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GOM Delaying Reply on Ilois Resettlement SUBJECT:

Port Louis 0785 and our A-77 pm

Amembassy PORT LOUIS

As forecast in our 0783, the GOM is delaying a positive response to HMG on the Elois resettlement issue. British High-Commissioner Carter reports that Prime Minister Ramgoolam referred the text to his Attorney General for a ruling, particularly on the point that the amount to be offerred by HMG will be a "full and final" settlement of the question. The Attorney General recently railed that such language was acceptable if it were clear that it applied only to the specific question of Hois resettlement. However, as of September 2 the Prime Minister had not yet agreed to sign, and his departure on September 4 suggests that it may be another month, at least, before this long-standing issue is finally regulated.

Comment: The British High Commissioner is critical of the GOM's slowness on this question, since it ill accords with the pressure put on HMG last spring to find the money. Dr. Ram will no doubt eventually sign, but it seems clear that the GOM wishes to do all it can to preserve what it - but no one else - regards as its continuing rights to any seabed resources which may lie adjacent to the Chagos.

BREWER

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