THE WHITE HOUSE

Mr. Marsh --

This is for your 4:00 LIG meeting.

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PHOTO COPY FROM GUSALD R. FORD LIBRARY Attendees for LIG Meeting, Wednesday, May 21, 1975, 4:00 p.m.

AID

Denis Neill

CIA

George Cary

DOD

John Maury
Dick Fryklund
Fred Hitz
Don Sanders

State

Amb. Robert McCloskey

John Lehman

White House

Jack Marsh

Max Friedersdorf

Bob Wolthius Bill Kendall Vern Loen

OMB

Donald Ogilvie

NSC

Les Janka

Col. Clinton Granger

USIA

Edward Hidalgo

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up with a technically feasible arms control approach. The U.S. cannot be placed in a position where Soviet dilatory negotiating procedures could deprive us of badly needed facilities on Diego Garcia at a time when our vital and legitimate interests could soon be jeopardized, and while the Soviets are rapidly expanding their own facilities at Berbera. Even if we were to assume the Soviets would act in good faith, the very difficult and technical negotiations would be apt to be very protracted. Therefore, we must have approval for Diego Garcia first.

Finally, we should make it clear that the President cannot accept any legislation requiring either a link between Diego Garcia and arms control, or a requirement that we proceed to talk to the Soviet Union on this question.

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Congressional Strategy on Diego Garcia

Background

On May 12 the President signed and sent to Congress a Determination which, by law, must lie in Congress for sixty days before funds under the Military Construction Act can be obligated for certain new facilities on Diego Garcia. During this period, either House can disapprove the Determination by simple majority. Senator Mansfield has introduced such a resolution, and Senators Kennedy, Javits and Pell have introduced an amending resolution, which would delay obligation of funds until the U.S. has initiated talks with the Soviets on Indian Ocean arms limitations.

Strategy

The Administration approach to Congress should have several elements.

First, the attached justification which the President approved when he signed the May 12 Determination will be sent to the President Pro Tempore and the Speaker. This should be utilized as the basis for discussions with Congress.

Second, we should continue to emphasize the importance of expanding facilities on Diego Garcia for contingency purposes. With the opening of the Suez Canal on June 5, high tensions and the possibility of an oil embargo in the Middle East, the striking evidence of the major Soviet facility at Berbera, and the loss or prospective loss of important and secure facilities in Southeast Asia, adequate facilities on Diego Garcia are needed to protect legitimate and vital U.S. interests. If we do not move rapidly we might not have these facilities when we need them.

Third, we must stress the independence of possible arms control measures in the Indian Ocean and our security needs for facilities on Diego Garcia. If asked about possibilities for arms control in the Indian Ocean, we should emphasize that there are great technical difficulties in developing workable measures for arms control in the Indian Ocean.

Fourth, if directly asked about negotiations with the Soviet Union, we should say that we would consider exploring this subject with the Soviets, but only after Diego Garcia construction is underway and after we come

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Justification for the Presidential Determination on the Construction of Limited Support Facilities on Diego Garcia

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 dil 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.

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.

Objections have been raised to this proposal on the grounds 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 or nature of our

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force presence. The growth of Soviet naval 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 presence 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 arms 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 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.

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