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21st November, 1969

Dear Tony,

Thank you for your letter HPN 10/2 of 6th November, 1969 about the Diego Garcia project.

2. I am pleased that approval for the project has been obtained at last as we can now at last see with some confidence what the future holds. Unfortunately, by the time I received the letter I had sent off the 1970/71 estimates which will now require revision. I will write to you separately about this.

3. I hope that it will be possible for the Americans to have the money voted by the end of this year as there will be a Nordvaer Chagos voyage leaving here on 30th December. If the project can be taken out of the secret classification by then we should be able to make the preliminary arrangements for resettlement during that voyage and not have to make an expensive non-commercial visit. Normally we could have postponed the voyage but Moulinie's must collect their copra from Chagos before mid-January or forfeit a profitable contract. I realise there is nothing we can do to speed up Congress and that a confidential disclosure to Moulinie's would meet strong opposition. However, it would help if you could keep this point in view as it would save some £3,000 to £4,000 on resettlement costs and would enable us to begin with less publicity than a special Nordvaer trip would allow.

4. I see no difficulty in clearing Diego Garcia by June 1970 but I do not think we have much hope of clearing both Peros Banhos and Salomon as well by that time. Negotiations with the Mauritius Government and with Moulinie's who will be involved if we use Agalega will take some time and Moulinie's will then have to provide additional accommodation on Agalega. I think therefore we would do better at this stage to work out a two phase plan, phase 1

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SECRET

SECRET

-2-

being the clearing of Diego Garcia and phase 2 the clearing of the other two islands. Phase 1 can be planned for completion by the end of June and phase 2 could then be put into operation whenever we were ready to do so. An outline plan is attached showing how this could be done.

5. The attached plan shows the population which we have to move. If we begin by removing the Seychellois and mono-Mauritians from Peros Banhos and Salomon and repair some vacant houses, we can accommodate the Diego Garcia Ilois there in the first instance. This and a two phase removal of the Seychellois and mono-Mauritians would enable us to obtain the maximum output from the islands and to economise on transport costs. To leave the Ilois on Diego Garcia and to begin removing the Seychellois and mono-Mauritians from there would mean a much greater fall in production and could cause more difficulties if final arrangements for the removal of the Diego Garcia Ilois had not been completed by the end of June. I have grouped Seychellois and mono-Mauritians together as to leave the mono-Mauritians until later would almost certainly lead them to claim similar treatment to the Ilois.

6. Our most recent legal advice is that we cannot give the Seychellois and Mauritians one month's notice as we have previously thought but that they are entitled to payment for the unexpired portion of their contract. I will try to persuade them to complete their contracts elsewhere but human nature being what it is many will probably prefer not to do so. Taking the most pessimistic view this will add about £9,000 to the resettlement costs. Fortunately, no compensation is due to Moulinie & Company.

7. The cost of the factors in the plan which I have been able to calculate come to £28,500. This does not include any costs for Ilois now in Mauritius nor any resettlement costs on Agalega or in Mauritius. If we are able to use Agalega for the Ilois now in Chagos, Moulinie's will have to spend some £30,000 on rehousing and will no doubt ask us to help towards this. How far we can resist such pressure depends on how essential it is to use Agalega. It is the most suitable arrangement and may well be pressed by the Mauritius Government

SECRET

SECRET

-3-

not only for the Ilois in Chagos but also for those in Mauritius.

8. There is one further possibility. As stated in our telegram BIOT 24, about 140 of the 170 employees on Agalega are Seychellois and if pressed by the Mauritius Government to replace them by Ilois we could hardly refuse as Agalega is a Mauritius island. We shall already be returning 140 men and their families from Chagos, and to double this number by removing the Seychellois from Agalega would obviously be very unpopular here. With a general election in Seychelles towards the end of next year the timing could scarcely be less propitious. I hope that we can keep this as a last resort if all else fails. The cost would be some £9,000 in compensation to the displaced Seychellois which is probably more than we should have to pay for Moulinie's cooperation in expanding his activities on the island.

9. These views on the final resettlement of the Ilois cannot, however, rest on any sound foundation until the matter has been openly discussed with the Mauritians and Moulinie and we will only store up difficulties for ourselves if we try to plan this far ahead in an attempt to clear the whole of Chagos by the end of June. I hope therefore you will agree that we should follow the outline plan in the attachment to this letter, aiming to implement stages 4-6 as soon as possible after the first three stages are completed. As I have said, to be able to tell Moulinie's at the end of December would greatly facilitate the arrangements and I hope something can be done about this.

10. An early start is essential and we should therefore like to have your approval of the plan as soon as possible and preferably in advance of the final approval of the project so that I can begin on the detailed planning.


(J. R. Todd)

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SECRET

296

1969
Pop

RESETTLEMENT OF CHAGOS POPULATION

PRESENT POPULATION

<u>Ilois</u>	<u>Men</u>	<u>Women</u>	<u>Children</u>	<u>Single Men</u>	<u>Families</u>	<u>Housing Units</u>	<u>Shipping Adults*</u>
Diego Garcia	27	21	45	12	25	31	71
Peros Banhos	22	26	73	10	25	30	85
Salomon	26	28	82	11	24	30	95
TOTAL	75	75	200	33	74	91	251

Seychellois and mono-
Mauritians

Diego Garcia	101	40	85	57	37	76	184
Peros Banhos	18	3	9	11	3	9	26
Salomon	21	5	20	14	6	13	36
TOTAL	140	48	114	82	46	98	246

* Shipping adults i.e. Adults as one passenger and children as a half passenger

297

RESETTLEMENT PROGRAMME

<u>STAGE</u>	<u>OUTLINE OF POPULATION MOVEMENT</u>	<u>ESTIMATED COST</u>	<u>REMARKS</u>
1. April 1970	Removal of Ilois from Diego Garcia to Peros Banhos and Salomon. Removal of Seychellois from Peros Banhos and Salomon. Concentration of Diego Garcia labour at East Point.	£1,000	Removal would be made by Nordvaer, cost of cost being covered by normal commercial activities during voyage. Cost of voyage to Mauritius and temporary repairs to occupied quarters on Peros Banhos and Salomon are included.
2. May 1970	Removal of non-Mauritians and first section of Seychellois from Diego Garcia.	£2,500	Non-commercial voyage of Nordvaer. of compensation see note below.
3. June 1970	Removal of remaining Seychellois from Diego Garcia.	£2,000	Part commercial voyage by Nordvaer. commercial voyage by Isle of Farquhar. Payment of compensation see note below.
4. ?	Removal of Ilois from Peros Banhos and Salomon to Agalega.	£14,000	Four non-commercial voyages by Nordvaer. Removal to Mauritius would add some to cost.
5.	Resettlement on Agalega or Mauritius.	?	Depends on negotiations with Moulins and possibly Mauritius Government.
6.	Resettlement of Ilois now in Mauritius on Agalega or compensation to Ilois now in Mauritius.	?	Depends on negotiations with Mauritius Government and possibly Moulins & Co.
	<u>Note</u> Compensation to Seychellois and non-Mauritians for loss of employment	£9,000	