

Def 15 QL-US State TELEGRAM

Department of State

PAGE 01 LONDON: 04854 231552Z

ACTION PM-05

INFO: OCT-01 EUR-20: SS-20 NSC-10: SC1-06 COM-08 10-13: ACDA-19

(RSR-01) /126 W INR-07 NSAE-00 RSC-01 E-15

R 231402Z JUN 70 FM: AMEMBASSY LONDON TO SECSTATE WASHDC 8291 DOD! WASHDC

S E C R E T LONDON 4854

SUBJ: DIEGO GARCIA RELOCATION: AGELEGA IN DOUBT

REF. LONDON 3168WD 010000

1. FONOFF'S URWICK TELLS US THAT INITIAL REPORT FROM MOULINIE AND CO. VERY DISCOURAGING RE POSSIBILITY OF DEVELOPING AGELEGA ISLAND FOR RELOCATION DIEGO WORKER POPULATION. CONSIDERALBE FURTHER STUDY REQUIRED BEFORE ANY FIRM CONCLUSIONS CAN BE DRAWN. HOWEVER, BASIC ECONOMIC FACTORS INDICATE DEVELOPMENT OF AGELEGA TO ABSORB SUBSTANTIAL NUMBERS OF DIEGO POPULATION WOULD BE PROHIBITIVELY EXPENSIVE.

2. IN RESPONSE TO QUESTION, URWICK AGREED THAT THESE INITIAL CONCLUSIONS BY MOULINIE COULD IN PART BE TACTICAL GAMBIT TO EXTRACT MAXIMUM BRITISH CONTRIBUTION. HE THOUGHT NO CONCLUSION. OR ACTION WARRANTED AT THIS STAGE BUT WISHED TO FLAG POTENTIAL MAJOR PROBLEM. ANNENBERG