

Def (Release) Pt 2 SECRET

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Foreign and Commonwealth Office

London SW1A 2AH

30 May 1980

Dear Michael,

Visit of US Defense Secretary: Diego Garcia

I understand that when Dr Harold Brown sees the Prime Minister on 2 June he will want to discuss Diego Garcia among other matters. He has already raised the US expansion programme with Lord Carrington on 5 May in Washington and with Mr Pym in Brussels on 12 May. The Prime Minister may wish to be aware of the considerations which have shaped the enclosed brief.

The Americans are asking for three things:

- a. some additions to the immediate expansion plan for FY 1980 and 1981 which we approved earlier this year;
- b. a further large scale programme for FY 1982-85;
- c. amendment to the secret understanding about the circumstances in which joint decision on use of Diego is needed.

Lord Carrington agreed in February to modest American proposals for improvements on Diego in FY 1980-81. The Americans were told of our consent. He had also considered and agreed the additions to those proposals (a. above) when the Tehran rescue attempt supervened. In the aftermath of that we delayed telling the Americans of our agreement to the additions. But Dr Brown is pressing us hard for early clearance so that the necessary funds can be sought from Congress. As these additions are an essential part of the new construction which we cleared earlier this year, the Prime Minister could take the opportunity of Dr Brown's call to say that we have no objection to the amendments to the 1980 and 1981 programme and are content for the Americans to tell Congress so.

The proposals for 1982-85 (b. above) are altogether different. They would alter the character of Diego Garcia. We could hardly maintain the line, used hitherto, that the island is used only as a naval support facility and not as a base. If these major proposals are implemented, we can expect a strong reaction from littoral and other states. There may also be parliamentary criticism. On the other

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hand, it is clear that if the Americans are to be credible in their role of guardian of Western interests in the Gulf and North West Indian Ocean, they must have the facilities necessary to introduce large forces into the area. Diego Garcia is a vital element in their ability to do so, and we should meet the US requests as far as we can. We do not underestimate the considerable domestic and international difficulties which the American proposals pose for us. In any case there are other reasons why this may not be the moment to give formal clearance. But the Prime Minister, whilst making the difficulties clear, could nevertheless indicate that we are well disposed towards the latest proposals.

Perhaps the most difficult American proposal to handle is that about joint decision on use (c. over). (Please see the essential facts in the brief, paragraph 4c.) The present position is ambiguous. Not only is the published 1976 Agreement vague on the point, but our secret understanding with the Americans about the circumstances in which joint decision should apply is not sufficiently definitive. *

* There would be some attraction in having arrangements which did not oblige the Americans to consult us about operational use. We might not then be held so responsible for anything like the Iran rescue operation. But to achieve this, the published Agreement itself would need to be amended. This would be bound to lead to a major parliamentary row. We should be accused of abdicating our responsibilities. Diego Garcia is British territory. HMG will continue to be held accountable for its use both in Parliament and internationally. Ministers would still have to defend actions about which they had not been consulted. This is one reason why the idea of leasing the island to the Americans has also been discarded.

The alternative course is to have an understanding with the Americans, on the lines they have proposed, to which Ministers could if necessary refer in public. The published 1976 Agreement would not itself be changed. The understanding would set out what we and the Americans agree is meant by the vague wording on joint decision in the published Agreement. To be effective and avoid any question of HMG having surrendered its rights, the understanding would need to specify clearly the meaning of 'support for combat operations'. Such a course could be criticised on grounds that the range of consultation was too narrow. But it would be defensible in Parliament. It should also allow Ministers to weigh all the consequences of

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Wayland
1 July 2010



use for a particular operation, including the possibility of withholding their approval, and the decisions to be defended would have been made by Ministers themselves. What the Americans have proposed is on the right lines. The language needs to be made more watertight. If the Prime Minister agrees, Dr Brown could be so informed and officials could pursue the proposal for a new Understanding on these lines when they meet US officials in Washington on 13 June.

In the context of their Diego Garcia and Indian Ocean requirements, the Americans have also asked whether they could use the UK as a staging post for moving US forces to that area in an emergency. We have had some preliminary exchanges with US experts about what such movements would involve. Provided the Prime Minister and Mr Pym see no objection, we could now agree to pursue these talks in greater detail on the understanding that we are in principle willing to see airfields in this country used in this way, subject always to political decision at the time.

I am copying this letter to the Private Secretary to the Defence Secretary and the Private Secretary to Sir R Armstrong.

(Lord Carrington did not see this letter before despatch.)

(G G H Walden)
Private Secretary

M O'D B Alexander Esq
10 Downing Street



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PRIME MINISTER'S MEETING WITH MR HAROLD BROWN:

2 JUNE 1980

DIEGO GARCIA

POINTS TO MAKE

1. We want to be helpful. Understand importance you attach to using Diego Garcia.
2. Considerable Parliamentary interest here following speculation about use of Diego Garcia for the Iran operation. We face increasing criticism both over role of Diego Garcia as a major base and over arrangements for consultation. Also penalty to be paid in our relations with third world.
3. Further expansion programme for 1982-85 represents very big commitment for UK as well as US. In principle we are prepared to accept the political costs as part of our contribution to the wider Anglo-US defence effort.
But not yet ready for you to tell Congress that the 1982-85 plan has been cleared with us.
4. Officials are due to meet on 13 June. Your proposal to up-date understanding on joint use is on right lines. Details can be sorted out between officials.
5. Glad to confirm one request which you asked us to clear even before the June 13 talks. We can agree straightaway to the 1980-81 additions to the programme whose main points we approved earlier this year.

INDIAN OCEAN STRATEGY

6. We support your efforts to obtain facilities in Oman, Kenya and Somalia. Sure you are right to plan on keeping low profile.

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7. As well as helping over Diego Garcia, we shall continue to deploy naval forces from time to time. Also exercise UK forces in e.g. Oman and Kenya and provide training for local forces.

8. Now looking at ways of re-organising our forces to provide an improved intervention capability for use alone or with allies.

STAGING THROUGH UK

9. Note your interest in possible use of airfields in UK for movement of US forces to the Gulf and Indian Ocean in a crisis. Content for officials to pursue technical studies (e.g. fuel requirements) to ease the way for political decision if the need ever arose.

ESSENTIAL FACTS

DIEGO GARCIA

1. The use of Diego Garcia by the Americans is governed by published Agreements of 1966 and 1976.

2. The existing facilities are:
 - naval radio station
 - 12,000 foot runway
 - anchorage for 12 ships
 - accommodation for 1,000 men
 - a pier
 - warehouses

3. In February we agreed to American proposals for improvements costing \$143.1 million in FY 1980 and 1981. These improvements are:
 - enhanced water supply
 - new aircraft taxiway and more aircraft parking space
 - increased fuel storage
 - a pier for roll on/roll off ships

4. In April the Americans put three further proposals to us:
 - a) additions costing \$136.1 million to the February approved proposals covering:
 - permanent housing for a further 1,000 men
 - increased ammunition storage
 - general purpose wharf and transit sheds
 - small craft berthing
 - extra cold storage facilities
 - improved water and other utilities
 - helicopter pad
 - roads.

b) Major proposals costing \$1.14 billion in FY 1982-85 covering:

i. Utility improvements

bigger power plant, electricity distribution system,
telephone lines, roads and sewers

additional permanent housing,
expanded dining, recreation, medical and cold storage
facilities

Support for Carrier battle group

moorings for 10 pre-positioned maritime support
vessels

bigger general purpose wharf, sheds, marine railway
and warehousing

ii. Naval support facilities

storage and maintenance facilities

vehicle maintenance facilities

warehousing and wharf complex

increased fuel storage and distribution system

iii. Rapid Deployment Force Support

ammunition storage for 50,000 tons

self contained bivouac accommodation area for 4,500
men

training areas and firing ranges

iv. Airfield

runway and support facilities upgraded to B52
standard

Total additional area needed 2,000 acres. (There are at
present 3,500 acres outside the specified American area.)

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c) Amendment of the Secret Memorandum of Understanding on
Joint Decisions

The published 1976 Agreement says: "As regards the use of the facility in normal circumstances, the Commanding Officer and the officer in charge of the UK Service element shall inform each other of intended movements of ships and aircraft. In other circumstances the use of the facility shall be a matter for the joint decision of the two governments." (para. 3)

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under a FOI Exemption.*

*Wayland
1 July 2010*

US Plans in Indian Ocean

5. Post Afghanistan and Iran, the Americans see a need to provide themselves with a network of facilities which they can use to put troops into the Gulf/Indian Ocean area.

6. Diego Garcia is one main element but is distant from the Gulf. They have therefore sought naval and airfield facilities also from Oman, Kenya and Somalia. In Oman the Americans want use of an improved air base at Masirah at which they would station up to 100 technicians. In addition they want access to ports and bunkering and anchorage for 30-45 day pre-positioning ships. Despite the embarrassment caused to the Sultan by Americans use of Masirah for their hostage rescue attempt without Omani knowledge, the negotiations are now going smoothly. The Omanis are looking for some \$550m in arms and economic aid. In Kenya where negotiations are concluded the Americans expect to station a 15 man team at Mombasa where they will have facilities for ship visits and P3 reconnaissance flights. The Kenyans have not sought any substantial payment.

In Somalia negotiations are stalled. The Somali demands are too high. If agreement is reached, the Americans would have access to the air and naval facilities at Berbera and Mogadishu.

An American defence commitment is implicit in the arrangements for all three countries. The Americans are also believed to have sought port and airfield facilities in Djibuti using French good offices.

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Use of US Bases in UK

7. In addition to facilities at Diego Garcia and in Oman, Kenya and Somalia, the Americans need guaranteed access routes from the US to the area. They are seeking a route through the Pacific (via Japan, Thailand, Philippines and Singapore) but would prefer a route through Europe. They have approached the UK, Spain, France and Portugal for an assurance of overflight rights and use of bases.

8. Technical talks between Pentagon and MOD experts on what would be implied for US bases here were held in London on 7 May. The American plan would involve the transit through the UK of (in a worst case) $2\frac{1}{2}$ divisions of troops, 15 tactical aircraft squadrons and 12 fighter squadrons. These would require 74 flying days and an uptake in UK of 135 million US gallons of aviation fuel. Our experts believe the plan is feasible. But there are problems particularly of fuel requirements. The US bases alone could not contain the aircraft flow. Use would also need to be made of RAF Brize Norton and for civil support flights of Stansted and Prestwick. Further study is required especially on a solution to the fuel problem, provided it is accepted that US forces moving to the Indian Ocean could in principle transit the UK, subject to clearance in the circumstances at the time.