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[for 1955-65 chapter]

(Riches)  
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6 August, 1957.

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In Hall's absence from the office I am replying to your two letters of the 27th June about the Oil Islands.

The Seychelles speculators have so far failed to follow up their approach to Addis. Our impression is that they are men of straw and while we cannot entirely dismiss the possibility that firm commercial proposition may emerge, I think the odds against it are pretty long. In view of this Knaggs will not be visiting you in Mauritius.

The ideas about possible development of the islands mentioned in your letter are of course of interest to us and I am sure that Henry (to whom I will show a copy of this letter) would like to have a talk with you on this subject.

We have not thought it necessary to ask the Chiefs of Staff for a full scale appreciation of the strategic importance of the islands. This would take some time and would not, I think, be justified unless proposals were under consideration which would have a radical effect on the future political and security position. We know that the Joint Planning Staff do not attach any great importance to the Chagos Archipelago or the other islands. R.A.F. or Naval facilities in these islands would only be required as an alternative to Gan and not as an additional or complementary provision. As you know, Her Majesty's Government is making arrangements as far as possible to safeguard the defence facilities it requires at Gan and we can assume on current thinking that neither the R.A.F. nor Navy are at all likely to be interested in the Oil Islands.

On this basis, and dismissing for the present any question of transfer of the islands to Seychelles, you can assume that the strategic implications of the development of the islands by Mauritius need not be taken into account as a substantial factor in your decisions of policy. To put it at its highest, we would prefer, on political and security grounds, that any development of the islands did not effect too violent a change in the racial composition of the inhabitants (e.g., by Indianization). We would not regard the risk of such a development as a main factor in reaching a policy decision but we should like to see that risk reduced if possible by suitable planning. From this point of view I suppose that it may be desirable to avoid too much publicity and to deal with the development of the islands (if you can) as a routine operation or as part of larger plans rather than as a separate and exciting project.

(T. C. JERROM)

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