts of support. Thus encouraged, the GOJ devised a scheme to divide the Valley into three sectors, i.e., northern, middle and southern, in each of which they hope potential donors will finance proposed projects.

In the northern sector, the World Bank is providing loans for irrigation, agriculture and social and public

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utilities. In the middle sector, the U.S. has agreed to provide loan financing for extension of existing irrigation facilities and to seek loan funds for construction of others. In the southern sector, the West Germans are considering financing feeder roads.

In addition to contributions to projects in the various sectors in the Valley, the U.S. is seeking loan funds for construction and rehabilitation of the Valleylong main road, a resettlement program, and an agriculture sector loan. The West Germans have agreed to finance electricity and telecommunications throughout the Valley.

Funding committed or proposed adds to about \$60 million. The GOJ is committed to spend approximately \$33 million for the Plan.

Specific U.S. assistance to the Plan already provided or proposed includes the following:

A.	Project Loans	<u>FY</u>	(Million \$)
	Extension of Irrigation Facilities to serve 12,500 acres	1973	10.0
	Zarka Triangle Irriga- tion (proposed)	1974	4.1
	Rehabilitation and con- struction of main north-south highway (proposed)	1974	2.9
	Village Resettlement (proposed)	1975	5.0
	Agriculture Sector Loan (proposed)	1975	5.0

### **B.** Technical Assistance

In addition to capital development loans, the U. S. is providing technical assistance to the Jordan

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Valley Commission. This includes provision of an AID advisor, funding for the development of a small pilot housing project, financing of contractual technical services to develop a resettlement plan to include design of villages, agricultural economic research and training programs.

## AID/SA/IR:May 10, 1974

### MILITARY ASSISTANCE TO JORDAN

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After the June 1967 Mideast War the USG reduced its grant aid to Jordan but maintained a large sales program which drew on subsidies of oil states. After the efforts of Palestinian groups to topple King Hussein and his government in 1970-71, the Arab subsidies were cut but the USG provided emergency military aid, some of it airlifted. This amounted to \$30 million in FY 71. We then launched a three-year, \$120 million military assistance program in 1974, with the prospects for peace in the Middle East better than ever before, we further underwrote Jordanian security and independence by requesting Congress to provide in FY 75 \$100 million in grant military aid, \$30 million in FMS credits and \$77.5 million in budget support.

OFFICE OF THE VICE PRESIDENT

WASHINGTON, D.C.

May 6, 1974

MEMO FOR MR. MARSH

Ric Sardo

FROM:

SUBJECT: Appointment with the Vice President for Jordanian Crown Prince Hassan

I have touched base with Jean Davis of the NSC staff regarding the attached request. I indicated to Miss Davis that the morning of May 21 was not feasible in terms of the Vice President's present schedule, and proposed an exploration of the morning of 23 May as a possibility. Miss Davis, in her contacts with the Jordanians, has in principle received an okay for a visit at 10:30 a.m. on 23 May, for 15 minutes. I am taking action with Scheduling to block out this period of time contingent on a firm acceptance by the Jordanians and, in turn, an acceptance by the Vice President.

Mrs. Davis says 10:30 on 23 May for 15 min. is okay with Jurdanians.

May 7, 1974 (10:30 am)

Cleared this with the Vice President last evening on the aircraft. He feels he should meet with Hassan, and I strongly supported his decision. Scheduling has been notified of the information passed by Miss Davis as well as the Vice President's decision. The visit is now a firm commitment on the Vice President's schedule for the date and time indicated above.

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#### THE WHITE HOUSE

# WASHINGTON ADMINISTRATIVELY CONFIDENTIAL

May 2, 1974

MEMORANDUM FOR

JOHN O. MARSH <u>ASSISTANT TO THE VICE PRESIDENT</u> FOR NATIONAL SECURITY AFFAIRS

SUBJECT: Appointment with the Vice President for Jordanian Crown Prince Hassan

Crown Prince Hassan of Jordan will be in Washington from May 19-25 on a private visit. He has asked if it would be possible to pay a brief (15 to 20 minutes) courtesy call on the Vice President. I recommend that, if possible, the Vice President see him.

Hassan is particularly friendly toward the United States and plays an important role in maintaining Jordan's policy of moderation in Middle East affairs. He is responsible for Jordan's economic development and his current visit is for the purpose of generating private interest in Jordan's economic prospects.

The time most convenient to the Crown Prince would be on the morning of May 21. Should a meeting be possible, we would be pleased to provide the necessary briefing papers. For further discussion of scheduling alternatives, could I ask that a member of your staff contact Jeanne Davis (Extension 3440).

Major General, U.S. Air Force Deputy Assistant to the President for National Security Affairs

### ADMINISTRATIVELY CONFIDENTIAL



NSC-1726

May 8, 1974

WHM 10/24/00 MEMORANDUM FOR:

> Mr. George S. Springsteen Executive Secretary Department of State

SUBJECT:

Vice Presidential Meeting with Jordanian Grown Prince Hassan (S/S 7403481)

The Vice President will receive Crown Prince Hassan on May 23 at 10:30 AM. Please confirm and coordinate the arrangements with the Vice President's office.

> Jeanne W. Davis Staff Secretary

cc: Mr. Saunders

Gen. Scowcroft

Col. Sardo (VP staff)