

## Message Text

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ACTION AF-10

INFO OCT-01 ISO-00 MMO-01 SP-02 SS-15 INR-10 /039 W

-----004242 040231Z /64

R 011055Z DEC 78

FM AMEMBASSY VICTORIA

TO SECSTATE WASHDC 1319

INFO AMEMBASSY NAIROBI

C O N F I D E N T I A L SECTION 1 OF 2 VICTORIA 1233

E.O. 12065: GDS 12/01/84 (FELDER, ROBERT C) OR-M

TAGS: AMGT, OGEN, PEPR, SE

SUBJECT: U.S. GOALS, OBJECTIVES AND RESOURCE MANAGEMENT  
(GORM) FOR FY-81

REF: STATE 287307

THERE FOLLOWS POST'S GOALS AND OBJECTIVES SUBMISSION AS PART OF  
FY-81 GORM EXERCISE.

1. PART I: U.S. INTERESTS IN SEYCHELLES ARE SECURITY-RELATED  
AND DERIVE PRIMARILY FROM THE COUNTRY'S STRATEGIC LOCATION. THE  
USAF CURRENTLY OPERATES A SATELLITE TRACKING STATION ON MAHE  
ISLAND, WHICH PLAYS A SIGNIFICANT ROLE IN THE US DEFENSE SATELLITE  
SYSTEM. THE COST OF RELOCATING THIS FACILITY ELSEWHERE IS  
ESTIMATED INFORMALLY BY USAF AT MORE THAN \$25 MILLION. POLITI-  
CALLY FEASIBLE ALTERNATE SITES ARE LESS DESIRABLE FROM A  
TECHNOLOGICAL POINT OF VIEW. LOSS OF THE MAHE TRACKING STATION  
WOULD HAVE IMPORTANT NEGATIVE IMPACT ON ACHIEVEMENT OF CERTAIN  
DEFENSE SATELLITE PROGRAM GOALS, AND COULD RESULT IN IMPORTANT  
DELAYS IN THE U.S. SPACE DEFENSE PROGRAM.

2. SIMILARLY, SEYCHELLES LIES ASTRIDE THE MAJOR OIL SHIPPING  
ROUTE FROM THE PERSIAN GULF TO EUROPE AROUND THE CAPE OF GOOD  
HOPE. WHILE THE U.S. HAS NO INTEREST IN ESTABLISHING A NAVAL  
INSTALLATION IN SEYCHELLES, IT IS INTERESTED IN ASSURING THAT  
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BASE RIGHTS ARE DENIED TO HOSTILE POWERS. THE U.S. ALSO HAS  
INTEREST IN CONTINUING COURTESY ACCESS TO VICTORIA BY USN SHIPS  
AND P-3 AIRCRAFT OPERATING IN THE AREA.

3. PART II. CONSIDERABLE PROGRESS HAS BEEN MADE OVER THE PAST  
IOEAR TOWARD ESTABLISHING THE POSTURE BEST SUITED TO ADVANCE  
U.S. GOALS AND OBJECTIVES IN SEYCHELLES.

4. MOST SIGNIFICANTLY, USG AUTHORIZATION HAS BEEN GRANTED TO BEGIN A MODEST BILATERAL DEVELOPMENT AID PROGRAM IN THE AGRICULTURAL SECTOR. PEACE CORPS PRESENCE HAS BEEN EXPANDED AND PLACED ON FIRMER FOOTING WITH THE CONCLUSION OF A BILATERAL AGREEMENT. THE PL 480 TITLE II FOOD PROGRAM HAS BEEN INCREASED TO INCLUDE MORE RECIPIENTS AND STEPS TAKEN TO IMPROVE ITS MANAGEMENT. THE EMBASSY'S SELF-HELP FUND ALLOCATION IS EXPECTED TO BE RAISED TO APPROXIMATELY \$60,000 FOR FY-79. TAKEN TOGETHER, THESE STEPS HELP BALANCE THE U.S. PRESENCE AND ROLE IN SEYCHELLES, WHICH, UNTIL RECENTLY, WAS DOMINATED BY THE USAF SATELLITE TRACKING STATION. THEY EXPRESS A COMMITMENT BY THE UNITED STATES TO WORKING WITH THE RENNE REGIME, AND TO IMPROVING THE WELL BEING OF THE POORER SEGMENTS OF SEYCHELLES SOCIETY, WHICH IS BOTH THE PRIMARY STATED OBJECTIVE OF THE GOS AND AID.

5. IN ADDITION TO THE ABOVE, WE HAVE BEEN SUCCESSFUL IN PROMOTING A FAVORABLE IMAGE OF THE U.S. IN SEYCHELLES SOCIETY IN OTHER WAYS. THESE INCLUDE THE OPENING OF AN ICA READING ROOM WITH ATTENDANT INFORMATIONAL AND CULTURAL PROGRAMS, THE UTILIZATION OF USN SHIP VISITS FOR PEOPLE-TO-PEOPLE, CULTURAL, AND CIVIC PROGRAMS, AND THE USE OF TRACKING STATION PERSONNEL AND RESOURCES TO MEET COMMUNITY NEEDS. ALL THESE PROGRAMS HAVE BEEN WELL RECEIVED AND SINCERELY APPRECIATED. THEY HAVE SERVED TO DIFFERENTIATE US CLEARLY IN THE PUBLIC MIND FROM THE SOVIET

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UNION, THE ACTIVITIES OF WHIVF IN SEYCHELLES TO DATE ARE PUBLICLY PERCEIVED AS SECRETIVE, SELF-INTERESTED AND NEFARIOUS.

6. IN COLLABORATION WITH THE UK AND FRANCE, WE HAVE BEEN ABLE TO MAKE CLEAR THE ADVANTAGES ACCRUING TO SEYCHELLES FROM CONTINUED CLOSE ASSOCIATION WITH THE WEST. SEYCHELLES' TIES WITH BOTH THE UK AND FRANCE HAVE DEEPEINED IN THE PAST YEAR, CULMINATING IN OFFICIAL VISITS BY PRESIDENT RENNE TO BOTH

COUNTRIES IN SEPTEMBER, 1978. WE HAVE BEEN LESS SUCCESSFUL, HOWEVER, IN DEMONSTRATING TO PRESIDENT RENNE THE DANGERS INHERENT IN DEVELOPING A SECURITY ASSISTANCE RELATIONSHIP WITH THE SOVIET UNION. WHILE THE RISKS TO SEYCHELLES IN SUCH A RELATIONSHIP ARE GREATEST IN THE MEDIUM TO LONG TERM, THE RISKS TO US BEGIN AS SOON AS THE SOVIET UNION OBTAINS LEVERAGE IT CAN BEGIN TO USE AGAINST OUR POSITION IN THIS COUNTRY.

7. SEYCHELLES HAS NOT PLAYED AN IMPORTANT ROLE IN INTERNATIONAL FORA THUS FAR. IT HAS, HOWEVER, MADE CLEAR ITS VIEWS ON ESTABLISHMENT OF AN INDIAN OCEAN ZONE OF PEACE. OVER THE COURSE OF NEXT YEAR, WE WILL BE PARTICULARLY ATTENTIVE TO THE NEED TO EXPLAIN FULLY U.S. STANCE ON DEMILITARIZATION OF

INDIAN OCEAN ISSUE. AT THE SAME TIME, IT SHOULD BE BORNE IN MIND THAT AN UNCOMPROMISING U.S. STANCE, COUPLED WITH THE PERCEPTION OF FLEXIBILITY IN THE SOVIET POSITION, COULD HAVE ADVERSE CONSEQUENCES FOR US HERE. (SEE NAIROBI 14788 PARA 5)

8. PUUT III: WITHIN NEXT TWO YEARS, USG MAY BE REQUIRED TO COPE WITH A CHALLENGE TO THE 1976 TEN-YEAR BILATERAL TRACKING STATION AGREEMENT. THE CHALLENGE WOULD PROBABLY BE IN THE FORM OF A GOS REQUEST TO RENEGOTIATE THE LEASE TO INCREASE RENTAL PAYMENTS. THE LIKELIHOOD THAT THE GOS WILL SEEK TO RENEGOTIATE THE EXISTING AGREEMENT TO OBTAIN GREATER FINANCIAL COMPENSATION IS CLOSELY RELATED TO PERFORMANCE OF SEYCHELLES'

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ACTION AF-10

INFO OCT-01 ISO-00 MMO-01 SP-02 SS-15 INR-10 /039 W  
-----004233 040230Z /64

R 011055Z DEC 78  
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TO SECSTATE WASHDC 1320  
INFO AMEMBASSY NAIROBI

C O N F I D E N T I A L SECTION 2 OF 2 VICTORIA 1233

ECONOMY. IF GOVERNMENT REVENUES, SUPPLEMENTED BY FOREIGN AID, ARE INSUFFICIENT TO FINANCE GOVERNMENT'S AMBITIOUS DEVELOPMENT PLANS, PRESSURE WILL INCREASE TO FIND REVENUES FROM OTHER SOURCES. THE PAYMENT SCHEDULE UNDER EXISTING TRACKING STATION AGREEMENT WAS FRONT-END LOADED, AND RENTAL PAYMENTS FROM NOW UNTIL EXPIRY OF AGREEMENT ARE RELATIVELY SMALL. THE GOS BUDGET FOR FY-79, CURRENTLY IN FINAL STAGES OF PREPARATION, IS EXPECTED TO BE IN ROUGH BALANCE, AND IT IS UNLIKELY THAT GOS WILL SEEK A TRACKING STATION RENTAL INCREASE IN 1979. PROSPECTS FOR 1980 ARE MUCH LESS CLEAR.

9. ANOTHER LESS LIKELY BUT POSSIBLE CHALLENGE COULD INVOLVE THE GOS REQUESTING THAT THE TRACKING STATION BE CLOSED. THE THREAT TO THE CONTINUED EXISTENCE OF THE STATION DERIVES PRIMARILY FROM THE CONTRADICTION BETWEEN THE GOS DESIRE TO DEVELOP AND PROJECT A GENUINELY NON-ALIGNED FOREIGN POLICY AND ITS HISTORICAL LEGACY WHICH TIES IT TO THE WEST. PRESIDENT RENE HAS GIVEN PUBLIC AND PRIVATE ASSURANCES THAT HIS GOVERNMENT WILL HONOR ALL AGREEMENTS ENTERED INTO BY HIS WESTERN-ORIENTED PREDECESSOR, INCLUDING THE TRACKING STATION AGREEMENT, BUT

UNDER INCREASING PRODDING FROM THE SOVIET UNION, MILITANT  
THIRD WORLD ALLIES, AND RADICAL ELEMENTS IN HIS OWN GOVERNMENT,  
RENE COULD RENEGE ON THESE ASSURANCES.

10. ALTHOUGH THE TWO POSSIBLE CHALLENGES TO CONTINUED SMOOTH  
IMPLEMENTATION OF TRACKING STATION AGREEMENT COME FROM DIFFERENT  
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DIRECTIONS, THEY ARE RELATED. IF WE ARE ASKED TO PAY MORE AND  
WE REFUSE, WE COULD BE ASKED TO LEAVE. BY OFFERING TO PAY MORE  
AT THE RIGHT MOMENT, WE COULD CONCEIVABLY FORESTALL AN ORDER  
TO CLOSE DOWN. THE POLICY ISSUES WHICH SHOULD BE EXAMINED  
BEFORE WE ARE FACED WITH A FAIT ACCOMPLI ARE (A) HOW MUCH IS  
THE TRACKING STATION WORTH TO US?; AND (B) HOW CAN WE POSITION  
OURSELVES TO COPE SHOULD CHALLENGE TO EXISTING AGREEMENT  
APPEAR IMMINENT? IF AN APPROPRIATE ANALYSIS MAKES CLEAR  
THAT THIS TRACKING STATION IS A SIGNIFICANT ASSET WORTH PRE-  
SERVING EVEN AT ADDITIONAL COST, POLICY CONSIDERATION WOULD  
HAVE TO BE GIVEN TO WHETHER WE SHOULD AGREE TO A SUBSTANTIAL  
RENT INCREASE. ALTERNATIVELY, THE POSSIBILITY OF UTILIZING  
SECURITY SUPPORTING ASSISTANCE GRANT(S) TO PROTECT OUR IN-  
TERESTS IN SEYCHELLES SHOULD BE CONSIDERED. A SECURITY SUPPORTING  
ASSISTANCE GRANT, IF COUPLED WITH APPROPRIATE GOS ASSURANCES  
RE TRACKING STATION, MIGHT FORESTALL DEMAND TO CLOSE THE  
STATION RESULTING FROM SOVIET AND RADICAL PRESSURE.

11. ANOTHER PROBLEM ALSO DERIVED FROM FUNDAMENTAL DISPARITY  
BETWEEN GOS'S NON-ALIGNED POSTURE AND ITS INHERITED TIES TO  
WEST CONCERNS UTILIZATION OF VICTORIA AS STAGING/TRANSIT POINT  
FOR PERIODIC P-3 FLIGHTS ORIGINATING IN DIEGO GARCIA. GIVEN  
RENE REGIME'S CLEARLY EXPRESSED VIEWS ON DEMILITARIZATION OF  
THE INDIAN OCEAN AND ON PRESENCE OF DIEGO GARCIA, IT IS HIGHLY  
POSSIBLE THAT AT SOME POINT BEFORE END OF FY-81 THESE AIRCRAFT  
WILL NO LONGER BE PERMITTED ACCESS TO SEYCHELLES. THE ISSUE  
WHICH ARISES IS HOW TO MEET ANTI-SUBMARINE WARFARE REQUIRE-  
MENTS IN AREA IF VICTORIA NO LONGER AVAILABLE TO P-3 AIRCRAFT.

12. PART IV: WE BELIEVE THAT GOALS AND OBJECTIVES SPELLED OUT  
LAST YEAR REMAIN VALID TODAY. HOWEVER, AS SUGGESTED IN PART III  
ABOVE, CONDITIONS MIGHT WELL CHANGE BY FY-81, REQUIRING A  
GREATER EXPENDITURE OF RESOURCES BY THE U.S. TO IMPLEMENT  
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THESE GOALS AND OBJECTIVES AND TO PROTECT THE U.S. POSITION  
IN SEYCHELLES.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MANAGEMENT, FOREIGN RELATIONS, REPORTS  
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**Copy:** SINGLE  
**Draft Date:** 01 dec 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS 19841201 FELDER, ROBERT C  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780497-0909  
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**Handling Restrictions:** n/a  
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**Litigation History:**  
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**Message ID:** e3623712-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION AF  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 287307  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 29 apr 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 459807  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** U.S. GOALS, OBJECTIVES AND RESOURCE MANAGEMENT (GORM) FOR FY-81  
**TAGS:** AMGT, OGEN, PEPR, SE  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/e3623712-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014