## DAD, NHC,00, 72, BX 158, 11000

AVAL MESSAGRARARE DNF IDENTIA LARARARA

NAVY DEPARTMEN

ROUTING R 110046Z DEC 71 FM JCS

INFO CSA

R 101641Z DEC 71 FM AMEMBASSY LONDON

TO SECSTATE WASHDC 9547

CONFIDENTIAL LONDON 11267

EXDIS

SUPJ: DIEGO GARCIA AGREEMENT

REF: LONDON 11245

618

- 1. NEW U.S. POSITION EMBODIED IN STATE 219330 APPEARS TO HAVE TRANSFORMED DIEGO GARCIA NEGOTIATION FROM NEAR-TOTAL IMPASSE TO PRAFTING EXERCISE. WHILE BRITISH REACTIONS DESCRIBED IN PEFTEL ARE NECESSARILY PROVISIONAL, IT IS CLEAR THAT OFFICIALS IN BOTH MOD AND FCO NOW BELIEVE WE ARE ON ROAD TO EARLY AGREEMENT AND ARE IMMENSELY RELIEVED.
- 2. IN PAST FEW MONTHS BRITISH HAVE HAD GROWING CONVICTION THAT U.S. WAS ATTEMPTING TO WRITE AN AGREEMENT WHICH WOULD EXPAND HMG'S APPROVAL OF A LIMITED COMMUNICATIONS FACILITY TO A LICENSE TO DO WHATEVER WE PLEASE IN DIEGO GARCIA, WHILE CONSTRUCTION ON ISLAND PROCEEDED APACE, WE MAINTAINED OFFICIAL POSITIONS, SEFN HERE AS CONTRADICTORY, THAT (A) WE HAD NO PRESENT PLANS FOR CONSTRUCTION BEYOND WHAT WE HAD ALPEADY TOLD HMG, BUT (B) WE COULD NOT ACCEPT ANY BRITISH INHIBITIONS ON FUTURE CONSTRUCTION OR LAND USE. AS RECENTLY AS DECEMBER 8, WE JOKINGLY REASSURED MOD OFFICIAL THAT USN DID NOT REALLY INTEND TO SNEAK IN A POLARIS BASE UNDER COVER OF DARKNESS, AND MET STONY REPLY "YOU HAVE GIVEN US VERY LITTLE REASON TO FEEL SURE OF THAT".

3. COMPROMISE SOLUTION OF SCOPE PARAGRAPH WAS MAJOR SUBSTANTIVE ELEMENT IN RESTURING BRITISH CONFIDENCE AND PERMITTING BOTH SIDES TO RESUME GENUINE NEGOTIATION. BRITISH APPREHENSIONS HAD REACHED A POINT WHICH REQUIRED THE ADDITIONAL CONCESSION WE HAVE MADE. BY INCLUDING MANY ADMINISTRATIVE DETAILS IN THE SOVERNMENT-LEVEL EXCHANGE, TO MAKE THE PACKAGE NORK. IN EMBASSY'S OPINION, THESE

FILELIT (1) 06<2>(1) ... CUG 00<3>(1) 09<4>(1) 03<5>(1) 60<6>(1) 61<7>(1) 1P<8>(1)

1666 CONTROL NO. DATE TIME GROUP PAGE OF PAGE TIME OF RECEIPT 182943/345 CSN: DTR 4676 345/00:46Z 1016417 DEC

## NAVAL MESSACE \*\* \*\*\*\*\* O N F I D'E N T I A L\*\*\*\*

MANY DEPARTME

CONCESSIONS WILL NOT IN THEOSELVES WORK SERIOUSLY TO OUR DISADVANDAGE, OR INHUBIT ACHIEVEMENT OF LEGITINATE US OBJECTIVES IN BIUT.

4. WE BELIEVE VE WILL NOW GET A GOOD AGREEMENT, AND PUT TO REST LINGERING BRITISH DOUBTS. WE ARE GRATEFUL TO WASHINGTON FOR EXCELLENT SUPPORT IN PROVIDING INSTRUCTIONS WHICH WILL MAKE IT POSSIBLE.

GP-3.

GP-3. ANMENBERG

BT

tγ

cal

CONFOENO	PAGE OF	PAGE	TIME OF RECEIPT	DATS TIME GROUP
182948/345			(N. 3. 10) NGC 31	
<u> </u>			<u> 1 345 407                                  </u>	1016417 DEC 7