

38. Letter From the Assistant Secretary of Defense for International Security Affairs (McNaughton) to Secretary of Defense McNamara<sup>1</sup>

I-23,914/65

Washington, June 12, 1965.

SUBJECT

Indian Ocean Islands

I. Problem

Whether to contribute towards the price the British feel they must pay to detach certain islands now part of the British dependencies that might become independent, and thus assure the availability of these islands for military purposes over the long term.

II. Background and Discussion

*Concept.* In early 1962, the JCS expressed their concern about the political uncertainty of US and UK overflight and staging facilities in Africa, and the Near and Middle East. They recommended making arrangements with the British that would assure the availability of selected islands in the Indian Ocean area which could be used, should the need arise, to develop alternate staging and support facilities.

*Talks with the British.* In early 1964, discussions were held by Jeff Kitchen (State) and Frank Sloan (ISA) with the British who agreed on the importance of setting aside a reserve of strategic islands that could be used, if needed, by both parties. At that time, it was agreed that the UK would bear the costs of detachment and that the US would bear the costs of developing those facilities needed to meet its requirements. Once developed, the facilities would be available for joint use by the UK. There was no discussion on the joint use of facilities that might be developed by the British. As a result of joint surveys last summer, the British are willing to detach the Chagos Archipelago from Mauritius (far to the southwest) and Aldabra, Farquhar and des Roches from the Seychelles. (See Map at Tab A.)<sup>2</sup> On the grounds that "the ante has gone up," they now ask that we contribute one-half of the anticipated detachment costs (estimated up to £10 million; US share about \$14 million).

*US and UK Plans.* At present, we have firm plans only to develop a Navy-DCS relay communications station and austere support facilities,

including a landing strip, at Diego Garcia (Chagos Archipelago). This station would strengthen the weak link in the DCS between Europe and the Far East, would afford a partial alternative in the event the communications facilities at Asmara were lost, and would fill a current void in ship-shore communications in the area. Funds were sought in FY 1964, but were not approved by the Congress because firm rights to the site were not available. The Navy intends to put this item in its FY 1967 budget. The British have expressed an interest in developing Aldabra as an alternative against the possible loss of their present facilities in Aden, East Africa, and the Maldives. Both the JCS and the Secretary of the Air Force have advocated the funding in FY 1967 of austere staging facilities at Aldabra in support of potential US contingency operations (Tabs B and C). There are no other facilities in the East Africa area that the US could rely on using in the event of a need to deploy US forces to this area. Further, facilities at Diego Garcia and Aldabra plus the existing facilities at Cocos Island, an Australian dependency in the Eastern Indian Ocean, would provide access to any area in the Indian Ocean periphery via the Pacific or the Atlantic (from Ascension Island without overflights over Africa when longer range transports come into the inventory). Farquhar and des Roches have a potential use for the prestockage of material and POL, but neither we nor the British plan their development in the near future.

*Implications for British presence in the Indian Ocean Area.* When we raised the matter with the British last year, they sought an explicit assurance that we had no intention of replacing them in the Indian Ocean area. We gave that assurance. They made clear that they saw the project as offering alternate British routings into the area should they be forced out of East Africa, Aden or the Maldives. They spoke of joint construction at Aldabra and have set aside half of Diego Garcia for their own future use. Our proposal to the British calls only for the development of facilities by the US when needed to meet our requirements. It does not commit us to any Indian Ocean force posture, or to any construction except to meet our own needs. We have no development plans extensive enough to give the British justification for withdrawal from the area. The detachment of the islands, in my judgment—particularly if they build at Aldabra, would tend to link the British more securely to the area, since they would be assuming direct political responsibility for the islands and would have alternatives available if East Africa, Aden, and the Maldives were lost. The State Department concurs in this assessment and, for this reason, urges some form of US assistance with respect to the detachment proceedings.

*Detachment Proceedings.* The British are anxious to complete the detachment proceedings before the following events later this summer:

<sup>1</sup> Source: Washington National Records Center, RG 330, OASD/ISA Files: FRC 70 A 3717, 680.1. Indian Ocean Islands. Secret.

<sup>2</sup> None of the tabs is printed.

(1) the constitutional conference on the future of Mauritius (sometime between August-October); (2) renewed hostile debates in the UNGA on colonial administration; and (3) the UK Defense Policy Review which could expose the project to attack by the "west of Suez" group. To accomplish speedy detachment, the British feel they must provide various forms of compensation that could amount to £10 million (Mauritius £5.5 million; Seychelles £3.0 million; private property owners £1.5 million). The British now state that the full detachment costs would be a burden on their defense budget and have asked for a US contribution of approximately half.

### III. Recommendations

(1) That you approve a US contribution of one-half of the British detachment costs (estimated up to £10 million; US share about \$14 million). This contribution would be premised on the explicit understanding that the British would continue their responsibilities east of Suez.

(2) That the contribution in (1) above be arranged as a set-off against R&D surcharges owed by the UK to the US. The arrangement would make clear that this set-off would in no way derogate from the principle of R&D surcharges, and that the set-off reflects a US payment towards the costs of detaching the Indian Ocean islands.

(3) That you not approve the Air Force proposal to construct a US base at Aldabra, but that you authorize working out an arrangement that would keep the British in the lead in building a British facility at Aldabra. The latter step may require a USAF contribution towards the British costs of constructing facilities at Aldabra, for which we should receive the return consideration of US use of the facilities should the need arise.

If you approve of the foregoing, I recommend that you sign the attached memoranda to the Secretary of the Air Force<sup>3</sup> and the Chairman of the Joint Chiefs of Staff. We will work out with the State Department appropriate guidance for further discussions with the British on a contribution towards their detachment costs and on the possibility of a US contribution towards the cost of British construction at Aldabra.<sup>4</sup>

John T. McNaughton

### 39. Memorandum From Secretary of Defense McNamara to the Secretary of the Air Force (Zuckert)<sup>1</sup>

I-23,914/65

Washington, June 14, 1965.

#### SUBJECT

Request for Approval of Facilities to Support Contingency Planning

I have this date authorized an offset arrangement against R&D surcharges owed by the United Kingdom, under which the United States would contribute one-half of the British costs of detaching certain islands in the Indian Ocean from their present administering authorities. I am not prepared, however, to approve the recommendation in your memorandum of May 14, 1965,<sup>2</sup> that we indicate to the British our intention to proceed with the development of staging facilities at Aldabra. I consider it of cardinal importance that the British continue to shoulder their responsibilities east of Suez and, consequently, do not favor any US action that would suggest the possibility that we are willing to replace them in this area. I am prepared to assist the British, if they need our help, in the establishment of British staging facilities at Aldabra. In return, I would expect that the facilities would be available for our use should the need arise. I am authorizing the Assistant Secretary of Defense (ISA) to work with the State Department on discussions with the British towards this end. Should these discussions lead to a requirement for USAF construction funds, I will ask that you prepare an appropriate Program Change Proposal. To avoid a premature indication to the British of our willingness to assist them in meeting the costs of construction to Aldabra, there should be no release of this information without the prior coordination by the Assistant Secretary of Defense (ISA).

Robert McNamara<sup>3</sup>

<sup>1</sup> Source: Washington National Records Center, RG 330, OASD/ISA Files: FRC 70 A 3717, 680.1, Indian Ocean Islands. Secret. Drafted by Lang. Copies were sent to the Secretary of Defense and the Deputy Secretary of Defense.

<sup>2</sup> Not printed. (Ibid.)

<sup>3</sup> Printed from a copy that indicates McNamara signed the original.

<sup>3</sup> Document 39.

<sup>4</sup> McNamara initialed the approval line on June 14.