
44. Memorandum From the Secretary of the Navy (Nitze) to
Secretary of Defense McNamara¹

Ser 001653

Washington, February 24, 1967.

SUBJECT

Proposed Limited Support Facility on Diego Garcia (S)

1. I believe we should reconsider the decision made last fall that approval for the proposed limited support facility at Diego Garcia would depend on substantial British participation and financing. The two recent episodes involving U.S. ships and South African ports have dramatically underscored the lack of any politically neutral and usable facility for the Navy in the entire Western Indian Ocean.²

2. This situation is not likely to improve with time nor is the use of the Indian Ocean by U.S. ships likely to diminish. In these

¹ Source: Washington National Records Center, RG 330, OSD Files: FRC 72 A 2468, Indian Ocean 323.3, 24 Feb. 67. Secret. A copy was sent to the Under Secretary of the Navy.

² For documentation on the controversies surrounding scheduled visits of the USS *Independence* and the USS *Roosevelt* to South African ports, see *Foreign Relations*, 1964-1968, volume XXIV, Documents 602, 605, 620, and 630.

circumstances the logic of making early use of Diego seems to me to be impressive. We have just concluded a base rights agreement with the British providing for the use of Diego and other islands of the British Indian Ocean Territory. The location is ideal for use by our ships transiting the Indian Ocean to and from Viet Nam (Tab A)³ and its political visibility is very low.

3. More specifically, with a facility at Diego, a carrier transiting from the South China Sea to the east coast of the United States could refuel at Diego, then transit to Rio de Janeiro, thence homeward—all without oiler support and independent of Cape Town or any other politically vulnerable port. The extra distance would be only some 1200 miles. A tabulation of transit times and the money advantages of Diego as against present refueling arrangements not using Cape Town is at Tab B.

4. Developing Diego would not involve protracted new negotiations, nor would it foreclose any other option—such as renewing use of South African ports at a later time or of using fleet oiler support—but it would give us a valuable option for operations in the Indian Ocean which we now lack.

5. By no means am I suggesting that we abandon the effort to attract British participation. I share fully your views on the importance of their continued presence in that area. In accordance with Mr. Vance's decision, we have discussed with the Royal Navy the possibility of their participation. These talks have been encouraging and, although there has been no commitment, we anticipate a British response sometime in the spring. We are also going forward with plans for a joint UK-US survey of Diego which is now scheduled for 25 June-5 August 1967. It has been clear in our discussions with them thus far that, based on their earlier experience with our communications requirement on Diego, they have some reservation as to the firmness of present U.S. requirements to support this project. A decision by the U.S. to construct the facility would resolve British doubts and give support to those in the Government who favor continued UK presence East of Suez.

6. However, I am convinced that whether the British ultimately participate or not, we should make the decision now to build the kind of limited facility on Diego Garcia that you and I have discussed over the past year. In brief, that proposal was for a 26 million dollar austere facility, funded in two increments, which would meet existing require-

³ The tabs are attached to the source text but not printed. On December 30, 1966, the U.S. and U.K. Governments signed a base rights agreement on the availability of certain Indian Ocean islands, including Diego Garcia, to meet the defense needs of both Governments. (TIAS 6196; 18 UST 28) For text, see *American Foreign Policy: Current Documents*, 1966, pp. 640-642.

ments for transiting units and provide a nucleus that could be expanded if need arose. That proposal to my mind, remains feasible. A summary of it is at Tab C.

7. I therefore request your approval in principle to include in the Defense FY 69 Military Construction budget the first increment—\$13 million—for a U.S. Naval facility at Diego with the understanding that we will continue our efforts to obtain British participation.

Paul H. Nitze

45. Memorandum From the Joint Chiefs of Staff to Secretary of Defense McNamara¹

JCSM-420-67

Washington, July 25, 1967.

SUBJECT

Proposed Naval Facility on Diego Garcia (S)

1. (S) Reference is made to:

a. A memorandum by the Assistant Secretary of Defense (ISA), I-23377/67, dated 2 June 1967,² subject as above, requesting the views of the Joint Chiefs of Staff on the desirability of proceeding now with construction of such a facility, its value in various contingencies, and an evaluation as to whether the United States should proceed with construction in the absence of UK agreement to share costs.

b. JCSM-392-65, dated 20 May 1965,³ subject: "Indian Ocean Islands (U)," which reaffirmed the views of the Joint Chiefs of Staff that there were military requirements for the Chagos Archipelago and Aldabra and stated that funds should be programmed to assist the United Kingdom in reserving these and other Indian Ocean islands for future joint defense use.

2. (S) The Joint Chiefs of Staff have examined the proposal for a Navy facility at Diego Garcia. An analysis of the requirement for a

¹ Source: Washington National Records Center, RG 330, OSD Files: FRC 72 A 2468, Indian Ocean 323.3, 25 Jul. 67. Secret.

² Not printed. (Ibid.)

³ Not printed. (Ibid.: FRC 69 A 7425, India 381, 10 Jul. 64)

military facility on Diego Garcia and additional supporting data are contained in Appendices A through D hereto.⁴ The following conclusions are derived from this examination:

a. Construction of the facility would carry out, partially, the strategic island concept previously recommended by the Joint Chiefs of Staff as a guide for US policy in the Southern Hemisphere.

b. Construction of the facility now is fully warranted. US strategic interests in the area are important and will increase in importance in the future. Political instability of states along the Indian Ocean littoral is likely to continue for many years. Soviet Union infiltration of and pressure on those states are likely to increase, and it can be expected that Communist China as well will increase its efforts to exert influence upon them. An assured base, strategically located in the Indian Ocean, is, therefore, required. Increased base flexibility in the Middle East and east African areas would be realized by the unhampered use (as opposed to restricted use, that could be imposed politically) of an austere staging base for contingency operations; provision of a capability to meet multiple routing requirements of the Services; establishment of communications facilities to improve command and control of ships and aircraft in transit and operating in the area; and the availability of an alternate base to facilitate aircraft/ship operations where weather and range considerations are influencing factors. These conditions emphasize US interests and requirements in the Indian Ocean area.

c. Because of the present lack of assured facilities in the Indian Ocean, the United States is limited in the range of options it can employ in deciding the level of response to a particular threat and, therefore, limited in the effectiveness with which it can protect US interests. The proposed facility would provide the means to support the options for a graduated and flexible response but would not, in itself, increase US commitments in the area.

d. At the same time, a facility on Diego Garcia would be unlikely to embroil the United States in exclusively local problems, because of its isolated geographic location and the political arrangements which the British have made for the islands of the British Indian Ocean Territories.

e. The facility would support the existing and projected Service requirements listed in Appendix A in an effective manner and with minimum investment. Although the initial project would be primarily a naval facility, the bulk of investment would provide improvements

of a general purpose nature which could be developed further to meet additional future requirements.

f. The facility would not, in itself, ensure a satisfactory UK presence east of Suez but could be a step in retaining a UK military capability, if it were to participate in the operation and manning of the facility. Though it would be desirable to obtain UK participation, the US requirement for Diego Garcia is such that the project should be undertaken unilaterally, if necessary.

3. (S) Accordingly, the Joint Chiefs of Staff recommend that:

a. Since initial conversations have indicated that the United Kingdom is interested in the facility but is unable to contribute to the cost of construction, an approach be made to the Government of the United Kingdom to ascertain its interest in the following proposals:

- (1) The United States to build the facility (\$26 million).
- (2) The United States and the United Kingdom to share equally the operating and maintenance costs, estimated at \$1.47 million annually.
- (3) The United Kingdom to provide the commanding officer, man the facility, and pay manning costs.
- (4) The United Kingdom to pay for construction to meet any requirements beyond the US proposal.
- (5) Each country to have equal user rights.

b. A decision be made to fund the first increment of construction (\$13 million) in the FY 1969 defense military construction budget, regardless of the British decision.

For the Joint Chiefs of Staff:

J.O. Cobb

Rear Admiral, USN

Deputy Director, Joint Staff

⁴ Attached but not printed.

46. Memorandum From Secretary of Defense McNamara to the Secretary of the Navy (Ignatius)¹

Washington, October 27, 1967.

SUBJECT

Austere Support Facility on Diego Garcia (S)

Last February the Navy sent forward a proposal to construct a \$26 million "austere" support facility on Diego Garcia, whether or not the British participate in its funding and use, because there would be money advantages to refueling carriers transiting the Indian Ocean at Diego Garcia as compared with current refueling arrangements. In April information on what other uses a Diego Garcia base might serve was furnished by the Navy in a separate study. I have reviewed the reasons for the facility that were set forth in these papers and have decided not to approve investment in Diego Garcia at this time. If in the future, investment in such a project can be arranged with the United Kingdom and will assure a significant British presence in the Indian Ocean, such a base proposal may be reconsidered.

The money advantages the February 24, 1967, Navy memorandum² showed for refueling carriers transiting the Indian Ocean are now open to question. If the cost tabulations include (1) the cost of carrier days lost by diverting to Diego Garcia from the quickest transit, (2) the cost of transporting oil by MSTs to Diego Garcia, (3) a reduction in oiler requirements that occur as a result of the base, and (4) the cost of the base, it is clear that using Diego Garcia for carrier refueling is more expensive than current arrangements. Moreover since the value of the carrier days lost by diverting to Diego Garcia is so much greater than the value of the oiler days saved by using the base, we probably would not use the island for refueling if its cost and use were free.

Though I accept the principal cost conclusions of the April 15, 1967, Navy study, "Cost-Effectiveness Analysis of Diego Garcia in Meeting Indian Ocean Contingencies,"³ I still do not see a clear requirement for the base. As that study indicated, the base starts paying for itself only after a carrier task group is deployed continuously for more than 15 weeks. Current intelligence suggests no requirement for such an extended and uninterrupted show of force.

¹ Source: Washington National Records Center, RG 330, OSD Files: FRC 72 A 2468, Indian Ocean 323.3, 27 Oct. 67. Secret.

² Document 44.

³ Not printed.

My interest in encouraging a British military presence in the Indian Ocean area continues to be high. It is possible that the United Kingdom might be interested in a joint naval facility on Diego Garcia in the future, perhaps after a decision is reached on the Aldabra base. I would be prepared to reconsider the Diego Garcia proposal after we have reached a firm understanding with the British on Aldabra.

Robert S. McNamara⁴

⁴ Printed from a copy that indicates McNamara signed the original.