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REASONS FOR THE IMPACT OF SOVIET ORBIT'S MILITARY, ECONOMIC, CULTURAL DRIVE IN THE MIDDLE EAST, SOUTH, AND SOUTHEAST ASIA

Following a recent briefing of the NSC on Communist offers of aid to the countries of the Middle East, South and Southeast Asia, the question was asked: "Why do the Communists programs appear to have such an impact in these areas while our own substantially larger programs over the past five years or more have failed to win the area over to our side?"

Some tentative answers to this question are given below:--

1. The issue of "colonialism" is vigorously urged against us in these areas. They consider that the U.S. is tied in with the colonial powers in the West through NATO and have been closely identified with them in the East through SEATO. They also see a concerting of action in the U.S. and U.K. in the Near East. As a consequence people in these areas are susceptible to the claim made by the Communists that our aid programs constitute a form of economic imperialism or colonialism.

Approved For Release 2003/01/30 : CIA-RDP80B01676R004200030004-1

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2. The people and officials in the countries of these areas suffer from an inferiority complex in dealing with the West which causes them to react in the classic way of self-assertion and opposition. This complex stems in part from the colonial past and from the fact that over many decades Westerners have too often acted toward these people in a tactless and overbearing manner. They do not quickly forget the Kipling concept of "lesser breeds."

3. The Communists have been very astute in their approach to these countries. They have not created the impression that they look upon them as "backward" or "undeveloped", phrases which we have too often used. The opposition between the Soviets and Western Europe and the U.S., together with the racial and geographic background of the Soviets, have made it possible for them to make themselves accepted as non-Europeans, as fellow Asians. Furthermore, the Soviets have been most

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flexible in their negotiations. They have required no obvious quid pro quo in terms of political alignments and MDAP type agreements; they have no Battle Act problems.

4. The trade factor is of considerable importance. The U.S. has little interest in acquiring the surplus products of these countries -- cotton, rice and rubber -- for which Egypt, Burma, Ceylon, Indonesia and even Thailand require a market. The Bloc on the other hand will take these commodities in exchange for arms and other aid. They can also offer low interest rates and very easy terms of payment and will accept large quantities of local currency which will be a most convenient war chest for their subversive activities.

5. The countries of this area believe that the West, particularly the European countries, has in the past and will in the future tend to discourage their industrialization, hoping to keep them as sources of

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raw material and as a market for consumers goods.

6. These countries now see our aid tapering off and hear our public discussions regarding the termination of aid, discussions which are often phrased in terms ~~which~~ offensive to them. Also they see the bulk of U.S. aid going to individuals and regimes which they do not like, e.g., Rhee, Chiang, Diem, Japan and Israel.

7. Our pattern of alliances, the Baghdad Pact and SEATO are resented by countries not included even though their non-inclusion is a matter of their own choice.

8. In some countries there are particular causes for opposition to the U.S. Once the Soviets took a definitely pro-Arab and anti-Israel stand, the Soviets had a new basis of appeal to the Moslem countries and their position in this controversy became clear. Our position appears ambiguous or even hostile in the Arab world. Our support of Pakistan alienates India and Afghanistan.

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9. Perhaps more important than any of the above factors is the attitude of these countries toward the achievement of their economic revolution. Many of them thought that when colonial status, or protected status, ceased, their economic advance would progress rapidly. It did not and we have tended to remind them that progress is slow and requires the laying of sound foundations and the undertaking of long term projects.

Many of the countries in the areas under discusion have been greatly impressed by developments in the Soviet Union. The USSR was 30 years or more ago almost as backward industrially as they now are. The Soviets have, in this relatively short space of time, achieved a position which in the eyes of many of them is that of the second military, industrial and prestige power in the world and a leader in science and technology.

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The Soviets claim this transformation is the result of the Communist system and through subtle and persistent propaganda, the Soviets have tended to make many people in these countries believe that such is true and that possibly, by cooperating with the Communist Bloc, they too can somehow achieve a measure of growth similar to that which they see in the Soviet Union. Communist China is following the same course as the USSR and many of these people believe that, within a limited space of time, Communist China will achieve a somewhat comparable goal. This Communist appeal plays on and feeds the desires of the undeveloped countries to achieve a rapid advance in economic development and to attain the prestige and position which appear to go with such development.

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10. Finally, many of these countries believe that they can now have the best of both the free and the Communist worlds, can play one off against the other, and that very likely the fact that they are the beneficiaries of Soviet aid will make the U.S. even more anxious to give them counter-balancing or even greater aid. Having in general adopted a neutralist role, they feel that they can best continue to maintain this if they accept both U.S. and USSR aid.

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While this analysis may look discouraging, there are many counter-balancing factors. The Communist program is at yet mostly in the promise and offer stage. These countries have yet to experience the frictions, frustrations and failures of dealing with the Soviets, the discrepancies between Soviet promises and performances, and the impact of Soviet technical missions in their midst.

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In their envy of Soviet development they have overlooked the fact that the U.S., in addition to maintaining a large military capability, has never stopped raising its living standards and supplying all the wants of its people in consumers goods. They have yet to realize fully that the Soviet Union has only achieved its advances in the military and industrial field through a system which has repressed all freedom and through subordinating the desires and standard of living of the people to the armament program.

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