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**SECRET**DEPARTMENT OF THE NAVY  
OFFICE OF THE CHIEF OF NAVAL OPERATIONS  
WASHINGTON, D.C. 20350

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## MEMORANDUM FOR THE SECRETARY OF THE NAVY

Subj: Summary of U.S. Interests in the Indian Ocean

Encl: (1) Strategic Significance of the Indian Ocean

1. Enclosure (1), a brief overview of those areas considered to be of significant U.S. national interest in the Indian Ocean area, is forwarded for your information.

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(Plans and Policy)Copy to:  
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## STRATEGIC SIGNIFICANCE OF THE INDIAN OCEAN (S)

The strategic significance of the Indian Ocean area (Background discussion of Indian Ocean Region at TAB A) stems from its geographical location, vast natural and human resources, ports, potential for important staging and base areas, lines of communication, and the possibility of its future use as a base for expanding Soviet, and to a lesser extent CPR, military and political influence. (Discussion of Communist Threat at TAB B) The significant U.S. national interests in the Indian Ocean area devolving from these considerations encompass political, economic, military-strategic, scientific, and humanitarian fields as discussed below.

### STABILITY AND INFLUENCE

The maintenance of politically stable governments, friendly to the West, which provide the maximum indigenous contribution to the security and prosperity of the entire region is a significant U.S. interest in the Indian Ocean area. The large number of newly independent nations of Africa and Asia, many with unstable governments and underdeveloped economies, generate political and economic tensions which facilitate Soviet/CPR penetration. Support of the U.S. by these nations in international forums such as the United Nations and our ability to project influence in this important area further enhance the United States global position. A U.S. presence sufficient to exert influence and encourage area stability is a requirement of national policy. The maintenance of stable governments, friendly to the West, would act as a barrier to Communist expansionism. The Soviets historically have sought to extend their domination over the neighboring nations to the south and long have coveted the natural resources of the Persian Gulf and Indian Ocean littoral.

### DENY AREA TO POTENTIALLY HOSTILE POWERS

A corollary to maintaining regional stability and U.S. influence is the denial of the area to the influence of potentially hostile powers, particularly the Soviet Union. The Soviets, and the Chinese Communists to a lesser degree, continue to demonstrate their interest in the area. Concomitant with the decreasing free world major power presence in the area - the British withdrawal East of Suez by 1971 - is the expanding Soviet presence. Increased Soviet naval operations, and the "show the flag" port visits, coupled with economic and military aid to selected countries, provide conclusive evidence of Soviet interest and influence which are becoming adverse to the U.S. position and the positions of remainder of the Free World. Should the Soviets reach a dominant position in the area, our trade with, peaceful entry into, and transit through the nations concerned could be seriously impaired, and our ability to influence the littoral nations significantly eroded.

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CENTO/SEATO COMMITMENT AND SUPPORT  
FOR OTHER INDIAN OCEAN GOVERNMENTS

The two pacts, CENTO and SEATO, encompass direct and indirect commitments to four Indian Ocean nations - Pakistan, Iran, Thailand, and Australia. These commitments are broadened, either in numbers of nations or in depth by bilateral agreements with other Indian Ocean governments such as the air defense agreement with India and the bilateral agreements with Iran and Pakistan.

FREE ACCESS TO AND TRANSIT OF THE INDIAN OCEAN

Guaranteed access to the Indian Ocean area is essential to carry on normal commerce, execute contingency operations, meet national commitments and carry out the general war strategy. There are five major and two minor Indian Ocean sea routes on which more than 5 million barrels of oil per day, as well as other important shipping, are enroute to the Free World nations. As the economies and industrial bases of the nations of the area grow, these routes will become increasingly important as both the inter-area and intra-area shipping level will expand.

The closure of the Suez Canal has resulted in a significant increase of shipping on Indian Ocean routes. Many companies have found it to be more economical to employ ships which are too large to be accommodated by the Suez Canal. Therefore, with the advent of the "super" ships, less reliance will be placed on the Suez Canal, subsequent to its possible reopening, and increasing importance will be attached to the Indian Ocean sea routes.

In view of the difficulties in obtaining air routes and overflight privileges, and the loss of assured staging bases subsequent to the British withdrawal from the area, planning in support of our Indian Ocean commitments by USCINCPAC must necessarily rely more heavily on sea-based forces, as they may be the only forces which can gain access to a contingency area. This situation emphasizes the importance of strategic military operational and logistic facilities in the area. The facility at Diego Garcia will become a significant link in U.S. capability to maintain the LOC and access to the Indian Ocean.

A LOCATION FOR OPERATIONAL FACILITIES

The U.S. interest in military operational facilities within the area is a corollary of its security commitments both within the area and in support of world-wide commitments. The military communications facility in Ethiopia, Kagnew Station, provides the hub for a strategic communications system linking Europe to CONUS and the Far East. It is also the site of a Navy ship-to-shore facility for communications in the Indian Ocean area. Another major link in the USN and DCS world-wide communications is the NAVCOMMSTA, Harold E. Holt, in North West Cape, Australia.

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Additionally, a number of important space related programs, including the APOLLO and MARTNER programs, the National Geodetic Satellite Program and the Space Tracking and Data Acquisition Network, depend on support facilities in the Indian Ocean area. (Details at TAB C) U.S. scientific/technological interest essentially revolve around our space program; but developments in other fields could rapidly increase our interests in this region.

The Indian Ocean provides a potentially important area for deployment of ballistic missile submarines. While additional navigational and communications coverage would be required, FBM deployments in the area could expose large portions of both the USSR and CPR to Polaris/Poseidon targeting. This deployment would compound the Soviet antiballistic missile defenses and further dilute the Soviet ASW effort.

The islands in the Indian Ocean area provide potential sites for the establishment of SPASUR sites to provide early warning of FOBS launch and to provide intelligence information concerning space activities of other nations. As the Soviets, Chinese, and French use the Indian Ocean for their space activities, the U.S. will have an increasing need for intelligence collecting resources in the area.

#### FREE WORLD ACCESS TO MIDDLE EAST OIL

A major U.S. interest is to assure continued Western European and Asian (particularly Japan) access to the oil of the Middle East. The economic viability of Europe and Japan depend heavily on such access. For example, more than 50% of Western Europe's and 90% of Japan's annual imports of oil stem from the Middle East. Additionally, some 85% of the oil used by the U.S. Naval Forces in support of SE Asia is supplied from MIDEAST sources. Western Europe and Japan could become decreasingly reliant on MIDEAST oil as the output of the North African and Alaskan fields increase. However, as the industrial base of India and the African nations increases, these nations will become more reliant on the MIDEAST oil. U.S. oil companies in the area have an investment of nearly \$6 billion and approximately \$1 billion annually is contributed to a favorable U.S. balance of payments from U.S. controlled Arab oil fields.

#### REASONABLE ACCESS TO MARKETS FOR U.S. COMMERCE AND PROTECTION FOR U.S. PRIVATE INVESTMENTS

A continuing U.S. interest in the Indian Ocean area is the availability of markets for U.S. commerce and opportunities for U.S. private investment. The majority of the present markets in the area equate, in the main, to oil. However, U.S. companies have invested additional millions of dollars in other fields (petro-chemicals, hydroelectric and irrigation projects, consumer goods, production, rolling mills, etc.). These investments are continuing, and are a tangible, visible evidence of U.S. interest.

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The emerging nations of Africa have considerable potential for future U.S. investment and may become increasingly important as a source of raw materials. As the economies of the 28 Indian Ocean littoral nations improve, increased demands for U.S. products, notably manufactured items, are expected to expand our present markets in the area and add to a more favorable U.S. balance of payments situation. Our posture in the Indian Ocean area should be one that reduces the possibility of foreclosure of these economic opportunities in the face of Soviet/CPR competition.

Technological changes may add to U.S. interests in the area. While it would be speculative to catalog such changes and their consequences, fisheries, underwater resources and oceanographic and meteorological research and operations are all fields which may open up new or increased requirements for U.S. commercial and military presence in the area.

#### PROTECTION OF U.S. NATIONALS

The petroleum, commercial, military and financial activity previously mentioned brought substantial numbers of Americans to the Indian Ocean littoral nations. One of the traditional duties of the U.S. Government is the protection of its nationals abroad and each of the American citizens living and working in the area is a potential evacuee. This is a primary task of the MIDEASTFORCE.

#### HUMANITARIAN

There are also humanitarian aspects in U.S. interests. These are exemplified by both governmental (PL 480, Food for Peace, etc.) and private (educational, medical, food) endeavors. Over the years, U.S. policy has included in the concept of our national interest both the peace and the well-being of individual states and that climate of progress with order, which together form the favorable setting for the self-fulfillment of the U.S. itself.

TAB AINDIAN OCEAN REGION (S)

The Indian Ocean region is not a politically or economically unified geographic area. The peripheral states have no traditional ties or bonds of cooperation among themselves. In modern times the area has never been unified except to the extent that British possessions, and the consequent need for the UK to maintain LOC to these far-flung bastions of empire, caused some degree of regional cohesion. But this was externally imposed, and no internal unity among the people resulted as witness the 28 states that presently form the Indian Ocean littoral.

From a maritime point of view, the Indian Ocean is a classic body of water. It is almost self-contained; its rimland is almost totally dependent on the sea for both access and inter-area movement; and access routes from outside are largely dominated at four "gates": Suez, the Strait of Malacca, the Cape of Good Hope, and Southern Australia.

Any planning for the Indian Ocean area must take into account the radically different, emergent political situation:

1. India, as an independent country and not the heart of the British interests in the area, does not view the Indian Ocean as a regional whole. Its leaders, at least for the present, are more interested in local developments which seldom extend beyond their own frontiers.
2. The new nations are not ocean-oriented - except for Australia, South Africa and - to a less extent - India. These newly emerged states are more concerned in the military field with problems of internal security, border defense or aggrandizement, and other local issues that are, almost without exception, land-oriented.
3. Areas of crisis and political conflict remain. These include South Asia (Indo-Pakistani renewal of hostilities, insurgency problems within India and Pakistan, and Chinese attack upon India), Middle East (Soviet intimidation of Iran, Persian Gulf security problem, internal instability in Saudi Arabia and in the Southern Arabian peninsula), Africa (internal upheavals, Somalia-Ethiopia confrontation, white-black confrontation in Southern Africa) and Southeast Asia (CHICOM-supported insurgencies, CHICOM support for dissidents in Malaysia and Indonesia, CHICOM attack on Burma).
4. Neighboring conflicts, such as Vietnam and the Arab-Israeli conflict, could spill over into the Indian Ocean area.

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5. There is considerable ambivalence in regional attitudes toward an increased major power presence in the area. While no indigenous nation presently can, or wants to, play a hegemonic role, few nations in the area would welcome the attempt of any power to assume leadership.

6. The countries around the Indian Ocean play a relatively small role on the international scene - at least in the context of the great issues at stake among the larger powers. No individual state of the area is a prime international actor.

7. Although the region lacks overall political unity, there are within it four sub-areas shaped by common cultural background or by political interaction, whether cooperative or hostile. These are Africa (from the Cape of Good Hope to the Sudan), the Middle East (from the UAR through Iran), the Indo-Pakistani subcontinent including Ceylon, and Southeast Asia (from Burma through Australia).

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TAB B

THE COMMUNIST THREAT (S)

1. Communist China

The traces of regional consciousness that range from India to Australia reflect to a considerable extent the anxieties of India and the Southern Asian states in the face of a preponderant Chinese presence to the North. China has already attacked India once, and since then has stimulated border crises that have involved shooting. China has also fished in the troubled Indo-Pakistani waters and gained an entry into Pakistan. Burma, Malaysia and Thailand too are the targets of CHICOM propaganda and threats; Indonesia and Communist China have been antagonistic since the abortive Communist coup of 1965; and concern with China is the major preoccupation of Australian foreign policy. More serious even than the overt tensions that prevail on official levels is the contact China maintains with dissident groups in most of these countries, contributing to internal turmoil and diversion of national effort from constructive purposes. Though variable and on the whole, minor so far, this covert intrusion can grow rapidly as circumstances favor it. Changes in the power structure and orientation of Southeast Asian countries, i.e., Indonesia and Burma, in the Indian Ocean will have broad effects in stirring apprehension or anticipation elsewhere around the periphery. The Chinese threat is a factor of potential importance to the entire eastern half of the Indian Ocean, and even the aggressive potential of North Vietnam is considerable.

2. The USSR

The USSR impinges upon the Indian Ocean both as a force contiguous to the periphery and increasingly as a principal player in the broad theater of operations. This involvement dates back well over a decade. The Russians have historically been interested in the Middle East and the Indian subcontinent; and they have since the mid-1950's at various times established a substantial presence there - as in Egypt, Iraq, Somalia, India, Indonesia, Pakistan and Iran. In these instances Soviet policy has resembled that of China in dealing piecemeal with the peripheral states.

The Soviets, however, are also showing a concern with the Indian Ocean as a setting for operations of broader sweep. The USSR evidently considers that Western influence in the Third World is declining, that the British disengagement from East of Suez is an inviting symptom of the broader trend, and that the present balance in the nuclear stalemate justifies growing confidence and strength in their foreign policy. In particular the USSR has become increasingly conscious of its own capabilities for projecting military power to distant areas. The USSR has been developing a capability of marine corps type, has mounted a program of assistance to navies and fisheries in several littoral states, and has

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established for the first time a strong naval presence in waters not contiguous to the USSR (in the nearby Eastern Mediterranean). Development of long-range heavy aircraft military transports by the USSR is also continuing. This capability coupled with a naval presence and diplomatic pressures provides a means to introduce significant military forces into areas at considerable distance from the USSR.

In 1968 a notable step occurred when the USSR made its first naval cruise, in modern times, in the Indian Ocean. This was followed later in the year by another operation which involved over 20 ships from all four Soviet Fleet areas. The Indian Ocean is important for Soviet activity in support of operation in space, and the developing space program of the USSR will in itself, probably require additional naval activity there.

While there is no evidence that the USSR has yet evolved a coherent policy concept with regard to the Indian Ocean basin as a whole, the USSR probably views its naval activity in the area as a means of asserting its status as a great power. For the present the USSR seems merely interested in space support, flag-showing and maintaining at least an intermittent naval presence in the area. These activities support their interests in the area. Their interests with countries like India are important parts of their international posture, they are deeply concerned with limiting CHICOM influence; the littoral states of Iran, Iraq, Pakistan and India are geographically close to the USSR; and the area is increasingly important for space-related and other scientific objectives. Also part and parcel of USSR interests is the Soviet desire to advance the cause of "socialism" on a worldwide basis - and several of the Indian Ocean nations present promising fields of endeavor.

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SPACE-RELATED OPERATIONS (S)

Various facilities located in the Indian Ocean are of great importance to U.S. space activities. The U.S. Air Force maintains an essential facility on Mahe Island in the Seychelles for tracking U.S. missile shots. The USAF also operates several Apollo Range Instrumented Aircraft (A/RIA) for NASA. A recently concluded agreement with the Government of Mauritius provides for the use of Plaisance Airfield for A/RIA staging during Apollo missions. Mauritius is also frequently used as a staging base for Search and Rescue (SAR) aircraft in support of the manned space flight program. The island's geographical locations renders it highly desirable for both A/RIA and SAR support in this area.

The National Geodetic Satellite Program requires the establishment of optical and electronic observation stations to co-observe geodetic satellites. Current planning calls for stations on Mauritius, Diego Garcia, Mahe, Heard Island (should Kerguelen Island not be available), Cocos Islands and Thailand. The lack of appropriate sites would create a large gap in the world geodetic net.

Two separate tracking networks exists at the NASA station at Johannesburg, South Africa: the Deep Space Network (DSN), which supports lunar and planetary space flight missions, and the Space Tracking and Data Acquisition Network (STADAN), which supports earth orbital missions. NASA has also developed a STADAN facility in Madagascar and DSN facilities in Spain and Ascension Island but these alternate sites do not provide the same optimum coverage as the station in South Africa. The current Mariner flights to Mars will be southerly for the first few months. This places a premium on support following the launch phase from southern hemisphere stations at Australia and the western Indian Ocean. In the future, a station in the western Indian Ocean will be necessary, during periods dictated by position of the earth and moon or planets, to obtain early tracking information and give appropriate commands prior to sending the spacecraft on a lunar or planetary trajectory. (A/RIA also stage from Jan Smuts airfield in South Africa.)

In 1964 NASA established a tracking facility in Madagascar as an alternate to South Africa and in anticipation of the loss of a similar facility on Zanzibar. This station at Tananarive provides tracking and data acquisition for scientific satellites and supports the manned space flight program and can serve as an alternative to the USAF station in South Africa should it be necessary to close down that facility. As the Soviets, Chinese, and French use the Indian Ocean for their space activities, the U.S. will have an increasing need for intelligence collecting resources in the area.

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