Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

SECRET

The Director of Central Intelligence

Washington, D.C. 20505

Executive Registry
82-1871/2

26 April 1982

MEMORANDUM FOR: Secretary of State
Secretary of Defense
Assistant to the President for National Security Affairs

SUBJECT: The US-Soviet Competition for Influence in the Third World: How the LDCs Play It

This may be of some interest and value in connection with the security assistance aspect of NSSD 1-82.

William J. Casey

Attachment:
NIC M 82-10005

25X1

SECRET

L-240

XF C-140

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

National
Intelligence
Council

Secret

The US-Soviet Competition for Influence in the Third World: How the LDCs Play It

National Intelligence Council
Memorandum

Secret

NIC M 82-10005
April 1982

Copy 249

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

National Security Information

Unauthorized Disclosure
Subject to Criminal Sanctions

25X1

A microfiche copy of this do
ment is available from OCR
DLB (351-7177); printed cop
from CPAS/IMD (351-5203
Regular receipt of DDI
reports in either microfiche
or printed form can also be
arranged through CPAS/IMD.

All material on this page
is Unclassified.

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

National
Intelligence
Council

Secret

25X1

The US-Soviet Competition for Influence in the Third World: How the LDCs Play It

National Intelligence Council Memorandum

Information available as of 22 April 1982 was used in the preparation of this report.

This Memorandum was prepared of the National Intelligence Council Analytic Group. It was discussed with officers of the National Intelligence Council and the Directorate of Intelligence. Comments are welcome and may be addressed to the author on 351-5075.

25X1

Secret
NIC M 82-10005
April 1982

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

The US-Soviet Competition for Influence in the Third World: How the LDCs Play It

Preface

This Memorandum discusses the principal considerations that leaders of less developed countries (LDCs) weigh in shaping their relations with the United States and the USSR. It examines the factors that, from the LDCs' viewpoint, tend to make each superpower attractive or unattractive as a partner and patron. The circumstances and concerns of LDCs vary widely, and no factor applies to all of them to the same degree. But those addressed here are the ones that, in general, affect US and Soviet strengths and weaknesses in the competition for influence in the less developed world.

Key Judgments

During the 30 years of US-Soviet competition for influence among LDCs, the Soviets have enjoyed several advantages:

- The United States has been linked—however unfairly—to the colonial policies of its West European allies, whereas most LDCs have had no experience with the USSR as a colonial power.
- The long-tenured Soviet leaders have displayed considerable continuity in their policies toward LDCs, in contrast to US policies that have often appeared to move by fits and starts.
- Moscow has been better able to identify itself with widely held positions in two of the most prominent and volatile issues in the less developed world: self-determination for Palestinian Arabs, and black majority rule in southern Africa.
- The United States, unlike the USSR, is often blamed by LDCs for actions taken by allies not subject to its control.
- The centralized, authoritarian political structure of the USSR is widely seen as a more suitable model by the many LDC leaders who consider democracy an unaffordable luxury.
- The USSR delivers arms to LDCs faster, and appears to attach fewer strings to them, than does the United States.
- Soviet leaders are much less constrained by parliamentary and public opinion than US leaders are, and thus are freer to use armed force to support the USSR's clients.
- Friendship with the USSR often brings with it tangible assistance from Cuba—which offers a form of military aid unmatched by the West—as well as from the East European states and other Soviet allies.
- Moscow is more willing to use subversion or military intimidation to pressure LDCs into cooperating with it.

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

The United States has offsetting advantages, however, several of which are likely to become much more important during the coming decade than before:

- The colonial era has virtually ended, and the USSR's role in the less developed world has reached the point where it must defend its record there as much as the Western powers do.
- The USSR has mismanaged its relations with several LDCs, suffering embarrassing setbacks as a result. Its intervention in Afghanistan and its subversive efforts elsewhere have angered and alienated many LDCs.
- Most LDCs recognize that the United States is in a better position than the USSR to contribute to resolution of the disputes over the Palestinians and southern Africa.
- The United States is a more successful model of economic development than the USSR, a contrast that has become more widely recognized as modern mass communications have exposed more people to the affluent US lifestyle.
- There is widespread recognition that the United States is better able to provide the types of economic assistance, investment, and technology—agricultural as well as industrial—that are most likely to raise standards of living and sustain economic growth in LDCs. The USSR's economic problems, meanwhile, restrict its ability to make costly new commitments in support of its clients.
- The United States and its Western associates control the World Bank and the International Monetary Fund, whose resources are of major importance to LDC development.
- There is a widespread preference for the individual freedoms found in the United States, and a general recognition—despite LDC rhetoric to the contrary—of their relative absence in Soviet society.

Most LDCs will seek support wherever they can best meet their needs, regardless of ideology. Most of them will not regard Soviet and Western support as mutually exclusive, and will prefer to diversify their sources of aid.

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

Contents

	Page
Preface	iii
Key Judgments	iii
The Foundations of LDC-Superpower Relations	1
The US and the USSR as Sources of Support	1
The US and the USSR as Exemplars	3
The US and the USSR as Perceived Threats	5
Types of Support	6
Arms	6
Economic Assistance and Trade	7
Training and Education	9
Diplomacy	10
Military Support	10
Use of Allies	11
Outlook	12
Key Contingencies	12
The Ability To Compete	12
The Limits to Involvement	13
The Record of Successes and Failures	15

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

The US-Soviet Competition for Influence in the Third World: How the LDCs Play It

The Foundations of LDC-Superpower Relations

The US and the USSR as Sources of Support. The chief reason LDC governments turn to a major power is their need for support against foreign or domestic enemies. The LDCs most likely to move or remain close to Moscow are those confronting hostile neighbors, particularly neighbors that are stronger than themselves or that enjoy outside backing from anti-Soviet sources (such as Syria against Israel, Vietnam against China, India against both China and Pakistan, and several black African countries against South Africa). In some cases (like Angola, Mozambique, and El Salvador), an LDC's need for support against an internal security threat largely determines its relationship with the United States or the USSR. A major secondary interest is in assistance for economic development.

In general, LDCs accept outside support wherever they can get it. Thus, if other major Western powers are unable or unwilling to help, LDCs are more likely to turn to Moscow. Several leaders—Zambia's President Kaunda is currently an outspoken example—explain their approaches to the USSR as necessary responses to what they regard as insufficient Western backing. Of course, it is advantageous for them to say this whatever their actual motives, but it is nonetheless true that Moscow has made many inroads as a partner of second choice where other major powers declined to act. Throughout their quarter century of active involvement in the less developed world, the Soviets have quickly and effectively offered services that the United States withdrew or explicitly declined to provide, from the financing of Egypt's Aswan Dam in 1956 to the provision of fuel for India's nuclear reactors in 1981.

To the extent that LDCs have a choice among potential supporters, several factors influence their selection. Among them are the specific quantities, quality, and terms of assistance that each major power offers, including military and economic aid. (The characteristics of these and other types of US and Soviet support are addressed in a later section.)

Another consideration is the perceived consistency and reliability of major powers and their foreign policies. In this regard, the USSR has the advantage—in comparison with the United States and other Western democracies—of leadership that has enjoyed long tenure and relative immunity to domestic public opinion and thus has exhibited considerable continuity in its policy toward LDCs. Leonid Brezhnev has been in power during five US presidencies, Andrey Gromyko has been Foreign Minister during seven, and the main lines of Moscow's strategy for penetrating the less developed world have not altered substantially since the mid-1950s, even though some of its tactics have changed, notably the downgrading of economic assistance. By comparison, US policy toward LDCs has appeared to be a roller coaster of involvement and noninvolvement as US administrations and their doctrines have come and gone, the American public went through the trauma of the Vietnam war, and US relations with individual LDCs have been subordinated to such broader objectives as detente, arms control, nuclear nonproliferation, or human rights. The West Europeans' relationship with the less developed world has also changed greatly during this period, as they have surrendered colonial empires, pared other costly overseas commitments, and adjusted to the economic clout of the oil exporters.

The effect these differences can have on perceptions of superpower reliability is especially evident in India. The government of Prime Minister Gandhi believes that the United States is unreliable as a source of support, and that US policy toward India and South Asia has moved by fits and starts. In the view of Indian leaders, Washington has failed to maintain a

Secret

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

consistent recognition of India's importance and has subordinated US-Indian relations to other foreign policy concerns. By contrast, Moscow's courtship of New Delhi has appeared patient, persistent, and attentive to a wide range of Indian interests. It has been supported not only by aid and trade but also by propaganda that reminds Indians of the help the USSR has provided at crucial points in Indian history, and by high-level visits that bolster India's self-esteem as a regional and nonaligned leader.

Nevertheless, widespread cynicism about the Soviets' motives in providing assistance tends to offset their overall reputation for consistency. It is clear to most LDC leaders that Soviet state interests, not sympathy for the underprivileged, determine Soviet policies. These leaders realize that Moscow's consistent pursuit of those interests can mean inconsistent Soviet support for their countries if events in their regions cause Soviet objectives to diverge from their own.

Attitudes toward foreign supporters also hinge on their involvement in domestic or regional disputes. Both the USSR and the United States have at times been caught on the losing side of internal struggles. For example, the US position in revolutionary Ethiopia suffers—and the Soviet position there benefits—from memories of earlier US ties to the deposed Emperor Haile Selassie. Similarly, Moscow's identification with Ali Sabri and other Egyptian leftists who were challenging Anwar Sadat during the early months of his presidency contributed to Sadat's disaffection toward the Soviets.

As for regional conflicts, the USSR's image is better than that of the United States, largely because the Soviets have been better able to identify themselves with the majority position in two of the most visible, persistent, and emotional such disputes:

- *Israel versus Arabs.* Most Arab leaders perceive the United States to be too deeply committed to Israeli objectives to be an effective and reliable supporter of Arab interests. This perception underlies Syria's retention of a close relationship with the USSR and Jordan's recent turn to Moscow for arms.
- *South Africa versus black Africans.* The Western powers—despite their efforts to ease the transition to majority rule in Zimbabwe and Namibia—will probably continue to be identified to some extent with Pretoria's policies, if only because South Africa is a conservative, capitalist state whose government flaunts its anti-Communism at every opportunity. The USSR, meanwhile, has been the major supporter of black insurgencies in the region. This gives it a headstart in establishing positions of influence in countries where insurgents come to power (as in Angola and Mozambique), as well as countries where insurgencies maintain bases of operations. Spiraling tension in southern Africa tends to enhance the Soviets' role. Their activity in the region feeds South Africa's sense of beleaguerment, which leads to a more aggressive South African posture toward the black-ruled states and this in turn to more requests by those states for Soviet aid.

In another currently turbulent region—Central America—the forces backed by the USSR and its Cuban ally may not represent a majority view, but they have lent credibility to the Soviets' vision of revolutionary change in LDCs. The oligarchical, military, and often antireformist character of the Somoza regime in Nicaragua and of several other recent governments in the area has made them highly suitable villains in the Soviet script, and made it easier to portray their revolutionary opponents as champions of the people.

Western ties to the "wrong" side in each of these regional conflicts are a mixed blessing for the USSR, however. LDCs in both Africa and the Middle East realize that because of those ties it is the West, not Moscow, that offers the best hope of arranging peaceful settlements. Western powers can negotiate with South Africa—as they are now doing with respect to Namibia—while the Soviets cannot. In the Middle East, even Syria realizes that the USSR, lacking Washington's potential leverage on Israel, cannot broker a political solution to the Arab-Israeli conflict. In Central America, a potential mediator is Mexico, which Moscow probably regards as scarcely better than the United States in this role, and which is just as capable of excluding Soviet influence.

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

Moreover, in some cases it is the USSR that is embarrassed by being associated with one particular side of a regional conflict, though none of these have had political effects quite as pervasive as those in the Middle East and southern Africa. In the Horn of Africa, for example, the expansion of the Soviets' ties with Ethiopia has caused them difficulties, first in their relations with Somalia and then with regard to the Eritrean insurgency, which is backed by radical Arab states—Iraq and Syria—that Moscow does not want to antagonize.

In some respects the USSR, like the West, derives some benefit from having a foot in the enemy's camp. But LDCs look to Moscow less as a channel for negotiation (the 1965 Tashkent agreement between India and Pakistan is the Soviets' only clear success in mediating a regional conflict) than as a restraining influence on their adversaries. The Mengistu regime in Ethiopia sought closer relations with the USSR in 1976-77 partly to induce the Soviets to keep Somalia—then a Soviet ally—from pursuing its territorial ambitions in the Ogaden. Similarly, India has considered its ties with Moscow useful in forestalling significant Soviet assistance to Pakistan.

Most LDCs do not regard Soviet and Western support as mutually exclusive. They prefer to diversify their sources of assistance. Because most LDCs are former Western colonies whose political, economic, and cultural ties to the West antedate their relations with the USSR, diversification has frequently meant moving toward the Soviets. In other words, LDCs may welcome Soviet support not because it is intrinsically better than what Western powers offer but simply because it comes from a new, different, and competing source. By the same token, diversification is a reason such Soviet clients as Angola or Iraq—and perhaps now India—may seek support from the United States.

Giving the Soviets a role where Western influence has hitherto prevailed can have these attractions, even for an LDC that is not generally sympathetic to Soviet policies:

- Reducing dependence on traditional supporters, and thus reducing their leverage.
- Demonstrating nonalignment by balancing one's relations with the superpowers. For this reason, LDCs frequently try to couple any apparent move toward the West with some overture to Moscow. Kuwait's recently stepped-up contacts with the USSR, for example, appear designed to offset increased security cooperation with its pro-Western colleagues in the Gulf Cooperation Council.
- Jolting Western powers out of what LDCs see as complacency on an issue important to them. The desired Western response might be either additional aid to match Moscow's, or the solution of some longstanding diplomatic or military problem. Many African leaders, for example, believe that the USSR's military role in their region induced the West to pressure the white Rhodesian regime into accepting black rule, and that it is now spurring the Western efforts to obtain independence for Namibia.

Occasionally an LDC leader does conclude that a sharp reduction in the Soviet role is necessary to obtain help from the West. The expulsions of Soviet advisers from Egypt in 1972 and Somalia in 1977 were undertaken partly in the hope of obtaining increased US (and Saudi) assistance. Such dramatic gestures are rare, however, largely because few LDC leaders would rest their nations' security on the mere hope of future support. Moreover, many of them doubt that the United States—whose foreign commitments, unlike those of the USSR, must meet the requirements of Congressional approval and public accountability—is responsive and flexible enough to fill quickly the kind of voids left by the Soviets in Egypt and Somalia.

The US and the USSR as Exemplars. The superpowers offer not only support but also alternative models for economic and political development, accompanied on the Soviet side by a distinct ideology. Revolutionary socialism—of which Soviet Marxism-Leninism is a subtype—has some attractive elements for LDCs, most of which have little experience with stable, competitive democracy or progressive, responsible capitalism. State ownership of the means of produc-

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

tion appears consistent with the desire of many LDC regimes to restructure their economies, and with the desire of all of them to gain firm and exclusive control over their countries' affairs. Conversely, the popularity of free enterprise has suffered from its association with greed, a colonial past, a "neocolonial" present, and internal and international disparities in wealth. LDC leaders often find it convenient to blame their economic problems, whatever the true causes, on "monopoly capitalism." The authoritarian politics of the Soviet model also have appeal for the many LDC elites who consider democracy an unaffordable luxury and a distraction from the main task of economic development. The concept of a loyal opposition is alien to most LDCs, and thus political freedom for one's opponents is frequently regarded as dangerous and divisive.

Nevertheless, there are a couple of reasons that Soviet-style socialism and specific tenets of Soviet ideology do not win broad acceptance in the less developed world. One is the contrast between Soviet and Western standards of living, a contrast that has become more widely recognized as modern mass communications have exposed more people to the Western lifestyle and its abundance of consumer goods. Western affluence, in other words, invites emulation as well as envy. Another reason is a general preference for indigenous ideologies over imported ones, sometimes leading to resentment of doctrines that, like Marxism-Leninism, claim to be universal and scientific. Most of the ideologies propounded by LDC regimes emphasize nationalist or ethnic themes that have a specifically local appeal and are not adorned with "scientific" theories of economic development. Iraqi Ba'thism is perhaps the most fully developed "socialist" ideology in the less developed world; yet it places less emphasis on socialism per se than on Arab unity and freedom from foreign domination. In instances where the local dogma is a variant of Marxism (as in China), the Soviets—who must protect their own version of Marxism to preserve their domestic political legitimacy—have been inflexible in adapting to the variant.

It is difficult to assess the exact extent to which ideological affinity affects an LDC's relations with the USSR and other major powers. Other things being equal, LDCs naturally prefer to associate most closely with states whose internal political and economic systems most resemble their own. But other things are seldom equal, and, even when an LDC shifts its internal policy leftward at the same time it makes overtures to Moscow, it is impossible to disentangle ideological considerations from its expectations concerning major power support. For example, some regimes have strengthened their ties with the USSR as they have nationalized major industries (such as Egypt's Suez Canal in 1956, the Iraqi oil industry in the early 1970s, and numerous enterprises in Ethiopia since 1977), but this has been due less to socialist solidarity than to a judgment by the regimes concerned that their seizure of Western assets had made the West a less willing source of support, and perhaps a more serious threat as well.

Opinions about each superpower's political and economic system tend to be distinct from attitudes toward them as actors in world politics. The Indian Government, for example, considers the USSR its best partner even though India has much in common internally with the West: extensive civil liberties, a large private economic sector, and one of the most democratic political systems of any LDC. Conversely, the governments of some undemocratic, socialist states (such as Sudan) profoundly mistrust Moscow and pursue genuinely nonaligned or even pro-Western foreign policies, to the extent of cooperating with the United States on security matters. In short, LDCs' views of the United States and the USSR as great powers are shaped less by shared values than by specific US and Soviet foreign policy decisions deemed to be friendly or unfriendly.

Even for avowedly Marxist LDCs, the practical benefits of a patron-client relationship are more important than ideology. Ethiopian leader Mengistu's turn to the Soviets in 1976-77 is perhaps the best recent case of a

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

major overture to Moscow that was, at least in part, ideologically inspired. But the Mengistu regime's radicalism was important in this regard not simply because the Ethiopians wanted to fraternize with their ideological comrades, but rather because it made Moscow a more promising supplier than the West of desperately needed assistance. The Soviets' position in Ethiopia today rests not on shared dogma but on their personal relationship with Mengistu and their logistic relationship with the Ethiopian armed forces. In fact, Mengistu has dragged his feet in establishing a Marxist-Leninist political party, evidently to avoid the risk that a new Soviet-influenced power base could arise to challenge his own.

The US and the USSR as Perceived Threats. The perception of either superpower as a threat is likely to have profound effects on any LDC's willingness to cooperate with it. This factor is generally less important in Washington's relations with LDCs than in Moscow's, but a few leftist leaders, such as Libya's Colonel Qadhafi and Seychelles' President Albert Rene, genuinely fear Western-sponsored coups or assassinations. Their responses to their fears vary. Qadhafi has perhaps moved closer to the Soviets as his sense of insecurity has grown over the past couple of years. But Rene's mistrust of the West has probably reinforced his inclination *not* to grant the USSR military facilities or other significant concessions, because he believes this could be the very event that would trigger a US or French move to topple him.

The USSR's attempts to undermine incumbent governments in LDCs significantly affect its efforts to gain their cooperation, but again the effects are ambivalent. On one hand, LDC leaders whom the Soviets are trying to weaken or replace have obvious reasons to hold unfavorable attitudes toward the USSR. The warmth of relations between Moscow and several LDC regimes has tended to vary inversely with the level of Soviet support for the local Communist party, ethnic separatists, or other dissidents. In some instances (again, as in Sudan), the Soviets' involvement in subversion has severely damaged their relations with the government. In others, resentment over subtler forms of Soviet interference in internal affairs has inhibited the development of close and friendly ties (as in Algeria, where the Soviets unsuccessfully promoted the candidacy of a leftist the last time the presidency fell vacant).

The Soviets' December 1979 intervention in Afghanistan—their most blatant and ruthless interference in any LDC—has tended, in two ways, to discourage other LDC governments from close involvement with the USSR. First, it has made such involvement seem even more incompatible than before with their professed objectives of peace and nonalignment. Second, it is a lesson in the hazards of admitting the Soviets into one's country in the first place. After all, the deposed Afghan government of Hafizullah Amin generally supported Moscow's policies and relied heavily on Soviet aid and military advisers. The Soviets' stake in Afghanistan evidently led them to protect their investment by overthrowing Amin when it became clear he could not quell the anti-Communist insurgency there, and their military advisory presence clearly facilitated the intervention.

On the other hand, the USSR's capabilities for subversion, military intimidation, and support to opposition movements can also serve to pressure an LDC into cooperating with Moscow. A vulnerable regime may conclude that its best strategy for coping with the danger of a Soviet or Soviet-inspired move is in effect to buy protection from the USSR by voicing support for Soviet policies or otherwise appeasing Moscow. Such cooperation gives the Soviets a stake in the regime and undercuts leftist opposition at home. Threats thus can supplement blandishments in the USSR's approach to LDCs. Moscow is currently following such a carrot-and-stick approach in North Yemen, where the shaky government of Ali Abdallah Salih maintains a military relationship with the USSR (despite considerable strain to its relationship with Saudi Arabia) partly because it lives under the gun of the pro-Soviet National Democratic Front and hopes to stave off a Soviet-instigated NDF challenge to its rule.

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

In short, the threat of Soviet-sponsored coups, subversion, or intervention can lead LDCs either to distance themselves from the USSR (and perhaps to enlist US help) or to accommodate the Soviets through cooperation. Each government's strategy depends on all of the considerations mentioned earlier regarding the choice of supporters and, most important, on the extent to which the Soviets have already penetrated the country. At one extreme are LDCs where there is no strong pro-Soviet opposition and where the government has taken only limited, tentative steps toward involvement with Moscow (Botswana, Jordan, several Latin American states). They are likely to be highly sensitive to the dangers of permitting the Soviets to establish a position and to back away from Moscow if those dangers appear to be growing. There are additional LDCs where, although the USSR's role is somewhat larger, the local leadership has set clear limits to Soviet influence. But at the other extreme are a few states where the Soviets already have so great a role (Benin, South Yemen) that Moscow would be tempted to frustrate any political changes that jeopardized its interests. This might mean assisting the overthrow of a leader whose policies begin to appear heretical or, like Amin's in Afghanistan, merely ineffective. More often, it means dissuading a leader from drifting out of the Soviet orbit in the first place. Such a leader is riding a bear; he finds it safer to hold onto the beast than to try to get off.

Types of Support

LDCs look to the United States and the USSR for a wide range of support. With many types of assistance, they can see specific advantages that one superpower offers over the other.

Arms. The USSR is the leading exporter of arms to LDCs. Soviet military sales to non-Communist LDCs in 1980 reached $14 billion—one-third of all military purchases by LDCs in that year—as compared with $10.7 billion in US sales. The USSR has an even more impressive lead in major weapon systems alone, which constitute about three-fourths of Soviet military sales but only one-third of US sales (the rest being instruction, maintenance, training, and other forms of support).

Many LDCs consider weapons the most critical type of foreign support, because their chief concern is security against external—or in some cases internal—threats. The large political role of the military in most LDCs also is a factor. Although a conservative officer corps may steer its country away from the USSR, the overall effect of military involvement in politics is to increase the priority given to the acquisition of arms, and this sometimes means giving particular care to relations with Moscow because of its importance as an arms supplier. In Peru, for example, the government of President Fernando Belaunde Terry is fundamentally anti-Communist and pro-US, but the politically powerful and Soviet-equipped military has influenced some Peruvian foreign policy decisions to make them less offensive to the USSR.

The principal advantages that Soviet arms sales have over US sales are:

- *Advanced equipment.* Although the USSR has long had many customers for simple military equipment that is rugged and easy to maintain, since the early 1970s it has also exported some of its most sophisticated products, including MIG-25 fighters, SA-9 surface-to-air missiles, MI-24 attack helicopters, and T-72 tanks. In a few cases Moscow has sold advanced weapons to LDCs even before they were deployed by its Warsaw Pact allies. The United States has generally been more reluctant to offer its latest products to LDCs, and for a time explicitly renounced the introduction of advanced weapons to areas where they had not previously been deployed. Whatever the military utility of such sophisticated equipment to LDCs, the Soviets are meeting a strong demand for it, especially among states with the ability to pay. Governments naturally like to maintain a qualitative edge in regional arms races, and military officers usually prefer state-of-the-art equipment.

- *Ready availability.* The USSR generally can deliver more military equipment and deliver it faster than any other exporter. It has a large capacity for

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

manufacturing arms, and substantial stocks of surplus equipment. By contrast, US arms sales frequently have long leadtimes, due either to the competing demands on production lines of US armed forces or to administrative and Congressional approval procedures. To expedite their arms shipments, the Soviets have, in addition to sealift, sufficient airlift capacity to rush significant quantities of materiel to distant regions. (The need for overflight clearances, the lack of an aerial refueling capability, and the limited range of most Soviet transports remain serious constraints, however.) The Soviets have mounted major military airlifts—to Arab states in 1967 and 1973, to the republican side in the Yemeni civil war in 1967-68, to Angola in 1975-76, and to Ethiopia during the Ogaden war in 1977-78. These operations dramatically demonstrated Moscow's ability and willingness to support its friends during emergencies.

- *No explicit conditions.* The USSR seems to attach fewer strings to its military assistance than does the United States. It does not require its customers, by law, to forswear "offensive" uses of its arms, nor has it explicitly linked arms sales to the human rights performance or other internal policies of the recipient. Some users of US-made equipment have approached Moscow about possible arms sales evidently because they were annoyed at such conditions and wished to demonstrate their independence from Washington. Actually, the USSR imposes de facto conditions of its own: it surely considers the internal politics of LDCs when exporting arms, and, even without a formal prohibition on "offensive" use, it has been chary of militarily strengthening any LDC in a way that would encourage it to start a war. The latter policy contributed to friction with Egypt in the early 1970s, when Sadat wanted aircraft that could attack targets deep inside Israel. For most LDCs, however, it is important that Moscow does not impose *explicit* restrictions on their policies and thus does not appear to infringe on their sovereignty.

Favorable financial terms used to be an attraction of Soviet military assistance for most LDCs and still are for some. But since the mid-1970s, as the wealth of the oil exporters burgeoned and arms sales became an increasingly important source of foreign exchange, Moscow has charged most of its customers prices comparable to those for US equipment and has, like the United States, required payment in hard currency. Only a few of its most important friends, such as India and Afghanistan, continue to pay in local currency.

One of the most frequent complaints about Soviet military assistance is the insufficiency of maintenance, spare parts, and other logistic support. Soviet arms deals make less provision for such follow-on assistance than US military sales, which usually guarantee spares and supporting services for several years. At the same time, the Soviets provide little help to LDCs in developing their own maintenance capabilities, insisting on shipping major equipment to the USSR for repair rather than training technicians to do the work on the spot. LDCs resent this practice because it is inefficient and prolongs their dependence on the Soviets.

The other principal drawback of Soviet military assistance is the frequent need for Soviet military advisers to instruct indigenous forces in the use of the equipment—especially the more sophisticated types of arms—and the often poor performance of these advisers in comparison with their US counterparts. LDC military officers who have worked with the Soviets have variously described them as arrogant, insensitive, indifferent, racist, or more interested in their perquisites than in their missions. Moreover, regardless of the quality of the advisers' performance, many LDC governments are wary of the political, diplomatic, and security risks of permitting any Soviet military personnel on their territories.

Economic Assistance and Trade. In economic aid, unlike the arms trade, the United States plays a significantly more important role than the USSR. Soviet economic assistance commitments to non-Communist LDCs in 1980 total $1.8 billion. In contrast, the United States in fiscal 1980 provided $4.3 billion in bilateral development assistance and economic support funds, plus another $2.6 billion to multilateral

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

development banks. Soviet aid is more highly concentrated in a few recipients than is US aid, a pattern that reflects Moscow's special interests in such key LDCs as Cuba, India, and Ethiopia and also avoids spreading limited Soviet resources too thinly.

Soviet aid planners, unlike their US counterparts, need not answer to any informed public or Congressional debate about the welfare of LDCs and the economic utility of different types of aid. Soviet economic assistance is designed to have maximum political impact as a demonstration of Soviet friendship, as well as to yield economic benefits to the USSR. It is not primarily intended to meet basic human needs, to promote the economic and political stability of LDCs, or to raise the standard of living of very many people over the long term. Moscow devotes most of its assistance to a few large and prominent projects in the public sector, particularly heavy industry. It provides very little commodity or hard currency assistance. Western governments and the multilateral banks have also financed many large public sector projects, but in recent years have deemphasized them in favor of other types of aid.

Despite the USSR's comparative stinginess in offering economic aid, Soviet assistance has several potentially appealing aspects:

- Dams, steel mills, and other large projects are highly visible and readily identifiable as products of Soviet aid. Many citizens in the recipient country are impressed by them, and hence by their government's ability to obtain support through friendship with the USSR.

- The emphasis on heavy industry accords with the ambitions of many LDCs to develop rapidly and to close the economic gap between themselves and the industrialized states. The Soviets contrast their aid with the "antidevelopmental" Western aid programs, which Moscow contends are designed to perpetuate the LDCs' subservient status as suppliers of primary products.

- The emphasis on expanding the public sector also suits most LDC governments.

- Unlike the United States and the Western-dominated International Monetary Fund, the USSR generally does not require broad economic reforms as a condition of its aid. This helps it to advertise its assistance as having "no strings"—an advantage in the eyes of most LDCs because of their desire to avoid even the appearance of interference in their internal affairs.

The extent to which an individual LDC leader finds these features of Soviet aid attractive naturally depends on his social and economic philosophy and the course he has charted for his country. A leader who is committed to reducing governmental interference in the economy and assuring a sustained rise in his country's standard of living (Jamaica's Prime Minister Seaga is a current example) would tend to be more comfortable with Western aid programs. But leaders under heavy domestic political pressure may, whatever their own philosophies, be pushed toward policies that are well suited to the Soviet aid approach. Prominent public-sector projects can provide a more immediate boost to a government's popularity than measures intended to foster private enterprise, and such necessary but unpopular reforms as the elimination of costly food subsidies may be considered politically suicidal.

The financial terms of Soviet economic aid are generally less favorable than those offered by the United States and other donors. Unlike the West, the Soviets provide very little grant aid. Loans obviously are less financially beneficial to LDCs than are grants, and some large Soviet clients have found themselves making repayments faster than they were drawing on their line of credit. The USSR charges about the same interest rate for development loans as Western powers do, but usually stipulates a shorter repayment period. Soviet loans, however, often permit repayment in the product of the industrial project for which a loan is made, or in the recipient's own currency through a bilateral clearing account. For an LDC whose products are not readily salable in the West or which does not want to subject its earnings to the vicissitudes of volatile commodity markets, such an arrangement can be valuable as a means to conserve scarce hard

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

currency. It is much less valuable for a state whose goods are more marketable, and it can lead to the frustration of watching the USSR resell these goods to a third party for hard currency that the LDC could otherwise have received on the open market.

The least attractive aspect of Soviet development loans is that they are rigidly tied to purchases in the USSR. Moscow insists that its credits be used for Soviet equipment even when comparable items are available locally, or superior items are available in the West. The absence of industrial competition within the USSR makes this requirement even more constraining than it would be if imposed by a Western lender. The World Bank, in fact, requires competitive bidding for the projects it funds.

Trade is closely linked to aid in LDC-superpower relations, particularly with the USSR, which has tailored its aid program to encourage the expansion of trade ties. The provisions in this program for repayment in kind, local currency accounts, and use of credits for Soviet goods are all partly intended to stimulate Soviet-LDC commerce as an offshoot of development loans. In some respects, the structure of the Soviet economy is well suited to the expansion of trade with LDCs:

- The USSR has more need than the United States for imported food.
- Trade with the USSR requires negotiations only with a government agency, unlike some purchases from the United States (particularly items with possible strategic significance), which oblige the buyer to deal both with the US Government and with private corporations.
- Central economic planning and control permit the Soviets, if they so choose, to subordinate profit to political objectives when making trade offers.

The USSR's potential as a trading partner, however, is limited in that its economy is smaller and more autarkic than those of the United States and the West as a whole. Moreover, the Soviets' own immediate economic needs weigh heavily on their decisions regarding trade and aid, thus negating some of the trading advantage of a centrally controlled economy. Moscow rarely makes financial or commercial sacrifices solely to placate an LDC. The Soviets have at times been hard bargainers even with so valued a partner as India. Only in the case of Cuba—unmatched among LDCs in its value to Soviet foreign policy—has Moscow provided aid and trade concessions (such as purchase of Cuban sugar at above-market prices and supply of oil at below-market prices) that involve a prolonged and significant drain on Soviet resources.

Training and Education. Training—civilian or military, in country or out of country—is a significant form of superpower support to LDCs. The largest part of Soviet instruction carried out within LDCs is military, with the Soviet military advisory effort being substantially greater than the US one (about 16,000 Soviet advisers in LDCs, as compared with 600 for the United States). LDC students are educated within the United States on a far larger scale than in Soviet institutions, however. There are about 1,600 military and 2,900 technical trainees from LDCs studying in the USSR, as well as some 8,000 LDC university students, while there are about 200,000 LDC students in the United States.

Training in the USSR is cheaper but generally of lower quality than education in the United States. The Soviets pay all the expenses of their LDC students, but the curriculums often appear to emphasize political indoctrination more than the impartation of skills. Education in the USSR is only a second choice for many students, who would attend Western institutions if they could gain admission and afford the expense. Some of them return home to find themselves ill equipped to compete for jobs, wealth, and power with their more highly skilled countrymen educated in the West. An additional advantage of being educated in the United States is that the student enhances his fluency in the English language, which is used far more widely than Russian.

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7
25X1

The long-term political dividends to the superpowers of these programs are at best uncertain. Playing host to bright foreign students is one way to cultivate the friendship of individuals who might someday assume positions of influence in their home countries. But the foreigner's experience is often an unpleasant one in which he encounters an alien environment, strange food, and subtle discrimination. The bad memories may permanently color his attitude toward the entire host country, its government, and its policies.

The United States has had ungrateful graduates, but the USSR probably has many more. The foreign student in the USSR must cope not only with the unfamiliarity of his surroundings but also with the regimentation and other unattractive features of a police state, not to mention a cold climate and often cold people. Two of the more noteworthy alumni are Taiwan's Chiang Ching-kuo, who was a student in the USSR in the 1930s, and Egypt's Hosni Mubarak, who received air force training there in the 1950s and 1960s. Their accession to the presidencies of their countries would seem to demonstrate the wisdom of establishing ties to potential leaders early in their careers. Their student experiences, however, obviously failed to impart a lasting pro-Soviet outlook.

Diplomacy. Diplomatic support from a superpower is generally less critical than arms and other forms of material assistance, but in some circumstances it can be important. The support furnished by the United States and the USSR to LDCs engaged in regional conflicts has included general statements of approval, specific warnings against enemies, and actions in multilateral forums, particularly the casting of vetoes in the UN Security Council. The Soviets, for example, have used the veto several times to back India on South Asian issues, including the Kashmir dispute and the 1971 Indo-Pakistani war.

Diplomacy, like other kinds of talk, is cheap. It is especially so for the USSR and other totalitarian states, in which the regime's foreign policy statements are not scrutinized in open domestic debate and measured there against moral or legal standards. Accordingly, the Soviet regime is better able to tailor its statements to make the desired impression abroad. Unlike the United States, the USSR seldom casts a minority vote at the UN solely to be consistent with fairness, international law, orderly procedure, or even its own principles. In short, Moscow is less obliged than the United States to use diplomacy as a genuine expression of values and objectives, and thus is freer to use it to curry favor with LDCs.

Military Support. Except for the Soviet intervention in Afghanistan, superpower military backing for LDCs is currently confined to arms, training, and other measures that fall short of the direct involvement of combat forces. The possibility of such involvement can be a critical form of support, however, particularly for an LDC that faces a serious and immediate threat to its security. Even before Afghanistan, the USSR had demonstrated its willingness to fill combat deficiencies of its friends at war. Soviet pilots or surface-to-air missile crews have fought in North Yemen (1967), Egypt (1970), Syria (1973), and Iraq (1974-75), and Soviet advisers have supported combat operations in Angola, Ethiopia, Syria, Mozambique, Vietnam, and elsewhere. The USSR is currently better able than the United States to provide this type of relatively discreet but direct military support. The costs and risks involved can be concealed from most of the Soviet populace, while the US Government's freedom to engage in similar operations is severely curtailed by the legacy of the Vietnam war and the climate of public opinion it has produced in the United States. Recent public discussion concerning the status and actions of US military personnel in El Salvador, for example, demonstrated to all LDCs just how constraining that climate remains, nine years after the US military disengagement from Vietnam.

Another way in which superpower armed forces can support an LDC in trouble is the force demonstration—generally a naval deployment designed to communicate a threat, and to be better positioned to execute the threat should it go unheeded. The US ability to stage such demonstrations was once unequaled, but during the past 25 years the USSR has greatly improved its own capability to back up diplomatic declarations with shows of force. In the 1956

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

Suez crisis, Moscow supported Egyptian President Nasir with threats against France and the United Kingdom but lacked the military resources to influence events in Egypt directly (and in fact the United States was much more responsible for ending the Anglo-French operation). Since then, the Soviets have developed a global naval capability that enables them to project military power throughout the less developed world. Using that capability, Moscow has frequently deployed warships to reassure its clients or to warn against Western intervention in regional conflicts. It augmented its naval presence near India during the 1971 Indo-Pakistani war, in the eastern Mediterranean during the 1967 and 1973 Middle East wars, off Guinea when a clash between Guinea and Portugal seemed possible in 1973, and in the South China Sea when China attacked Vietnam in 1979. Today, the USSR is correctly perceived as the only state able to offset the US capability to project military power to distant areas, and to deter US action by raising the risk of an armed confrontation between the superpowers.

Use of Allies. Support from a superpower often entails support from its allies as well. The connection between the two is by no means automatic on the US side; the West Europeans, after all, have their own reasons to provide extensive economic and technical assistance, export arms, and engage in other activities in the less developed world, without any prodding from the United States. On the Soviet side, the East Europeans and Cubans would be very unlikely to furnish major assistance to an LDC without at least the tacit approval of Moscow. But, on both sides, help from the allies may be an important side benefit of friendship with the superpower.

The help provided by the USSR's allies can be substantial. East European aid to LDCs includes arms (especially from Bulgaria, Czechoslovakia, and Romania), assistance to internal security organizations (especially from East Germany), and a host of other military, technical, and economic services. The East European states currently have about 1,900 military advisers and 60,000 civilians working in LDCs. But by far the most active Soviet ally is Cuba, which has 39,000 military personnel and 23,000 civilians overseas. The Cuban military presence includes a portion of the combat force that helped Ethiopia to drive Somali forces out of the Ogaden in 1977, as well as the more than 20,000 troops that prop up the regime in Angola. Although states friendly to the United States have also sent their military personnel abroad (the dispatch of a Moroccan battalion to Zaire during the Shaba crisis, the use of Pakistanis in the armed forces of several moderate Arab states), the United States has no equivalent to the Cubans in terms of the size, scope, and impact of their operations.

The reason it has no equivalent is that the Castro regime's purposes in dispatching so many of its people overseas are largely those of a revolutionary state, and are not found to nearly the same degree in any pro-Western country. Havana wants to advance proletarian internationalism, energize the Cuban populace, divert attention from domestic problems, and create sibling revolutions to protect its own. It also seeks to maintain some influence with the Soviets and to export some of its surplus population.

Cubans offer certain advantages to the host country that personnel from major powers do not. As an LDC and a member of the nonaligned movement, Cuba's presence can more easily be portrayed as brotherly aid, not great-power imperialism. Cubans are more tolerant of tropical conditions and apparently less concerned with perquisites than their Soviet counterparts are. Culturally, economically, and sometimes linguistically, they are closer to the LDCs. Africans often detect racism among Soviets but seldom among Cubans, especially since the Castro regime takes pains to use Afro-Cubans for service in Africa.

Whether the demand for Cubans' services will be as great during the 1980s as it was in the 1970s is uncertain, given that Castro's stock in nonaligned circles declined as he shared some of the opprobrium of the Soviet intervention in Afghanistan. But the supply of Cubans, including troops, available for overseas service will probably remain undiminished. Castro can be expected to continue looking to overseas adventures as a device to pursue his international goals and to cope with domestic difficulties.

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

Outlook

Key Contingencies. Considerable political instability and regional tension, much of it deeply rooted in ethnic, religious, or other animosities, will continue to provide Moscow and Washington with opportunities to gain—or lose—influence in the less developed world. The attractiveness of US and Soviet partnership and support during the next several years will depend in part on several contingencies that are not wholly in either superpower's control:

- *The course of important regional conflicts, especially those over Palestine, southern Africa, and Central America.* Soviet opportunities will depend on the intensity of these conflicts and on the success of Western powers in resolving them. In general, the USSR's role will be larger to the extent that these conflicts assume a military cast, while US influence will be greater the more that diplomatic channels are used.

- *The use of armed force by either superpower.* The Vietnam war profoundly affected LDC perceptions of US power, intentions, and reliability. The Soviet intervention in Afghanistan has also had substantial, though somewhat different, effects on perceptions of the USSR. Any future US or Soviet military expedition in the less developed world—as well as the future course of the Afghanistan war—would probably also make a deep impact on how LDCs think about their relationships with the major powers. Depending on the outcome, such events could be read as an indication of strength and wisdom, or of weakness and folly.

- *Domestic upheavals in important LDCs.* Revolutionary political change can, of course, suddenly and drastically alter a state's relations with the United States and the USSR. Upheaval in an especially large and important LDC, comparable to the fall of the Shah of Iran, may also be read in other countries as a lesson in the danger of relying too much on one or the other superpower, or perhaps on either of them.

- *The course of East-West relations.* Although Moscow is not about to curtail its penetration of LDCs for the sake of better relations with the West, any thaw in East-West relations would probably make the USSR appear less useful as a counterpoise to the West and an alternate source of support. Moscow's experience during the early 1970s, when some of its efforts to preserve detente with the United States strained its relations with LDCs, is instructive. The Soviets antagonized and embarrassed India, for example, by welcoming President Nixon to Moscow in 1972, at a time when New Delhi was railing against expanded US bombing of North Vietnam.

The Ability To Compete. During the next several years, the Soviets' economic difficulties will continue to limit their ability to support LDCs. The Soviet economy shows no signs of overcoming several persistent problems:

- *Sluggish growth*, a reflection of declining capital productivity and slow expansion of the labor force.
- *Limited ability to earn hard currency*, caused by the high production costs, uneven quality, and deficient marketing of most Soviet manufactures.
- *Inefficient agriculture*, which requires the USSR to spend much of its scarce foreign exchange on imported grain.

Meanwhile, the East European allies are becoming increasingly dependent on Soviet economic support—a trend being accelerated by economic disruption in Poland and the reluctance of Western lenders. These requirements close to home will undoubtedly weigh heavily on Soviet decisions regarding the help to be offered to LDCs. Moscow will think twice before assuming sponsorship of a country that could become as economically burdensome as, say, Cuba—which has been receiving more than $3 billion annually in Soviet economic and trade subsidies. The Soviets have accepted that particular burden because their relationship with Havana brings substantial noneconomic benefits. They are likely to be at least as selective as

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

they are now in pursuing additional clients, and will incur significant financial costs only where, as with Cuba, major political or military dividends seem assured. LDCs will perceive that large-scale Soviet assistance can come only to the handful of states whose policies are, by design or circumstance, most helpful to Moscow.

Economic difficulties will not, however, keep the Soviets from continuing to offer development projects that would provide them with economic benefits (such as access to needed minerals). Nor will it constrain Soviet arms sales (at least none made on any but the most concessionary financial terms). Indeed, arms exports have become increasingly valuable to Moscow as an earner of hard currency. The Soviets will continue to be formidable competitors in this field, and will have even more economic incentive than before to sell advanced—and expensive—weapons. A large proportion of Soviet arms sales are likely to remain concentrated, however, in the few states that are wealthy enough to pay for such weapons themselves (like Libya) or that receive funding from a wealthy third party (as does Syria, financed by Arab oil-exporting states).

The Limits to Involvement. The enlargement of the Soviet role in LDCs since the mid-1950s reflects a long but finite retreat of Western influence from the less developed world. As colonial rulers, the Western powers were the natural enemies of independence movements, which continued to dominate the politics of many LDCs even after independence was gained. The Soviets avoided the opprobrium of colonizers and posed as champions of subject peoples. The United States, as the West Europeans' most important ally, was less able to do so, even though it too had a long record of opposing colonialism. Since the Portuguese territories in Africa became independent, however, there have been no significant Western colonies to be freed. Political change in the less developed world is no longer predominantly a one-way flow of Western losses and potential Soviet gains. The Soviets have acquired enough interests in LDCs so that they can be, and have been, occasional losers as well.

In attempting to expand their influence in LDCs, the Soviets are running up against the same pretensions to nonalignment that have also limited US and Western influence. For some leftist governments, remaining nonaligned has become more a question of restricting their involvement with the USSR than with the West. Avoiding the appearance of close alignment with Moscow is particularly important for states that rely on the support of more moderate LDCs. For example, Ugandan President Milton Obote—despite good relations with Moscow during his earlier presidency—has not given the Soviets and Cubans any significant military role in Uganda today, partly because he needs to stay on good terms with the moderate neighboring states (Kenya, Sudan, and Zaire) that have cooperated to improve security within Uganda.

The efforts of left-leaning LDCs to appear nonaligned sometimes pay direct dividends to the United States, inasmuch as they need to make some friendly gestures to Washngton to "balance" their relations with the two superpowers. It is partly for this reason that socialist President Rene of Seychelles, despite his fulminations against US military activity in the Indian Ocean region, permits a US Air Force tracking station to remain on his own territory. Given his frequent support for the USSR on other issues, he can point to this facility as "proof" of his evenhanded approach toward Moscow and Washington.

In countries where the Soviets have become the principal source of foreign support, they tend to receive criticism and resentment for the same reasons that the United States has incurred them elsewhere. Among those reasons are xenophobia in LDCs and the friction that results from contact between different cultures. The friction generally intensifies as the Soviet presence grows. The foreigners' privileges become more visible, their impact on the local way of life deepens, and awkward incidents involving Soviets and natives multiply. In some instances—South Yemen is a current example—local citizens dislike the Soviets for using up scarce supplies of housing, food, and consumer goods.

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

Moreover, disagreements are virtually inevitable between governments that have a complex patron-client relationship involving a wide range of military and economic endeavors. A single misunderstanding can initiate a cycle of recrimination and retaliation. An LDC's displeasure with the amount of Soviet military aid or the accompanying repayment schedules may lead it to withhold payments, suspend access to its ports or airfields, or initiate contacts with Western suppliers. Any of these actions could in turn make the Soviets less generous in extending further aid. Such episodes have occurred in Moscow's past relations with LDCs, and, even where a close relationship with the USSR continued (as in Vietnam or Syria), a legacy of mistrust has remained.

Serious disagreements are most likely to involve the physical security of the LDC, and more specifically the extent of Soviet military support during crisis or war. LDCs understandably consider foreign support most critical at such moments, but the USSR, just as understandably, tries to avoid entanglement in military campaigns that do not serve its own interests and that could trigger a larger East-West conflict. Leaders (and many others) in LDCs long remember how foreign states responded in emergencies, and if the Soviet response is lukewarm they are likely to conclude that the USSR has failed the test of friendship. Egyptian President Sadat evidently reached this conclusion about the Soviets' behavior during the 1973 Middle East war, when Moscow pressed Egypt and Syria to halt their offensive early, refused to share satellite reconnaissance data, and provided what Sadat considered an inadequate amount of military assistance. Iraqi leaders are probably reaching similar conclusions about tepid Soviet support during their current war with Iran, although the full consequences are not likely to be seen until the war is over and Iraq's immediate dependence on Soviet supplies has lessened. The newest test of Moscow's friendship has been posed by Syria, which responded to Israel's annexation of the Golan by attempting to invoke—in the face of obvious Soviet reluctance—the consultation provisions of the Syrian-Soviet friendship treaty.

Whatever its genuine grievances, an LDC government may use the USSR as a convenient scapegoat for its problems, just as the United States has often been used. It is easy to blame economic or security difficulties on inadequate foreign support, and berating one's chief supporter can pay domestic political dividends by playing on popular resentment of foreign influence. For example, Sadat's expulsion of Soviet military advisers from Egypt in 1972—even before Moscow's disappointing performance during the 1973 war—was immensely popular among Egyptians. The inefficiency in Egypt's air defense system that the expulsion caused was probably offset by the boost it gave to morale within the Egyptian armed forces. Sadat's move was an assertion of national pride and, as he later noted, was necessary for the subsequent military "victory" over Israel to be credited to Arabs and not to the Soviets.

The most successful Soviet assistance efforts carry the seeds of their own demise by possibly making the LDC more self-reliant and less interested in the future in the kinds of support Moscow can best provide. Evidence of this has already surfaced in Soviet-Indian relations. Whatever gratitude the USSR may have earned during the 1971 Indo-Pakistani war, the elimination of Pakistan once and for all as a serious conventional military threat to India made Soviet military assistance less critical to New Delhi than before. In addition, the Indian economy is developing in ways that make Soviet economic aid and trade less useful. India's demand for nonmilitary Soviet manufactured goods has slackened as it has expanded its own industrial capacity. New Delhi has become increasingly impatient with the prepackaged nature of Soviet development projects, which allow no role for Indian planning or Indian-made parts. India is now looking less for help in the basic industrial sectors that most Soviet aid projects involve and more for high technology to be used in specialized plants. The Soviets' inability to provide the latter is already a handicap in their competition with the West, and will become increasingly significant to the extent that other LDC economies mature in the same direction as India's.

Soviet involvement in the less developed world is also self-limiting in another sense: Moscow's relations with some LDCs tend to restrict its influence in certain

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1

others. One reason for this is the difficulty of befriending either party to a regional dispute without incurring the wrath of the other. Somalia's break with Moscow as the Soviets enlarged their support to Ethiopia is a clear example. Another reason is that the widespread use of Soviet-made arms has given purchasers of this equipment alternative sources of follow-on support. LDCs that want Soviet weapons but do not want Soviet military personnel on their territories sometimes can—at least with unsophisticated equipment—turn for advisers and instruction to other LDCs that already have these items in their inventories. In this regard, Jordan has been looking to Iraq, Kuwait to Syria, and Botswana to India for help. Although such arrangements may in some instances expand the market for Soviet arms, they also make arms sales less useful to Moscow as a means of influence and a first step toward a closer relationship.

The Record of Successes and Failures. The greater exposure and vulnerability of the Soviets is not the only respect in which competition in the less developed world today differs from the situation 25 years ago, when decolonization was just beginning. Another difference is that the various approaches to political and economic development that were chosen by newly independent LDCs now have a track record. The LDCs have acquired ample experience to demonstrate which approaches work better than others. Overall, the record argues in favor of the US model over the Soviet one. The most prominent success stories have been such countries as Singapore, Taiwan, South Korea, Brazil, Mexico, and Ivory Coast, which have achieved rapid economic growth through a strategy of fostering free enterprise and retaining trade and investment ties to the West, even though some of them lack substantial natural resources. The record of socialism in LDCs has been much less impressive. It has, in fact, been downright dismal in some African countries such as Tanzania. Even Cuba, despite the strides it has made in health care and education since the revolution, remains heavily dependent on the USSR for its economic survival.

To the extent that LDC leaders learn from these experiences, they become more likely to follow a path closer to the United States than the USSR. On occasion a leader may clearly and boldly switch paths in order to overcome past mistakes, as President Sadat did in redirecting Egypt, politically and economically, toward the West. Most of the time, the lessons learned will be implemented more subtly and quietly. In many cases old socialist and anti-Western themes will continue in rhetoric but will be gradually abandoned in practice.

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

25X1-human
Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7

Page Denied

Approved For Release 2006/07/12 : CIA-RDP83M00914R002000240001-7