POINT PAPER ON DIEGO GARCIA

- What it is

- -- Coral Atoll in Indian Ocean
 - --- 6x13 miles, 6700 acres
 - --- 1000 miles south of India
 - --- Part of British Indian Ocean Territory (BIOT)
 - --- Joint US-UK agreement (1966) permits use for defense purposes
- Communication station under construction by U.S.
 - --- Authorized by Congress FY 71
 - --- To be completed this year
- -- Island has 8000' airstrip
 - --- 60,000 barrels POL storage
 - --- 430 U.S. personnel assigned
 - --- Plus 600 SEABEEs for construction
 - --- Quarters for personnel

- U.S. intentions

- -- Expand facilities for limited but more efficient/flexible use of
- · forces in area
 - --- Lengthen runway from 8000' to 12,000'
 - --- Construct additional fuel storage capacity (640,000 barrels)
 - --- Dredge larger basin for ships (for normal carrier task group)
 - --- Build pier for alongside berthing
 - --- Enlarge aircraft parking aprons
 - --- Expand repair shops and utilities
 - --- Additional quarters and storage facilities

-- No intent to base operational forces on island permanently --- No ships/aircraft stationed there --- No families quartered --- Austere, outpost base for ships/aircraft patrolling Indian Ocean - We have asked Congress for -- FY 75 --- \$18.1M ---- POL storage ---- Pier ---- Runway extension/parking apron ---- Power plant expansion (Phase I) --- Substation ---- Subsistence building ---- Munitions storage -- FY 76 --- \$13.8M ---- POL storage ---- Power plant (Phase II) ---- Aircraft parking/runway extension ---- Hanger --- Operations building(addition) ---- Airfield storage ---- Quarters ---- Munitions storage ---- Warehouse and cold storage ---- Receiver building (addition) ---- Vehicle repair hardstand --- Aircraft arresting gear ---- Utilities distr. system ---- Armed Forces radio station -- FY 77 --- \$5.9M ---- Wash.rack ---- Crash fire station ---- Structural fire station ---- Aircraft refueler ---- Shed storage

> ---- Recreation facilities ---- Workshops and storage ---- Chapel (addition)

- ---- Club (addition) ---- Hobby shop (addition) --- Warehouse --- Special services facilities
- Current Congressional Status
 - -- President signed PL 93-552, Dec 1974 (Mil. Construction Authorization Act, 1975)
 - --- Sec. 613 required Pres. certification to Congress that request was essential to U.S. Nat. Security Interests
 - ---- Did so, 12 May 1975, and sent to Congress (see Atch 1)
 - --- Act requires no funds be obligated until two conditions met
 - 1) Sixty days of continual Congressional session have elapsed
 - 2) During which neither House disapproves the project
- The need for facilities on Diego Garcia
 - -- Detailed White House justification is at Atch 1
 - -- Main points
 - --- Important interests in Indian Ocean area
 - ---- Stability of area, freedom of oil routes
 - --- Demonstrate capability to operate forces in area
 - ---- Exercise right to navigate freely on high seas, show continued free access to area by all nations
 - --- Demonstrate credibility of US military force
 - ---- Flexibility, efficiency, effectiveness of US forces
 - ---- Provide hedges/options in face of political uncertainties
 - -- Diego Garcia facilities not to support permanent, large force
 - ---- Support limited force plus periodic visits of additional forces when required
 - ---- Nearest logisitcal facility to western Indian Ocean is Phillipines, 4000 miles distant
 - ---- Alternative to D.G. is costly/inefficient increase in naval tankers/mobile logistics force

- Attitudes of Littoral countries/UN
 - Survey of official public reactions to D.G. expansion is at Atch 3
 - Additionally, IOPZ proposal has been made in UN every year since 1971
 - --- Will be made again this year and probably will pass
 - --- U.S. abstains
- Chronology of U.S. actions
 - -- See Attachment 2 (SECRET)
- Arms Control Factors
 - -- US approached Soviet Union on subject in 1971. No response.
 - --- Would prefer Soviets to limit their own buildup in area
 - -- Soviets are continuing buildup
 - --- Installation at Berbera
 - --- U.S. has nothing comparable
 - --- U.S. ability to negotiate from such position is poor
 - -- Should not link D.G. construction to prior discussions on arms
- 3 Attachments
- 1. White House Construction Justification (U)
- 3. Attitudes toward D.G. Expansion (U)
- 4. Map of D.G. (U)

In 1966, the United States signed an agreement with the British Government providing that the islands of the British Indian Ocean Territory would be available for 50 years to meet the defense purposes of both governments. In this context, we concluded in 1972 an Administrative Agreement providing for the establishment of a limited communications station on the small atoll of Diego Garcia in the central Indian Ocean. In February 1974, an agreement was negotiated ad referendum to replace the 1972 agreement and to provide for the construction and operation of a proposed support facility. The British Government announced in December 1974 its agreement with our proposal to expand the facility.

The United States has an important interest in the stability of the Indian Ocean area. In particular, the oil shipped from the Persian Gulf area is essential to the economic well-being of modern industrial societies. It is essential that the United States maintain and periodically demonstrate a capability to operate military forces in the Indian Ocean. Such exercise of our right to navigate freely on the high seas communicates to others the importance we attach to the stability of the region and to continued free access by all nations.

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The credibility of any US military presence ultimately depends on the ability of our forces to function efficiently and effectively in a wide range of circumstances. Currently, the US logistics facility closest to the western Indian Ocean is in the Philippines, 4,000 miles away. At a time when access to regional fuel supplies and other support is subject to the uncertainties of political developments, the establishment of modest support facilities on Diego Garcia is essential to insure the proper flexibility and responsiveness of US forces to national requirements in a variety of possible contingencies. The alternative would be an inefficient and costly increase in naval tankers and other mobile logistics forces.

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that it will prompt an increase in the Soviet presence in the Indian Ocean and give rise to an arms race in the region.

Clearly, both we and the Soviets are aware of the military presence of other nations, but it would be incorrect to assume that Soviet actions are determined exclusively by the level of our force presence. The growth of Soviet neval presence in the Indian Ocean from 1968 to the present can most convincingly be ascribed to the pursuit of their own national interests -- including the continuing expansion of

the Soviet Navy in a global "blue water" role -- rather than to US force levels as such.

A distinction must also be drawn between facilities and force presence. The proposed construction on Diego Garcia would enhance our capability to provide support to US forces operating in the Indian Ocean. However, there is no intent to permanently station operational units there, and the installation would not imply an increase in the level of US forces deployed to that region. We have, on several occasions, expressed our willingness to consider constructive proposals for aims restraint in the Indian Ocean, but we do not believe that construction on Diego Garcia should be contingent upon the outcome of discussions on such proposals. In our view, these are two separate issues.

The Diego Garcia proposal has been criticized by a number of regional states which favor the concept of a special legal regime limiting the presence of the great powers in the Indian Ocean, as expressed in the several Indian Ocean Zone of Peace resolutions adopted in the United Nations General Assembly. United States policy has consistently been to oppose measures that would constitute an unacceptable departure from customary international law concerning freedom of navigation on the high seas.

We are aware of the concern expressed by some states of the region, but we do not share their conviction that the construction of support facilities on Diego Garcia will result in an arms race or that these facilities will somehow represent a threat to their interests. On the contrary, it is our belief that such facilities will contribute to the maintenance of a healthy balance essential to the preservation of regional security and stability. It is our considered judgment that the legitimate differences in perspective between ourselves and certain other nations with respect to Diego Garcia are susceptible to reasoned discussion within a framework of mutual respect and need not inhibit the development of satisfactory relations with the states of the region.

SURVEY OF OFFICIAL PUBLIC REACTIONS OF LITTORAL STATES SPECIFICALLY TO U.S. DIEGO GARCIA EXPANSION PROPOSAL

Favorable:

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Balanced:

Iran Kenya Pakistan Singapore

Unfavorable: Australia

Bangladesh Egypt India Indonesia Kuwait

Malagasy Republic

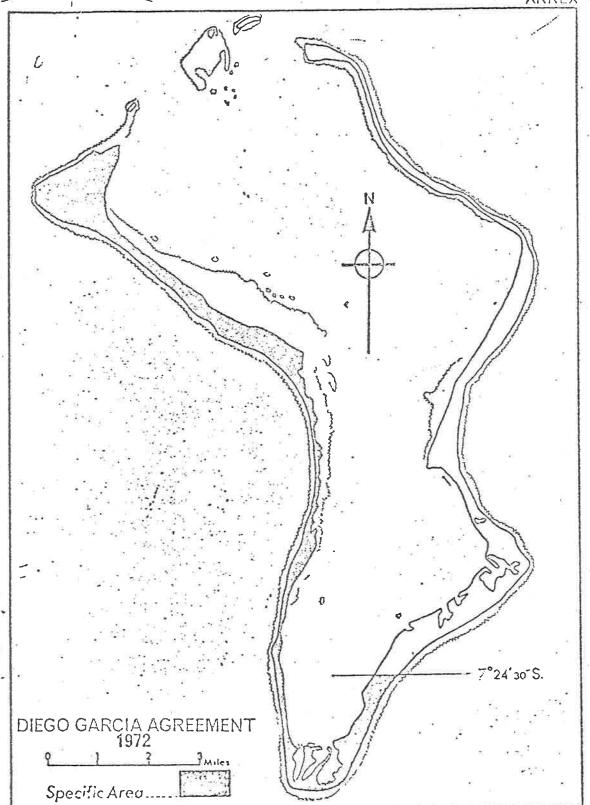
Malayria Mauritius Somalia Sri Lanka Tanzania

Unknown:

Bahrain
Burma
Ethiopia
Maldives
Mozambique
Oman
Qatar
Saudi Arabia
South Africa
Sudan
Thailand
United Arab Emirates
Yemen Arab Republic

Note: we have heard from every post except Baghdad, which surely is unfavorable.

ATCH 3



Research De J., FCO. August 197

ATCH 4