THE ANGLO-JORDAN TREATY

Memorandum by the Secretary of State for Foreign Affairs

Negotiations for the termination of the Anglo-Jordan Treaty are due to begin in Amman on 4th February. They will be conducted by H.M. Ambassador with the assistance of representatives from the Treasury and the Service Departments.

2. Subject to the views of my colleagues, I propose to send instructions to H.M. Ambassador on the following lines. I should, of course, emphasise that the concessions I have suggested would only be made if this became essential to secure a satisfactory agreement.

Scope of Negotiations

3. We should aim to restrict the negotiations to the termination of the Anglo-Jordan Treaty of 1948 and to the settling of problems arising immediately therefrom. If the Jordanians attempt to introduce additional topics (e.g. the re-negotiation of the Financial Agreement of May, 1951 or the negotiation of further development loans) we should insist that these are matters which could be looked at if necessary after the central question of our Treaty relationship had been satisfactorily resolved. The question of Jordan's continued membership of the sterling area should also be treated separately if possible.

General Considerations

4. It should be our aim to negotiate the termination of the Treaty in such a way as to avoid leaving a legacy of bitterness and rancour and to leave it open to us to continue to exert some influence in Jordan in the future. Jordanian co-operation and good will are, moreover, essential if we are to withdraw our forces and their equipment in good order, and to avoid an undignified scuttle. On the other hand we must recognise the improbability of the Jordan Government ever being in a position to pay in full for such equipment and installations as we are obliged to leave behind. We can expect little more than an acknowledgment of indebtedness with, perhaps, small repayments spread over several years.

Principal United Kingdom Objectives

5. Our main objectives should be:-
(a) to get rid of our Treaty commitments in Jordan as soon as possible, and not later than 31st March (i.e., the end of the financial year); and to evacuate our forces as speedily as possible thereafter, bearing in mind the requirement to safeguard the removal of military stocks;

(b) to remove or dispose of our military stocks and installations in Jordan with the minimum loss; and

(c) to retain if possible over-flying and staging rights through Jordan.

British Hostages to Fortune in Jordan

7. We have in Jordan extensive military stocks and valuable fixed installations as follows:

<table>
<thead>
<tr>
<th>Fixed Installations</th>
<th>Stocks</th>
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<tr>
<td>Millions</td>
<td>Millions</td>
</tr>
<tr>
<td>Army</td>
<td>£0.5</td>
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<tr>
<td>R.A.F.</td>
<td>£4</td>
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The figure of £7-8 millions excludes certain equipment in use by the Jordan Arab Army which remains War Office property (paragraph 16(b)), and also the equipment of British Army troops in Jordan.

Fixed Installations and Facilities

8. Under letter No. 9 annexed to the 1948 Treaty the Jordan Government bound itself, on the final evacuation of British forces, either "to take over at a fair valuation, having regard to the use to which they have been put, any buildings, installations or permanent structures", or to "afford such facilities as may reasonably be necessary to enable the Government of the United Kingdom to dispose thereof to the best advantage". Our negotiations with the Jordan Government will be based on this letter. We must, however, recognise that there is very little prospect of the Jordanians being able or willing to pay in full for any installations which they require or we may leave behind, and little prospect of private sale in situ. It might be possible to set their obligations against the balance of the subsidy (see paragraph 20 below), but we may have to be content with a paper promise to pay over a long period. We should therefore aim to remove as much of our fixed equipment and removable installations (e.g. prefabricated buildings) as we can without wantonly denying to the Jordanians facilities for which they have a genuine need (e.g. the equipment at Amman airfield necessary for civil aviation purposes).

Military Stocks

9. The removal or disposal of our extensive Army and R.A.F. stocks in Jordan presents severe practical problems. Our aim should be:-
(a) to remove from Jordan whatever is useful to us;
(b) to sell to Jordan or Iraq such equipment as they want and are prepared to pay for;
(c) to move to Iraq such equipment as is not disposed of under (a) and (b) above, either as part of a British contribution to a stock-pile in the Bagdad Pact area or as a gift to Iraq. (The Prime Minister of Iraq has repeatedly expressed the hope that our stocks of arms in Jordan will be moved into Iraq);
(d) to leave behind in Jordan without payment as little as possible.

10. There will be difficulties in getting the Jordanians to accept such arrangements. They tend to regard all our stocks in Jordan and particularly those earmarked for the Jordan Arab Army (value £2-£2½ millions) as intended primarily for the defence of Jordan. They will moreover be reluctant on political grounds to see any of them go to Iraq. But they may well not be able or willing to pay for much themselves.

11. There is also a question of timing. It will take considerable time to remove such stocks in Jordan as are not sold locally. To clear stocks from Zerqa, Mafraq and Amman will take at least three months from the order to move, and stocks will have to wait at Aqaba for a further period, the length of which will depend on the availability of shipping.

12. It is therefore clear that we cannot withdraw in good order unless the time limit is extended beyond the date of the termination of the Treaty. This in turn will entail the retention of some British forces required for the removal of installations, stores and equipment after the termination of our Treaty commitments in Jordan.

13. In order to secure Jordanian agreement to this time-lag and to the other arrangements for the removal of our stocks it may be necessary to make considerable concessions, and in particular to hand over free of charge at least those stocks earmarked for the Jordan Arab Army, the paper value of which is between £2-£2½ millions. I should like authority to do so if, in consultation with my colleagues principally concerned, I judge this essential.

14. In regard to the proposal for a stock-pile in Iraq (paragraph 9(c) above) it would of course be understood that it would consist only of equipment which is easy to maintain and which the Iraqis themselves do not wish to acquire. The Defence Committee considered on 23rd January, with other recommendations for military support of the Bagdad Pact, a plan for the establishment of a stock-pile at Habbaniya at an initial cost of £300,000 for transportation, etc., and an annual maintenance cost of £20,000. The Committee decided to defer a decision until the Crown Prince of Iraq had returned from Washington. Since some of the material for this stock-pile is at present in Jordan and will have to be
dispersed on the termination of the Treaty, we may find it convenient to put some of it into Iraq and to regard it as a stockpile for the Bagdad Pact, without prejudice to any decision on any further contribution from this country. I am sure that a stockpile on the lines proposed is in the interests of the Bagdad Pact. I therefore ask my colleagues to agree in principle, leaving the details to be worked out by the Ministry of Defence.

Overflying and Staging Rights

15. We should try to obtain from the Jordanians overflying and, if possible, staging rights through Jordan for the R.A.F. This need not entail the stationing of any R.A.F. personnel in Jordan.

Other Points to be Settled

16. Other points which should be cleared up with the Jordanians in the course of negotiation include:

(a) outstanding claims by British seconded and contract officers who have sustained loss as a result of the abrupt termination of their employment with the Jordan armed forces. It may be possible to agree with the Jordan Government to earmark a sum for this purpose from any remaining instalments of the subsidy which it may be decided to pay;

(b) British equipment in use by the Jordan Arab Army which remains War Office property. The original cost of this equipment including tanks is estimated at some £4 millions. Its present value is appreciably less. There is clearly no possibility of this equipment being returned, although formal United Kingdom ownership of it might provide a useful bargaining counter.

(c) the long-standing debt of some £1 ½ millions owed by the Arab Legion to the War Office for British equipment and ammunition taken by the Jordanians during the fighting with Israel in 1948. The same considerations apply as in (b) above.

(d) compensation for any equipment removed by the Jordanians from Zerqa, Amman and Old Mafraq since the temporary withdrawal of our forces.

Loan of British Officers

17. The Jordanians may conceivably ask us to continue to provide British Army and R.A.F. officers to advise on the training of their forces. If they do, I suggest we should agree in principle. In that event their terms of service would have to be more satisfactorily guaranteed than hitherto.

Future of the Subsidy

18. The Jordan Prime Minister has made it clear that financial assistance from Egypt, Saudi Arabia and Syria will not commence until 1st April, and that he is banking on the continuation of the British subsidy
until the end of the financial year. Although we can argue that we are not bound to pay any further sums from the subsidy since its total level in the current year has never been agreed (and H. M. Ambassador has made this point to the Jordan Prime Minister), our legal case is not unassailable. Moreover, if we wish to negotiate satisfactory arrangements for disposing of our valuable installations, equipment and stocks in Jordan, we should be unwise to stick to this position except at the outset of the negotiations. I therefore recommend that we should be prepared to agree in the course of the negotiations to continue subsidy payments for the remainder of this financial year up to the total level of the subsidy paid last year.

19. We have at present an unexpended sum of somewhat less than £1,800,000. But of this about £1½ million may have to be earmarked to meet outstanding commitments to the Crown Agents and the War Office (e.g. rations for the Jordan Arab Army). The Jordan Arab Army Liaison Office have already asked for the payment of £750,000 from the Foreign Office and £150,000 from the War Office on Ist February or as soon after as possible. These demands appear excessive. I recommend, however, that we should be prepared in the course of February and again in March to pay suitably modified instalments from the subsidy.

20. An intermediate position would be to admit our obligation to pay the rest of this year's subsidy, but to insist that Jordanian obligations should be wholly or partly offset against these payments. It seems doubtful, however, whether we shall secure Jordanian agreement to this.

Future Economic Aid

21. There is another question which the Jordanians may bring up in the course of the negotiations and on which I should be grateful for my colleagues' views - the future of our economic aid for Jordan. H. M. Ambassador has recommended that if we wish to retain some influence in Jordan, the best way of doing so would be through the continued provision of economic aid. This has so far been provided through interest-free development loans which are entirely independent of the Treaty. We may therefore hope to avoid discussing this question during the Treaty negotiations. On the other hand, we have lately withheld payments from the development loan on account of the uncertainty of the political situation. The Jordanians have recently asked our intentions with regard to the future of these loans. It is possible therefore that they may try to inject this question into the discussions.

22. I think it would be in our general long-term interest in the Middle East to maintain some foothold in Jordan. On the other hand, now that Jordan has, on her own initiative, decided to terminate the British connection, there is no longer a case for giving her more favourable treatment than other more friendly Middle East States. (The scale of our assistance this year was agreed to in the hope that Jordan would be induced to join the Baghdad Pact.) In particular we must be careful not to let it appear that Jordan's ingratitude is bringing in a better return than the loyalty of our allies in the Bagdad Pact. For this reason I do not think we can contemplate the continuation of our economic aid in its present form. There are, however, two major projects - the Aqaba deep water port and the Desert Road from Amman.
to Aqaba for which the Jordanians, with our agreement, have already placed contracts, and which will take at least another two years to complete. There is a case for arguing that we are already legally or morally committed to finance these projects, the estimated total cost of which is about £4½ millions, of which £630,000 has already been paid. If this argument were proved soundly based, continued payments to Jordan would not appear as discrimination against our Bagdad Pact allies. On the other hand, they might help to retain our foothold in Jordan, although past experience of Jordanian "gratitude" is not very encouraging. We must also bear in mind the likelihood of criticism in view of the attitude which we are adopting towards economic aid for newly emerging Commonwealth countries. I recommend that we should give further consideration to the possibility of continued economic aid to Jordan when we know how the negotiations are going.

23. I should like to keep the Americans informed of the progress of our ideas about future policy towards Jordan, including the provision of economic aid.

Summary of Recommendations

24. I accordingly ask my colleagues to agree that:

(a) We should aim to terminate the Anglo-Jordan Treaty not later than 31st March, seeking only to retain overflying and staging rights (though not under R.A.F. management).

(b) We should negotiate the take-over or disposal of our fixed installations and facilities on the basis of Letter No. 9 annexed to the Treaty.

(c) We should seek Jordanian agreement to some of our forces remaining in Jordan after the date of termination, to cover the withdrawal of equipment, stores, etc.

(d) We should aim to move to Iraq such equipment as they are prepared to buy or we are prepared to give them.

(e) We should be prepared to make, from stocks in Jordan, a United Kingdom contribution to a Bagdad Pact stock-pile in Iraq.

(f) We should be prepared, if the course of negotiations makes it essential, to make some or all of the following concessions:

   (i) Give Jordan that portion of our military stocks at Zerqa which is earmarked for the Jordan Arab Army (estimated value £2-£2½ millions).
(ii) Allow Jordan to retain, if necessary without payment, British equip­ment which is in use by the Jordan Arab Army (original cost: some £4 millions).

(iii) Cancel the debt of some £1½ millions, owed by the Arab Legion to the War Office for equipment taken by the Jordanians during the fighting against Israel in 1948.

(iv) Accept a paper promise to pay for installations taken over by the Jordan Government.

(g) We should agree in principle to provide British officers to advise on the training of Jordan forces if the Jordanians should request this, subject to the negotiation of satisfactory terms of service.

(h) We should pay instalments from the subsidy for February and March up to the same total as last year, subject to any offsets against Jordanian obligations that it is possible to obtain.

(i) Subject to the satisfactory outcome of negotiations for the termination of the Treaty, we should give further consideration to the question of assistance in financing the completion of the two major development projects (the Aqaba deep water port and the Desert Road).

S. L.

Foreign Office, S.W.1.

29th January, 1957.