

# CIA's 20-Year Payoffs

## To Hussein Are Revealed

### Secret Payments

By Bob Woodward  
Washington Post

Washington

The Central Intelligence Agency for 20 years has made secret annual payments totaling millions of dollars to King Hussein of Jordan, the Washington Post has learned.

The payoffs were reported last year to President Ford as an impropriety by the Intelligence Oversight Board, a three-member panel set up by Ford to curb CIA abuses.

Ford took no steps to stop the covert payments. Last year Hussein was paid about \$750,000 by the CIA.

President Carter learned of the payoffs earlier this week after the Post began its investigation. He ordered that the payments be stopped.

The secret arrangement with Hussein had not been disclosed to Carter by the CIA or by any member of the previous administration including Ford, former Secretary of State Henry Kissinger, or former CIA Director George Bush.

Carter was "distressed" that he had not been told, according to well-placed sources, and sees the solution to CIA abuses as quick confirmation of his nominee as CIA director, Navy Admiral Stanfield Turner.

In addition, the Senate Intelligence Committee, created last year to oversee the CIA, was apparently not given the full story by the Ford administration.

One of the most closely held and sensitive of all CIA covert activities, the payments to Hussein were made under the project name of "No Beef." They were usually delivered to Hussein by the CIA station chief in Amman.

As justification for the direct cash payments to Hussein, the CIA claimed that Hussein was allowing U.S. intelligence agencies to operate freely in his strategically placed Middle East country.

Hussein himself provided intelligence to the CIA and forwarded money from the payments to other government officials who provided intelligence or cooperated with the CIA.

Nonetheless, some CIA officials considered the payments nothing more than "bribes" and reported the matter to Ford's oversight panel.

Hussein, according to sources,  
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considers the payments simply another form of U.S. assistance.

Within the CIA, the "No Beef" project has been considered one of its most successful operations, giving the United States great leverage and unusual access to the leader of a sovereign state.

The payments were first made to Hussein in 1957 during the Eisenhower administration. The initial payments apparently ran in the millions of dollars but they were sharply curtailed to the \$750,000 level last year.

Hussein was only 21 years old when he first became a beneficiary of CIA funds. It was a time when Jordan was virtually a ward of the United States and Hussein had little money to support the lifestyle that earned him the reputation of being a "playboy prince."



KING HUSSEIN  
Project 'No Beef'

Hussein had a well-publicized taste for sports cars and airplanes. As once previously reported, the CIA has provided guards for Hussein's children when they were abroad in school.

Some money from the most recent CIA cash payments to Hussein have been used to pay for bodyguards for his children.

Over the years, Hussein has maintained friendly relations with the United States and his country has been the recipient of substantial military and economic aid — about \$200 million in loans and grants last year alone.

The "No Beef" payments to Hussein were made outside the conventional channel of military and economic assistance.

Well-placed sources said that nonetheless the United States has not been able to direct Hussein's overall policy decisions. He has not been a "puppet," the sources said, but he has rarely drifted outside the U.S. orbit.

In late 1974 the CIA became the focus of several government investigations into alleged abuses, and in February, 1976, Ford directed a reorganization of the intelligence community.

Part of a Feb. 18, 1976, executive order set up the Intelligence Oversight Board which, among oth-

er things, was to "report in a timely manner to the President any activities that raise serious questions about propriety."

The office of the general counsel in the CIA was assigned by the executive order to report any alleged abuses to the oversight panel.

The general counsel soon made such a report on the Hussein payments, and called them possibly improper.

The panel appointed by Ford included former Undersecretary of State Robert D. Murphy, former Secretary of the Army Stephen Ailes, and business-book publisher Leo Cherne.

Last summer the oversight panel made a formal report to Ford on the payments, concluding that they were improper. Ford read the report but ordered no action taken.

Secretary of State Cyrus Vance is scheduled to meet with King Hussein today during Vance's six-nation trip to the Middle East.

Jordan is widely considered a moderating influence on the Palestinians and a key to any lasting Middle East peace settlement.

The country is considered a vital part of any realistic option for getting the Palestinians represented at a future Geneva peace conference.