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THE WHITE HOUSE

Executive Broam

"April 22, 196

SECRET & Persona

MEMORANDUM FOR MR. RICHARD HELMS

FROM:

RICHARD V. ALLEN

DT.

AGENCY FURLICATIONS

Because there is much to read in this Establishment, I have time to look at only the Weekly Summary issued by the Director it of Intelligence. Whoever packages my copy includes certain special reports, two of which arrived the other day.

On Saturday, I was able to read through things at a more leisurely pace, and I had a careful look at the two special reperis, "Power Politics Drift Into the Western Indian Occan," and "Norway". Defense Problems in the Far North, "both dated II April 69. These are really excellent reports, well-weitten, concise, to the point, and most transformely got up. I call your attention particularly to the echnique used on Page I of the Western Indian Ocean study.

After reading so much from other povernment sources, it is a pleasure to see the Agency reports put together by people who not only know how to use the English language and use it well, but who also show imagination and concern for the consumer of their products.

I just thought you'd be interested it my reaction. We acknowledgement necessary, but do pass my compliments to the chees.

DC 3L...

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DIRECTORATE OF INTELLIGENCE

Power Politics Drift Into the Western Indian Ocean

Special Report WEEKLY REVIEW



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11 April 1969 SC No. 00755/69C

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EPF CIAL REPORTS are supplements to the Current Intelligence, weeklies issued by the Office of Current Intelligence. The Special Reports are published senarately to permit more comprehensive treatment of a subject. They are prepared by the Office of Current Intelligence, the Office of Economic Research, the Office of Strategic Research, and the Directorate of Econoc and Technology, Special Reports are coordinated as appropriate among the Directorates of CIA but, except for the account substantive exchange with other agencies at the working by 1 have not been coordinated outside CIA unless specifically.

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SUEZ AND THE SPACE AGE

In the early 19th century, the islands and island groups of the western Indian Ocean-now grouped into the political entities of the Malagasy Republic, Mauritius, Reunion, Comoro Islands, Seychelles, and the British Indian Ocean Territory-were important and strategically significant, especially to the British and the French, because they lay astride the major trade route from Europe to Asia. The opening of the Suez Canal in 1856, however, shifted the ocean lanes northward, and the importance of the islands diminished. The closing of the Suez Canal after the Arab-Israeli War of 1967 and the increasing use of supertankers too large to pass through the canal even if it were open have once again put the islands athwart a major trade route.

In addition to changing trade routes, other factors have bestowed additional significance on the islands. The advent of manned space flight operations by the US and the Soviet Union has made the islands important sites for tracking and emergency recovery operations. Now that the British can no longer provide bases in the area and the newly independent states of the Indian Ocean littoral are pursuing a policy of nonalignment that allows few if any foreign bases, the islands are being looked at as alternate sites for technical facilities and as potential advanced bases for forces that could intervene in disturbances on the continents. Many strategists now fear that-the British withdrawal will create a "defense gap" that the Soviets might attempt to fill.

CURRENT ACTIVITIES: FREE WORLD

United States: US interest and activities in the western Indian Ocean have centered primarily around requirements to support space exploration. There is a large NASA tracking station near Tananarive in the Malagasy Republic and a smaller US Air Force tracking facility on Mahe Island in the Seychelles. The US has an agreement with Mauritius that allows American aircraft to use Plaisance Airfield for operations in support of the Apollo program in return for improvements

of the airfield. From time to time, there have been other space-connected activities. The US has placed a temporary National Geodetic Satellite Program station on Diego Garcia in the British Indian Ocean Territory as part of a program to expand knowledge of the true size and shape of the earth. US ships and aircraft regularly use Malagasy and Mauritian facilities.

The Department of Defense has planned, subject to congressional funding, to construct a modest military facility on Diego Garcia. Current plans envisage minimal harbor and communications facilities, an 8000-foot runway, and fuel and lubricant storage. The British flag would fly over the facility, which would take three years to become operational and four years to complete.

United Kingdom: Although the British have sought to reduce their commitments in the Indian Ocean area, they retain two dependencies: the Sevenelles and the British Indian Ocean Territory (BIOT). BIOT was created in 1965 by removing the Chagos Archipelago from Mauritius, then a British colony, and Aldabra, Farquhar, and Desroches from the Seychelles. BIOT was created specifically to provide sites for military facilities on islands with populations theoretically so small as to cause no political difficulties. In addition to the leased US facility on Diego Garcia, a British military facility was planned for Aldabra. This installation was to be used as a staging area in connection with similar sites on Ascension Island in the Atlantic and Gan in the Maldives, hopefully ensuring access to the area east of Suez. The plans for the Aldabra facility quickly came under attack from conservation groups seeking to protect the island's unique wildlife. Such criticism, together with financial difficulties, make it improbable that the British will carry out their plans.

Mauritius remains a member of the British Commonwealth and has a six-year joint defense agreement with the UK. Just before Mauritius received its independence in March, 1968, British troops had to intervene to quell communal

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rioting, and British advisers are still active with the island's security forces. There is also a British naval communications station at Mauritius.

France: France, long a major influence in the area, seems bent on maintaining its position and is wary of Soviet and Chinese intentions. It retains an overseas territory, the Comoro Islands, and an overseas department, Reunion. In addition, France still has substantial influence in its former colony, the Malagasy Republic, and in Mauritius, with which it has political, cultural, and linguistic ties.

France maintains a military presence in the Malagasy Republic, Reunion, and the Comoro Islands. In early 1969, ground units totaled almost 1,800 men. In the Malagasy Republic, a small air force unit is stationed at Ivato Airfield, and a small naval force is headquartered at Diego Suarez under a flag officer.

French plans and military strategy for the area are not well known. Apparently, the French plan to use facilities on Mayotte in the Comoro Islands should they eventually be forced by Malagasy sensitivities to evacuate their base at Diego Suarez. There appears to be strong sentiment among the people of Mayotte to remain tied to France even if the Comoro Islands eventually obtain independence. The airstrip on Mayotte is being repayed and lengthened. It has been reported in the press that the French intend to base missile-firing nuclear submarines in the Comoro Islands, but there is no confirmation of this report and nothing to indicate that such an ambitious and costly plan for expanding facilities is about to be undertaken. Mayotte's reef-encircled lagoon, moreover, is not as good a harbor as Diego Suarez. It may be that the French envisage a military facility on Mayotte similar to the planned US facility on Diego Garcia.

Other countries: Although they do not carry on major activities in the western Indian Ocean, many of the independent states of the littoral

have been very interested in the activities of other nations in the area. For example, the Indians have viewed US-UK plans for facilities in BIOT with concern and have been especially sensitive to the possibility that nuclear weapons might be stored in the area. Suggestions that the islands could provide bases for intervention forces of the type that rescued the Congolese rebels' white hostages in 1965 have been particularly grating to several African states.

CURRENT ACTIVITIES: USSR AND CHINA

<u>USSR</u>: The Soviets have only recently taken a direct interest in the western Indian Ocean, primarily in connection with their space programs. Beginning in early 1968, Soviet ships and aircraft operated in the area in support of space missions, providing radio communications, tracking, and alternate capsule recovery capability. Zond 5, the first Soviet circumlunar mission, was recovered in the area. These ships have obtained provisions from Madagascar, Mauritius, and the Seychelles, and have used anchorages in the vicinity of the Seychelles and off the St. Brandon Islands, a dependency of Mauritius.

The Soviets have an official presence only on Mauritius, where an embassy is due to open early in 1969. Mauritius has granted permission for Soviet ships to use Port Louis, and a Soviet cultural program is planned for 1969. The Soviets and the Malagasy Republic have been discussing the establishment of relations for several years. In November, 1968, the Soviets approached the Malagasy Government with a proposal for the installation of a space-tracking station, but President Tsiranana apparently rejected the request under strong French urging. Tsiranana remains basically anti-Communist and suspicious of Soviet intentions.

The Soviets have had unofficial contacts with various groups and individuals on many of the islands. On Mauritius, some elements in the trade unions are affiliated with the Communistled World Federation of Trade Unions, and

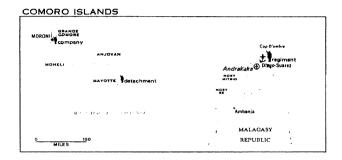
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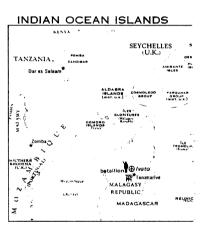
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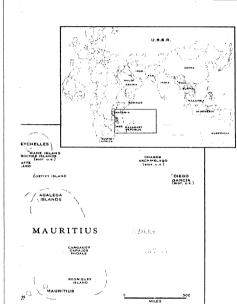
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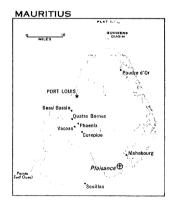
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several labor leaders have personal contacts in Communist countries through which they are able to provide scholarships to Mauritians for study in the Soviet Union and East Europe. There are several organizations that are openly Communist. but these have not been a significant factor in Mauritian politics. On several other islands, the Communists have provided direct financial support of groups and individuals as well as sponsorship of scholarships and delegations to conferences. The Reunion Communist Party is officially recognized by Moscow, So far, however, the Communists have not received much benefit from these unofficial contacts because few of the individuals appear able to exert much influence on their government or to have much of a popular following.

Communist China: Peking has no official presence in the western Indian Ocean. At independence in March 1968, Mauritius recognized the Peking government, but there has been no exchange of representatives. There are overseas Chinese communities on many of the islands, the largest being the 28,000 Chinese in Mauritius. Individual Chinese in the Mauritian community openly support the Chinese Communist Government, and various organizations distribute Communist propaganda. Chinese merchant ships frequently stop at Mauritius. The overseas Chinese are nevertheless deeply divided among themselves into pro-Communist and pro-Nationalist factions, and, as small merchants and entrepreneurs, are not able to exert much influence on the host governments. The Chinese Communists are more distrusted on many of the islands than are the Soviets. Should they undertake some sort of space program or ICBM testing program extending into the Indian Ocean, they might at some time be interested in acquiring facilities on the islands, but there is no firm evidence that the Chinese have actually sought such facilities as yet.

PROBLEMS AND POLITICS OF ISOLATION

Long isolated from the mainstream of world events, the people of the islands have been for the

most part uninterested in world politics and preoccupied with their own problems. Only Mauritius and the Malagasy Republic have sought and
received independence. All of the islands have
serious economic problems. The Malagasy Government has made little progress in developing
Madagascar's economy since independence; the
government's development plans have been characterized as haphazard and are hampered by a
lack of technical and administrative skills.

The Mauritian economy is based almost entirely on sugar, an enterprise controlled by the minuscule Franco-Mauritian community. With all the problems of a one-crop economy, Mauritian efforts toward development are also hampered by lack of administrative expertise and are made extraordinarily difficult by rapid population growth. Reunion, likewise dependent on sugar, has similar problems of poverty, unemployment, and a high cost of living, exacerbated by a rapid population growth. In the Comoro Islands, nearly all necessities must be imported, and Comorian exports currently bring very low prices on a glutted market. The Sevchelles are hoping that the opening of an international airport, construction of which has just begun, will stimulate a tourist industry to shore up an economy almost entirely dependent on copra.

The attitudes of the political leaders and would-be leaders are strongly influenced by economic realities and by the fact that they receive subsidies from their present or former metropoles. These circumstances have not prevented them from seeking independence, however, and their response to isolation and economic problems has varied greatly.

Malagasy Republic: Madagascar, by far the largest and most important of the islands, became independent in 1960. The government of President Tsiranana retains strong ties with France, which furnishes advisers for both the military and the civilian government, is the principal source of Malagasy financial assistance as well as the

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primary trading partner, and is committed to provide for the republic's defense. French forces stationed on Madagascar could be used to prop up the pro-French government or to thwart a coup. The Tsiranana government diverges from the French line only in being very strongly anti-Communist and extremely suspicious of both the Soviets and the Chinese.

Since independence, the country has enjoyed relative stability despite a bitter rivalry between the Merina-a plateau-dwelling people who constitute 25 percent of the population and once formed the ruling elite-and the "cotier," the peoples of the coast. The ruling Social Democratic Party of President Tsiranana represents the cotiers and completely dominates Malagasy political life. The opposition Party for the Independence of Madagascar (AKFM) has received support from Communist sources but, as the party of the Merina minority, possesses popular backing only in the districts in and around the capital. The Malagasy have been politically apathetic and able to bear up under continued economic stagnation; Tsiranana is in firm control. His successor would most likely be Andre Resampa, who already controls the police forces and much of the party apparatus. Resampa is much less pro-French and more inclined toward a left-leaning, nonaligned foreign policy. Once in power, he might offer objections not only to a continued French military presence on Madagascar, but also to other big power military activities.

Mauritius: Mauritius became independent in March 1968, a month after British troops had been required to quell rioting between the island's Muslim and Creole (mixed African-Asian-French) communities. The government of Prime Minister Ramgoolam is based in the South Asian community, consisting of Muslims and Hindus; the opposition party is based primarily on the Creole minority backed by the financial support of the sugar interests. Hard pressed to deal with the problems of a one-crop economy and serious overpopulation, Ramgoolam's foreign policy has

been somewhat conditioned by the need for economic assistance. The government has sought assistance from both East and West.

Ramgoolam still maintains close connections with the British, who provide advisers for the police forces, and Mauritius remains a member of the Commonwealth. Ties have also been sought with France and the French-speaking nations; early this year, Mauritius became a member of the African-Malagasy Common Organization, an economic-political association of French-speaking African nations. Relations with the US have been friendly, and the government has cordially received American ships stopping at Port Louis, especially since they provide valuable foreign exchange. Contacts with the USSR have increased, with the Soviets establishing an embassy and apparently planning a cultural program.

Reunion: Largest in population of the nonindependent islands, Reunion is an overseas department of France and is represented in the French parliament by Michel Debre, the French foreign minister. There appears to be little pressure for any change in status as long as France continues its present policies and economic assistance. Moreover, the Reunionese are politically apathetic and do not participate significantly in the government, which is staffed by metropolitan Frenchmen. The Reunion Communist Party appears to be the only permanently organized political group on the island and has only a small, though well-disciplined, membership. The party bases its program on economic issues and stands for some measure of autonomy, but does not appear to have any wide following. It is recognized by Moscow, and has frequently denounced what it terms the irruption of American imperialism into the western Indian Ocean.

Comoro Islands: Internal autonomy was granted to the Comoro Islands, an overseas territory within the French community, in December 1967. A council of ministers, dominated by the lighter skinned Arab aristocracy, bears

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responsibility for internal affairs. The highly conservative Comorian leaders, probably mindful of their dependence on continued French financial assistance, have not voiced sentiments for independence. The example of Zanzibar, where the darker skinned people rose murderously against the aristocracy shortly after independence and overthrew the government, may also cause the aristocratic Comorian leaders to hesitate about asking for independence. If independence were requested, however, there is little doubt that Paris

would grant it; the islands are a drain on France and of little apparent value. A liberation group, the Movement for the National Liberation of the Comoros (MOLINACO), is centered in the expatriate Comorian community in Dar es Salaam. This group appears to have little support in the islands and is under the surveillance of the French security service. It is alleged that MOLINACO has received support from Cairo and Moscow and the student rioting of 1968 is generally believed to have been encouraged by the group.

ISLANDS OF THE WESTERN INDIAN OCEAN

Country	Population/Area	Ethnic Division	Exports
Malagasy Republic	6,582,000/230,000 sq. mi.	Merina (Malayo-Indo) 25% Coastal peoples 74% Others 1%	US\$ 104 mil (1967) Sugar 49% Coffee 30% Vanilla 6% Tobacco 5% Sisal 4% Graphite & Mica 4%
Mauritius	797,000/720 sq. mi.	Asians 67% Creoles 29% Chinese 3.5% French 0.5%	US\$ 64 mil (1967 est.) Sugar 95%
Reunion	433,000/970 sq. mi.	Mixed (French, African, Chinese, Indian, Malagasy)	US\$ 38 mil (1967) Sugar 84% Perfume essences 10% Rum 5% Vanilla 1%
Comoro Islands	244,000/838 sq. mi.	Mixed (Malagasy, Arab, African, Indonesian)	US\$ 4.7 mil (1963) Perfume oils 22% Vanilla 52% Copra 10% Sisal 8%
Seychelles	51,000/156 sq. mi.	Mixed (Asians, Africans, French)	US\$ 1.9 mil (1966) Copra 75% Cinnamon and vanilla 22% Fish, guano, patchouli 3%
British Indian Ocean Territory	Est. 2,000/30 sq. mi.	Mixed	(Small amounts) Copra Coconuts

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The Seychelles: This British Crown Colony obtained a measure of self-government in 1967 and its two competing parties keep political activity at a high level. The Seychelles Democratic Party favors closer ties with the UK in some sort of federation that would include the Seychelles and Gibraltar. The Seychelles People's United Party at one time advocated complete independence, but more recently has been less than clear in its programs, at times intimating that it favors federation, at others calling for some sort of vague autonomy. Inasmuch as the UK seems reluctant to accept a federal arrangement lest it provoke similar demands from other possessions. both parties seem to be groping for a realistic program acceptable to the people.

British Indian Ocean Territory: The islands of Aldabra, Farquhar, Desroches, and the Chagos Archipelago are sparsely inhabited by migrant laborers and produce only small quantities of copra and coconuts. Several oil companies have expressed interest in oil explorations in the Chagos, but no concessions have been granted. In late 1968, Prime Minister Ramgoolam of Mauritius reported that the Soviets also were interested in oil exploration in this area and claimed that Mauritius retained mineral rights. The territory is administered by a British official in the Seychelles.

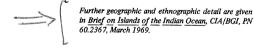
OUTLOOK

Although a reopening of the Suez Canal would reduce the volume of shipping that now passes through the western Indian Ocean, it seems certain that there will be no relapse into isolation. France appears determined to maintain and even

extend its influence in the area, possibly by arranging economic cooperation between Madagascar, Mauritius, and the French territories, or by increasing economic contacts with the states culturally oriented to France. Soviet intentions remain unclear, but Moscow appears to be interested in developing some sort of position, particularly through contacts on Mauritius. The US presence and impact could be scaled down by the use of ships to replace land-based tracking facilities, or could be greatly increased by the construction of the Diego Garcia military facility.

The effect of these continuing contacts on the islands is difficult to predict. The eventual passing of Malagasy's Tsiranana government will certainly lead to a more nonaligned administration not as friendly to the US or to France. On Mauritius, the Ramgoolam government has not seemed particularly worried about Communist penetration and might accept a Soviet spacetracking or recovery facility in exchange for economic assistance.

There appears to be little pressure for independence on the remaining islands. The fact that they are heavily dependent on economic subsidies and would not be viable independent states may not, however, prevent the eventual growth of independence movements and a proliferation of ministates. France and Britain probably would not hesitate to grant independence to these revenue-consuming dependencies, and the islands could easily follow the example of the equally nonviable former colonies of Africa. (SECRET NO FOREIGN DISSEM)



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