

SECRET

ASSISTANT SECRETARY OF DEFENSE  
WASHINGTON, D. C. 20301

19 FEB 1966

In reply refer to:  
I-20843/66

MEMORANDUM FOR THE SECRETARY OF THE NAVY

SUBJECT: Indian Ocean Islands Development (U)

Reference your memorandum of 4 February requesting approval of a concept for development of Diego Garcia.

Confirming our conversation of Friday, 11 February, it appears prudent and necessary to continue in-house studies toward development of engineering plans for construction of logistic support facilities to serve US interests in the Indian Ocean area. Advance planning is also timely in the sense that current US-UK discussions on the UK Defense Review are expected to raise questions on future plans for development and use of British Indian Ocean Island territory. US and UK interests in the Indian Ocean Islands are also affected by the planned UK withdrawal from Aden by 1968 and the British estimate that Singapore will become untenable once the Indonesian/Malaysian confrontation has ended.

The studies in question should be done on a NOFORN-SENSITIVE basis. Negotiations toward obtaining a British commitment to maintain UK presence in the area and to maintain and operate the Indian Ocean facilities may be prejudiced if British get the impression that the US is willing to expand its military role and influence in the area.

*John. McLaughlin*

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