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OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

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INTERNATIONAL SECURITY AFFAIRS

26 January 1970

MEMORANDUM FOR CAPTAIN HARRY D. TRAIN, USN, EXECUTIVE ASSISTANT AND
SENIOR AIDE TO THE CHIEF OF NAVAL OPERATIONS,
DEPARTMENT OF THE NAVY

I thought Admiral Moorer might be interested in three recent papers from
my office. The first two are pitched to sell to Congress.

- Fact sheet on Singapore naval facility to avoid intimation of
U.S. commitment.
- Suggested substitute for Diego Garcia study prepared by ISA
(Near East & South Asian Affairs), which had been developed to
support Mr. Laird's guidance "make it a communication facility."
(Draft prepared by Mr. Barber, OP-93, with guidance to play
down South Asian contingency requirements.)
- Suggestion for the President to urge Prime Minister Wilson to
modify SEA withdrawal to provide residual forces under Five
Power Pact.

Tazewell Shepard, Jr.
Tazewell Shepard, Jr.
Rear Admiral, USN
Director

East Asia & Pacific Region

Attachments (3)

into 700/ISA document

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THE SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

FACT SHEET ON US SUPPORT FOR AN AUSTRALIAN-MANAGED NAVAL
FACILITY AT SINGAPORE (S)

--- In 1971, as a result of the planned British phasedown, it is possible that the excellent logistic support of the Singapore naval base might no longer be available to the US Navy.

-- Australia, with support of the other Five Power nations -- New Zealand, Singapore, Malaysia, UK -- is considering taking over and managing a reduced portion of the former British naval base at Singapore. We would view such a development most favorably.

-- Would be consistent with our view that Malaysia/Singapore should remain a Commonwealth responsibility.

-- Would serve to encourage continued British participation in regional security affairs, as a member of the Five Power group.

-- Would help keep Australia/New Zealand committed to a "forward defense" posture and give substance to their new regional security arrangement by maintaining a needed facility, centrally located in the Southwest Pacific.

-- Understandably, Australia will not and cannot be expected to take the lead in establishing and maintaining the naval facility solely on the basis of her own anticipated usage. She needs assurance of adequate, continuing use by others which will result in financial support for the facility.

-- The total annual upkeep cost of the facility will be about \$1.2 million exclusive of the land-use fee, yet to be determined.

-- Construction or other capital expenditures are not required, and it will not be necessary to compensate for the British equity in existing facilities.

-- A limited support facility, not a base, is envisioned.

-- Only a small portion (about one-fourth) of the present British base would be used.

--- Ship berthing space, limited fuel storage, and stores storage space would be provided. Any major repair work would require commercial contract.

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-- The US Navy has long made use of Singapore's facilities, including ship visits, logistic support, and contracted repair work from commercial sources. We will have a continuing requirement for the availability of this support in the future; US anticipated post-Vietnam use of the facility is five USN ships/month.

-- In order to ensure that naval logistic support will continue to be available to the US and to encourage development of a new defense arrangement, the President has authorized a guarantee to Australia of cost sharing appropriate to our anticipated post-war use of the naval facility. This, together with support from other users, will make it economically viable to Australia.

-- There has been no request for a new or expanded US defense commitment either actual or implied from any source in connection with this naval facility.

-- There will be no US commitment to actual use of the facility, its defense, or other deployment of US forces. Our obligation will be financial only, on a commercial guarantee basis.

-- The actual presence of US nationals at the Singapore facility (aside from ship crews)--performing specialized technical, contracting, mail, fiscal, liaison, and other services which cannot be provided by foreign nationals--is now fewer than twenty-six and will remain at approximately that number.

-- The congressional reprogramming process is not involved, since our share of the costs will be well below the threshold for a reprogramming report.

(Note: All exploratory discussions to date with Australia and New Zealand have been on a highly classified, close-hold basis; and we have agreed to make no public announcements without prior consultation.)

OSD/ISA/EAPR
15 January 1970



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OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

INTERNATIONAL SECURITY AFFAIRS

22 January 1970

MEMORANDUM FOR MR. WARE

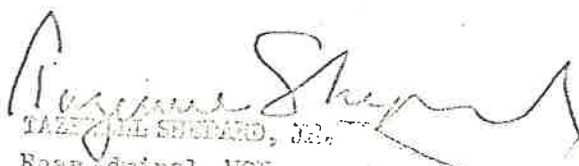
SUBJECT: Diego Garcia

Two years ago I directed a nine-month study of Navy requirements in the Western Pacific and Indian Ocean. This was a political analysis as well as an assessment of military requirements. One of the conclusions of that study was that an austere naval operating base should be established at Diego Garcia. It would provide only minimal capabilities for the present, in consonance with requirements as they now exist; however, it preserves options and shortens lead time should expanded operations be required. It is not justified on the basis of being prepared for major contingencies in South Asia. These are highly improbable and should they occur we may not be involved. Should there be such an occurrence we would probably want an operating base closer to the scene of action. However, the existence of an austere base at Diego Garcia would greatly facilitate any such undertaking.

If we do not pick up this option now there is always to the possibility that the British may change their mind about our using it. It is important to take an initial development step. I believe the Navy proposal is the minimum one for this purpose and also to usefully serve a present requirement.

I do not mean to demean the NESA paper but I thought that the study should be presented somewhat differently if it is to sell, particularly with Congress. The attached is suggested as an alternative to the NESA study for I believe it would better serve the purpose.

Attachment


RAYMOND S. STARNES, JR.
Rear Admiral, USN
Director, East Asia & Pacific Region

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new estimate
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SUBJECT: Assessment of Diego Garcia Project Proposal

1. The basic Navy proposal for the Diego Garcia facility, of which \$9.6 million for the first phase was disapproved by the Senate Appropriations Committee and, subsequently, by a House-Senate conference committee in December 1969, included \$23.2 million for the following;

a. Harbor.

(1) Dredging to provide access to the lagoon (present limiting draft of 28' to be increased to 45') and to provide a turning basin. Cost: \$4.2 million.

(2) Dredging of anchorage of 21 ships: \$0.7 million.

(3) Waterfront improvements (fuel and cargo pier, LST ramp, causeway) and navigational aids: \$4.6 million.

b. Airfield. A single runway, 8000' by 150', with a short taxiway leading to a parking area for 2 aircraft. (No taxiway parallel to runway.) No control tower, but a small building is provided for minimal ground-to-air terminal communication. No hanger or aircraft maintenance shop. Cost: \$4.4 million.

c. Fuel Storage. Storage ashore for 415,000 barrels of POL (equivalent to approximately 2 AOE loads plus stocks for station operation). Delivery via pier. Cost: \$2.6 million.

d. Communications. Antenna towers and buildings for separated transmitter and receiving units. This would be a minor, low capacity installation, designed neither for SSBN support nor for major contingency support. Cost: \$0.6 million.

e. Utilities. Roads, electric power system, desalination plant and other water/sewage facilities, public works maintenance shops, etc. Cost: \$3.3 million.

f. Personnel facilities. Berthing, messing, recreation, medical and other support for 250 military personnel. Permanent construction. Cost: \$2.9 million.

g. In addition to \$23.2 million MILCON funding, \$2.7 million OPN is required for initial equiptage, including communication equipment.

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2. This projected facility has been described as a base. This is true only in an extremely limited sense of the term. It is essential to define precisely what the project would and would not provide us, and to place it in perspective.

Def of "base"

3. Approximately half of the projected cost is simply the cost of distance of engaging in heavy dredging, earth-moving and construction 10,000 miles from home. The work envisaged in the basic project would cost about \$11-12 million if conducted in CONUS. One would not expect to get a multi-purpose 'base' in Florida for \$11-12 million, and the same is true for a \$23M project at this location.

why so expensive

4. What we would be getting, for the most part, is basic site development opening up, as a prerequisite for such further exploitation as may be required, a wholly primitive, isolated site of unique natural potential, located over 2000 miles from any industrial port which is normally politically available to U.S. forces, and over 300 miles from a U.S. forward base.

5. The harbor development, and in this air age the basic airfield development, accounting for 60% of total cost, are the heavy-construction long-lead-time essentials to make this site available -- to provide simple access to the naturally protected waters, and access to the land from sea and air. Of themselves, these items provide no logistic support to any combatant ship. They do not provide even a "bare base" for a tactical air unit.

6. To this basic site development would be added three components:

a. POL storage.

b. Minimal low-volume communications to fill an existing geographical gap.

c. Facilities and personnel to operate the communications, make the POL available, render air access safe, maintain and protect the entire installation.

7. The presence of these facilities and personnel would of itself do no more than the following:

a. Facilitate the sustained operation of small numbers of minor U.S. naval and research vessels in the Indian Ocean, or occasional transient operation of larger forces, by providing POL; a protected anchorage for self-repair and self-maintenance, routine communications; and an assured central terminal for air logistic support (mail, spare parts, fresh provisions, personnel evacuation or replacement).

b. Provide an assured staging point, requiring no political clearances, for occasional transient U.S. military aircraft; transports, reconnaissance/intelligence, naval patrol.

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c. Provide politically assured basing for small-scale intelligence or surveillance operations by one or two aircraft, or for small-scale electronic intelligence units ashore.

d. Provide a source of POL replenishment for major naval forces operating in or transiting the Indian Ocean.

8. The facilities projected would not, unaugmented, be adequate to support any of the following:

- a. Basing of an SSBN squadron. ✓
- b. Operation of a VP squadron. ✓
- c. Major naval contingency operations, other than POL resupply. ✓
- d. Major air staging operation, whether of bombers or troops. ✓
- e. Replacement of communication capability lost if Kagnew were denied. ✓

7
what would it do... yet

9. The real value of the project with respect to these latter categories of major operations is this:

a. It would permit immediate and full access to the anchorage and to the land area for the major sealift ships, airlift aircraft, construction forces, vehicles and materials required for any rapid augmentation of the capabilities to be supported.

b. It would thereby reduce, by a period varying from months to a year or more, the time which would be required for the U.S. to react effectively to unforeseen contingencies calling for major U.S. operations in the Indian Ocean area.

10. In short, a principal value of the project is insurance of prompt U.S. access, without political delay or obstruction, to a major geographic area. The key elements of value in this connection are those which give this access, the harbor improvements and basic airstrip proposed, which account for 60% of the cost. Omission of the elements not essential in this context (most of the POL and some of the communications) would save perhaps 10%. Of the remaining 30%, some portion would be essential to protect and maintain the basic development.

11. Against this assessment of the capabilities and potential utility of the project, it is necessary to weigh the benefits which might be gained, under two headings:

- a. Routine use of the facilities projected.
- b. Use in major contingencies.

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12. Routine Use. The basic questions to be faced here are these: In an era in which it appears likely that the USSR will continue to expand its maritime presence in the Indian Ocean area, with its merchant marine, fishing fleets, oceanographic units, and naval forces, does the United States intend to let this ocean become virtually a Soviet lake, or does it wish to retain the option to maintain a parallel presence, not necessarily competitive in magnitude? If the answer is affirmative, are there other locations from which such a presence can be reliably, effectively and economically supported?

if yes, then
not a big deal

13. The purposes of such a presence might include:

- a. Maintenance of an image of continuing U.S. power.
- b. Maintenance of U.S. influence.
- c. Psychological support of friendly and neutral nations against erosion resulting from Soviet presence and pressures.
- d. Surveillance of Soviet maritime activities.
- e. Deterrence of Soviet maritime adventures; as the product of U.S. presence and surveillance.
- f. Surveillance of Soviet missile and space activities.
- g. Improving our knowledge of the Indian Ocean.

14. It is fair to conclude that at least some of these purposes will be supported by appropriate deployments. All of these purposes could be served by the facilities projected. (A modest augmentation of the air facilities might be desirable to support sustained operations by a VP aircraft detachment.) Sustained naval combatant deployments exceeding 3 or 4 destroyers are not visualized. The facilities could support these, as well as occasional visits by larger forces. Augmentation by barge-type repair and supply craft might be required. Oceanographic research ships, and possible special intelligence ships, aircraft or ground units could also be accommodated.

15. Alternative support locations are possible but not assured. Bahrain is useful, so long as available, for a Persian Gulf presence; Bandar Abbas is a possible substitute. Djibouti or Massawa might be available for operations near Red Sea approaches. Singapore could support Bay of Bengal operations. Mahe and Mauritius may remain available for space support. Use of South African or Mozambique locations will probably remain politically undesirable. Diego Suarez might become useable. Even occasional use of the UK base at Gan has always been touchy because of the absence of third-party use rights. Australian ports are too distant to be fully useful. Diego Garcia offers the advantages of a single central location

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combined with assured availability and relative freedom from political penalties. Even if other locations are used for convenience, it offers a fallback location for an assured permanent, low-visibility presence.

16. Contingency Use.

a. The projected Diego Garcia development is highly relevant to the major contingencies in the MSDM 27 strategy, in the following particulars:

(1) In NATO war, European nations may be significantly dependent on POL from Iran and Arabian ports, transported via the Cape of Good Hope. Diego Garcia could serve as a relatively secure rear support base for the naval forces required to defeat opposing forces threatening the Indian Ocean sector of this POL pipeline.

(2) An essential element in the conduct of the NATO-or-Asia strategy, with reduced forces, is the ability to move forces rapidly between theaters. This would be accentuated if a NATO war begins after U.S. involvement in an Asian war. The Panama Canal cannot be transited by large carriers and could be unavailable for other vessels; Cape Horn transit is arduous, devoid of prepositioned POL, and impractical for transfer between WestPac and Europe. POL at Diego Garcia will facilitate rapid transfer without warning, of major forces between theaters. Cost of a dedicated replenishment tanker to provide comparable POL readiness on this route would approximate \$15M investment (as against \$2.6M for POL ashore) and \$1.5M per year for operation. A stop at Diego Garcia adds only about 100 miles to the great circle distance between Malacca Strait and the Cape of Good Hope.

b. The probability of U.S. intervention in a local contingency in the Indian Ocean area is non-predictable but low. Development of Diego Garcia should not be made contingent on any specific requirement therefor. It is worth noting, however, that the future is not entirely predictable, and the U.S. definition of its interest might change. It may be worth something to have assurance that contingency support capability - air or naval - could be quickly added if future events require.

c. Distinguishable from U.S. intervention is the option of augmenting U.S. presence, without commitment and with appropriate ambiguity, in an attempt to deter undesired events in the theater. The project would provide the anchorage, POL, and air logistic facility to support a temporarily augmented naval presence; the POL presence would make a U.S. capability to conduct sustained naval operations more credible.

d. The desirability of future Indian Ocean SSBN deployments need not be argued here. It is sufficient to say that if deterioration of the

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political-strategic picture should make this option suddenly desirable, the proposed Diego Garcia development would make it possible to accomplish this redeployment with minimal lead-time, and public notice.

CONCLUSIONS

1. The Diego Garcia project, as proposed for FY 1970, would not provide a base for SSBN or major contingency operations (except insofar as the POL would be useful to support major naval deployments) nor for any air operations (combatant, patrol or airlift) involving more than two or three aircraft at a time. Honest political opposition based on suppositions to the contrary could be readily allayed by inspection of the plan or completed work.

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what DG is not.

2. The principal cost, and a principal advantage, of this project, involves the opening up of a primitive site where none exists, to ready access by naval, sealift and airlift units. Additional development, if later required in response to changing threats and interests, can be accomplished without the inordinate delays involved in initiating basic development of a primitive site at a great distance.

but expansion
interest is clear
here + throughout
(+ even in fully
what it is not)
[see 6 below]

3. The project would be of considerable value as a central source of assured sustained support for a U.S. naval presence, and for surveillance and research activities, in the Indian Ocean area. The only items included in the project which are not relevant to this purpose, are (a) an expanded anchorage area, and (b) additional POL tanks, the combined cost of which is about 10% of the project. The anchorage area is relevant to the prompt access advantage cited above and is achieved at so little additional cost that it should be undertaken while the equipment is there for the other purpose. The cargo and POL pier, while not essential for the routine support mission, affords significant convenience therein, and would be important in the access role.

vague + fuzzy
justification

4. Compatibly with the existence of Kagnaw and Northwest Cape installations, the project provides only low-volume communications to support minor naval operations in the sectors not effectively covered by these two stations. There is no requirement to provide increased capacity in this area short of a major contingency therein. In the latter case, portable, augmenting units could be quickly flown in if air access is available.

Commons needs
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5. The project would provide POL facilities which, without augmentation, would be of value:

a. In major contingencies, for expediting the rapid transfer of major naval forces between theaters, as required by current strategy and reduced future forces.

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b. For supporting temporarily augmented naval deployments for purposes of influence or deterrence.

6. The capability for prompt access to provide expanded support facilities could be important to:

- a. Support a redeployment of SSBN forces,
- b. Expand surveillance or intelligence capabilities,
- c. Protect NATO POL pipelines in a NATO war,

d. Apply general purpose forces to contingencies in Indian Ocean peripheral areas, if required by future changes in threats or U.S. policy.

7. The project should be considered as roughly 75% insurance, and 25% immediate routine support, in the justification of its investment cost.

RECOMMENDATIONS

1. Do not increase the provisions for, or emphasis on, communications in the Diego Garcia Project.

2. Do not reduce the POL capability.

3. Do not reduce the air access capability below that required for safe operation of a military transport aircraft.

4. Do not reduce the sea access capability, other than possibly elimination of the pier.

5. In presentation to Congress, emphasize the insurance features (prompt access), the lack of immediate provocation or intervention capability involved, the distance aspect of its costs, and the surveillance/intelligence aspects of its near-term usage.

clear they
think about
expansion
here

what if not
again

not discuss much

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ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

21 JAN 1970

INTERNATIONAL SECURITY AFFAIRS

In reply refer to:
I-20247/70

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Asian Policy Discussions During Prime Minister Wilson's Visit

British Prime Minister Wilson will be in Washington from January 27-28 to meet with President Nixon. I believe this would be an excellent opportunity for the President to outline his new East Asian policy to the Prime Minister and possibly initiate a dialogue on this subject with the hope of eventually convincing the British to retain at least a token military presence in Malaysia-Singapore through the 1970s. Such a decision by Britain would greatly strengthen the Australian and New Zealand determination to continue their forward deployments in Southeast Asia, would fortify the five-power relationship, and generally bolster morale and stability throughout the area thereby enhancing prospects for the successful implementation of the Nixon Doctrine.

Attached is a memorandum to Secretary Rogers which recommends that he so advise the President.

Richard A. Wags
Acting Assistant Secretary

Attachment

No coordination required.



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THE SECRETARY OF DEFENSE
WASHINGTON

January 23, 1970

Honorable William P. Rogers
Secretary of State
Department of State
Washington, D. C. 20520

Dear Bill:

When Prime Minister Wilson visits Washington later this month, it would seem to be an excellent opportunity for the President to discuss the "Nixon Doctrine," the future role we envisage for ourselves in East Asia, and to express the hope that Great Britain will continue to play a residual role in the area in the 1970s. The President may also want to suggest that, since both our countries are moving toward new policies in the area, it might be useful for us to open a low-key and absolutely private dialogue on the subject. If the Prime Minister concurs, it could be initiated through Ambassador Freeman.

Such discussions with the British now will afford us an opportunity to influence British decisions on Asian policy before her forces are entirely removed from Malaysia-Singapore in 1971. As you know, the time for such an approach also appears more opportune from the viewpoint of internal British politics. A decision by the British to retain even a token force in Malaysia-Singapore would strongly reinforce Australia's and New Zealand's determination to continue forward defense postures in Southeast Asia; would strengthen the stability of the Five-Power arrangement; and would generally bolster morale throughout the area thereby improving the prospects for the success of the Nixon Doctrine.

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