

Department of State TELEGRAM

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ACTION PM-05

INFO OCT-01 EUR-20 IO-13 CIAE-00 DODE-00 INR-07 NSAE-00

P-03 RSC-01 USIA-12 PRS-01 AF-12 L-04 RSR-01

RSR-01) /080 W W M

R 031145Z APR 70 FM AMEMBASSY LONDON TO SECSTATE WASHDC: 6708

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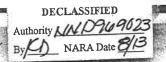
DOD: FOR, OSD/ISA

SUBJ: DIEGO GARCIA.

REF: STATE 45312

- I. URWICK CONFIRMS THAT DECISION TO PROCEED WITH DEPOPULATION CHAGGS: \$5: VIEWED BY HMG AS: BRITISH DECISION TAKEN TO MEET RESPONS!BILITIES UNDER 1966 AGREEMENT. ECONOMIC CONSIDERATIONS MAKE IT DESIRABLE TO ACT SOONER RATHER THAN LATER. POSSIBILITY OF US CONSTRUCTION NEXT YEAR MERELY MAKES IT PRUDENT TO ACT ON THIS DECISION URGENTLY. HMG FULLY UNDERSTANDS DIEGO RROJECT NOT ASSURED OF FUNDING AND HMG WOULD WISH TO PROCEED ANYWAY EVEN IF PROJECT NOT IN FY 71 MILCON BUDGET.
- 2. FONOFF WILL INCIRUCT GOVERNOR TO ASK MOULINIE TO WORK UP
 AGELAGA PLAN, WITH TWO PROVISOS: {A} NO REFERENCE WILL BE MADE
 TO US TIME TABLE, EXPLANATION WILL BE ENTIRELY IN TERMS OF
 ECONOMICS: (B) BEFORE ANY DISCUSSIONS WITH GOM, BRITS WILL
 CONSULT FULLY WITH US (N 1961) OF: CONGRESSIONAL: SITUATION
 AT THE TIME.
- 3. RE PARA 3 REFTEL, FONOFF NOTES HMG BOUGHT OUT MOULINIE IN CHAGOS IN 1966 AND HE NOW OPERATES PLANTATIONS UNDER CONTRACT. HIS ONE/THIRD OWNERSHIP OF AGELAGA GIVES HIM FAR GREATER STAKE IN NEW DEVELOPMENT THERE.
- 4. RE PARA 4. REFTEL. 2000FF BELIEVES IT TOO EARLY PREDICT GOM REACTIONS WHICH SHOULD BE ASSESSED JUST BEFORE NEGOTIATIONS.

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URWICK MADE ROUGH GUESS THIS POINT MIGHT BE REACHED ABOUT AUGUST OR SEPTEMBER.

5% URWICK: CORRECTED: PREVIOUS: INFO: ON UK TIME: TABLE * SAYING NINE! MONTHS: WAS: MINIMUM: TIME: TO: COMPLETE: AGELAGA PLAN; ANDHOBTAIN GOM: BLESSING * ADDITIONAL: NINE! MONTHS PROBABLY REQUIRED: TO PREPARE AGELAGA: ANDI COMPLETE! RELOCATION * THESE ARE MINIMUM ESTIMATES: AND THERE WILL STILL BE PEOPLE ON DIEGO: IF CONSTRUCTION BEGINS: NEXT SPRING * BRITS: THINK! THIS PROBLEM MANAGEABLE *

6. FONOFF WILL WORK: UP CONTINGENCY PUBLIC AFFAIRS: LINE TO COVER "MOULINIE PHASE."
ANNENBERG

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