DECLASSIFIED Authority NNO 959000 BWAN NARA Cate 11-17

Def 15 And-US

Department of State INCOMING TELEGRAM

45 SECRET 014858 Action PP RUEHCR RUEKDA DE RUEHLL 473C 15/123SZ P 151217Z ZEA G 1965 MAY 15 AM 9 42 Info FM AMEMBASSY LONDON TO RUEHCR/SECSTATE WASHDC PRIORITY (5537 L H INFO RUEKDA/DOD WASHDC PRIORITY 654 AF STATE GRNC EUR NEA SECRET MAY 15 IO INDIAN OCEAN ISLANDS US LA THIS MESSAGE SUMMARIZES KITCHEN-PECK MEETING AT FONOFF MAY 14 TO REVIEW UK DETACHMENT PLANS AND ANTICIPATED COSTS INCIDENT THERETO. OTHER UK PARTICIPANTS INCLUDED BURLACE (ASST. SECY, POLICY, MOD) AND MORLAND (FONOFF, PERM UNDER SE DEPT) NSC INR CIA NSA BUT NO REP FROM COLOFF. SCI PECK CONFIRMED EARLIER INFORMATION (EMBTEL 5263) THAT NASA AGALEGA, COETIVY AND COSMOLEDOS HAD BEEN DROPPED FROM LIST OF ISLANDS TO BE DETACHED, WHICH BURLACE INDICATED WAS ACCEPTABLE RMR

> PAGE 2 RUEHLL 473C SECRET FROM UK MIL STANDPOINT. IF THESE INCLUDED, PRICE WOULD HAVE TO BE HIGHER AND ADMINISTRATIVE BURDEN ON UK INCREASED. PECHOTED CHAGOS LEGALLY PART OF MAURITIUS; ALDABRA, FARQUAHAR AND ILE DES ROCHES HAVE SAME RELATIONSHIP TO SEYCHELLES. HMICH AND THE DESTRUCTURE CAPITER SETTIEMENT CURRENT PECK EVNISIONS UK APPROACH TO MAURITIUS (AFTER SETTLEMENT CURRENT UNRELATED FLAREUP BETWEEN HINDU AND CHINESE ELEMENTS THERE) AND TO SEYCHELLES, TO BE FOLLOWED VERY SHORTLY BY JOINT OR CO-ORDINATED US/UK CONSULTATION WITH LIMITED NUMBER OTHER INTERESTED NATIONS ON INDIAN COPAN LITTORAL PARTICULAR AND TO SET AND THE PROPERTY OF THE PROPER NATIONS ON INDIAN OCEAN LITTORAL, PARTICULARLY KENYA AND TANZANIA. INDIA AND PAKISTAN WOULD ALSO BE HIGH ON LIST.

> UK MINISTERS HAVE AUTHORIZED DETACHMENT, PROVIDED COST OF COMPENSATION NOT TOO GREAT, BUT HAVE WITHHELD FINAL APPROVAL PENDING RECEIPT US VIEWS. PECK STATED HE WAS "RED-FACED" OVER INTRODUCING "SLIGHTLY UNPALATABLE" POUNDS 10 MILLION COLOFF ESTIMATE, BUT DID SO UNDER DIRECTION; UK DEFENSE REVIEW HAD FORCED PRESENT GOVT TO EXAMINE ALL PROJECTS MOST CAREFULLY, UNDER OVERALL DEFENSE EXPENDITURE CEILING OF APPROXIMATELY POUNDS TWO BILLION. HE RECAPITULATED BREAKDOWN OF ESTIMATE ALONG LINES REPORTED EMBTEL 5297, EMPHASIZING NEED FOR PLATINUM HANDSHAKE TO MAURITIUS. PECK ALSO MENTIONED DESIRABILITY OF "FINALIZING" REPRODUCTION FROM THIS COPY IS

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SEYCHELLES TRACKING STATION AGREEMENT AS PART OF OVERALL
SETTLEMENT OF DETACHMENT.

IN ANSWER KITCHEN'S INQUIRY, PECK SAID TRANSFER OF COCOS TO AUSTRALIA IN 1947 NOT COMPARABLE TRANSACTION, SINCE IT WAS STRAIGHT SHIFT OF SOVEREIGNTY, AND OWNING FAMILY DESIRED IT. OR MALAYSIAN FEDERATION.

KITCHEN RECALLED STRONG US OPPOSITION TO US INVOLVEMENT IN CONSTRUCTION OF AIRFIELD AT MAHE EXPRESSED AT FEB 64 US/UK MEETINGS, AND POINTED OUT MAJOR ENGINEERING TASK REQUIRED. MOREOVER, PRESENT FUNDING PROPOSAL WAS MAJOR CHANGE FROM APPROACH ENVISAGED AT THAT TIME. DOD CONSTRUCTION BUDGETS PROBABLY ONLY POSSIBLE SOURCE US FUNDING. CONGRESS HAD BEEN APPROACHED ON DIEGO GARCIA SITE; FUNDS HAD LAPSED SINCE UK NOT READY TO DETACH, BUT WE EXPECT THEY WOULD BE REINSTATED. RE ALDABRA, DOD IN PROCESS OF DEVELOPING FIRM MILITARY REQUIREMENTS ON WHICH APPROPRIATION REQUEST COULD BE BASED.

AFTER PECK HAD CONFIRMED THAT ANY US CONTRIBUTION NEED NOT BE PUBLIC EVEN IN UK, SINCE BETTER FOR "POOR OLD BRITAIN" TO MAKE PITCH TO MAURITIUS/SEYCHELLES, KITCHEN NOTED TWO POSSIBILITIES FOR US ASSISTANCE. FIRST ALTERNATIVE MIGHT TAKE FORM OF ACCELERATED CONSTRUCTION ON BOTH DIEGO GARCFA AND ALDABRA, TO ANTICIPATE BRIT REQUIREMENTS THERE, SUCH AS ADDITIONAL FUEL STORAGE, ETC. SECOND ALTERNATIVE, WHICH KITCHEN EM-

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PHASIZED WAS ON PERSONAL NATURE, MIGHT BE THROUGH OFFSETS IN R AND D FIELD. EMPHASIZED THESE STILL ONLY EXPLORATORY SUGGESTIONS, AND HE NOT AUTHORIZED MAKE ANY COMMITMENTS. AS MATTER OF PRINCIPLE, US HAD NEVER PAID "RENT" FOR BASES, AND IN ANY EVENT WOULD BE MISTAKE TO PUT PROPOSED MAHE AIRFIELD IN SAME CATEGORY.

BURLACE SAID HE NOT SURE EITHER SUGGESTION WOULD HELP, BUT AGREED TO CONSIDER FROM UK STANDPOINT. AS WOULD BE MADE CLEAR BY PM IN COMMONS WEEK AFTER NEXT, ENTIRE INDIAN OCEAN ISLANDS PROJECT IS SUBORDINATE TO OVERALL UK DEFENSE REVIEW. ACCORDINGLY, MOD COULD MAKE NO STATEMENT ON USE OF ALDABRA FOR RAF.

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PECK OUTLINED DETAILS OF DRAFT UK INSTRUCTION TO COLONIAL GOVERNORS MAURITIUS AND SEYCHELLES ON DETACHMENT, AND UNDERTOOK TO PROVIDE COPY THROUGH BRIT EMBASSY WASHINGTON BEFORE TRANSMITTAL TO GOVERNORS. WAS AGREED THIS DOCUMENT SHOULD MENTION POSSIBILITY OF FUTURE AIR AND NAVAL DEVELOPMENTS OTHER THAN ON DIEGO GARCIA, BUT WITHOUT MAKING SPECIFIC REFERENCE TO ALDABRA. KITCHEN NOTED HE WOULD HAVE TO CHECK INTO QUESTION OF WHETHER TO REFER TO POSSIBLE USE OF LOCAL LABOR, WHICH US MIGHT NOT WANT ON ISLANDS EVEN DURING CONSTRUCTION PERIOD. PECK CONTINUED THAT NO LEASES OR DEFENSE ARRANGEMENTS WITHMAURITIUS OR SEYCHELLES WOULD BE CONTEMPLATED. INQUIRIES RE NUCLEAR WEAPONS WOULD BE MET BY STANDING US/UK RESPONSE OF

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REFUSING TO CONFIRM OR DENY THEIR PRESENCE, ALTHOUGH KITCHEN
STATED WE COULD DENY, IF PRESSED, ANY INTENTION TO DEVELOR AS
"POLARIS BASE". ANOTHER UK PROVISION IN THIS DOCUMENT WAS
THAT UK MIGHT BE PREPARED CONSIDER POSSIBILITY OF INCREASED
IMMIGRATION AND SUGAR EXPORT QUOTAS.

IN ANSWER US INQUIRY, PECK STATED UK DID NOT DESIRE TO PROJOSE ANY MERELY NOMINAL OR TOKEN SUM TO MAURITIUS AND SEYCHELLES; FIGURE OF POUNDS 500 THOUSAND, FOR EXAMPLE, WOULD BE "LAUGHED AT", AND UK PREFERRED TO WORK FROM "TOP DOWN". RECOGNIZED, HOWEVER, IMPORTANCE OF INTIMATING TO MAURITIANS AND SEYCHELLOIS THAT IF THEY HELD OUT TOO LONG FOR TOO HIGH A PRICE, FUTURE TECHNICAL DEVELOPMENTS SUCH AS SATELLITE COMMUNICATIONS MIGHT MAKE ISLANDS LESS ATTRACTIVE IN FUTURE.

AT PECK'S REQUEST, WAS AGREED TO DELETE WORD "ADMINISTRATIVE" FROM SECOND SENTENCE PARA 3 OF JOINT PRESS GUIDANCE (DEPTEL 7191), IN ORDER ASSIST UK EXPLANATION OF DETACHMENT PROCEEDINGS IN COMMITTEE OF 24.

KITCHEN UNDERTOOK REVIEW UK PROPOSALS ON HIS RETURN TO WASHINGTON NEXT WEEK, SAW NO NEED FOR "FINANCIAL WIZARDS" TO COME TO LONDON FOR THIS PURPOSE.

IN ANSWER TO KITCHEN'S COMMENT, PECK AGREED THAT US AND UK SHOULD INFORM AUSTRALIA AT AN EARLY DATE, SOON AFTER CONSULTING MAURITIUS AND SEYCHELLES.

FULL MEMCON WILL BE POUCHED. GP-3.

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