1. On February 13 the FCO again asked when subject issue will be resolved noting BNIO on Diego reports drug problem getting worse and that the MOD Press Office has had to fend off several media queries regarding the Diego drug problem. The FCO's S. P. Morth may raise the issue when in the department this week.

2. The following UPI piece entitled "Diego Garcia is depicted as drug-ridden" appeared in the Paris Tribune February 16 and was also picked up by the British Press: begin text: British authorities are concerned about drug abuse, race conflicts, violence and arms smuggling on the Top-Secret Island of Diego Garcia, which has become the major U.S. base in the Indian Ocean, diplomatic sources say. A Royal Navy lieutenant commander and 26 seamen who are supposed to enforce British law on the island are unable to copy with spreading lawlessness. The sources said, and the drug problem is out of hand. Rampaging construction workers and sailors reportedly have smashed up the British club; and the sources said two men ran amuk in the island's power station. With its customary concern for secrecy, the British government has kept details of the deteriorating situation on Diego Garcia from the public, the press and Parliament. When pressed about the problem, a spokesman for the British Foreign office said: "We acknowledge there is a drug problem and we are working on it, along with the

IN WASHINGTON, THE DEFENSE DEPARTMENT DENIED THE ALLEGATIONS AS FAR AS THEY PERTAIN TO U.S. MILITARY PERSONNEL ON THE ISLAND, WHICH IS ABOUT 820 MILES SOUTH OF THE OF INDIA.

ISOLATED ON THE ISLAND FOR MONTHS AT A TIME WITH VIRTUALLY NO LEISURE FACILITIES, AND SPLIT BY RACIAL TENSIONS, THE ALL-MALE COMMUNITY IS AN UNRULY THREAT TO LAW AND ORDER. THE SOURCES SAID MARIJUANA, LSD, "ANGEL DUST," COCAINE AND "SPEED" ARE FREELY AND CHEAPLY AVAILABLE. OF DOZENS OF SHIPS THAT HAVE VISITED THE ISLAND IN RECENT MONTHS, ONLY ONE WAS FOUND TO BE FREE OF DRUGS.

NARCOTICS AND FIREARMS ARE REPORTEDLY SENT THROUGH U.S. MAILS, WHICH ARE NOT SUBJECT TO CUSTOMS SEARCHES, AND IN THE BAGGAGE OF CIVILIAN EMPLOYEES. THE SOURCES SAID BRITAIN IS ASKING U.S. MILITARY AND POSTAL AUTHORITIES TO CONTROL THE MAILS.

A FOREIGN OFFICE SPOKESMAN SAID THAT ACCESS TO THE ISLAND IS "RESTRICTED" AND THAT MEMBERS OF PARLIAMENT HAVE BEEN "DISSUADED" FROM GOING THERE. THE DIPLOMATIC SOURCES SAID THERE IS NO SUCH RESTRICTION ON U.S. CONGRESSMEN. A U.S. SPOKESMAN CONCEDED THAT "SOME ILLEGAL DRUGS HAVE BEEN IDENTIFIED IN THE MAILS, BUT HE MAINTAINED THERE WAS "NO EVIDENCE THAT SAILORS ON THE ISLAND HAVE BEEN SERIOUSLY INVOLVED IN DRUG TRAFFICKING."

KEITH SPEED, UNDERSECRETARY FOR THE ROYAL NAVY, VISITED DIEGO GARCIA ON HIS WAY TO HONG KONG IN DECEMBER AND LEARNED THE SCALE OF THE PROBLEMS FACING THE TINY BRITISH NAVAL DETACHMENT, WHICH IS OFFICIALLY ASSIGNED TO DIEGO GARCIA AS A COMMUNICATIONS UNIT.

"YES, BY ALL MEANS HE WAS CONCERNED," A SPOKESMAN FOR THE MINISTRY OF DEFENSE SAID. "WE ARE CLOSELY COOPERATING PT

CONFIDENTIAL
F COPY
WITH THE AMERICAN MILITARY COMMAND OVER PRACTICAL
ARRANGEMENTS FOR ENFORCING RELEVANT BRITISH LEGISLATION."
THE GENERAL QUESTION OF POLICY IN THE INDIAN OCEAN IS
EXPECTED TO COME UP IN DISCUSSIONS BETWEEN PRIME MINISTER
MARGARET THATCHER AND PRESIDENT REAGAN IN WASHINGTON THIS
MONTH, BUT A SPOKESMAN FOR MRS. TEACHER SAID HE DOUBTED
THAT REPORTED LAWLESSNESS ON DIEGO GARCIA WOULD BE DISCUSSED
AT SUCH A HIGH LEVEL.

THE UNITED STATES IS USING DIEGO GARCIA UNDER A BRITISH-U.
S. AGREEMENT SIGNED IN 1976. ABOUT 1,100 ISLANDERS WERE
EVICTED TO MAKE WAY FOR THE BASE AND SENT TO MAURITIUS,
WHICH HAS BEEN PROMISED EVENTUAL SOVEREIGNTY OVER THE
TERRITORY. END TEXT.

3. ADVISE. BREWSTER