are not of course in position to know what preparations FedGov needs make in order carry discussions forward profitably after they have opened.

FYI we recognize that Ger Govt is in predicament in finding resources adequately to satis its obligations at Hague and at Lon. We are anxious, however, that this dilemma be resolved by Gers, at least in first instance. We wish to avoid pre-war commercial creditors and in particular US Del at Lon being maneuvered in position by Ger Gov which might lead to charges that the Lon Conference is interfering with solution which is satis to Gers and Israel side of negots.

ACHESON

No. 425

820.2 AA/4-2252: Telegram

The Secretary of State to the Legation in Lebanon 1

CONFIDENTIAL WASHINGTON, April 22, 1952-4:12 p. m.

1081. Dept considers development Jordan River Valley highly desirable at earliest possible date. Development wild permit resettlement substantial numbers Pal refugees in Jordan and wild strengthen econ structures riparian states with benefits to polit stability entire area. MacDonald report to Jordan Govt, and Hays-Savage and subsequent reports to Pal and Israel Govts indicate technical feasibility of large-scale development if polit problems can be solved and active coop affected states can be obtained.

To permit determination of measures necessary to achieve this objective, Dept believes essential preliminary step is interpretation detailed engineering and legal studies of Jordan water system by impartial technicians in light present facts. These studies shld include: (1) comparison and analysis of development proposals already made, (2) tabulation of existing concessions in area affecting water usage, (3) discussion of water rights riparian states, and (4) recommendations for resolving conflicting interests in light technical possibilities. Recommendations might go so far as to include suggestions looking toward creation intl body representing riparian states and charged with responsibility of seeking necessary concurrences to program and settlement of problems that arise from its execution.

Identified also as telegram Unrap 249. Repeated to Jidda, Tel Aviv, Cairo, Baghdad, Damascus, and Amman.