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THE INDIAN OCEAN: POLITICAL
AND STRATEGIC FUTURE

(5)



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POLICY AND SCIENTIFIC DEVELOPMENTS
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THE INDIAN OCEAN: POLITICAL AND STRATEGIC FUTURE

INTRODUCTION

SEPTEMBER 20, 1971.

For most Americans the Indian Ocean has a split personality. Our maps of the world, centered as they are upon the United States, provide an intact view of both the Atlantic and Pacific Oceans, but sever the Indian Ocean in two. This geographic bifurcation of the world's third largest body of water is an expression of the fragmented view which we have had of the Indian Ocean and its littoral.

This fragmentation is further demonstrated in the way official Washington treats the Indian Ocean. In the Department of Defense, for example, U.S. security responsibilities are divided between ~~CINCLANT~~, the Atlantic Command, on the east, and ~~CINCPAC~~, the ~~Pacific~~ Command, on the west. The State Department has three regional bureaus concerned with nations whose shores are touched by the Indian Ocean, and until recently had no central organizational focus on its affairs. Certainly there are too few academics and other experts who may truly be considered Indian Ocean area specialists, and little attention has been given to the Indian Ocean in foreign affairs programs of American universities.

The failure to see the Indian Ocean and its littoral states as a single entity stems in part from the size and diversity of the region, which contains parts of Africa, Australia, Antarctica, and Asia, including the Indian Subcontinent, Southeast Asia and the Middle East. Three of the world's six most populous states, India, Pakistan and Indonesia, are on the Indian Ocean littoral.

More important to our lack of a central vision, however, has been fundamental lack of concern on the part of the United States toward the Indian Ocean. The region has been generally free of cold war conflicts, and the presence of the British Navy was seen as insurance for regional security.

Today, however, the situation appears to be changing rapidly. The British already have left Singapore and by the end of this year will have removed completely their presence "east of Suez." At the same time the Soviet Union has gradually increased its naval presence in the Indian Ocean and is seeking access to fleet support facilities at various locations in the region. The United States, for its part, currently is in the process of establishing its first facility in the Indian Ocean—a communications center located on Diego Garcia, an island in the Chagos Archipelago.

Moreover, recent crises have shaken several of the littoral states—India, Pakistan and Ceylon—and may have substantial impact on the region's future. The Middle East conflict also affects the Indian Ocean, particularly on the question of reopening the Suez Canal. Another potential trouble spot is the Arabian Peninsula where balkanized oil-rich

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shiekdom soon may lose British protection. To these circumstances must be added mainland China's growing interest in the region and Japan's increasing dependence on Indian Ocean routes for trade and petroleum supplies.

Those recent developments have raised serious questions about the political and strategic future of the Indian Ocean and the lands washed by its waters, questions which have significance for American foreign policy. For example, what are Soviet interests, intentions, and objectives in the Indian Ocean? What will be immediate and long-range effects of the British withdrawal "east of Suez"? Should the Suez Canal be reopened? What type and size of U.S. presence is required in the Indian Ocean?

To answer those and other questions, the Subcommittee on National Security Policy and Scientific Developments of the House Foreign Affairs Committee held 4 days of hearings in July. We heard testimony from 10 witnesses, including academic specialists, former high Government officials and representatives of the executive branch. Their statements and answers to questions were, to a man, of a particularly high quality. As a result, this hearing record should provide a comprehensive and useful document for Members of Congress, executive branch policymakers, scholars, and all Americans interested in international affairs.

Throughout the hearings several themes emerge time after time, themes which deserve additional comment and discussion.

First, the Indian Ocean may, in coming years, become the site of major power competition—the powers being the Soviet Union, the People's Republic of China, Japan, and the United States.

Clearly the old bipolar system which characterized the cold war era is fast disappearing. Two new powers have joined the United States and the Soviet Union as major actors on the international scene. They are Japan and mainland China. Some specialists have seen the new situation as a "quadripolar" world, particularly in the Far East.

Although the Pacific Ocean has been seen as the principal arena of competition for these four powers because all four touch that body of water, the Indian Ocean could become a secondary site for multi-power maneuvering.

The Soviet Union, probably for a variety of reasons, has projected its naval power into the region. Japan's vital interests are involved in keeping seafarers open through the ocean. China, in an attempt to offset both United States and Soviet influences, has made some feints toward the Indian Ocean and may well decide to contest both the United States and the Soviet Union for influence in that area. The United States, faced with the loss of Western power in the region as Great Britain withdraws, may determine to substitute its own power and presence, a course recommended by some American naval leaders.

A second view to emerge from the hearings, however, is that it is still too early to make any firm decisions about the nature and intensity of a U.S. commitment to the region. Some insist Soviet intentions and objectives in the Indian Ocean region are as yet unclear. Nor is there any certain role for China and Japan in the Indian Ocean future. The concerns of littoral states, particularly major ones like India, Pakistan, Indonesia, and Australia, must also be taken into consideration.

Given these circumstances, a "wait and see" policy in the Indian Ocean on the part of the United States may well be advisable. Precipitate action by our Nation could provoke the kind of active competition in the Indian Ocean which would not be in our interests.

At the same time, a "wait and see" policy should not be a facade for mere inaction and disinterestedness. The United States has legitimate interests in a peaceful and secure Indian Ocean, although U.S. interests there are of a lesser priority than those in the Atlantic and Pacific Oceans.

Witnesses before the subcommittee generally agreed that development of the Diego Garcia facility as a communications center was an appropriate extension of U.S. presence into the Indian Ocean. Further, the small U.S. Persian Gulf task force was seen as a stabilizing influence in that area and there was general agreement that "modernizing" the ships in the task force and perhaps increasing its size slightly would be advisable. On the other hand, creation of a special fleet for Indian Ocean duty or substantial augmentation of naval forces in the area was deemed premature and impractical.

A third important concept to emerge from the hearings was that the United States should rely on diplomatic finesse rather than military power in dealing with the problems of the Indian Ocean area. A number of suggestions were made for multilateral discussions on the Indian Ocean area which would involve both littoral states and major powers. There were recommendations for the neutralization and de-nuclearization of part or all of the Indian Ocean and its littoral.

Recognizing the difficulties involved in neutralization or de-nuclearization, the United States should remain open to the legitimate desires and demands of the littoral states. As expressed in the Lusaka Declaration of 1970 and through other forums, those nations wish to keep the Indian Ocean free of great power military competition while being interested in receiving economic assistance from those same powers. The United States should respect initiatives from Indian Ocean states and cooperate with them to the fullest extent possible.

Further, the future of the Indian Ocean is a proper subject for discussions between the United States, the Soviet Union, and perhaps Japan and China. The U.S.S.R.'s Premier Brezhnev recently proposed bilateral talks with the United States on limitations of naval forces in the Mediterranean Sea and Indian Ocean—a proposal to which the United States has not as yet officially responded. Leaving aside the question of naval limitations in the Mediterranean, the United States might be advised to attempt discussions on Indian Ocean questions with the Soviets and other powers, including—depending upon the outcome of the President's visit to Peking—the Communist Chinese. Our Japanese allies should be consulted fully on such talks and, if possible, involved in them. If such talks can provide any hope of preventing the Indian Ocean from becoming an area for great power rivalry, they will be worth the effort required for their initiation.

Clearly the world is now entering a new era of negotiation after decades of ideologically-based confrontation among nations. In Europe and in Asia national leaders and peoples are in the process of breaking down old enmities and barriers through diplomacy and discus-

sion. It would be ironic, indeed, if the Indian Ocean which was largely spared the travail of World War II and the cold war now would be caught up in interpower rivalries. Although the ability to prevent such a development does not lie solely—or perhaps even primarily—with the United States, our Nation can make an important contribution to the future peace and stability of the Indian Ocean area.

It is my hope that this series of hearings—marking the first time a congressional committee has focused on the Indian Ocean—will help promote such an effort by our Nation.

CLEMENT J. ZABLOCKI, Chairman,
Subcommittee on National Security
Policy and Scientific Developments.

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exclusive responsibility for the security of any part of the Indian Ocean area, for this would conflict with the principle of the open sea and would lead to tensions with other countries in the areas immediately concerned. We should, for example, recognize the special role and claims of Iran in the Persian Gulf, without endorsing any Iranian claims to complete hegemony in the Gulf area. The growing interest of Australia in Indian Ocean security should be welcomed and encouraged, and the United States should continue to cooperate with Australia in this respect, as in other respects. Japan, although not in the Indian Ocean area, already has strong economic interests there, and it will undoubtedly be more active there, in more diversified ways, in future years. Japan will probably increase its political as well as its economic presence, and perhaps eventually will maintain a naval presence as well. These developments will provide grounds for both caution and encouragement on the part of the United States, as well as of the littoral states. In all aspects of U.S. policies in the Indian Ocean area, the interests and sensitivities of the Indian Ocean states should not be overlooked.

ADDITIONAL STATEMENT OF DR. GARY GAPPERT

The question of insuring security in the Indian Ocean through the expansion of naval capacity of regional powers is a pertinent one.

Several points might be noted.

First, such expansion is likely to continue and accelerate in the next five years.

Second, we should avoid bilateral military assistance to such expansion. At the very most we should sell commercially military and naval hardware.

Third, we should not force the formation of a multi-nation security pact through "subtle" pressures. We should, however, indicate that we will permit commercial sales to such a pact group.

The sad record is that our military assistance is not used for security purposes but for the maintenance of particular regimes. The case of Pakistan stands as loud testimony to the effect of military assistance.

The delusion that a great power role means we should support each and every local arms race in the name of "security" is a fallacy.

If there is a "security" problem in the area, it should be brought to the UN by the nations concerned.

ADJOURNMENT

Mr. ZABLOCKI. I again want to thank you gentlemen for a very informative afternoon. Your statements again I must say were well prepared and your answers to the numerous questions were direct and complete.

Thank you gentlemen very much.

The subcommittee is adjourned until tomorrow afternoon at 2172 in the Rayburn Building. Our witnesses will be spokesmen from the Department of State and Defense.

The meeting will be an executive session.

(Whereupon, at 4:30 p.m. the meeting was adjourned, to reconvene in executive session at 2 p.m., Wednesday, July 28, 1971.)

THE INDIAN OCEAN: POLITICAL AND STRATEGIC FUTURE

WEDNESDAY, JULY 28, 1971

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
SUBCOMMITTEE ON NATIONAL SECURITY
POLICY AND SCIENTIFIC DEVELOPMENTS,

Washington, D.C.

The subcommittee met at 2 p.m., in executive session in room 2172, Rayburn House Office Building, Hon. Clement J. Zablocki (chairman of the subcommittee) presiding.

Mr. ZABLOCKI. The subcommittee will come to order.

This is the fourth and final scheduled session in a series of hearings on the strategic and political future of the Indian Ocean area being conducted by the Subcommittee on National Security Policy and Scientific Developments.

In the first three sessions the subcommittee heard testimony from academic and other private witnesses. Today we are meeting in executive session to hear from representatives of the Department of State and the Department of Defense.

The Department of State has provided the subcommittee with an unclassified statement on the Indian Ocean situation which is being made available to the press and public.

INTRODUCTION OF RONALD I. SPIERS

Our first witness this afternoon is the Honorable Ronald I. Spiers, Director of the Bureau of Politico-Military Affairs, Department of State. A career foreign service officer, Mr. Spiers has served the Department in a variety of posts both in Washington and abroad, assuming his present position in 1969.

Because the Indian Ocean area cuts across the jurisdictions of several of the regional bureaus of the Department of State, responsibility for Indian Ocean problems has been delegated to the Politico-Military Bureau, which Mr. Spiers heads.

He has testified before the House Foreign Affairs Committee and before this subcommittee several times and it is a pleasure to welcome him back today.

He is accompanied by Cap. Ed R. Day, U.S. Navy, Department of State; Jonathan D. Stoddart, Department of State; Lt. Gary Russell, USCG, Department of State and Colgate S. Prentice, Department of State.

INTRODUCTION OF ROBERT J. PRANGER

Representing the Department of Defense is Dr. Robert J. Pranger, Deputy Assistant Secretary for Policy Plans and National Security Council Affairs in the International Security Affairs (ISA) office.

A former professor of political science, Dr. Pranger came to the Pentagon in 1960 as Deputy Assistant Secretary for Middle-East/South Asian Affairs in ISA and in June 1970 assumed his present post.

This is the first time Dr. Pranger has testified before this subcommittee. We are happy to welcome you.

Dr. Pranger is accompanied by: Mr. Peter P. Knaur, Special Assistant for Congressional Relations, Office of the Assistant Secretary of Defense (International Security Affairs); Captain R. N. Congdon, U.S. Navy Policy Plans and NSC Affairs Directorate, Office of the Assistant Secretary of Defense (International Security Affairs); Capt. H. N. Kay, U.S. Navy, Plans and Policy, J-5, Office of the Joint Chiefs of Staff, and Capt. J. S. Elfelt, U.S. Navy, Office of the Chief of Naval Operations, Department of Navy.

Mr. Spiers, you may proceed.

STATEMENT OF HON. RONALD I. SPIERS, DIRECTOR OF THE BUREAU OF POLITICO-MILITARY AFFAIRS, DEPARTMENT OF STATE

Mr. SPIERS. [Security deletion.]

Mr. Chairman and distinguished members of the subcommittee, I am pleased to have this opportunity to contribute to your consideration of our national security policy as it relates to the Indian Ocean area.

The Indian Ocean area, unlike Europe and Asia, is one which has been only on the margins of U.S. attention. Never considered of great importance to the central balance of power, it has been on the edges of great power rivalry.

Recently, this basic perspective has been challenged and attention has focused anew on the Indian Ocean. The build-up of the Soviet Navy and the more or less regular appearance of Soviet Naval vessels in the Indian Ocean, the United States-British decision to build an austere communications facility on Diego Garcia, and the controversy in the United Kingdom on the issue of arms supply to South Africa have all contributed to this renewed interest.

Important issues are raised for U.S. foreign and defense policy which require consideration. Some of the questions are: What are the nature and consequence of the Soviet presence? What are the repercussions of going ahead with Diego Garcia? Is there any way of avoiding an arms competition in the area? What are the attitudes of the littoral states and how will they affect our course of action? How do we inhibit a Soviet hegemony which might, in time, affect the central balance of power adversely to our interests?

I would like to review the disparate factors which are involved in this problem: our strategic interests, and those of the Soviets and the Chinese; the views of the states in the area; our own political objectives. In doing so, I would like to examine recent developments that bear on U.S. policy toward the Indian Ocean area, including the Red and Arabian Seas, the Persian Gulf, the Bay of Bengal, and the bordering states.

PAST U.S. INVOLVEMENT IN INDIAN OCEAN

Since the days of the Portuguese navigators, the Indian Ocean area has seen outside power competition and influence. To this day the Portuguese remain a significant regional power through their control of the large and restive territory of Mozambique. French influence is also present, as France controls several islands in the Indian Ocean, including Reunion and the strategic port of Djibouti in the Gulf of Aden, and has maintained access to the large naval base at Diego Suarez in the Malagasy Republic. However, the basic historic imprint in the region has been British. By the end of World War II, British supremacy in the area was more illusory than real and proved short-lived.

This erosion was one of several factors that caused the gradual emergence of U.S. involvement in the region. Our pre-1945 focus in the area was founded on the treasure trove of oil in the Persian Gulf and by the Persian Gulf Command in Iran, which managed delivery of lend-lease equipment to the Soviet Union. Our close wartime association with Iran survived, in large measure due to the postwar Soviet effort to detach Azerbaijan Province from Iran.

An American military presence was introduced to the area in 1948. This force (COMIDEASTFOR) consists of a small flagship—a converted seaplane tender—homeported at British facilities in Bahrain and two destroyers assigned on a rotational basis from the Atlantic Fleet.

Under arrangements with the Saudi Government a SAC recovery base became operational at Dhahran in 1951, until terminated at Saudi request in the early 1960's. Dhahran remains a key Military Airlift Command transit base.

During the 1950's, military advisory and training missions were sent to Iran, Saudi Arabia, and Ethiopia and today remain important assets in the exercising of U.S. influence in the region. Bilateral defense agreements were negotiated with Iran and Pakistan in 1950 and 1954 respectively, which interlocked with the Baghdad Pact of 1955 (CENTO after 1958) and, in the case of Pakistan, with SEATO. To underscore and fortify our growing interest in the Indian Ocean area, substantial military and economic aid was initiated in the early 1950's and has continued to this day.

BRITISH POLICY AND U.S. ACTIVITY

In the 1960's, British power and influence continued to decline. Twelve new independent states emerged from former British controlled territories. The Labor Government announced in January 1968 that the British security arrangement with Kuwait would terminate in 1970 and the British military presence in the gulf would be phased out by the end of 1971. The British are still hopeful that their efforts to establish a reasonably viable federation of the Trucial sheikdoms, and perhaps Qatar and Bahrain, can serve as a stabilizing factor in the gulf as a substitute for redeployed British forces. This is by no means assured, although we are encouraged by the recent announcement that six of the seven Trucial sheikdoms may accede to federation.

During the same period a parallel rise in U.S. activity continued. The Chinese Communist incursion into Indian territory in the North-east Frontier Agency and Ladakh in November 1962 led to a substantial U.S. military aid program. Our new association with India survived until the Indian-Pakistani 3-week war in September 1965. Meanwhile, our previously close relations with Pakistan had deteriorated rapidly, in part as a result of our post-1962 support of India.

It was during this period of the early 1960's that the Departments of State and Defense began thinking of the longer term strategic requirements of the United States in the Indian Ocean area. This was the actual inception of the British Indian Ocean Territory, or BIOT. The British had parallel interests with ours which essentially centered on the need for secure communications and transit rights through the Indian Ocean. In 1963 they decided to sequester a number of sparsely populated or unpopulated islands which had been under the administration jurisdiction of the Seychelles or Mauritius and form a group called the British Indian Ocean Territory. The outcome of the mutuality of United States-United Kingdom interests was the BIOT Agreement, negotiated with the United Kingdom in December 1966. The agreement provides for the BIOT remaining as United Kingdom territory; for an agreement in principle on each undertaking, for detailed agreements between designated administrative authorities (that is, U.S. Navy and Royal Navy) and for each Government bearing cost of its own sites. The initial period covered by the agreement is 50 years with a provision for a 20-year extension.

U.S. INTERESTS IN THE INDIAN OCEAN

An identification of our interests in the Indian Ocean is necessarily complex. It is not in any sense a political unit.

In brief our interests are these:

The oil of the Persian Gulf is vital to our allies and of considerable direct interest to us.

About 30 of the 126 members of the U.N. belong to the Indian Ocean region and one-third of the world's population is there. Several of the states—India, Pakistan, Indonesia, Iran, the UAR, and, in certain respects, South Africa—play a significant international role. Further, our interests in assisting in the development of these countries have been and continue to be a matter of concern to the United States. We see forward movement in economic development and toward political stability as the best means to promote an environment conducive to our own interests.

Conversely, the instability and intra-regional antagonisms that characterize much of the Indian Ocean area could serve to promote Soviet interests at the expense of ours. We are concerned over the volatile political situation with the attendant growth of Soviet influence in Yemen and South Yemen at the mouth of the Red Sea. The Israelis, incidentally, share our unease on this point. We are particularly disquieted by the potential for instability in the Persian Gulf and what this might mean to our and allied oil interests in the event the British are unable to effect some form of federation among the gulf sheik-

doms. Elsewhere, the struggle in Pakistan has already further aggravated the tensions of the subcontinent. We are encouraged, however, that Mrs. Gandhi's impressive success in the recent Indian elections will arrest an earlier drift there toward fragmentation.

In addition to the BIOT, we have other security interests in the area. The Indian Ocean must remain available to free passage to U.S. commercial and military traffic, if only for contingency purposes. Also, we require secure air routes into and across the region.

It is to our interest that countries of the area not pass under the control of forces hostile to us. Specifically, we would be concerned if Chinese or Soviet influence in the area extended to control of the water areas or significant parts of the littoral. We do not envisage an immediate threat of this nature, however.

We are quite conscious of the Soviet Union's aspirations to project its power into distant areas. Politically, the Soviets probably view the Indian Ocean as an area where their influence can grow at the expense of Western and, to a lesser degree, Chinese influence by exploiting targets of opportunity among the revolutionary and nationalistic forces in the region.

THE BASE AT DIEGO GARCIA

Now turning to specific military considerations, a naval survey of Diego Garcia in the Chagos Archipelago was undertaken in 1964 and again in 1967. In March 1968, the JCS recommended establishment of a joint U.S./U.K. military facility on Diego Garcia, which has subsequently evolved into an austere communications facility.

As you may know Congress funded \$5.4 million in the fiscal year 1971 Military Construction Bill for the Diego project. The Navy estimates total construction costs at approximately \$19 million. Original costs have been reduced by using Navy Seabees and reducing facilities.

I wish to emphasize that construction of this modest communications facility is not a sudden reactive response by the United States to a possible Soviet threat in the Indian Ocean but rather is the culmination of our efforts to meet a naval communications requirement dating back to the early 1960's.

These requirements are based on the fact that a significant communications gap currently exists in the southern, central, and north-eastern Indian Ocean areas. Reliable communications coverage cannot be provided to these areas from any existing U.S. Naval Communication Station. Consequently, an Indian Ocean area facility was required to rectify this situation and provide communications coverage for ships operating in or transiting these areas. An Indian Ocean communications facility will also provide minimum requisite communications for safety of life at sea, safety of flight, weather advisories, and hydrographic and oceanographic research in the area.

U.S. strategic interests in the Indian Ocean include oil requirements. About 60 percent of the oil required by our Western European allies and 90 percent of the oil used by Japan comes from the Middle East. This assumes even greater pertinency when viewed in the light of known oil reserves.

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EFFECTS OF SOVIET NAVAL PRESENCE

With the U.S.S.R. naval presence in the Indian Ocean now an established fact, we face the prospect of enhanced Soviet politico-military power flanking Africa, South and Southeast Asia and Australia. This calls attention to the growing Soviet naval capability in reference to the so-called choke points which control ingress and egress to and from the basin. These include Bab El Mandab at the southern entrance to the Red Sea, the Gulf of Hormuz at the narrow of the Persian Gulf and the politically less vulnerable Straits of Malacca and Sunda.

The practical effect of the Soviet presence athwart lines of communication would, of course, be acutely felt in the case of all-out hostilities. A Soviet attempt to block maritime routes in peacetime could, of course, lead to a major world crisis. Nonetheless, with appropriate basing and/or establishment or political preeminence in these funnel areas, Soviet domination of the most critical of these choke points falls within the realm of possibility. The knowledge that in the event of war or great tension the Soviets or their associated states might control traffic in and out of the Indian Ocean—at one or more of these points—could not but exert some influence on the political orientation of those nations who would be most affected should this contingency come to pass.

In terms of strategic weapons, the Soviets would, of course, make every effort to limit the U.S. use of the Indian Ocean as a launching area for ballistic missile submarines.

SOVIET ACTIVITIES IN THE INDIAN OCEAN

The Soviets, like the czars, have long had an interest in the Indian Ocean because of the opportunities it offered for trade and for the extension of their political influence, and because it lies athwart the ice free ocean route between ports in the Western and Far Eastern U.S.S.R. Currently, some 12 percent of the merchant ships transiting the Indian Ocean are Soviet.

There are only a few, well defined shipping routes through the Indian Ocean. Except for those which round the Cape of Good Hope or pass through the Tasman Sea, around the South of Australia, the other transoceanic routes converge at the already cited choke points. Ships which desire to avoid these choke points must add many days and in some cases thousands of miles to their voyages from European and other North Atlantic ports.

Since the mid-1950's, the Soviets have demonstrated a clear interest in the Indian Ocean area. Since that time, for example, almost two-thirds of their financial and economic aid has been devoted to third world countries in the Indian Ocean area.

It is, however, in the expansion and classic peacetime employment of their Navy in the Indian Ocean area where they are using seapower to complement ongoing economic and political objectives that they have made a recent dramatic impact.

It should thus be noted that the Soviets have moved from their traditional land-centered, defense of the homeland role to one using their Navy worldwide as an instrument of policy.

Soviet naval presence in the Indian Ocean was inaugurated in the spring of 1967 with the deployment of ships with military and civilian crews for oceanographic and space event support operations. Soviet combatant deployments in the Indian Ocean were initiated in March 1968. Since that date the Soviets have maintained an essentially continuous presence in the Indian Ocean and have increased threefold the number of ship days in that ocean. This includes naval combatants, naval auxiliaries and oceanographic ships.

To enhance their staying power, the Soviets are soliciting access to existing support facilities in various locations in the Indian Ocean and on its littoral which, if their efforts meet with success, could permit them to develop a position of strength in such areas as the Gulf of Aden, the southern gateway to the Red Sea.

EFFECT OF REOPENING SUEZ CANAL

The complexities of maintaining the Soviet Indian Ocean squadron would be considerably ameliorated were the Suez Canal to be reopened. Supply lines would be drastically reduced, transit times foreshortened, rotation of units expedited. Similarly, with the canal opened to traffic, the number of Soviet naval deployments into the Indian Ocean could take a quantum jump inasmuch as the assets of their powerful Black Sea Fleet would become available for rapid deployments south and east of Suez. The time required to deploy U.S. naval units to the Indian Ocean would be reduced, but to a lesser extent. The Sixth Fleet could be employed on short notice. Access to Persian Gulf oil by our Western allies is of considerable strategic and economic interest to the United States and would be positively affected by the reopening of the Suez Canal. Arrangements associated with the canal's reopening could also act to defuse the Arab-Israeli confrontation.

The Soviets continue to probe for facilities for their growing Indian Ocean fishing fleet, which now accounts for almost one-third of their annual catch. Last year they made a limited support agreement with Mauritius, and reportedly are now feeling out other nations for additional assistance.

CHINESE INTERESTS IN THE INDIAN OCEAN

Unlike the Soviets, the Chinese have no traditional interests in the Indian Ocean. Only since the Communists came to power in 1949 have they made significant diplomatic or economic moves in the area. These efforts, which include both trade and foreign aid to selective countries like Tanzania and Pakistan, are designed to improve the Chinese image to increase Chinese influence.

Militarily, the Chinese have not ventured out of their own coastal waters, although they have a few ships which are capable of such deployments. To date, the Chinese have seen little value in operations of a naval force in the Indian Ocean.

INDIAN OCEAN: PRIORITY LOWER THAN ATLANTIC AND PACIFIC

I hope that this review shows that we cannot assign a single value to the totality of our interests in the Indian Ocean. Nevertheless, we do

consider that over the next 5 years our interests there will be of a substantially lower order than those in either of the great ocean basins: the Atlantic and the Pacific. We border on the Atlantic and the Pacific and the states of these areas are for the most part economically, politically, and militarily more important to us than those on the Indian Ocean. Therefore, there appears to be no requirement at this time for us to feel impelled to control, or even decisively influence, any part of the Indian Ocean or its littoral, given the nature of our interests there and the current level of Soviet and Chinese involvement. We consider, on balance, that our present interests are served by normal commercial, political, and military access.

In sustaining our interests in the Indian Ocean region, we should emphasize that there is a real problem for the nonregional powers. A number of the littoral states—among them India, Ceylon, and Tanzania—have on several occasions expressed the desire to see the Indian Ocean kept free of big-power rivalry. While this attitude to some extent may condition the political atmosphere, it does not change the fact that this vast ocean area remains international waters or the fact that the Soviets and the Chinese have not been dissuaded from continuing to augment their presence in the region.

THREE U.S. POLICY DILEMMAS IN INDIAN OCEAN

Although the threat to any of our interests in the Indian Ocean is of relatively low order, it nevertheless is an area that merits close and continuing attention, particularly in view of the apparent Soviet and, to a lesser extent, Chinese Communist objective to enlarge their influence and presence in the region. Accordingly, as we look at the region over the period of the next few years, we are faced with three policy dilemmas:

First, how can we best respond to the increased Soviet naval presence in the Indian Ocean area and the extension of Soviet influence? How can we maintain our own ability to exert military influence in that area in case of need without acting in a way that would stimulate a competitive buildup of forces?

Second, how can we encourage economic development, international political responsibilities, and domestic political stability in the countries around the Indian Ocean and have good relations with them as a way of limiting the development of Communist influence hostile to the United States in those countries?

Third, how can we insure maintenance of free transit through the key access points to the Indian Ocean?

We will have to find answers to these questions within the constraints provided by our desire to avoid a great power competitive buildup in the Indian Ocean. There are factors which favor our objectives. Among them are the efforts of some Indian Ocean countries to restrain Soviet military activity. Nonetheless, the United States must ultimately decide whether or not it will maintain the option to counter an enlarged Soviet military buildup.

Thank you. I will attempt to answer any question the committee may have.

Mr. Chairman, this concludes my prepared statement. We are ready for any questions you want to put to us.

Mr. ZABLOCKI. Thank you, Mr. Spiers.

We will hear Mr. Pranger. I understand you have a prepared statement. Will you present your statement and we will entertain questions from the subcommittee to both of you gentlemen.

STATEMENT OF ROBERT J. PRANGER, DEPUTY ASSISTANT SECRETARY OF DEFENSE (INTERNATIONAL SECURITY AFFAIRS) FOR POLICY PLANS AND NATIONAL SECURITY COUNCIL AFFAIRS

Mr. PRANGER. I am Robert J. Pranger, Deputy Assistant Secretary of Defense for Policy Plans and NSC Affairs in the Office of the Assistant Secretary of Defense for International Security Affairs. I am most pleased to have this opportunity to appear before this subcommittee to discuss the strategic and political prospects for the Indian Ocean as viewed from the perspective of the Department of Defense.

The Indian Ocean region can be viewed from two perspectives—one as a vast ocean area and strategic maritime theater; and the other as a series of subregions and individual littoral states whose economic, political, cultural, and military positions and interreactions give the region political and strategic significance.

POLITICAL FUTURE OF LITTORAL STATES

First considering the region from the aspect of the political future of the littoral states, this has proved to be very difficult to predict. We can expect continuation of adversary relationships between many of the states for the foreseeable future; that is, between India and Pakistan, Iran and Iraq, Ethiopia with its neighbors, et cetera. In the Persian Gulf, the full impact of the British withdrawal is not completely discernible. The attempted creation of a federation of Arab Emirates has just recently met with modest success, but the ultimate viability of the federation will depend on the ability of the sheikdoms to overcome their rivalries and divergent interests, as well as Iranian and Saudi Arabian assistants.

SOVIET AND CHINESE INTERESTS

The Soviets have been for several years at work in the region supporting radical Arab and African Governments such as Iraq, Yemen, and Somalia; and they have also devoted considerable effort and funds to enhancing their influence in India. Their efforts have not achieved notable success in the Arab world, and even the so-called client states have not been signally compliant to Moscow's desires. The Soviets, in this and other regions, are showing an increasing propensity to support incumbent conservative and non-Communist governments when there is political capital to be gained. This policy has been often at the expense of radical leftist groups with poor prospects or credentials. Political realities are prevailing over ideological motivations. The Soviets have achieved success in achieving influence with India. They have become the primary supplier of military equipment to the Indian military forces. The probable motivation of this effort is partially to counter Communist Chinese aspirations to the south. An equally important viewpoint is that the Soviets recognize

in India the potential for becoming the dominant political and economic, if not military, power in the region.

Present Communist Chinese involvement in the region includes politically motivated economic aid, primarily to Pakistan and Tanzania, and some support to national liberation movements in southern Africa. It can be expected that the Chinese will continue to attempt to expand their political and economic influence in the area. Their paramount objective is probably as much extension and continuation of their rivalry with the Soviets as for any other reason. If the Chinese decide to test their strategic missiles into the Indian Ocean, they may seek rights to set up support facilities in Tanzania and Pakistan.

Generally the nationalistic attitudes and various forms of xenophobia manifested in many of the littoral states militate against major successes on the part of either the Soviets or Chinese in their efforts to achieve any dominant influence in the region or of any section of the region. In some cases, for instance Yemen, the governments have become somewhat disenchanted with the degree of quality of Soviet or Chinese assistance. [Security deletion].

ENDEMIC INSTABILITY IN LITTORAL STATES

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The endemic instability of many of the states of the region has caused events and outbreaks of violence that have not been foreseen with accuracy, and more such events can probably be expected in the future. There was little advance warning or indication of the revolt in Ceylon, the Pakistan Civil War, and of the intemperate and precipitous actions of the Government of the Malagasy Republic against the United States. [Security deletion.] The Government of Somalia's fixation on enforcement of jurisdiction over its claimed territorial waters is a case in point. Because of partially real or imagined threats to their security, many of the countries divert extensive funds to military equipment at the expense of critical domestic programs such as medical facilities and education.

Many of the governments and societies in the Arabian peninsula are highly conservative, and if the leaders fail to make satisfactory progress in political, economic and social reform, conditions could be created that will lead to overthrow of friendly moderate regimes by radicals. It is of note that the Shah of Iran is one of the more perceptive observers of this situation, and he has pointed out to some of the sheiks of the area the urgent need for reform and modernization in their states.

The crisis in East Pakistan will continue to defy solution unless major political accommodations are made by the Government of Pakistan to the East Bengalis. Serious dangers exist of an outbreak of hostilities between India and Pakistan over the staggering refugee problem that has been created for India.

The Southeast Asia nations facing on the Indian Ocean—Burma, Malaysia, and Indonesia—all have Communist inspired insurgencies to cope with. [Security deletion.]

The insurrection in Ceylon has been brought under control, but the primary economic problems that caused it remain to be effectively dealt with by the Socialist Government. Recent indications are that the Ceylonese Government, in its new constitution, may be swinging further Marxist in its orientation.

The U.S. policy in the region has been, and will continue to be, to provide assistance to the countries that demonstrate a capability to use the assistance for the benefit of their societies. We encourage the governments to move to social, economic, and political reform where appropriate. Limited military assistance is furnished to promote mutual security and important U.S. economic and political interests.

U.S. INTERESTS IN THE INDIAN OCEAN AREA

The strategic future of the Indian Ocean region lends itself somewhat to projection. The Indian Ocean is of less strategic importance to the United States than other oceanic regions such as the North Atlantic, the Mediterranean, and the North Pacific in the current context of world security posture.

Vital sea lines of communication of the United States do not cross this ocean, and no littoral state is of direct strategic importance to the security of the United States. The United States does have a fundamental strategic interest in the region in that the ocean area must remain available for the passage of U.S. commercial shipping and for the deployment of naval forces for reaction to contingencies affecting U.S. security and vital interests. Similarly we require a secure air route into and across the region.

The United States also has a major strategic interest in the Persian Gulf oil supply to Western Europe and Japan. Interdiction of the flow of Persian Gulf oil to Japan and to Western Europe could cripple those economies in a very short period of time [security deletion]. Alternate supplies to meet the vast fuel requirements of these industrial nations would not be readily available, and in any event, major realinement of supply sources and distribution systems would be required to keep these economies going without Persian Gulf oil. Although the United States has imported less than 3 percent of its oil from the Eastern Hemisphere in the past, the United States is expected to become increasingly dependent on these sources. [Security deletion.] The majority of this oil will come from the Arab Middle East states. Thus it is of prime importance to the United States that the fuel source of these countries remain available. The United States would not want to see the oil, population, territory, and other resources of the region fall under the control of any adversary or combination of adversaries able to threaten the United States.

Many of our allies have essential sea lines of communication that cross the Indian Ocean—Australia to the United Kingdom and Western Europe, Japan to Europe, Iran to Europe, et cetera. Twenty percent of the world's maritime shipping is on the Indian Ocean on any one day. Interdiction of sea lines of communication, although a wartime threat, is a peacetime strategic concern. Capability to maintain these sea lines of communication in the event of war is a strategic objective of maritime nations, and is thus of strategic importance to the United States. [Security deletion.]

EFFECT OF REOPENING SUEZ CANAL

The strategic future of the Indian Ocean must, of course, take into consideration the impact of the reopening of the Suez Canal. This event would obviously result in realinement of many of the peacetime

merchant shipping routings, although a substantial portion of the cargoes now being carried across the Indian Ocean are carried in supertankers and bulk cargo carriers that are too large to use the canal. In the event of war, the availability of the canal would be doubtful. It could be quickly closed by whichever side chose to do so by military action. In periods of tension or crisis in the Indian Ocean region, an open canal would obviously greatly facilitate the rapid deployment of Soviet naval forces and U.S. naval forces of less than aircraft carrier size from the Mediterranean into the Indian Ocean for a show of force, to support a friendly threatened regime or to stabilize a dangerous situation (by the United States if international control of the canal were assured). [Security deletion.]

The Soviets, like the United States, have an interest in maintaining ingress and egress in the Indian Ocean for their navy and merchant marine. States occupying a key geographic location could have a capability to harass and inhibit free transit of narrow straits to the point of causing significant problems to maritime powers. [Security deletion.]

The other major points of egress and ingress into the Indian Ocean are so located that adjacent territories are in the hands of our allies or friendly governments.

SOVIET NAVAL PRESENCE IN INDIAN OCEAN

I would now like to briefly discuss the Soviet naval presence and activities in the Indian Ocean. Since 1968 the Soviets have been maintaining a small but increasing naval presence in the Indian Ocean. The naval ships have been modern warships of impressive capability. These deployments of naval forces represent a departure from the traditional homeland defense missions of the Soviet Navy and reflect the use of the Soviet Navy as an instrument for the projection of Russian presence worldwide. Together with the expansion of their ocean-going naval, merchant, and fishing fleets, the Soviets are actively promoting an image as a world maritime power in the countries of the West and the "Third World." Soviet ships make port calls to demonstrate their naval technology and to symbolize Soviet sympathy or support, as in Cuba and Somalia, or the case of Guinea after the Portuguese raid late in 1970. We, of course, practice the same tactics available to large naval powers.

For the most part, Soviet naval activity in the Indian Ocean has been supplemental to political endeavors, and military and economic assistance programs in the region. In the event of crisis or a period of high tension, however, the presence of Soviet naval forces could increase the influence of the Soviets in a specific situation. In this event, the influence and impact of the Soviet naval forces could be greater than their intrinsic capabilities.

The Soviet naval units in the Indian Ocean are drawn primarily from Pacific Fleet assets, but frequently ships conducting interfleet transfers remain in the Indian Ocean for extended periods. The greatest constraint on Soviet Indian Ocean operations is the lack of local repair facilities and the geographic difficulty of augmenting and logically supporting the squadron from the Black Sea via the route around South Africa and from Vladivostok via the Straits of Malacca.

Reopening of the Suez Canal would facilitate more rapid and expanded logistic support of the squadron, and would enable speedy augmentation when desired. Availability of Singapore logistic support facilities to the Soviet naval units would be very advantageous.

U.S. NAVAL PRESENCE IN INDIAN OCEAN

The U.S. naval presence in the Indian Ocean region provides a low profile but nevertheless positive indication of U.S. interest in the Indian Ocean region. It furnishes psychological reassurance to friendly littoral states. Through the conduct of occasional small-scale naval exercises in the region, it demonstrates U.S. naval capability and flexibility. The U.S. naval presence in the region also serves to counterbalance the political impact of the Soviet naval presence and activities in the region. An absence of or an inadequate U.S. counterpoise in the Indian Ocean region would be detrimental to U.S. interests through indicating to the littoral states a lack of U.S. interest or capability. In addition, we encourage the United Kingdom and Australia to increase their own naval presence and activities in the region so that the U.S. effort can remain complementary. (to non-friendly?)

DENUCLEARIZATION OF THE INDIAN OCEAN

Mr. ZABLOCKI. [Security deletion.] The argument was made by one witness that the Indian Ocean be denuclearized. Would this be in the U.S. national security interest?

Mr. PRANGER. [Security deletion.]

It has been brought to our attention several times both in conferences of nonaligned nations and through representation of certain powers that the littoral states would desire a nuclear-free zone in the Indian Ocean.

Our policy on this point has been largely one of some discussion in the Government as to these matters, but to this point there has been no international conference of disarmament and so on, established for the consideration of a nuclear-free zone in this area.

As far as the U.S. Government position is concerned, I suppose all I can say that we really have not faced the problem at a high enough level yet to make any such decision. [Security deletion.]

U.S. SUBMARINES IN THE INDIAN OCEAN

Mr. ZABLOCKI. Dr. Pranger, can I again ask if it is possible for you to identify more specifically the U.S. naval presence? Are there submarines, and how many? [Security deletion.]

Mr. PRANGER. The standard or standing naval presence in the Indian Ocean is a Middle East force which we maintain at Bahrain.

Mr. ZABLOCKI. That is not much of a naval force.

Mr. PRANGER. It comprises a flagship which is a converted seaplane tender, and two destroyers which rotate from Atlantic Fleet resources. In addition, we do run occasionally, a small-scale exercise or ship visit from Pacific Fleet assets. [Security deletion.]

As far as transiting the waters of the Indian Ocean are concerned, this is a matter which I am not an expert on, and I do not know what

be submarine traffic would be in moving from Atlantic to Pacific in that water.

Mr. ZABLOCKI. [Security deletion.] Have there been any naval exercises where submarines were involved?

Mr. SPIERS. There have been. [Security deletion.]

Mr. PRANGER. They run antisubmarine warfare exercises. *Sovs*

Mr. ZABLOCKI. It has been suggested by some of the academic specialists that Soviet presence in the Indian Ocean is in response to U.S. deployment of submarines in the Indian Ocean and naval exercises which were held in that region.

Mr. Spiers, what is your view on that?

Mr. SPIERS. [Security deletion.]

REASONS FOR INCREASED SOVIET PRESENCE

Mr. ZABLOCKI. The Soviets need no excuse for any action, but what would be your reasoning behind the increased presence of the Soviet Union?

Mr. SPIERS. In my judgment, the Soviet Union has striven for some time and has shown its willingness to devote resources to build up a substantial naval capability. When this capability is developed, it is natural to deploy it in areas of some concern. I think the Indian Ocean is an area in which the Soviet Union has interest similar to ours and to some extent greater. I believe the Soviets having these naval resources would sail in the Indian Ocean regardless of our own plans or activities in the area. I do not agree that the Soviet presence is a reaction to some specific American move in that area.

Mr. ZABLOCKI. On the basis of the present Soviet presence in the Indian Ocean area, would you advise that our U.S. naval presence or any other activity be increased or decreased?

Mr. SPIERS. As I tried to indicate in my statement, we do not believe that the nature of the Soviet naval presence is such as to require any major upgrading of our own activities in the area.

There is some thought being given, although no decision as yet has been made, to modernization of the *Mideastfor*, which as Mr. Pranger pointed out, is basically a converted seaplane tender supplemented by destroyers rotated to the area from the Atlantic. We do have an interest in having an occasionally augmented presence that is accomplished by detachments from the Pacific Fleet which sail into the area from time to time.

USE OF BASE FACILITIES AT BAHRAIN

Mr. ZABLOCKI. That base would be available for our naval forces as long as the British remain in Bahrain. Would we have any excuse to stay in the Persian Gulf with even that type of naval force beyond that point?

Mr. SPIERS. We are not yet sure what British plans are with respect to Bahrain. Our current presence in Bahrain is pursuant to an agreement with the United Kingdom. Upon Bahrain's independence, we will have to make arrangements with the Government of Bahrain to provide the minimum facilities that are necessary to sustain *Mideastfor*. This involves small berthing, office, storage areas, freezers, warehouse, et cetera.

SOVIET BASE RIGHTS IN INDIA OR PAKISTAN?

Mr. ZABLOCKI. You have not touched on rumors of Soviet acquisition of base rights from India or Pakistan, as is reported from time to time.

Mr. SPIERS. We know the Soviets have had a lot of interest in this subject. As far as I am aware, there have been no agreements reached between the Soviet Union and either of those countries that give them any firm base rights. The Soviets have been interested in repair facilities at Singapore. Some discussions have taken place between the Soviets and Singapore Government, but I know of no firm decision to proceed. There is also the question of Socotra. There has been publicity to the effect that Socotra was being developed as a Soviet base. We have no evidence that a naval or air base is being constructed there. As a matter of fact, it would not appear to make much sense as the Soviets do have access to the areas of Yemen and South Yemen generally.

I am informed that high waves and the lack of a protected anchorage make the islands unsuitable as a naval base, and there has been no evidence of efforts to develop facilities there.

BAHRAIN BASE RIGHTS AND THE SOVIETS

Mr. ZABLOCKI. However, if we found it necessary to negotiate the use of a base at Bahrain, that action could start a chain of events and put pressure on the Soviets for bases in the area. That would, of course, change the entire situation.

Mr. SPIERS. This, of course, is a point that one has to keep very much in mind. I do think that while the Soviets have Iraq available, there is not really much more that they would need or aspire to in that area. Under any circumstances, as I pointed out, our own facilities at Bahrain would be minimal.

Dr. ZABLOCKI. My time has expired.

Mr. Findley.

Mr. FINDLEY. Thank you, Mr. Chairman.

[Security deletion.]

NATO AND THE INDIAN OCEAN

Mr. FINDLEY. The British, French, Dutch, and Belgians all have major economic if not territorial interests in the Indian Ocean area. They have been brought together in the North Atlantic Treaty which, by its text, is confined to the territories of the treaty states. In view of the broad common interests of these countries in the Indian Ocean area, would it not make sense for these member states of NATO to try to coordinate warship activities in this region?

Mr. SPIERS. The subject of the Indian Ocean, the question of the collective interests of the Western countries in that area, is a good subject for discussion in the North Atlantic Council. We have pointed out, both Mr. Pranger and myself, the dependence on the oil supplies and general interests that all countries have in maintaining free access in that area. There is a problem with pressing some NATO governments with very restricted naval resources to looking this far afield in a way that might adversely affect the commitments that they have to NATO defenses closer to home.

We have urged NATO to pay more attention to the North Atlantic. There are some NATO countries which have presence in the area. France, Portugal, United Kingdom, as well as ourselves do have interests and a presence there.

I think to press other governments—for instance, the Norwegians or Greeks—to divert assets to the Indian Ocean is something worth discussing, but I think it is not something that we should press at the expense of their commitments to NATO.

NUCLEAR-FREE ZONE IN INDIAN OCEAN

Mr. FINDLEY. At the same time, we are not eager to become a replacement ourselves; and the more outward looking these national allies become, the better our position conceivably could be, I would think. The proposal for a nuclear-free zone in the Indian Ocean area is an intriguing one, but is it a practical idea? How would it ever be policed or monitored?

[Security deletion.]

Mr. SPIERS. All of these are very complicated problems. A lot of different interests have to be weighed and balanced against each other. I think the verification problems and this idea of a nuclear-free zone are particularly difficult. What does it apply to? Does it apply to transit of ships that might carry nuclear weapons? As you know, we have always avoided identifying whether nuclear weapons are present or absent on any particular vessel. I do not quite know how you would get an effective agreement without the form of comprehensive inspection that the Soviets particularly have been resistant to.

Mr. FINDLEY. Did the Government of India ever sign the Nuclear Nonproliferation Treaty?

Mr. SPIERS. No.

A U.S. SHIELD TO NONNUCLEAR NATIONS

Mr. FINDLEY. One of the reasons, or at least one of the assurances, we gave to some of the signatories of the treaty was that we would provide a shield to the nonnuclear powers in the event they were threatened.

Last December, the President, in his speech on foreign policy, mentioned the shield. He did not describe it as a nuclear shield, but he said, as I recall his words, that a shield would be provided to the nonnuclear states that felt threatened by a nuclear power. Can you shed any light as to what is meant by a shield under these circumstances? Would it indeed be a nuclear shield?

Mr. SPIERS. Yes, I recall at the time negotiations for the nonproliferation treaty were concluded we and the Soviets, as well as the U.N., made, in the Security Council of the United Nations, parallel statements designed to reassure participants that they were not signing away their security. I do not recall that the term "shield" was used but it certainly has been used in connection with the Nixon doctrine.

The idea was that if our Asian allies would devote more of their resources and efforts to provide the conventional defense capabilities that might be necessary both for counterinsurgency purposes and for

meeting external aggression in the area, they could look to us for nuclear deterrence against possible attack from a major power.

I think that the only way this can be given essentially is through the maintenance of U.S. strategic nuclear power sufficient to deter major attack against these countries and by the presence or the availability of some tactical nuclear weapons that could be brought into play in the case of need.

I think it is hard to get much more specific than that about it. The whole problem of deterrence is as much psychological and political as it is a matter of precise military planning.

IS THE NUCLEAR SHIELD A DEFENSE COMMITMENT?

Mr. FINDLEY. It does suggest, however, a commitment on the part of the United States to the defense of countries with which we have no defense treaties, at least so far as I know. Does this take the scope and authority of a treaty, would you say?

Mr. SPIERS. No, I think there are two different things. First the parallel statements in the Security Council which, as I recall—and I would have to provide a more clear indication of what it was for the record—essentially involved a commitment to take matters to the Security Council in the event a country signatory to the nonproliferation treaty was threatened by a nuclear power, and that does not constitute a treaty commitment. The Nixon doctrine is different. That is designed to reinforce the security commitments that we have with allies in Asia—Japan, Taiwan, and Anzus, Korea, the Philippines—and that does involve clear commitments which are based on precedent treaties.

Mr. FINDLEY. But the President's use of the word "shield" in the statement of last December should not be interpreted by Congress as creating new commitments, bilateral commitments.

Mr. SPIERS. Not at all.

SUPER TANKERS AND OIL

Mr. FINDLEY. Mr. Pranger, I believe on page 6 of your statement you indicate a substantial portion of cargoes now being carried across the Indian Ocean are carried in super tankers. Can you tell us approximately how much of a shift in that direction has occurred?

Mr. PRANGER. Sir, we do not have the exact figures but we can supply that for the record.

Mr. FINDLEY. Is it substantial? Is it a fourth of the volume now?

Mr. PRANGER. I would say in terms of oil, it is that, surely.

Mr. FINDLEY. Thank you, Mr. Chairman.

Mr. ZABLOCKI. Mr. Fraser.

Mr. FRASER. Thank you Mr. Chairman.

Mr. Spiers, the Nixon doctrine did refer to a nuclear shield beyond the treaty nations on behalf of nations in whom we have an interest which are important or vital.

Mr. PRANGER. I think you are correct.

THE WHARTON BASIN

Mr. FRASER. That creates some uncertainty. What is the Wharton Basin of the Indian Ocean?

The following Seventh Fleet ships participated in the recent exercise: The aircraft carrier *Ticonderoga*; four destroyer types, *John S. McCain*, *Schofield*, *Meyerkord*, *Bronstein*; and the submarine, *Caiman*. Enclosed are copies of the Seventh Fleet press releases on this exercise.

The only other Indian Ocean area exercise during the past two years was the annual MIDLINK exercise, which is held each November. Ships of the Middle East Force participated in this exercise with ships of CENTO nations. A copy of the press release issued announcing this event is enclosed.

During 1969 and 1970, a total of 358 port visits were made in the Indian Ocean area by U.S. Navy ships. This includes visits by U.S. Middle East Force ships and transits. The modest U.S. Middle East Force is generally composed of two destroyers and a small auxiliary serving as a flagship. If press releases were issued at all on these visits, they were routine and were made at the individual command level normally to the personnel's homeport and hometown media.

The Office of the Assistant Secretary of Defense (Public Affairs) is responsible for issuing press releases for the Department of Defense. I have contacted that office and have been informed that no press releases have been made on the Indian Ocean during the past two years. Press releases may have been issued by the fleets or specific ships.

Detailed procedures for the reporting, coordination and approval of significant military exercises are spelled out in Department of Defense and Joint Chiefs of Staff directives. These procedures require that significant military exercises be approved by the Department of Defense, Department of State and the White House. These procedures were, of course, followed in the case of the recent Indian Ocean exercise.

The level of U.S. Navy operations in the Indian Ocean has been very low and virtually unchanged for over twenty years while Soviet operations have dramatically increased every year since 1968. Russia now continuously maintains an average of approximately ten combatants and auxiliaries in the Indian Ocean area. The question we face is determining how best to protect our national interests and the interests of our allies.

Although U.S. interests in the Indian Ocean area are of a substantially lower order than those in the Western Hemisphere, Europe, or East Asia, they are nevertheless important and warrant U.S. diplomatic support. U.S. interest in the Indian Ocean rests in the requirement for free passage of the area for its ships and aircraft (commercial and military) and normal access to ports and airfields in the Indian Ocean states in order to carry out normal commercial trade, to support U.S. space and scientific research programs, and to carry out certain defense tasks, such as communications.

The one important and intrinsic strategic interest the U.S. does have in the states of the area is in the continuing flow of oil from the Middle East to the U.S.'s major allies in Western Europe and Japan and to its own forces in Western Europe and the Far East. The main U.S. economic interest in the Indian Ocean area is in its Middle East oil investments and the approximately \$1.5 billion this investment nets the U.S. balance of payments each year. The U.S. political interest in the area lies in a group of moderate and friendly states whose governments will promote U.S. interests in the region and support U.S. positions in the UN and other international forums.

U. S. foreign policy has the task of serving these interests, and it seeks to do so by a variety of diplomatic tools, including cultural activities and exchanges, economic aid, and military assistance programs. The U.S. Navy has supported U. S. policy in the area by carrying out goodwill ships visits to friendly and non-aligned states, by conducting joint naval exercises, and by stationing the small Middle East Force at Bahrain Island in the Persian Gulf.

The general U.S. objective in the Indian Ocean is to limit our military competition with the USSR, while at the same time maintaining sufficient U. S. influence, including military influence, to promote U. S. interests there. We believe that, given the modest level of U. S. interests in the Indian Ocean area, a fairly low level of normal commercial, political, and military access will be sufficient to serve those interests.

I hope this information will help clarify the situation. Please do not hesitate to contact me if I can be of assistance in the future.

Sincerely,

H. E. DARTON,
Captain, U.S. Navy.
Acting Chief of Information.

Ene.

APRIL 23, 1971.
FOR CORRESPONDENTS--NAVY ASW EXERCISE IN INDIAN OCEAN TERMINATED

The Anti-Submarine Warfare Carrier USS *Ticonderoga* (CVS-14) and her escorts departed the Wharton Basin area of the Indian Ocean this morning. The USS *Meyerkord* (DE-1058), USS *Bronstein* (DE-1037), and the submarine, USS *Caiman* (SS-323) entered the Southeastern Indian Ocean on April 18th to conduct a routine anti-submarine warfare training exercise. The ships are returning to the Pacific.

NAVAL MESSAGE—NAVY DEPARTMENT

To: COMASWGRU Three, USDAO, Singapore

1. In view of reference A, the following pressrel is authorized for immediate release: Quote. The U.S. Navy announced that six ships, including the aircraft carrier U.S.S. *Ticonderoga*, four destroyers, and one submarine will conduct a routine training exercise in the Wharton Basin of the southeastern Indian Ocean.

The destroyers are the U.S.S. *John S. McCain* (DDG 36), U.S.S. *Schofield* (DEG 3), U.S.S. *Meyerkord* (DE 1058), and U.S.S. *Bronstein* (DE 1037). The submarine is the U.S.S. *Caiman* (SS 323). Commander anti-submarine warfare group three and his staff are embarked in the *Ticonderoga*.

The ASW (anti-submarine warfare) exercise will start about April 18, and will provide the surface units and the ASW aircraft aboard the *Ticonderoga* an opportunity to practice their skills in searching for and tracking a submerged target. The units are attached to the U.S. Seventh Fleet which operates in the Western Pacific. Unquote.

CENTO MARITIME EXERCISE STARTS

Ankara, November 9, 1970—MIDLINK, the annual Cento Maritime Exercise Starts on 9th November 1970 in the area of the Gulf of Aman, Strait of Hormuz and the Persian Gulf.

The exercise, 13th in this series, will provide a realistic opportunity for participating navies of Iran, United Kingdom and United States and Imperial Iranian Air Force and Royal Air Force to train together, coordinate and perfect their operations in many aspects of Maritime Defense of the region.

MIDLINK XIII, which will be observed by the permanent military deputies of Cento and Chief of Staff, Combined Military Planning Staff, will end on November 20th when the details of exercise will be examined and evaluated by the officers of the participating units. The exercise is a part of the overall Cento training program, coordinated by the Combined Military Planning Staff, Unquote.

U. S. INTERESTS IN STABILITY OF LITTORAL STATES

Mr. FRASER. Why do we have an interest in the stability of the littoral states?

Mr. SPIERS. I believe the United States has a general interest in the maintenance of stability anywhere. As I tried to indicate, our interests in the Indian Ocean area are of substantially lower order than in other areas. But I think instability, violence, poverty, et cetera, any place are matters of concern to us. The question is a legitimate one of how much of our own resources we bring to bear, how much of our own involvement we bring to bear in those things. I think we would be much less inclined to become involved in that area than areas of more direct interest to us.

Mr. FRASER. Well, in a country in which change is very difficult to accomplish within the legal framework of that country, is it still your objective, however minimally we may pursue it, to preserve stability?

Mr. SPIERS. Generally we favor the processes of peaceful change over those of violent change, but a country that was itself born in revolution cannot make that an undeviating principle. No, I certainly do not think that stability or absence of violence is an overriding end in itself.

Mr. FRASER. We seem to refer to our interests and stability rather than the term peaceful change.

Mr. SPIERS. In my judgment, peaceful change and stability go hand in hand. I think that what we have got to do is to support those forces which enlarge the prospects for peaceful change in the world, but not to make absence of change the objective of policy. These things have to be balanced.

Mr. FRASER. When you use the phrase "peaceful change" you might have one without the other. That is, you might have the peace without the change or you might have the change without the peace.

Mr. SPIERS. That is right. That is why I do not think you can establish any undeviating principle that will be a guide to action in these things.

Mr. FRASER. When you use the term stability, the emphasis seems to be on peace rather than on the possibility of change. You can have stability with peaceful change but you can also accomplish stability by preventing change?

Mr. SPIERS. I don't think that the United States should ever be in the position of opposing change where this is desired by the people simply for the objective of avoiding instability.

Mr. FRASER. That would suggest we should tend to avoid supporting governments which are resistant or whose constitutional framework prohibits or inhibits peaceful change.

Mr. SPIERS. I think that other things being equal our interests are in supporting governments in which the democratic processes are most effective. But that cannot be an undeviating principle.

[Security deletion.]

ULMS AND THE INDIAN OCEAN

Mr. FRASER. Is there any theoretical limit to the range of ICBM?

Mr. SPIERS. The Soviet FOBS missile theoretically can go around the world several times and release its reentry vehicle from space, so I guess you can say that its range could be infinite in terms of theoretical possibilities. But the ICBM is generally considered a weapon system of intercontinental range of about 5,000 miles. We have never ourselves developed the FOBS system.

Mr. FRASER. I was not sure. [Security deletion] would the projected range of ULMS permit deployment in our coastal waters with capability of reaching substantial positions of the Soviet Union?

Mr. PRANGER. That is right. Some of that would depend again on the current state of the art in antisubmarine warfare, and so on, as to whether we would be getting away with not being detected, and since they deploy missile ships and missile ships which are armed with certain kinds of ASW devices as well, in close to our shore, we would of course be to some extent vulnerable thereby, so to speak, getting congested. But it is a theoretical probability that we could do that.

Mr. FRASER. One of the comments that has been made about ULMS is that we are proceeding with it without knowing in what the existing submarine force might become vulnerable. In other words, it is argued that we are beginning to build a third system, if you assume Poseidon is a second system, in anticipation of the possible vulnerability of the Poseidon submarine without knowing what aspect of it has rendered it vulnerable, or what new technology has increased its vulnerability, so that we are designing a new system without knowing whether we are answering the new technology.

It that a fair comment?

Mr. SPIERS. I think you have to look at the ULMS system still as an option. It is still in research and development. It is something we could decide to deploy or decide not to deploy depending on such other things as the age and continued usefulness of the Poseidon system, and the strides that the Soviets make in ASW. The concept of ULMS is that if the Poseidon-Polaris program becomes too vulnerable to Soviet ASW developments, we will have another system to go to that is less vulnerable to those developments.

Mr. PRANGER. I think we have been holding back in the event of SALT. This is a serious consideration. The ideal situation would be from the arms control standpoint at any rate, to be no further movement development of subsystems which would require yet more complicated ASW. So to some extent, as Mr. Spiers points out, this is more in a planning stage. There has never been any decision that I am aware of to deploy, or what have you.

Mr. ZABLOCKI. I wonder if we could prevail upon you gentlemen to remain with us while we stand in recess to reply to the call to vote. We will be back in about 10 minutes.

(Brief recess.)

DIEGO GARCIA: DESCRIPTION OF FACILITIES

Mr. ZABLOCKI. Mr. Spiers, you have described the facility at Diego Garcia as austere. How would you define that word? Will Diego Garcia have facilities for fueling, repairing, or otherwise servicing submarines including atomic submarines, for example? I understand that there is an airfield on Diego Garcia. Would that be capable of serving as a base as a takeoff point for fighter bomber aircraft in some future contingency in the Indian Ocean area?

Would you advise the subcommittee just what are the facilities on Diego Garcia?

Mr. SPIERS. Potentially ~~Diego Garcia would be capable of serving much more extensive purposes~~. As I understand it, there is going to be a very small logistic POL storage for support of the naval communication facility only. It is not intended to be a base. And there is no intention to use it for servicing of nuclear submarines. I understand that the airfield will have an 8,000-foot runway, which ~~theoretically could take fighter bombers but there is no intention to use it for that purpose~~. The total facility will be jointly manned by 274 British and American personnel.

Mr. ZABLOCKI. You indicated that a ~~much larger facility was planned and then cut back~~. That would indicate that the earlier plans could be indeed carried out. What would that entail?

Mr. SPIERS. That would mean a larger expenditure of money than has been authorized by Congress, but there is no plan on the part of the executive branch for coming up and asking for that kind of expansion.

Mr. ZABLOCKI. What was the total cost of the earlier or original planned facility?

Mr. SPIERS. I think the initial facility was about \$26 million. That was some years ago. Now it is about \$19 million. The earlier plans did not really visualize a big facility. I think it was supposed to have some ship berthing facilities and now there will be some deepening of the lagoon for the purpose of handling the ships that are related to supply operation for the communications facility itself.

Mr. PRANGER. If we could be specific on what is planned for the record. There will be messing and bunking facilities, housing facilities for 274 personnel. There will be a limited communications transmitter and receiving station which will complete a link between Ethiopia and Australia, and our facilities in those two countries. There will be an 8,000-foot runway capable of landing C-130 and C-141 transport aircraft. There will be parking facilities for two aircraft. There will be storage for [security deletion] barrels of fuel and there will be a channel and turning around basin deepened to [security deletion] feet. Those are the projects which will be undertaken beginning with the first phase of the runway which is a crushed rock runway for landing aircraft.

Mr. ZABLOCKI. In addition of course are the communication facilities?

Mr. PRANGER. Yes, sir; the communication facility I mentioned. The emphasis would be on that facility. The other would be support for it.

Mr. ZABLOCKI. If indeed this is the only scope of that facility there should be no problem, as was suggested earlier by our colleague from Illinois, [security deletion].

Mr. PRANGER. [Security deletion.]

I think the island, someone said, is about 5 feet above the surface of the water and any Soviet ship or anything can get a fix on what is going on there, so it is not going to be a very secretive place. No, sir.

CONTINGENCY PLANNING FOR DIEGO GARCIA

Mr. ZABLOCKI. Has there been any planning of a contingency type or otherwise to develop other bases or facilities on islands in the Indian Ocean? If so, what islands? Further, has there been any contingency planning for cooperating with the Australians in building a naval base on the northwest coast of Australia?

Mr. PRANGER. No, sir; as far as contingency planning, there has been nothing. We have of course talked to the Australians, I believe, about their base which they are building at Cockburn Sound, but this is something they are doing on their own initiative in relation to their own two-ocean policy.

DIEGO GARCIA PART OF COMMUNICATIONS LINK

Mr. ZABLOCKI. What is our facility in Ethiopia? What do we have in Ethiopia?

Mr. SPIERS. We have the Kagnew Base which is a complex of facilities.

Mr. ZABLOCKI. Would it be then proper to assume that Diego Garcia is part of a link of communications systems across the Indian Ocean area?

Mr. SPIERS. Yes, sir.

Mr. ZABLOCKI. We have one then on the east coast of Africa. We have Diego Garcia and what is our base on the east?

Mr. PRANGER. We have one on the west cape of Australia.

Mr. ZABLOCKI. That is quite south of the Indian Ocean. You have no other planned communication system facility in any littoral state, in the ocean area.

Mr. PRANGER. No, sir; we do not.

SECURITY IN THE INDIAN OCEAN

Mr. ZABLOCKI. Mr. Pranger, on page 6 you have stated that many of our allies have essential sea lines of communication that cross the Indian Ocean. You refer to Australia, United Kingdom, and Western Europe, Japan, Iran to Europe, and Japan to Europe. There are other U.S. allies who have trade lines across the Indian Ocean who find that area of deep interest, including Korea. It is dependent on mid-East oil as is Taiwan. I wonder if you would not list all of the countries because the countries omitted will feel we have no interest or no concern in their problems. But to come to the question, you state that "As a practical matter none of the states"—the ones you referred to on page 5 and 6—"have the capability of maintaining the security of these sea lines of communication with existing and planned naval forces so that if any enemy should choose to devote their resources they thought necessary to achieve the strategic objective, the allies would be extremely hard-pressed in the region."

If this is the case—and we were assured that it is by other witnesses—what is the answer? How can the region be secure?

Mr. PRANGER. First we feel very strongly that we should give encouragement to third countries to improve their naval forces and in this region particularly to protect their own security interests, whatever they may be. After all, not all of these countries have our interests at heart but we would hope they would be able to protect their own shorelines and so forth. There are things that we can do. Of course there is the military assistance side of the question. The amount of assets which we devote to military assistance in the littoral states of the Indian Ocean is rather small compared with the total amount of military assistance, our total military assistance program. I think that for military assistance programs, MAP, credit and economic supporting assistance to these littoral countries is somewhere in the neighborhood—I figure it out, of around 5 percent or so of our total military assistance program.

At the same time, the British, French, and of course the Soviets supply equipment, and because these areas are unstable, the Soviets are never sure that the equipment itself wouldn't be used as a defense against some of the Soviet Union's friends.

In addition to this there is upgrading which can be done on some of these ships. The whole area of guided missiles or surface-to-surface

missiles and surface-to-air missiles can in certain systems be installed relatively cheaply on board some of these craft. So there are some innovative defense measures which could be undertaken at what I consider to be very little cost to us and surely involving no commitment of the U.S. forces or manpower.

So there are areas and all of these countries are, as they develop, improving their defense forces. So when we talk about what we can do, why, there is quite a bit we can do.

CHINESE AND JAPANESE NAVAL FORCES: THE FUTURE

Mr. ZABLOCKI. I understand that through regional states, we would encourage the building of naval forces; Japan would be included. Would you expect that within the next 5 to 10 years both the Peoples' Republic of China and Japan would be sending their combat naval vessels into the Indian Ocean?

Mr. PRANGER. As far as Japan is concerned, there would have to be constitutional revision probably for them to deploy their forces that far afield. I think that quite frankly the vulnerability of their sea lines of communication will be more of a problem in the area adjacent to the Japanese islands than it will be out in the Indian Ocean, because the Soviets or even Chinese, if that were ever such a contingency, would concentrate their naval forces in the Western Pacific and the Soviets in the North Atlantic so the Japanese would find more trouble around their home islands in this regard. [Security deletion.]

Mr. ZABLOCKI. On one of my early visits to Thailand I was shocked when we met with various ministers and one of the requests for aid was a full-fledged navy that Thailand wanted us to assist in building. You would not include Thailand as an Indian Ocean littoral state. You would build a navy for defense of Thai shores?

Mr. PRANGER. It would have to be a very modest navy, sir.

MODERNIZATION OF THE PERSIAN GULF TASK FORCE

Mr. ZABLOCKI. I believe both of the gentlemen had mentioned modernization. You have described the background of the small naval force which United States maintains in the Persian Gulf. That force has been discussed by prior witnesses. However, this raises several questions. First, what indeed would modernization include? If modernized, would it be only for the purpose of remaining in the Persian Gulf? Would you advocate as several prior witnesses suggested, that the force should be modernized but not augmented in numbers, or do you recommend, as others thought, that it should be modernized and somewhat augmented.

Mr. SPIERS. We have been thinking of qualitative modification and not increase in quantity of the force. One of the things that is being considered is assigning a newer flagship and using more modern destroyers as part of the augmentation forces. I do not think that there are any serious considerations now being given to substantial change in the numbers of ships in the force. With the general constraints we have on our naval forces it would not be the best use of our available resources.

TRANSFERRING THE TASK FORCE OUT OF THE PERSIAN GULF

Mr. ZABLOCKI. Two witnesses have recommended that the task force be removed from the Persian Gulf and based in the Indian Ocean, perhaps, from Diego Garcia and that Iran be given the task or the responsibility of policing the Persian Gulf. What is your view on this suggestion?

Mr. SPIERS. To do that would begin to change the character of Diego Garcia, and that is something I think you would want to give careful consideration to. If it turned out that Bahrain did not continue to be available for the home porting MIDEASTFOR then that would not exclude looking at other sites, but that is not a problem that we now expect to encounter.

Mr. ZABLOCKI. Therefore, you would not at this point in time advocate the transfer of the task force from the Persian Gulf to the Indian Ocean?

Mr. SPIERS. I would not.

THE COMMUNICATIONS STATION AT DIEGO GARCIA

Mr. FRASER. How essential a link will the communications station be at Diego Garcia?

Mr. PRANGER. Well, we have given some thought to this and particularly in light of the scaled down request and why we would need to go to communications there. The answer to that is that as far as the central part of the ocean is concerned, and the area up into the northern corner of the ocean, there is a gap that must be filled by this facility. So what we are talking about here basically is radiation of communication over the entire area from a central spot and this would be the concept of the link. The link in turn would then also fit into a worldwide system. But basically it is to concentrate on our uncovered or poorly covered areas for our maritime interests.

Mr. FRASER. It is not primarily to link the ASMARA installation with the northwest coast of Australia?

Mr. PRANGER. It is in that link but its primary function, as we have seen it, will be to improve the communications in the central part of the ocean.

USE OF SATELLITE COMMUNICATIONS

Mr. FRASER. Do you improve communications in that fashion rather than using satellite communications?

Mr. PRANGER. This is I think a very good point. The technology in the satellite area is still developing. Of course this is a solution which has been important in picking up the slack on some facilities we have lost in other ways. It is possible to have some coverage of the kind. But satellite technology is still some way, as I understand it, from being developed to the point where we can rely on it and it alone for movement of naval forces. So we have the more fixed facilities as well which we use. The satellite problem is one which is really still underway. We have of course another problem which relates to the putting of satellite terminals on board all of our ships. It is a rather expensive outfitting problem.

Mr. FRASER. Am I wrong? I just assumed that the military is developing a satellite communications system?

Mr. PRANGER. Yes, we are.

Mr. FRASER. Is there one in existence today?

Mr. PRANGER. I think there is one in existence for the ships that have the equipment on board, yes.

Mr. FRASER. Our impression, at least the impression I gained was that within the reach of existing technology you can have transmissions from satellites that are susceptible of being received with unsophisticated equipment. One thing we had described to us was the possibility of satellite TV transmission directly into homes with modest additions to their receiver capability.

I am not an expert in this area, but I am curious that this should not be a primary system for the Navy and for the other branches of the service.

Mr. PRANGER. This hopefully will ultimately be a primary system for the Navy but it is also put together with a fixed land system and so this is the reason for Diego Garcia.

I also think that probably from the standpoint of general coverage of the ocean for our basically multilateral concerns, sea rescue, and so forth, that fixed high frequency communication facilities are important and we are some way from using satellites for ordinary merchant marine traffic and this kind of thing. There is that aspect of Diego Garcia which is more of an international variety.

IMPORTANCE OF DIEGO GARCIA COMMUNICATIONS CENTER

Mr. FRASER. The impression I got though is that the need for communication center at Diego Garcia is not a pressing priority, that is, it may be convenient or useful but without it you are not left with gaps in military communications. Am I wrong in the impression I am getting?

Mr. PRANGER. Yes. Well, you could argue I suppose that this is the case provided you limit your operations in the Indian Ocean to certain areas where we can communicate adequately with these ships. But we do not want to be restricted solely by the lack of communications. At least the Navy does not communicate adequately with its ships, if they were to deploy them at any given point in the ocean area.

Mr. FRASER. Satellite development is not sufficient so that the average ship could be easily adapted to the utilization.

Mr. PRANGER. Not easily adapted. That I think is an important factor. It is in the reception facilities and for certain kinds of naval operations. I gather though it is also in the transmission. That is to say, it is preferred to have fixed as well as satellite operations.

Mr. FRASER. I wonder if you could put in the record a kind of technical rundown on what is involved with respect to these satellite communications.

Mr. PRANGER. Yes, sir, we will do that.
(The material referred to follows:)

NAVY SATELLITE COMMUNICATIONS CAPABILITIES

Two DOD satellite communications systems are presently in operation, neither of which can currently fulfill total Navy requirements.

The Defense Satellite Communications System (DSCS), Phase I, operates in the SHF (7-8 GHz) frequency band and provides long haul, fixed, point-to-point information transfer capabilities. The DSCS ground complex employs Service-operated terminals which are used in point-to-point pairs and which interface with Defense Communications System (DCS) trunks at major terminal sites. The space subsystem presently employs small, low-capacity satellites in sub-synchronous equatorial orbits. The Navy has no shipboard terminals which are capable of accessing these satellites.

The Joint Tactical Satellite Communications RDT&E Program (TACSATCO) provided for the procurement of a limited number of advanced development shipboard and aircraft terminals operating in the UHF (225-400 MHz) frequency range. Two limited capacity satellites, LES-6 and TACSAT-I, are positioned in a synchronous equatorial orbit over the Atlantic and Pacific Ocean areas respectively. No Indian Ocean coverage is provided. These satellites have a predicted useful operational life of 18-30 more months at best. The Navy RDT&E terminal assets will be employed in a small number (16) of high value ships, and at three major communications stations.

Our future planning includes the development and procurement of a Fleet Satellite Communications System, consisting of UHF satellites placed in synchronous equatorial orbit for worldwide coverage from about 70° N to 70° S. A Development Concept Paper (DCP) for such a system is currently being considered by the Secretary of Defense. Given prompt Secretary of Defense approval, an initial operational capability could be attained prior to the end of FY 75. Such a system, if approved, would provide a modest fleet satellite communications capability but which would not provide for the satisfaction of all communications requirements for US Navy ships nor provide for the communications requirements of Allied navy ships nor of the US Merchant Marine.

Mr. ZABLOCKI. Thank you very much.

Mr. SPIERS, let us go into another area.

SHOULD U.S. SPONSOR INDIAN OCEAN NAVAL CONFERENCE?

Do you believe that the United States has sufficient interests in the Indian Ocean to initiate a conference among littoral and other interested powers in order to arrive at agreements moderating or eliminating naval competition in that area?

Mr. SPIERS. [Security deletion.] I think certainly the means which you would take into account the interests of the littoral states would be one of the questions that must be considered and one of the means that suggests itself in this connection is a conference. But I think we have to have further study of what practical possibilities may be in our interest before we decide to call a conference on this subject.

Mr. ZABLOCKI. This subject is not on the agenda of the Arms Control Conference in Geneva, is it?

Mr. SPIERS. No, it is not.

Mr. ZABLOCKI. Nor in Vienna at the SALT talks. Where could discussions in this area be held?

Mr. SPIERS. In the Committee for Disarmament in Geneva only a few of the states in that region are represented so if you are talking about a conference that deals with the interests peculiar to this area, doubt that the CCD in Geneva would serve the purpose. Of course SALT is strictly a bilateral conference devoted to the question of strategic arms limitation between the Soviet Union and the United States. [Security deletion.]

Mr. ZABLOCKI. We have no bilateral talks on this subject with any area countries?

Mr. SPIERS. Not yet.

THE BREZHNEV PROPOSAL: THE U.S. RESPONSE

Mr. ZABLOCKI. Along that same line, in June of this year Chairman Brezhnev of U.S.S.R. offered to negotiate a mutual limitation of naval forces with the United States specifically mentioning the Indian Ocean and the Mediterranean. Has the Department of State made any official or unofficial comment or reply to the Soviets on that proposal and, further, what is your view of the Brezhnev proposal?

Mr. SPIERS. We have not made any official reply to the Soviets. [Security deletion.] Brezhnev's statement which was substantially vaguer has not been followed up since then with any specific initiative. Certainly in due course we will pursue discussions of this subject with the Soviet Union in a way that would try to take into account the interests of other states in the area.

Mr. ZABLOCKI. In view of the fact that Brezhnev proposed the bilateral conference or negotiations on this issue, would it therefore be improper for inclusion as a SALT agenda item?

Mr. SPIERS. I think, Mr. Chairman, you have to be very careful of the United States and the Soviet Union getting together and assuming the responsibility for other areas of arms control in which other nations think that they have a major interest.

THE UNITED NATIONS AND INDIAN OCEAN TALKS

Mr. ZABLOCKI. If a decision is made after discussions, what would be the vehicle or the organization for holding discussions among nations on a multilateral basis?

Mr. SPIERS. I can only speculate on this because the procedures are not something that we work out in advance of the policy decisions. [Security deletion.]

Mr. ZABLOCKI. With the proper membership on the Security Council at the United Nations it would probably be timely to bring it up there, would it not?

Mr. SPIERS. As you know, the United Nations has a Disarmament Commission. It is still in existence and it may well be that that is the place to discuss the subject, but all of this is essentially speculative at this point.

REOPENING THE SUEZ CANAL: DOD'S POSITION

Mr. FINDLEY. One further question of Mr. Pranger.

In your statement you mention the advantage to the Soviets of re-opening the Suez Canal. Despite those effects, does the Department of Defense favor the reopening of the canal?

Mr. PRANGER. Yes; we do, and we favor it because of several factors. As Mr. Spiers pointed out, the main factor being that it would be a symbol, very important symbol of a settlement in the Middle East and this is something which we feel is both a political and military plus from the standpoint of U.S. policy.

At the same time, as probably the major maritime nation in the world, we also favor the rights of free passage in international waters, and would find it, I think, a bit inconsistent with that policy to advocate the closure of the canal.

Surely the Soviets will obtain certain military advantages when we look at the size of their Black Sea fleet and what they have available, but we feel that in various ways we will obtain both political and military advantages and the Department of Defense supports the opening of the canal.

Mr. ZABLOCKI. I am sorry I missed your briefing this morning, Mr. Spiers. Perhaps you want to comment on this point.

REOPENING THE CANAL: THE STATE'S POSITION

Mr. SPIERS. I tried to deal with this in my statement. I think the basic fact about the canal is that it is only going to be reopened in the context of some kind of settlement in the Middle East, whether it is an interim one or comprehensive. And we feel so strongly that such a settlement is in the interest of the United States that we find it hard to divorce the canal issue itself from that political context.

In other words, I do not think we have the choice of opening or not opening the canal. I think even in those circumstances the balance is fairly even between the advantages and disadvantages. But when you project that this will only be done in the context of a Middle East settlement, the reopening of the canal, we think this is much in our national interest.

MODERNIZING U.S. NAVAL FORCES

Mr. ZABLOCKI. Just a final question, because it was raised by a previous witness who suggested that if the United States adopts a "wait and see" posture regarding the Soviet intentions in the Indian Ocean—as we seem to have done and to be continuing to do—we should in the meantime, he suggests, augment and modernize our naval forces in order to counter Soviet moves should they prove to be aggressive. I am sure he means over and beyond the moderate modernization that you gentlemen have suggested.

What is your view? Are we indeed becoming vulnerable in the area with the wait and see policy?

Mr. SPIERS. In the Indian Ocean, per se, I don't believe so. I think that the kinds of policy that we have been pursuing [security deletion] is a correct one. As I understand your reference, he was talking about the general naval balance between the United States and the Soviet Union. That is something that causes us some concern. Certainly in the State Department where we recognize the relationship between military power and the ability to achieve our political objectives we have been quite concerned about a situation where the Soviet Union was able to project power to far places abroad through the development of a large and modern navy at the same time our navy is running down.

I think our own naval authorities are very concerned about the situation and we are considering ways within the budget restrictions to modernize the U.S. Navy. This is something that is going to get nothing but the strongest support from the State Department.

Mr. ZABLOCKI. In view of the continued modernization and enlargement of the Soviet Navy, should the Suez Canal be opened, and the Soviets transfer a significant part of that navy to the Indian Ocean would you find any cause to be alarmed?

Mr. SPIERS. No; the reopening of the canal involves advantages and disadvantages for both sides. We think when these are netted out the advantage perhaps for both sides lies in reopening the canal. I think that we have to be wary of foreign policy judgments that assume anything in the Soviet interest is in U.S. disinterest and vice versa. I think in some areas such as reopening the Suez Canal and achievement of strategic arms limitation agreement you can do things that are in the net interest of both sides.

CURRENT SOVIET NAVAL PRESENCE IN THE INDIAN OCEAN

Mr. ZABLOCKI. It appears that at the present time the Soviet Union has a naval combat presence as large if not larger than the United States in the Indian Ocean area. Is that right?

Mr. SPIERS. We have some figures of the most recent Soviet presence in the Indian Ocean and as of now it consists of about four ships.

As of July 20, the Soviet presence consisted of one destroyer, one LST, and two fleet minesweepers. The Soviet presence fluctuates but that is the most recent reading unless my Defense colleague has something more up-to-date.

Mr. PRANGER. This is the case but I think the previous deployments have featured guided missile ships which this latest deployment does not feature, and that was the cause for my expression "impressive naval capability."

We have nothing like that. Further, the Soviets are supplying guided missile patrol boats to several countries with Indian Ocean interests, United Arab Republic, and Iraq. [Security deletion.]

As Mr. Spiers points out, the Department of Defense surely shares and appreciates the State Department's backing, that the issue of modernization in the Indian Ocean is really only part of the much larger question which is modernization of the U.S. Navy. We feel we have all the advantages on the Soviets of experience, in the Indian Ocean, I think, of better communications facilities, and so forth. But it is really the ships, and some personnel problems which are really not associated. But it is really the shape of the Navy's equipment which is the problem. But we do look on this deployment of theirs in the Indian Ocean as being impressive simply because they bring in things which we don't.

Mr. ZABLOCKI. They also have fishing trawlers all over the place, which have other purposes.

Mr. PRANGER. Yes, sir; and even the fishing fleets have a payoff as in Mauritius where they have an arrangement with the Government for bringing in crews with Aerofloat, and so on, and so the fishing fleet is political and sometimes military.

CONCERN OF LITTORAL STATES: UNITED STATES VERSUS SOVIET UNION

Mr. ZABLOCKI. Then why are the littoral states more concerned about the U.S. presence than the Soviet Union's presence? They seem to criticize only the United States, as Ceylon and India have done, and seem unconcerned about Soviet presence.

Mr. SPIERS. I don't think on balance that I have seen among the littoral states as a whole more of a concern about the United States

than the Soviet Union. There is a natural tendency that the United States faced in many areas of foreign affairs of being more subject to criticism, partly because we may be more responsive to criticism and partly the old syndrome of applying different standards of judgment to the good guy and to the bad guy.

Mr. ZABLOCKI. I am not sure if that is either good or bad.

U.S. COOPERATION WITH AUSTRALIA

Mr. FINDLEY. Mr. Chairman, some years ago, the conservative leader in the Australian Parliament predicted that Australia would have no real choice within the next generation, roughly 20 years, but to tie itself and its security system very closely to that of the United States. With that in mind, I wonder whether we have explored as thoroughly as we can the possibility of working closely with Australia, say, on the Cocos Islands or Christmas Islands.

There is something about those islands that makes them unsuitable as communication centers. We witnessed withdrawal of the British for all practical purposes from this area. They seem to be looking more toward the continent. This procedure may continue but I can not conceive of Australia losing interest in the Indian Ocean area.

In the long reach of history it would seem very prudent for us to tie ourselves more closely to Australia than to the United Kingdom in this region. What is your comment on this point?

Mr. SPIERS. There is a substantial understanding on our part and on the part of the Australians regarding the importance of cooperation between Australia and the United States. We have encouraged the five powers of Singapore, Malaysia, New Zealand, Australia, and the United Kingdom to keep a residual British presence in the area. We have consistent and close liaison with Australia bilaterally on a wide range of issues. As far as Cocos Island itself is concerned, my understanding is it is poorly located from the standpoint of any American interests. Also it is a privately owned island which has led to a lot of complications, which I am vaguely aware of but not an expert in. But I certainly endorse the point that United States-Australian relations are a major factor in that area.

Mr. FINDLEY. Australia is up there to stay regardless of what the United Kingdom does.

Mr. SPIERS. I think you are right but I also think it is in our interest to keep the British involved and interested in the area.

Mr. ZABLOCKI. Thank you.

THE EXECUTIVE AGREEMENT WITH IRAN

Mr. SPIERS. I wonder if I can take this chance to clarify the record on one point. The agreement that Mr. Fraser referred to—he is better informed than I am—the 1959 arrangement with Iran was an Executive arrangement which provided for consultation in the case of attack.

The Eisenhower declaration made it clear that what we were concerned about was only Soviet aggression so it is a commitment to consult in the case of Soviet aggression.

Mr. ZABLOCKI. As you gentlemen know, the subcommittee would appreciate it that when the transcript is available to you, if you will

make as much of the testimony part of the open record as possible. Of course, you have the privilege of revising and extending your statements.

Thank you very much, Mr. Spiers and Mr. Pranger. We are deeply appreciative of the time that you have given to us and your direct answers to the questions that were asked of you. Thank you very much.

This concludes the subcommittee's scheduled hearings on political and strategic future of the Indian Ocean area.

The subcommittee stands adjourned.

(Whereupon, at 4:45 p.m., the subcommittee was adjourned, subject to call of the Chair.)

STATEMENT ON THE SOVIET NAVY IN THE INDIAN OCEAN SUBMITTED BY DR. O. M. SMOLANSKY, DEPARTMENT OF INTERNATIONAL RELATIONS, LEHIGH UNIVERSITY, BETHELHEM, PA.

No understanding of the nature of Soviet interest in the Indian Ocean is possible without an appreciation of the basic fact that the first and foremost task of the Soviet navy and of Russia's entire defense establishment is the protection of the national security of the USSR. It might be added marginally that, in this respect, the Soviet military does not differ from its counterparts in all other nations of the world, regardless of what brand of "ism" their respective governments publicly endorse. In view of this simple fact, it should come as no surprise that Moscow will endeavor to deploy naval units in any area from which, in the opinion of the Kremlin leaders, the country's security might be threatened.

It might also be worth remembering that, even in the pre-nuclear era, this task was rendered extremely difficult by Russia's geography, which required the establishment and maintenance of a credible naval defense against potential enemies in four separate major maritime areas: the Barents, Baltic and Black Seas, and the Pacific Ocean. The advent, in the late 1950's, of nuclear underwater delivery systems and their deployment by the United States in the 1960's has confronted the USSR with a potential threat of immense proportions. As of this writing, this threat has not yet been effectively countered. On a non-material level, the Russians were sadly lacking in the traditions and experience of a true oceanic navy. More significantly, on the technical level, Soviet anti-submarine warfare (ASW) capabilities were totally inadequate to cope with the revolutionary features of a nuclear submarine.

Nevertheless, facing what to Moscow could not but appear as an unacceptable challenge to Soviet national security and fully aware of the fact that its inability to neutralize the U.S. underwater nuclear second-strike capability would permanently reduce the USSR to the status of a "second-class superpower," the Kremlin, in the late 1950's-early 1960's, embarked upon an extended program of construction of its own nuclear submarine delivery system, while simultaneously attempting to improve its ASW capabilities.

The recent Soviet naval activity in the Indian Ocean is a part of a continuing chain of events which are tied to that effort. While American naval circles are quick to point out that there is no permanent Polaris deployment in the Indian Ocean, the evidence, as seen from the Kremlin, points in quite a different direction. (It might be noted in passing that your adversary's perceptions of your actions are just as important as the actions themselves; i.e., what matters, in terms of Soviet decision-making, is not what the Americans are actually doing in the Indian Ocean but what the Kremlin leaders think they are or might be doing.) The careful wording of U.S. official statements is in itself sufficient to arouse Soviet suspicions for "no permanent presence" clearly implies periodic Polaris cruises in the Indian Ocean. But there is even more concrete evidence. Since the early 1960's, the United States has been operating two communications centers, one in Northwest Australia, the other in Ethiopia, designed primarily to service nuclear submarines. In 1967, Washington and London concluded an agreement, allowing the United States to construct defense installations in the British Indian Ocean Territory. This has recently led to a decision to establish new communications facilities at Diego Garcia, a fact which has not gone unnoticed in Moscow.

In view of the numerous precedents available, the Kremlin leaders may well not believe official American statements. (Considering the strong sentiments of most of the nations of the Indian Ocean basin that no permanent nuclear bases should be established in the area, the United States could politically ill afford public declarations to the contrary.) But even if they did, the Russians would no doubt regard the difference between "permanently stationed" submarines and those merely "cruising" or "in transit" a semantic classification which could

not be allowed to affect defense policy. Moreover, the USSR government is aware of the facts that elaborate communications facilities have been constructed with a purpose in mind and that the northern Indian Ocean provides excellent coverage of many major potential targets in both the USSR and Communist China. In short, it is no secret to either Washington or Moscow that, from the strategic point of view, the Indian Ocean is a logical area for the deployment of US nuclear submarines in case of a nuclear confrontation between the superpowers.

None of this implies that in establishing their naval presence in the Indian Ocean, the Russians will be able to neutralize the Polaris-Poseidon submarines stationed in its waters. According to the information now available, the USSR has not yet developed effective ASW capabilities. This, however, does not mean that the Russians (as well as the West) are not working hard on this vexing problem. In the meantime, the Soviet Union has been engaged in widespread political and oceanographic activities designed to establish a network of auxiliary facilities and to gain some knowledge of an ocean in which, before the 1960's, there had been no Russian naval presence.

Nevertheless, it would be an oversimplification to explain the present Soviet naval deployment in the Indian Ocean exclusively in terms of national security for, once the process of naval expansion is generated, the pursuit of other related but secondary objectives seems only reasonable. For example, Soviet naval units have on occasion engaged in purely *political* activities. In "showing the flag" in the Indian Ocean, the USSR has been demonstrating its might, boosting the morale of its clients and arousing the anxiety of pro-Western states. Not all of these activities have been anti-Western in character, however, for a Russian naval presence in the Indian Ocean is also designed, strategically and tactically, to outflank the Chinese.

Indeed, numerous non-military strategic considerations play a part in Soviet planning for the Indian Ocean area. For instance, it may be assumed that the Kremlin wishes to position itself so as to exercise some influence over the distribution of Persian Gulf oil, upon which the West depends so heavily. It has also developed extensive economic interests in the Indian Ocean region, among them the procurement of Malaysian rubber and Iranian natural gas, and has engaged in extensive oceanic fishing activities. The ocean serves also as the area of sea-borne space-capsule recovery for the Soviet Union. Finally, on a more intangible but no less important level, the Indian Ocean provides the USSR with the opportunity to flex its superpower muscles, i.e., to demonstrate to all concerned its ability and determination effectively to participate in all the major affairs of the international community.

CONCLUSION

In the light of these Soviet motives, what are some of the implications for American policy? It must be emphasized above all that, assuming the United States maintains its current general naval superiority over the USSR, there is no cause for alarm concerning the recent Soviet naval expansion into the Indian Ocean. This is true because the latter, as a potential arena for superpower conflict, cannot be abstracted from the rest of the world: either the Soviet navy does constitute a serious threat to its U.S. counterpart or it does not. What it does in the Indian Ocean, a body of water located far from the nearest Soviet home bases and of little strategic importance to either superpower is, in purely military terms, of very little significance. Put differently, should a general war erupt between the superpowers, its main battles will not be fought in the Indian Ocean. Indeed, it strains the imagination to envisage a situation where the USSR would deliberately seek to engage America in a local or regional confrontation in the Indian Ocean.

One might, of course, expect a certain amount of suspicion and caution on the part of U.S. naval officials over such departures from traditional Soviet policy as the relatively recent naval movement into the Mediterranean and the Indian Ocean. However, this understandable concern has lamentably generated a number of alarmist statements by high U.S. officials which have only served to strengthen the prestige and credibility of the Soviet navy far beyond anything it actually deserves as an instrument of military power.

It is difficult to avoid the impression that alarmist views contained in the statements of individuals who are well versed in the strategic considerations involved are intended primarily for public and Congressional consumption. It is indeed un-

fortunate that in their legitimate concern for funds to build and maintain the sort of navy upon which the security of this country vitally depends, our officials have to inflate and often deliberately distort potential or imaginary threats and, in so doing, enhance the prestige of our adversaries in the eyes of the world. (It may be recalled that in the late 1950's and early 1960's, the Kremlin got a great deal of propaganda mileage out of the alleged bomber and missile gaps.) Furthermore, Congressional approval of the funds requested by the Navy places the latter under the implicit obligation to enlarge the U.S. naval presence in the "critical" areas to counteract the alleged threat to the security of the United States. There is now a real danger that this model may soon be extended to cover the Indian Ocean. Specifically, by increasing our forces we will have contributed to a spiraling arms race in an area where there is none at the moment and where the interests of the United States and the area nations will be singularly ill-served by such a development.

What, then, can the United States do to demonstrate to the Soviets its determination to defend its own legitimate interests in the Indian Ocean area while at the same time avoiding yet another arms race? One balanced response to the political challenge posed by the Soviet navy would be periodic cruises in the Indian Ocean by an impressive and, above all, modern task force detached for this purpose from either the sixth or seventh fleets.

Some might, of course, argue that without a permanently stationed fleet to counter their initiatives, the Soviets will score significant gains through the use of "gun-boat diplomacy." This is unlikely because the possession of "overkill" capabilities by both superpowers has made the use of such tactics a high risk venture unlikely to be utilized in areas of only secondary importance. In addition, since the indigenous political and socio-economic instability characteristic of most developing countries may be expected to increase in the decades ahead, it is not unreasonable to assume that, in the long run, such gains will be far outweighed by the disadvantages incurred through active Soviet involvement in the affairs of the riparian states.

BIOGRAPHIES OF WITNESSES

John H. Badgley has been professor of Asian politics at the School of Advanced International Studies of Johns Hopkins University, Washington, D.C., since 1967. He is also a research fellow with the Washington Foreign Policy Research Center. Dr. Badgley is the author of several major works, including *Japan's Future in Southeast Asia*, *The Communist Revolution in Asia*, and *Policies Toward China*. The Free Press has just published his latest book, entitled *Asian Development: Problems and Prognosis*.

William P. Bundy is a visiting professor at the Center for International Studies at the Massachusetts Institute of Technology. He was Assistant Secretary of State for East Asia and the Pacific from 1964 to 1969. Mr. Bundy served in the Department of Defense from 1961 to 1964 both as Deputy Assistant Secretary for International Security Affairs and as Assistant Secretary for International Security Affairs. A lawyer and writer, Mr. Bundy will become editor of the journal, *Foreign Affairs*, next year.

Alvin J. Cottrell is director of research at the Center for Strategic and International Studies, Georgetown University. He has taught at the University of Pennsylvania and the National War College, and has served with the Weapons Evaluation Group, Department of Defense and the Strategic Studies Center at the Stanford Research Institute. Dr. Cottrell currently is preparing a book on the Persian Gulf, and is the author of several books and numerous articles on the national security topics.

Gary Gappert is an assistant professor of Urban Affairs and Economics at the University of Wisconsin-Milwaukee where he specializes in the urbanization of developing areas. Formerly, he was Washington Director of the American Committee on Africa. Professor Gappert has spent considerable time in Africa, as a student, as a secondary school teacher and as a research economist under a Ford Foundation Grant. In 1966 he served as Assistant Director of the Peace Corps Training Center where he was responsible for preparing volunteers for service in four African countries.

Parker T. Hart is president of the Middle East Institute of Washington, D.C. and a retired career foreign service officer. He served as United States Ambassador to Kuwait (1962-1963), Saudi Arabia (1963-1965), and Turkey (1965-1968). From 1968 and 1969 he was Assistant Secretary of State for Near East and South Asia. In his last post before leaving the foreign service, Ambassador Hart served as Director of the Foreign Service Institute.

Norman D. Palmer is a professor of Political Science at the University of Pennsylvania who has specialized in the political and security affairs of South Asia. A consultant to the Department of State and other government agencies, Dr. Palmer has written and lectured extensively in his area of specialty. He is the author of several books, including *South Asia and United States Policy* (1968) and co-author of a 1969 work entitled *Problems of Defense of South and East Asia*.

Robert J. Pranger is Deputy Assistant Secretary of Defense for Policy Plans and National Security Council Affairs in the International Security Affairs (ISA) office. A former professor of political science, Dr. Pranger has taught at the University of Illinois, the University of Kentucky, and the University of Washington at Seattle. He came to the Pentagon in 1969 as Deputy Assistant Secretary for Middle East/South Asian Affairs in ISA and in June, 1970, assumed his present post. Among his writings are two books, both published in 1968: *Eclipse of Citizenship and Action, Symbolism and Order*.

Ronald I. Spiers is Director of the Bureau of Politico-Military Affairs, Department of State. A career Foreign Service officer since 1950, Mr. Spiers has served the Department in a variety of posts both in Washington and abroad. From 1962 to 1963 he was deputy director and then director of the Office of NATO and

Atlantic Political and Military Affairs. Subsequently he was political counselor at the United States Embassy in London and in 1969 assumed his present position. Because the Indian Ocean area cuts across the jurisdictions of several of the regional bureaus of the Department of State, responsibility for Indian Ocean problems has been delegated to the Politico-Military Bureau which Mr. Spiers heads.

Phillips Talbot is President of the Asia Society, located in New York City. A former journalist and correspondent in Chicago and Pakistan, Dr. Talbot taught political science at the University of Chicago, Columbia University and the American University. In 1961 he was appointed Assistant Secretary of State for Near East and South Asian Affairs and, in 1965, became U.S. Ambassador to Greece. Dr. Talbot is the co-author of *India and America*, published in 1958.

Howard Wriggins is professor of public law and government at Columbia University and director of the new South Asian Institute there. A member of the National Security Council staff in the Executive Office of the President in 1966 and 1967, Dr. Wriggins has taught at several Eastern universities. From 1958 to 1961 he was chief of the Foreign Affairs Division of the Legislative Reference Service in the Library of Congress. Dr. Wriggins is the author of *Ceylon: Dilemmas of a New Nation* (1960) and *The Ruler's Imperative: Strategies for Political Survival in Asia and Africa* (1969).

prohibiting the entry into the Indian Ocean of all but very limited surface and submarines vessels, and providing for only limited naval forces for coastal defense on the part of each littoral state;

(3) If this proved impossible, there might be more modest agreements on base limitations and/or the numbers and types of superpower vessels to be introduced into the Indian Ocean at any one time. Only in time of crisis could either superpower's units exceed those agreed limits;

(4) Announce our desire to establish a nuclear free Indian Ocean, and seek through diplomatic and other channels to win general acceptance of such a proposal. Even if it is rejected perhaps by the Soviet Union (or perhaps by the Indians for quite different reasons), it will have made clear our desires to leave the Indian Ocean free of nuclear weapons. Others' unwillingness to agree could thus free Washington's hands for whatever future steps the United States authorities might judge advisable in the event of some specific and urgent contingency;

(5) Recognize that the substantial worldwide naval build up of the Soviet Union requires a measured response on our part to sustain a modern, mobile naval capability generally. However, so far as the Indian Ocean is concerned, we should not now increase our deployments there. We should make clear the possibility that we might do so if there is a rapid and sustained Soviet build-up which appears to threaten either direct political interventions which could become cumulatively significant to our interests or the safety of the sea lanes and other interests important to our friends in Europe, Japan and Australia.

In sum, it should be obvious that analysing American interests in the Indian Ocean is complex. The earlier position of accepting the fact of a virtual power vacuum was highly preferable from both our point of view and that of most littoral states. And for us to be together on this point was politically desirable. New factors, including the growing Soviet presence, however, complicate that earlier judgment somewhat. They do not in themselves, as yet, provide solid grounds for a major change in that posture. If these factors continue along their present course, for some time, however, particularly after the opening of Suez, they may call for an increased United States effort.

How major the effort should be is not at all self-evident. It will require a careful assessment of the likely real political costs to the United States of possible Soviet political and naval gains in the area if uncontested as compared to alternative risks and costs of differing levels of American effort. A constructive American effort may be quite as much in the realm of economic development assistance as in more conventional realms of naval competition or strategic calculus.

This essay has discussed certain parameters of the problem. Others, closer to the policy process, must press the analysis further than can be done here before a prudent and least cost policy can be specifically defined.

[From Journal of Commerce, July 20, 1971]

JAPANESE BUSINESSMEN STEPPING UP THEIR ECONOMIC PENETRATION OF AFRICA

(By A. E. Cullison, Tokyo Bureau)

TOKYO, July 19. Almost from the moment it became evident in Japan that Communist China was pushing its trade and influence in Africa, the Japanese have considered themselves under mounting pressure to achieve a competitive lead in the region which the Chinese will never be able to match. Tokyo now is stepping up its economic penetration of Africa in recognition that the commerce experts from Peking are slowly closing the gap.

The Japanese have yet to work out a smooth strategy for penetrating and maintaining advances in the African countries, but they are beginning to understand that they will be more successful in the future if they avoid merely importing raw materials and exporting to Africa's markets products manufactured from such resources.

COULD BECOME MAJOR FORCE

Africans want Japanese know-how, capital and skills. If more of these are supplied—as Japan's traders and industrialists have been promising—the latter part of this decade could easily see Japan becoming a major force for development throughout Africa.

Japan currently supplies slightly more than 10 per cent of Africa's total imports. Japan's exports from the African nations are rising more rapidly than from any other region.

These developments are no accident. The Japanese have resorted to investments in manufacturing in the African area as a test of promises by the countries involved that by so doing they will find markets opening up on every side.

Two-way trade between Japan and Africa is now considerably beyond \$2 billion yearly. But one of the most serious problems has been that it is centered in only a few sections of the African continent. More than half of Japan's imports, for example, are shipped from South African ports and from Zambia. And Liberia accounts for just about half of Japanese exports in the form of ships whose new owners are seeking refuge from taxes, regulations and stiff seamen's union requirements. Also, it is no secret that the wealthy South African market imports roughly 25 per cent of the remaining Japanese exports to the region.

Although most of the other African countries would like to import the less expensive Japanese industrial goods and commodities they often lack foreign exchange. Maintaining (or even approaching) a trade balance is out of the question in most cases because these countries have few non-raw material products which Japan can use.

SEEK TO BUY FROM AFRICA

It must be admitted that the big Japanese trading houses are trying hard to purchase as much as they can from the African nations. It is not an easy task, even with all of Japan's commercial ability and imagination.

Third country trade seems to be the best answer to this problem. This the Japanese trading firms acknowledge and are doing their best to provide. Yet even these well-financed and energetic traders require help from other Japanese sources to succeed.

The powerful Federation of Economic Organizations (Keidanren) is assisting to some extent by using a six-month-old African committee to improve trade relations. In conjunction with the Ministry of International Trade and Industry (MITI), the Keidanren committee is reviewing Japanese policies in Africa and developing new approaches.

Development of Africa's natural resources and launching new manufacturing efforts in the region requires often fantastic investments and assumption of unusual risks involving unstable governments.

From the Japanese point of view, these efforts should be evolved through multinational ventures where funding and risks can be shared. Up to this point in time, according to MITI, there are 18 joint ventures of this type where Japanese investments are involved in Africa.

One of the most serious barriers to really large-scale investments in the manufacturing field is the small size of local markets. Keidanren officials recommend small or medium ventures, preferably in textile, galvanized iron sheet and electric home appliance manufacture.

Still, despite all these problems, the Japanese have sent several thousands of salesmen, buyers, technicians and engineers to the African countries over the last six months armed with extremely realistic attitudes and the promise that where absolutely necessary and where at all possible Japan will make extreme efforts to increase imports to match their sales.

The Japanese are offering joint ventures with the various governments (as insurance against nationalization) and holding out the promise of really ambitious projects of impressive size.

Critics of Japan's moves in Africa point out that, essentially, the Japanese are solely dependent upon overseas natural resources and they see Africa as a basic source of oil, iron ore, coking coal, tin, manganese, phosphate rock and many other raw materials. Africa, they contend, is a vast treasure house which Japan would like to sack.

To some extent, these criticisms are true. But it is also a fact that the Japanese view the African region as a gigantic market only now beginning to de-

velop. Unlike the Southeast Asians, the African peoples have yet to hit Japan as an economic invader. It is to Japan's advantage that it has never attempted to colonize Africa and it has never sent troops there.

Until proved otherwise, the Japanese feel they have an advantage and are offering economic cooperation to the African states. They show every intention of moving to correct the unbalanced trade which now runs so heavily in favor of Japan. The Africans apparently intend to give the Japanese a chance to prove their sincerity.

In Japan there is confidence that the 1970s will see relations between the Japanese and African peoples make remarkable improvements, especially as the Government of Japan begins to extend greatly increased aid funds and loans at much easier repayment terms over the next five years. Presently, this is Japan's promise to itself.

Whether this development occurs or not, it is becoming clear that Japan will play a particularly significant role in the African economy in the years to come. The Japanese last year pledged themselves to promote investments in African railways, roads and ports wherever possibilities arise.

At the present time, as a case in point, the Japanese are seriously considering preliminary surveys for the projected trans-African highway within the territory of the Congo (Kinshasa). The highway would extend east-west across the continent from Mombasa in Kenya to Lagos in Nigeria, for a distance of approximately 2,500 miles and linking half a dozen nations.

It is expected that the African nations and several international organizations concerned, as well as leading western countries (including Japan), will establish some sort of coordinating committee to do the construction work. The African nations concerned are Kenya, Uganda, the Congo, Central African Republic, Cameroon and Nigeria. Japan, Britain, the United States, France, West Germany and Belgium are believed obligated either to conduct the surveys or some of the construction work itself.

Also involved are the World Bank, World Health Organization, the African Development Bank and a few other international organizations.

Japan may send highway technicians, transport and economic experts to take part in the work on the highway. Although, admittedly, according to Takanori Sengaku, section chief for Africa of the Near-Middle East-African Bureau of the Foreign Office, there has been no Japanese commitment so far to help build the highway.

SERIOUS BREACH POSSIBLE

Failure of the Japanese to respond to the needs of the African countries with regard to the highway's construction, as Japan's trading firms see it, could cause a serious breach in economic relations between Japan and these African nations.

However, it is likely that Japan will contribute around \$50 million in credits to help finance the project, according to unconfirmed reports in Tokyo. Arguments supporting the rumor point out that construction of the highway will bring considerable economic benefits to the region—and to Japan as well.

The planned highway, when completed, will help secure part of the vast natural resources of the African continent for Japan and at the same time provide an inducement for the Africans to purchase more Japanese cars and trucks. There is no doubt but that sales of many Japanese products suffer because of the absence of highways, railways, and other transportation facilities in the African region.

It is strongly believed by some Japanese economists that completion of the highway will have considerable impact upon Japan's own economy and should be supported by Japan despite the undeniable fact that building the highway will involve a great deal of money. About one-sixth of the highway will have to be constructed in an uncultivated area where there are no railways or road networks.

Especially interested in construction of the highway is Japan's burgeoning automobile manufacturing industry. Japanese automen have watched jealously as Toyota and Nissan, the first and second ranking companies in the industry, have shaped out strong markets for their products in Africa over the past few years.

Nissan, for example, only a few months ago opened a new automobile company, Nissan-Congo, in Africa to import, distribute and service Datsun motor vehicles in that large and rich state. Toyota Motor moved into the area in a similar manner about three years ago.

JAPANESE CARS SELL WELL

Japanese motorcars sell well throughout most of Africa where there are roads for them. Where there are few roads, however, the African people see other symbols of Japanese influence: Hitachi radios, National electric fans, Sanyo toasters and Toshiba tape recorders.

Toshiba also is known throughout much of Africa because so many of the diesel-electric locomotives operating on the various railways carry the Japanese name. At least half a dozen more are being manufactured at present for shipment to African buyers.

Less visible perhaps are the Japanese mining efforts wherever resources are plentiful. Japan's mining firms take part in many of the international biddings offered by the various governments. Names involved run the full list from top to bottom of Japanese mining firms.

Japanese business teams are all over Africa vying with Chinese and even North Korean as well as big Western interests. Rivalry with the European giants is particularly keen, as could be expected, because so many of the African states are still dependent to some extent on their former colonial masters, or linked economically with European commercial networks.

Yet by far and away the major problem which the Japanese face in expanding their markets and interests in the African region involves rapidly growing trade between Japan and South Africa.

FOREIGN MINISTRY UPSET

Japan's Foreign Ministry takes a dim view of this expansion in trade with apartheid South Africa from the standpoint that it is at best inadvisable for Japan; exports to register such large increases at a time when other African countries are seeking Japanese cooperation in carrying out an economic embargo of that nation.

Trade between the two countries grew 379 percent between 1960 and 1969, according to the United Nations Committee on Apartheid. It was no surprise, therefore, when earlier this year many of the African nations accused Japan of "cooperating" with South Africa.

Such thinking in the African region cannot be ignored by Japan. In point of fact, Japan remains just within certain bounds which enables the country to trade with other African states. The Japanese have exchanged consuls with South Africa without establishing diplomatic relations. And Japan observes a total export ban which prevents weapons to be shipped to South Africa. Nevertheless, in 1969, Japan's trade with South Africa amounted to about \$100 million both ways—approximately 37 percent of Japan's total trade with Africa south of the Sahara. This is a juicy plum for Japanese businessmen, which could make it all that more difficult for Japan should black African criticism become sharper in future.

INDONESIAN PERSPECTIVES ON THE INDIAN OCEAN

(By Guy J. Pauker)

Diffusion across the oceans of the Indonesians is one of the great epics of history and deserves much more attention than it has received in the past. The information available is scanty and the efforts to fill in the gaps through anthropological, archaeological, linguistic, and epigraphic studies have been sporadic, due to the reluctance of contemporary academic scholars to engage in prehistoric historical speculations. But the boldness of the unknown sailors who made the Malayo-Polynesian languages was fantastic, exceeding without doubt the daring feats of European navigators. Professor Murdock gives a graphic account of Indonesian navigational skills in pointing out that—

"The Malayo-Polynesian languages are distributed in a great arc (which) extends from Easter Island in the east to Madagascar in the west, thus covering about 43 percent of the earth's circumference, and from Formosa in the north to New Zealand in the south, spanning about 40 percent of the distance between the North and South Poles."

G. J. Pauker, "Genetic Classification of the Austronesian Languages: A Key to Culture History," *Ethnology*, 1964, p. 119.