Chapter III

THE USA AND THE THIRD WORLD

At the end of the Second World War, a chain of profound and irreversible changes had been set in motion. The war had taken its toll of Europe; leaving the major powers of the inter-war period economically and militarily weak. The Western countries were largely dependent on the rest of the world for the imports of raw materials for industry, such as cotton, wool, pulp, paper, petroleum, etc. In return they exported manufactured goods like foods and beverages. The war had, however, disrupted the various business relations. The United States of America alone emerged as the strongest economic and military power with enormous scientific and technological potential, and the short lived monopoly of atomic bomb.

In response to the demands of war, only the USA was capable of marshalling its vast economic and technological resources, and in aiding the reconstruction of European economies. The lend-lease programme had evolved during the war and was considered essential to the national defence. It included aid in terms of arms and ammunition, food supplies, economic aid, industrial supplies and raw materials. The US trade in 1947 amounted to one-third of the world trade as compared to 14% in

1938. Its balance of payments was more than $8 billion in 1948. Therefore, in order to restore Europe's financial, and fiscal and political stability; to prevent a depression, to expand markets for American goods and its world trade, and consequently, to establish its influence through open door policy, the USA undertook to provide economic and military assistance to Europe.

On the other end of the spectrum was the USSR -- a challenge to world capitalism; and whose conventional forces remained a threat to Western Europe. Hostile and tense relations superseded the war time alliance between the USSR and the Allies on the question of -- Germany, Soviet role in International politics, and Eastern Europe; followed by the Soviet -- Czech alliance and the subsequent coup d' etat in February 1948 in Czechoslovakia, Soviet detonation of the Atomic bomb in 1949, and its support to the leftist parties everywhere else.

The resulting confrontation between the two powers, each with its own global perspective, manifested in the "Cold War", generating an arms race in the process. In the years 1947-50, the international system moved towards bipolarism. The underlying issue was not merely confrontation between capitalism and socialism, but to the Americans it was also a


question of preserving a free Europe. The strategic concern was to prevent the fall of these countries to "Stalinism", having rescued them from Nazis. As A. Schlesinger put it to the American government in 1940s the issue was between "democracy and Stalinism". The Cold War became even more entrenched as both the superpowers got involved in conflicts in distant lands - perceiving relative differences as absolute, raising the local issues to global level and by introducing the element of morality and ideology. At same time, it was the struggle for power between the USA and the Soviet Union.

In Asia and Africa process of decolonization had began in late 1940s. A number of communist movements were active in the Far East. In China, the Americans had already found it impossible to bring about any coalition between the Chiang Kai-Shah led the nationalists and the communists, and, therefore, refrained from any direct military intervention. American policy of containing the expanding influence of the USSR, and, hence, containment of communism involved them in Korea in 1950. With the addition of China (despite Yugoslavia's independent stand in 1948-49) the communist block got expanded in the following decades. The subsequent division of the world into the capitalist and the socialist blocs was followed by

signing of various military alliances. The cold war was further aggravated with the involvement of the superpowers — the USA and the USSR — in the Suez Crisis, the Cuban Missile Crisis, the Vietnam war, etc.

The emergence of China as a rival centre of ideology and power constellation in 1960s; Japan as an economic giant and the European Economic Community (EEC) in late 1960s and early 70s challenged the hegemony of the two superpowers. Thus, the international system changed from bipolar to tri-polar to a multipolar world in the 70s. Moreover, the Cold War tension lessened with the initiation of detente talks.

The following section is a study of the foreign policies of the two superpowers in relation to their defense strategies and their R & D capabilities. The changing strategic priorities are dependent on the innovations in military technology and the development of new weapons systems. The politico-strategic interests of the two powers dictate their relationship with the developing countries. Their national and security objectives have dictated their priorities in the Third World region. Furthermore, military assistance, grants, loans, sale of arms, etc. have been used as instruments to achieve their political, economic and strategic interests in the Third World.
II. **US Foreign Policy and Strategy**

Soon after the Potsdam Conference hopes of cooperation and world peace were shattered. The United States had refused to recognize the Russian Zones of influence and interest in the East Europe. US foreign policy of containment was first postulated by George Kennan, Head of the State Department Policy Planning Staff. In his "X-article," he wrote, "... In these circumstances it is clear that the main element of any US policy towards the Soviet Union must be that of a long-term, patient but firm and vigilant containment of Russian expansive tendencies ..., by the adroit and vigilant application of counterforce at a series of constantly shifting geographical and political points, corresponding to the shifts and manoeuvres of Soviet policy ...." 6

In other words, the Truman administration embarked on the policy of containment primarily on the strength of its atomic bombs or the nuclear monopoly and the means to deliver them. However, its strategic options were limited by the limited range of its bombers. Hence, bases on foreign soil became an important consideration of the US foreign policy. The Marshall Plan was extended to Europe to promote economic integration, reduce nationalism, to provide opportunities for

the Americans to stockpile strategic materials and have access to military bases abroad, and to reduce military expenditures.\(^7\)

Thus the policy of containing Soviet influence in Europe and the Third World countries was the beginning of US commitments abroad. In the following decades the USA had signed multilateral and/or bilateral security treaties with over forty countries.\(^8\)

Initially, the US strategic forces had B-17 and B-29 of the Second World War vintage; the four-engined B-29 could fly 1,000 miles carrying over 5 tons nuclear weapons.\(^9\) Therefore, it was necessary to store nuclear weapons abroad and to have overseas bases.

With the addition of B-50 and B-36 in 1948 and the jet propelled B-47 in 1951, the capability of the US Strategic Air Command (SAC) was improved considerably. B-36 could reach targets in USSR from US bases without inflight refuelling, while B-47 like B-29, needed inflight refuelling and overseas bases, and fly up to 630 mph. Therefore, bases were established in Britain, Morocco and in Far East in 1948.

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8. See, Diagram 3.1.

The US navy still had to establish a complimentary role for itself in the "strategic" mission.

In 1950, when the Korean war broke out, USA's prime concern was still with Europe. SAC bombers were stationed in French Morocco, Guam, Libya, Japan and Okinawa. Rotational training flights of squadrons were based in Britain to provide forward deployments of bombers. Naval carrier based bombers — Six AJ-1 Savage and three P2V-3C Neptune (Piston) bombers became operational in February 1951, flying across the Atlantic to Port Lyautey, Morocco. Savages could operate from carriers — land, refuel, load and take off within 1,600 miles on a one way trip to Soviet targets. While Neptunes required dock-side landing. Thus, by 1955, the US nuclear strike capability had increased. It had approx. 200 B-36's, over 1,000 B-47s (bomb carriers) together with navy's carrier based nuclear strike capacity. Navy continued to lay emphasis on greater sea-based nuclear strike capability but the first "Super" carrier, 'Forrestal', was completed only in 1955.

In this period (1953-60), the US policy changed from "containment of communism" to "Massive Retaliation" under the "New Look" policy of President Eisenhower. It aimed at creating maximum deterrence at bearable cost. It was to "maximize air power and minimize the foot soldier." It was characterized by

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continuation, extension and maintenance of the Alliances (discussed above); extension of military assistance programme — modernization of the Allied forces; continued economic aid in Europe, along the periphery of China and in other underdeveloped regions; sustenance of liberal tariff policy; support to the UN in order to achieve world peace; and to sustain the accelerated defense budget with continued modernization.11

US monopoly of nuclear bombs was broken when the USSR exploded its first nuclear device in 1949, followed by the explosion of first thermo-nuclear device in 1953, one year after the first thermo-nuclear explosion,12 had been achieved by the USA. Various new weapons were developed in the USA to maintain US nuclear superiority over the USSR. The Air Force acquired F-100 Super Sabre "fighter" and the Navy acquired A40 Skyhawk to deliver "tactical" nuclear weapons. The B-36 bombers began to be replaced with B-52 in 1955. The Air force was also equipped with cruise missiles — Matador (600 Nautical Miles13 range) / Nace missile and Nace-B (1,200 n.m.) — based in Europe and Western Pacific; Snark (5,000 n.m.) — limited numbers were


12. Fission weapons are measured in Kilo Tons (Kt) = 1 ton of TNT. Fission weapons are measured in Mega Tons (MT) equals to 10^6 Tons of TNT. 1 MT thermonuclear head possessed explosive power approx. 50 times that of the atomic bomb used at Nagasaki and weighed only half as much.

13. n.m. stands for a nautical mile = 1.15 statute miles.
placed at Presque Isle, Maine. The Navy included submarine launched Regulus - I missile (500 n.m.) carried on W.W. II submarines; of which only one or two were at sea at any given time. Therefore, it added little to the nation's total nuclear capability.

With the development of small nuclear warheads the Army began to deploy "tactical" nuclear weapons. These included nuclear rounds for 280 mm and 8" (203-mm) guns, the Honest John and Redstone battlefield missiles and the atomic demolitions — "mines". Research led to the development of strategic weapon - Jupiter Intermediate Range Ballistic Missile (JIRBM) with 1,500 n.m. range (60 feet, liquid fueled) for emplacement in NATO countries against the Soviet Union. The Airforce too initiated development programmes of the Thor (TRBM 1,500 n.m.) and, the Atlas and Titan Intercontinental Ballistic Missiles (ICBM) with 5,500 and 6,300 n.m. range respectively in 1955. However, the Air force was to operate all the JIRBMs and the ICBMs in the end. The Minuteman (ICBM) was initiated in 1957 and the Polaris (SLBM) in 1958. The 6 Atlas ICBMs first became operational in 1959 in USA; the Thor JIRBMs were placed in Great Britain under joint UK-US control and the Jupiter JIRBMs in Greece and Turkey and Italy. The Department of Defence established on Advanced Research Project Agency (ARPA) in February 1958 and the Congress authorized the establishment of the National Aeronautics and Space Administration (NASA) in July 1958.

The bombers remained the important mainstay of the US strategy in the 1950s. The Navy had A3D Skywarriors/(later)
A3J Vigilante Attack aircrafts, AD Skyraider and A4D Skyhawk bombers. Some were equipped to deliver nuclear weapons. For example, 83 attack carrier-based aircrafts operated from the carrier 'Coral Sea' in the Western Pacific in 1960-61.

With the increase in the defence capability of the Soviet Union the US bombers had to be deployed at low-level altitudes. A number of strategic bomber programmes, such as, B-58 HUSTLER and B-70 VALKYRIE had to be stopped or cancelled. In 1958, however, SAC started the "airborne alert" on test basis. It was to reduce the vulnerability of the strategic forces to attack on ground and to reduce flight time to targets. Other changes followed after the U-2 reconnaissance aircraft was shot down.

Thus, in the 1940s and early 1950s the USA could deliver nuclear weapons on the Soviet Union in response to the latter's attack on West Europe. While the Soviet Union did not possess long range bombers as counter-threat to deploy against the USA. It could only deliver atomic weapons upon Western European cities in case of American attack on the USSR. Hence, with virtual nuclear monopoly, its guarantee to NATO and access to foreign bases, the USA attained high deterrent credibility against an attack from the Soviet Union. But with the development of long range bombers and missiles in Soviet Union, the USSR tended to reduce or impede the ability of America to retaliate. In late 1950s the USA visualized a period of strategic vulnerability -- with SAC
having about 40 bases and no nuclear missile submarines or intercontinental ballistic missiles.\(^\text{14}\) Thus, the main concern became to develop a second-strike capability. Because the US bases near the Soviet Union could be destroyed in a surprise attack. Moreover, to deter Soviet aggression effectively in Europe, America had to offer greater threat that would restore the deterrent balance. "Massive Retaliation" as a strategic doctrine was not plausible anymore.

The expected "missile gap" failed to materialize in the 1960s. The Kennedy administration was concerned with developing military structures necessary to maintain America's nuclear strike power as a realistic and effective deterrent against Soviet initiation of major wars. The objective was to combine "flexible response" with "assured destruction capability".\(^\text{15}\)

It involved development of weapons to counter Soviet threat on

\begin{itemize}
\item \underline{15.} Robert McNamara, US Secretary of Defense, defined it as the strategic policy "to deter deliberate nuclear attack upon the US or its allies. We do this by maintaining a highly reliable ability to inflict unacceptable damage upon any single aggressor or combination of aggressors at any time during the course of a strategic nuclear exchange, even after absorbing a surprise first strike ... We must possess an actual assured destruction capability, and that capability also must be credible". \textit{cf.}, \textit{The Essence of Security} (New York: Harper & Row, 1968), p. 52.
\end{itemize}
a total or selective basis depending on the strategic situation; in case of war the aim "should be destruction of the enemy's military forces, not of his civilian population". The civilian population was to be used as "hostages".

Thus, the US nuclear umbrella for the Allies wherein credibility was contingent on nuclear superiority under massive retaliation was transformed into a strategic doctrine in which credibility was contingent on assured destruction. The Polaris programme was accelerated, skybolt air-to-surface ballistic missile, the Midas early warning satellite system, etc., were stepped up to build the second strike capability of the US forces. By this time, the strategy of counter-insurgency had led to the US involvement in different parts of the world, especially in Vietnam.

In 1957, Soviet Union had achieved a major breakthrough in long-range ICBM test missile and launched the first Sputnik into orbit and already efforts were being made to increase Soviet nuclear capabilities with submarine launched Ballistic Missiles (SLEM). These programmes had accelerated

the R & D programmes in the USA from liquid-fueled Jupiter to solid fueled with smaller warheads for missiles programmes were undertaken. By 1960, the first "deterrent patrol" of Polaris A-1 SLM with 1,220 n.m. range was completed and abroad the nuclear-propelled 'George Washington'. The 16 Polaris A-1 missiles could be launched from underwater. By 1961, 2 Polaris submarines (32 missiles) were at sea and 12 underconstruction (192 missiles). These became operational in the Atlantic by 1961-62.

Already the "gap" was in favour of the USA. Following the Cuban missile crisis the Soviets withdrew their missiles from Cuba in return for withdrawal of US Jupiter missiles in Italy and Turkey. This was, however, balanced by the entry of the Polaris submarines into the Mediterranean in April 1963. In the following decade, the USSR had surpassed the USA in numerical numbers. The accelerated rate of ICBM and SLBM deployment in late 1960s by the Soviets led to the development of the concept of optimum "mix" of strategic forces.

The first generation ICBMs in 1960s were followed by the development of second-generation missiles -- solid propellant Minuteman I (6,520 n.m., 1 MT warhead) and Titan-II. Development of Minuteman II were accelerated to achieve greater accuracy. Snark -- earlier missiles were discarded in 1961. The exposed Thor IRBM forward-based in Britain was discarded in 1963. And, between 1963 and 1965, 30 Atlas D, 33 Atlas E,
80 Atlas F and 63 Titan I missiles were phased out. The land based ICBMs, manned bombers and the Polaris submarines became known as the strategic TRIAD. For the first time (in 1965) missiles outnumbered the bombers. However, 630 B-52s continued to carry about 80% of the total megatonnage of the strategic nuclear forces.

The Ballistic Missile Defence (BMD) and multiple warheads were important features of the arms race in the 1960s. The US efforts to develop the Anti-Ballistic Missile (ABM) system were reflected in the Army's Nike-Zeus (1956) project, followed by Nike-X, Sentinel and Safeguard systems. Qualitative modifications were achieved in the form of multiple warhead missiles to saturate the ABM interceptors. These were first deployed on Polaris submarine launched missiles. In 1964, Polaris A-3 was deployed aboard USS 'Daniel Webster' with 2,520 n.m. range. It could operate in various oceans and still remain within missile range of Moscow and other Soviet targets. Under the Nixon administration research was carried on to achieve Multiple Independently - Targeted Reentry Vehicle (MIRV) warheads. The MRVs could be directed to one target only. The MRV system became operational in

17. The A-3 variant carried a Multiple Re-entry Vehicle (MRV) payload. There were three RVs each of 200 KT explosive force, in comparison with 1 MT payload of A-1 and A-2 warheads. Subsequently, all other (41) ballistic missile submarines A-1 have been renamed with A-3 missiles. Because additional weight and space is required for the separation apparatus of RVs --- Post-Boost Vehicle (PBV), there are smaller warhead RVs.
1968 with 8,000 n.m. ranged Minuteman which has 3 RVs of 160 Kt to 200 Kt warhead yield each. These programmes were carried on under the Nixon administration in 1970s.

During the 1960s, American interest in the Indian Ocean increased. US bases in Australia helped the American submarines operating in the Eastern Indian Ocean. The communication base at Perth in 1966 reduced America's dependence on the Kagnew communication base at Asmara, in Ethiopia. The island Diego Garcia, a part of the British Indian Ocean Territory (BIOT), became an important US base after the US-UK agreement of 1966 (December). With the development of Diego Garcia base, US dependence on the Indian Ocean littoral diminished relatively. The entry of Polaris submarines in the Indian Ocean increased the nuclear strike capability of the American navy.

The US policies in the following years (1969 onwards) remained basically unchanged. Nixon administration attempted to modify the Kennedy-Johnson strategic doctrine, in view of the increased military expenditures both at home and abroad (especially in Vietnam), increasing public opposition to such interventionist policy and related problems. In his report before the US Congress, Nixon said, "The post-war order of international relations --- the configuration of power that

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emerged from the Second World War — is gone. Based on his understanding of the international politics as "pamity, multipolarity and (need for) reduced American drive". Nixon advocated a policy based on the principles of strength, partnership and a willingness to negotiate. Melvin R. Laird, Secretary of Defense, described it as the strategy of "Realistic Deterrence", which emphasized "measured, meaningful involvement and vigorous negotiation from a position of strength."21

19. President Richard M. Nixon's Report to the US Congress, US Foreign Policy for the 70s...Building for Peace (Washington D.C.: GPO, February 25, 1971), p.5. Revolution and technology of war; superpower paralysis; revitalization of the war debilitated economies, social cohesion and political self assurance of Western Europe and Japan; increasing number of the newly independent nations; polycentrism of the Socialist bloc into competing centres of power and ideology; and fluidity in international relations had contributed in changing the international scene from a bipolar to a multipolar world. Laird also added that the increasing Soviet military capability and deployment of its nuclear forces, the emerging Chinese nuclear threat, need to reduce the resources devoted to defense and maintenance of US personnel, need to share defense burden with its allies must also be taken into account. M.R.Laird, Statement before the House Armed Services Committee on FY 1972-76 Defense Programme and 1972 Defence Budget (Washington D.C.: GPO, March 9, 1971).


He further added that in order to keep all US treaty commitments, to provide nuclear shield if any allied nation or a nation of vital interest to USA is threatened, and to furnish economic and military assistance on the request of the nation threatened, the US policy was to preserve adequate strategic nuclear capability for deterrence. The emphasis was on increasing self-reliance amongst its allies. They were expected to assume greater responsibility in the share of their defense, such as providing manpower for their defense. The policy was also concerned with the counter-insurgency operations and intervention in local conflicts. Thus, the strategic doctrine continued to rely on its ability to deter the enemy on the strength of nuclear balance or assured destruction. Strategic deterrence was now contingent on sufficiency and/or SALT. While USA was withdrawing from some areas in the Third World, it was strengthening its position in others, viz. Diego Garcia in the Indian Ocean and in the Bahrain in the Gulf region. Developments of bases in the Indian Ocean region and the advantages enjoyed by the USA in the littoral considerably increased its interventionist options and enhanced its strategic options by providing protection to its vulnerable naval and communication bases and by facilitating the operation of its bombers.  

Figure 5. Polaris and its Soviet equivalents showing the areas of the ocean from which they can reach Moscow and New York respectively.

Also, study it in relation to the important bases in the regions through which the routes pass.

The qualitative improvements/developments in SLBMs and ICBMs in 1960s continued in the 1970s. Between 1970 and mid-1975 Minuteman III replaced 550 of the earlier Minuteman I and II ICBMs in the SAC arsenal. By 1971, Poseidon C-3 missile (SLBM), 2,500 n.m. range with 10-14 RVs of about 50 Kt was in service with the US navy. Navy had planned to convert 31 "616" class submarines to carry the Poseidon missile while the older 10 would continue to deploy Polaris A-3 missiles. The diagram on the opposite page depicts the "sea-borne nuclear deterrence" of the two superpowers.

The development of MJRV has helped USA to increase its targeting capability and not merely to penetrate the Soviet ABM defenses. The capability of the offensive strategic weapons has increased with the increase in the number of missile warheads and the accuracy of their delivery, development of long range SLBM (Trident), "pre-programming" the missiles and "remote retargeting" of missiles from launcher controlled facilities, and the invulnerability of the forces has increased with the "submarine-quieting" programmes and hardening of the missile silos.

The overall US strategy also includes a number of defensive weapons plus an ABM Safeguard System deployed at Grand Forks, North Dakota at the Minuteman ICBM site (deactivated after 1975 soon after it became operational). It also has a number of reserve forces for deployment overseas. But as overseas basis are becoming politically constrained for
use, the US is trying to overcome these constraints by increasing the mobility of its forces and striking power with reduced/less dependence on overseas bases.

Further research on a new generation of weapons appears imminent. Under the joint development programme of the US Air Force and the US Navy, it is expected that pilotless cruise missile will be functional by 1980. This will be highly suitable for tactical strike missions.

The continued development of the new weapons was concomitant with the policy lines of the Ford administration. It continued to emphasize "... peace and a constructive relationship with the Soviet Union can only proceed from strength and ability to negotiate our differences". Moreover, Joseph J. Sisco, Under-Secretary for Political Affairs added that US diplomacy needed "two-types of general-purpose forces: forces fully committed to the defence of our main alliances and forces available to meet contingencies elsewhere which threatened vital US interests or which have implications for great power confrontation".

These low altitude rockets will be able to deliver warheads at a range of over 2,000 — 2,500 miles from aircrafts, naval vessels and mobile ground launchers (including submerged submarine torpedo tubes). The low altitude will reduce its detection by the air—defence radars and surface-to-air missiles defenses. Its highly sensitive, light weight, terminal-guidance systems promise accurate targeting to less than 30 meters. Richard Burt, "Arms Control and the Cruise Missile: Reconciling a Difficult Equation", Washington Post, 9 Nov. 1975 (10), p. D5, Main Edition, Part 2.

President Ford, quoted in Department of State Bulletin, Vol. LXXIV, no. 1926, May 24, 1976, p. 3.

Statement on the Department of State and National F.N. Continues ......
Thus, the US policy while advocating and favouring SALT agreement, proceeds from the assumption that its strategic forces must be sufficient and credible to deter attack and maintain the nuclear balance. Therefore, USA has continued with improvements of its strategic weapons. The M-X ICBM is being developed which can carry more and larger warheads than the MINUTEMAN. It is a mobile ICBM which can be moved along hardened and covered trenches. Thus, the USA is overcoming the problems posed to their ICBMs in fixed and hardened silos. The Tomahawk missile can be deployed on aircraft, surface ships, submarines (it can be fired through the torpedo tubes) or an mobile ground launchers. The Air force too is developing an air launched missile (ALCM) which will be carried in bombers.

The US strategic submarines will have Ohio-class submarines (11 + 2)* faster, quieter, capable of moving in greater depths and larger than the Poseidon and carrying 50% more missiles. It will be fitted with 4,000 n.m. ranged MIRV ed Trident I missile. Trident I will also be retrofitted into 10 Poseidon submarines. Trident II, a second generation missile, is being developed which will have 6,000 n.m. range and MIRV.

In the bombers category, B-1, bombers were included under the Ford Programme, but Carter budget has finally cancelled the full programme and depends on the earlier FB-111 S and B-52

* Requested in addition under Ford and Carter administration budgets.

which will be fitted with cruise missiles. Similarly, Carter administration is reevaluating the need to replace F-106 interceptor aircraft with F-15 (AWACS). The air-borne Warning and Control System which can detect low-flying aircraft and also provides a viable means of ensuring command and control of the air defense battle is being developed. Patriot -- a SAM is also being developed primarily for NATO but could be deployed for US air defense system. The two superpowers also maintain a balance in three important areas: Europe, the Middle East and the South East Asia. Where US interests are not directly threatened, the USA provides a shield for its allies -- such as the guarantee of survival of Israel, protection of Japan, etc. Both powers maintain naval forces in the Mediterranean. US fleet is also stationed in the Pacific. US presence in the Third World region, especially the Middle East and East Asia is to prevent any changes in the military balance of the region which might adversely affect its strategic interests or of its allies; to prevent blockade of Japan; to ensure flow of oil; and free and uninterrupted free passage of the seas and the oceans.

III. US Arms Trade and Aid to the Third World

The US policy of transfer of arms began during the Second World War, under the Lend-Lease Programme. Military Assistance became a basic post-war policy, beginning with aid to Greece and Turkey, the NATO alliance with Europe, Iran and the South-East Asia -- China, Philippines and Korea. Europe alone received 59-68% of the total military aid between 1951 and 1958; thereafter its share declined.¹ Till early 1960's USA gave away most of the weapons to the Third World Countries. Later on, with shifts in policy and emphasis on sales of arms, the USA also provided favourable credits to the recipients.

During the 1940s most of the assistance was in the form of non-reimbursable economic grants aid. For example, 80% of the authorized funds for 1949 were for economic reconstruction and only 20% for military armaments.² With the intensification of Cold War in Europe and the outbreak of Korean War in 1950, increasing amounts of aid was allocated for armament to American Allies. In 1954, attempts were made to reduce the grants assistance by the Congress. Thereafter, 30% of the authorized funds were to be used in the form of loans. Also,

aid to Europe had to be reduced. Funds had to be diverted to Indo-China, Middle East, and Latin America. The Military Assistance Programme (MAP) had helped the Allies to acquire modern and sophisticated weapons.

Thus, various types of programmes developed within the US policy of arms transfer under the following legislations: Mutual Defense Assistance Act, 1949; Mutual Security Act, 1951; Foreign Assistance Act, 1961; Foreign Military Sales Act, 1968; International Security Assistance and Arms Export Control Act, 1976. First, the Military Assistance Programme (MAP) was authorized under the Foreign Assistance Act and budgeted within the Department of Defense (DOD). The various Military Assistance Advisory Groups (MAAG) functioning with the MAP are responsible for the allocation of funds for each country. It covers grants to all countries except Viet-Nam, Laos and Thailand. Second programme has been concerned with military aid for the latter since 1967-68 and for the upkeep of forces of Philippines and South Korea for the VietNam War in the regular defense budget under MASF or Military Assistance Service Funded Programme (1966). Third, excess stocks could be supplied to foreign countries without Congressional legislation till 1971. Charges for refurbishing and shipping were charged to MAP. Fourth, includes special legislation for the loan of naval vessels, as in the case of nationalist China in 1946.
The main objective of MAP is stated in section 501 of the Foreign Assistance Act of 1961: "...the intention (is) to promote the peace of the World and the foreign policy, security and general welfare of the United States by fostering an improved climate of political independence and individual liberty, improving the ability of friendly countries and international organizations to deter or, if necessary, defeat Communist or Communist supported aggression, facilitating arrangements for individual and collective security, assisting friendly countries to maintain internal security and creating an environment of security and stability in the developing friendly countries essential to their more rapid social, economic and political progress."³

Supporting Assistance, generally economic assistance, is administered by the Agency for International Development (AID) under the aegis of the US State Department and authorized by the Foreign Assistance Act, to help the recipient country in building and maintaining its forces and to strengthening the politico-military relations. Often aid is also given to those countries where USA wishes to maintain base and over-flight rights. In the beginning (1957) loans for major

development projects funded from Development Loan Fund (DLF) were repayable in currency other than the dollar. But as adverse balance of payments began to develop, US changed the terms of loans, from "soft" to "hard". That is, loan was repayable in American currency alone, (during the Kennedy Administration). By 1964, the ratio between loan and grant assistance was 70:30.\(^4\) By 1960, the economic assistance (grant and credit) amounted to nearly $1.6 billion per year.\(^5\) Foreign military expenditure had increased from $576 million in 1950 to an average of $3 billion a year after 1958.\(^6\)

A certain share of the counter part funds of the Food for Peace Program (PL-480) is also available for military and/or supportive assistance. It made possible for the USA to accept inconvertible local currencies in exchange for the agriculture surpluses which could be loaned back to the recipient country to purchase US equipment and commodities.\(^7\)


\(^7\) Memorandum submitted by C. Douglas Dillon, Under-Secretary of State for Economic Affairs, 86th US F.N. continues....
Under the Public Safety Program, the USA also extended assistance to the police forces in the Third World countries.

The Military Sales Program (MSP) was encouraged in the 1960s under Robert McNamara to overcome the problem of adverse balance of payments and to share the burden of NATO with its allies. In his message to the Congress in January 1967, he said: "The principle objective of this foreign military sales program (MSP) is..."

1. To further the practice of cooperative logistics and standardization with our allies by integrating our supply systems to the maximum extent feasible and by helping to limit proliferation of different types of equipment.

2. To reduce the costs to both our allies and ourselves of equipping our collective forces, by avoiding unnecessary and costly duplicative development programs, and by realizing the economic possible for larger production runs.

3. To offset, at least partially, the unfavourable payments impact of our deployment abroad in the interest of collective defense."

The Congress was anxious to reduce military grant assistance, especially to countries which could afford to

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purchase weapons without straining their economies. Therefore, sale of military weapon systems was encouraged "to achieve a more equitable distribution of the burden of our (US) mutual defense undertakings". Hence, sales to Europe rose from an average of less than $500 mn. a year in 1950 to 1961 to $4.7 billion between 1962 and 1965. The 1973 Bill on Foreign Assistance provided for the phasing out of the Military grant assistance program by 1977. Instead, sales were to be encouraged.

Melvin Laird, Secretary of Defense, maintained that FMS would assist the "forward defense" countries in building necessary deterrence capability to withstand communist aggression. Thus, arms sales became an important instrument to achieve political and economic benefits, and are a form of extending foreign assistance, and also are part of the US foreign policy.

Further, the sales program was given a boost by the establishment of revolving credit fund. This was changed to


"X-country account" in 1965. Under this arrangement the Export-Import Bank would extend loans to the DOD to finance arms sales. The recipient countries, however, paid interests on credits at a lower rate than DOD paid to the Export-Import Bank. 12

The basic principles guiding US policy of arms transfer are linked to its economic, political, ideological and strategic interests. The objectives of the assistance programmes have been to bolster friendly and anti-communist


<table>
<thead>
<tr>
<th>Country</th>
<th>Amount US $ mn.</th>
<th>Interest Paid by Recipient, %</th>
<th>Int. Paid by DOD to Ex.-Im., %</th>
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</tr>
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<td>Malaysia</td>
<td>11</td>
<td>3</td>
<td>5½</td>
<td>5</td>
</tr>
<tr>
<td>Taiwan</td>
<td>10</td>
<td>4⅞-4⅞/10</td>
<td>4⅞-5½</td>
<td>2</td>
</tr>
<tr>
<td>Brazil</td>
<td>43</td>
<td>3½-5½</td>
<td>4⅞-5½</td>
<td>10</td>
</tr>
<tr>
<td>Venezuala</td>
<td>29</td>
<td>3</td>
<td>4⅞</td>
<td>19</td>
</tr>
<tr>
<td>Argentina</td>
<td>21</td>
<td>4⅞-5½</td>
<td>4⅞-5½</td>
<td>1</td>
</tr>
<tr>
<td>Peru</td>
<td>4</td>
<td>5</td>
<td>4⅞-5½</td>
<td>1</td>
</tr>
<tr>
<td>Chile</td>
<td>1</td>
<td>5</td>
<td>4⅞</td>
<td>-</td>
</tr>
</tbody>
</table>

F.N. continues...
regimes in the Third World countries, to assist developing internal stability and security, to maintain regional arms balance, to have access to base facilities and raw material sources. The presence of other arms suppliers too affects the decision of the donor country — leading to pre-emptive selling at times.

The US policy towards West Asia is primarily to protect its oil interests there. Elliot Richardson, the former Defense Secretary stated that "continuing access to

Previous F.N.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Jordan</td>
<td>9</td>
<td>3</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Morocco</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Pakistan</td>
<td>3</td>
<td>3</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>594</td>
<td>186</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


13. Also see, General Paul D. Adams, Commander of US Strike Forces' Testimony in US Congress, Committee on Foreign Affairs, 1964, (Washington D.C.: GPO), p. 602. For example, in the Far East the USA involvement is considered as important to its national security.
these (Persian Gulf) reserves by all consumer nations is a matter of great interest to us... (especially) access to raw materials and overseas trade and investments are essential to the viability of the US economy and to the continued prosperity and security of our friends and allies.\textsuperscript{14} Thus, we find that arms transfers are linked to the US interests in this region.

West Asia was a low priority area for the USA before the First World War — mainly used for missionary, humanitarian, archaeological and educational activities. In the following years its interest in oil and later on, its global strategic requirements led to shifts in the US foreign policy in this area. American oil companies began to expand their operations in the Gulf in 1930s, especially in Saudi Arabia, despite British opposition. Under the lend-lease programme, Saudi Arabia received over $17.5 mn. in aid.\textsuperscript{15} In return, the USA acquired rights over the Dhahran base until 1957 when the agreement was renewed. Under the Lend-Lease programme and through military missions, the USA also penetrated Iran and Turkey.

After the World War II the USSR came into conflict with Western powers over Iran and Turkey. The USSR claimed

\begin{itemize}
  \item \textsuperscript{15} Middle East and North Africa, 1974-75 (London, 1974), p. 590.
\end{itemize}
that the Straits were vital to its interest and, therefore, it proposed joint defense of the Straits by the Black Sea powers. The 1927 Treaty of Neutrality and non-aggression had been terminated. The USA came to Turkey's aid and extended economic and military assistance to the tune of $700 mn. each between 1947 and 1950.\textsuperscript{16} It also became party to NATO and subsequently, the Western bastion of the "Northern Tier".

Iran had control of the main overland routes between the Southern USSR and Gulf, and this had served as the supply route of the Allies during the World War II. The Iranian Majlis (parliament) had refused to grant the USSR oil concessions in 1944 which led to USSR's refusal to withdraw its forces after the war. It began to consolidate its position in the Northern Iran and to assist/give aid to the separatist movements of the Kurds and Azeris. The issue was taken to the UN and received US support. In the following decades, the US influence in Iran increased and threatened British stronghold. USA extended military, economic and emergency aid in 1953-54 to Iran.

In the cold war period, regional military alliances--NATO and SEATO had been formed. But there existed a gap between Turkey and Pakistan. It was felt that Iran, Iraq and Turkey were the most likely countries to join an anti-USSR alliance system\textsuperscript{17}--

\begin{itemize}
\item \textsuperscript{16} G. Lenczowski, \textit{Middle East in World Affairs} (New York, 1952), p. 149.
\end{itemize}
the "Northern belt" bordering the USSR. Thereafter, the USA sponsored and encouraged the formation of the Bagdad Pact, without herself joining it. The Arab world reacted to it by signing a number of bilateral and multilateral pacts under the Egyptian and military and political command.

To meet the exigencies of the new situation, Eisenhower doctrine was evolved. It emphasized the need to strengthen and assist the national independence and integrity of the free nations and to protect their territorial integrity, if requested, against overt armed aggression from any communist country. This allowed the US to intervene in the affairs of West Asian countries. It allowed Saudi Arabia and Jordan to cooperate with USA without any formal commitments. The US aid was increasingly given to Saudi Arabia. The Bagdad pact was also revitalized. The Eisenhower doctrine became operational in 1957-58 when the USA supplied arms to Syria's neighbours and intervened militarily in Lebanon. Following the Iraqi coup in 1958, the USA signed a number of bilateral agreements with Turkey, Iran and Pakistan in 1959. With Iraq's withdrawal in 1958-9, the Bagdad pact was renamed CENTO.

With the beginning of the detente talks, a shift in the US policy was seen towards West Asia and the Gulf region in 1960s. This also led to the creation of Regional Cooperation for Development (RCD). The West Asian countries too began to improve their relationship with USSR after 1962. The USA too was forced to modify its policy following the oil crisis. While expanding its naval base at Diego Garcia in the Indian Ocean it was also conducting talks for the use of Masirah air base in Oman in 1975. It would have enabled the USA to "become established in the area of the Persian Gulf and to gain vantage-ground in view of a possible invasion of the oil rich region". 19

The reasons for acquiring arms have varied from one recipient country to another. Arab-Israeli conflict has contributed much to the acquisition of sophisticated weapons by each party from different suppliers. The Iran-Iraq dispute, Iranian claims over Bahrain and other disputed islands in the Gulf, Iran-Kuwait, and Saudi-Egyptian rivalries have also contributed to the arms build-up in this region.

Similarly, the Indo-Pak conflict, Malaysia-Indonesia confrontation, wars in Indo-China have played an

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important role in the acquisition of weapons by these countries. On the other hand, the interests of the USA and its desire to maintain an influential position has greatly enhanced its involvement in these regions directly or indirectly. The US presence has been reduced in the Far East in the post-VietNam war period. Most of the countries have begun renegotiating the continued use of their bases, including the Philippines. The latter still remains important for the USA, with a view to protecting the vital lanes of communication.

Africa is a source of raw materials for the USA. After the Suez Crisis, the USA and other Western powers have had to maintain good relations with the Southern African powers, especially South Africa. Its base facilities are important for the USA as they command the connecting route between Atlantic and the Indian Oceans. Moreover, the USA has extensive satellite and communication instalments and surveillance systems in the Indian Ocean.

The US relations with Latin America have been different from the rest of the developing countries. There had already existed cooperation amongst them during the Second World War. US had special relations with them through treaties, bilateral agreements — under which

20. Rio Pact was signed in 1947; Bilateral agreements were signed with 13 nations — Ecuador, Cuba, 

F.N. continues....
the Latin American governments agreed to assist the US in hemispheric defense in return for the US assistance. The Latin American countries have been concerned with having viable and well equipped armed forces primarily for their national defense. Internal instability, frequent military coups and inter-service and inter-state rivalries have generated the arms race in this region. 21

The US policy of military assistance in the 1950s was uncoordinated. In most of the Latin American countries US military missions were present during this period. However, the activities of Army, Air Force, and Naval missions remained uncoordinated and beset by inter-service rivalries. Large stocks of grant aid and extensive military sales were undertaken. Since 1960 the US policy has been to coordinate the working of various services of the military mission program, to extend aid to reduce military regimes, to train and equip the forces to meet threats of subversion, insurgency, internal security and to counter revolutions as in

Previous F.N.

Cuba, and to prepare forces to participate in "civic action", i.e. contribute to the economic and social development of the nation. This was followed by increase in supplies of COIN (counter-insurgency) equipment including helicopters, patrol boats, and trainer aircrafts. There also appears to be a correlation between the export of US military aid and supply of weapons, and training. Acquisition of weapons by one state leads to similar or comparable type of acquisition by the neighbouring state.

Training of military personnel forms about 7% of the total US military assistance programme. A glance at the table 3.2 shows that over 50% of the trainees come from Latin America and South East Asia. In the 1950s the training

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>East Asia</td>
<td>84860</td>
<td>22184</td>
<td>2498</td>
<td>81824</td>
<td>46642</td>
</tr>
<tr>
<td>Near East &amp; South Asia</td>
<td>33256</td>
<td>13517</td>
<td>2000</td>
<td>40733</td>
<td>8040</td>
</tr>
<tr>
<td>Africa</td>
<td>1830</td>
<td>3368</td>
<td>798</td>
<td>4948</td>
<td>1048</td>
</tr>
<tr>
<td>Latin America</td>
<td>24421</td>
<td>22058</td>
<td>4102</td>
<td>22494</td>
<td>2373</td>
</tr>
<tr>
<td>Total¹</td>
<td>209364</td>
<td>77857</td>
<td>9866</td>
<td>202259</td>
<td>94828</td>
</tr>
<tr>
<td>Europe</td>
<td>55687</td>
<td>3699</td>
<td>502</td>
<td>52260</td>
<td>11011</td>
</tr>
</tbody>
</table>

22. SIPRI, n.8, p.165; Hoovey, n.1, Ch.11.
23. SIPRI, ibid., pp.166-7; Hoovey, ibid., pp.66-72
was aimed to ensure the proper use of weapons. Later on, it has been justified as a means of imparting professional, and democratic norms, of instilling and developing the leadership qualities and to counter insurgency operations. According to Senators McClellan, Mansfield, Smith, Bible and Hruska, "military officers who have been trained in the United States are among our staunchest supporters. They are a strong anti-communist core."24 Geoffrey Kemp's work on the relationship between US military training and acquisition of weapons in Latin America concludes that there is a close relationship between the acquisition of certain type of weapons and training given to them. In fact it is used to promote arms transfers.25

Previous F.N:

<table>
<thead>
<tr>
<th>Region</th>
<th>cumulative through FY 1964</th>
<th>FY 1965</th>
<th>FY 1966</th>
<th>FY 1967</th>
</tr>
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<tbody>
<tr>
<td>East Asia</td>
<td>345.9</td>
<td>32.9</td>
<td>31.8</td>
<td>19.0</td>
</tr>
<tr>
<td>Near East &amp; South Asia</td>
<td>165.7</td>
<td>14.8</td>
<td>11.7</td>
<td>10.2</td>
</tr>
<tr>
<td>Africa</td>
<td>9.9</td>
<td>4.0</td>
<td>5.2</td>
<td>5.1</td>
</tr>
<tr>
<td>Latin America</td>
<td>58.8</td>
<td>9.5</td>
<td>9.6</td>
<td>12.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>956.6</td>
<td>69.9</td>
<td>65.1</td>
<td>52.7</td>
</tr>
<tr>
<td>Europe</td>
<td>343.1</td>
<td>2.6</td>
<td>1.6</td>
<td>0.8</td>
</tr>
</tbody>
</table>

1. Includes classified data
2. Includes regional data


24. 87th US Congress, Senate, Committee on Appropriations, Special Report on Latin America: US Activities in Mexico, Panama, Peru, Chile, Argentina, Brazil and Venezuela

F.N. Continues.....
The US has given military advise and training through its advisory groups (MAAGs), direct training of foreign military personnel in the USA or in the recipient country, through the use of Mobile Training Teams (MTTs), and/or civilian counterparts for specialized short term training. The role of the training and advisory teams is to create a demand for armaments in the recipient countries, to increase latter's efficiency and effectiveness, by constantly referring to the weapon systems possessed by the country, especially if obsolete, and those of the opponents. The MAAGs are also responsible for assessing the needs of the recipient country and suggesting to MAP the degree to which the recipient country should get armaments. They play an important role in furthering the arms sales of the donor country by providing necessary information about the recipient country — its political, economic and military position, information regarding its past arms purchases, grant assistance, training, role of other suppliers, and so on. In the recipient


country they advise the recipient country on its new acquisition of weapons, spares, arrange with its donor country the supply of weapons systems, loans, grants, etc. They also provide the necessary training for the usage of new weapon systems acquired. 27

In the overall analysis, the arms aid and arms transfers have been aimed at securing US interests -- political, strategic and economic. These have been summarized as follows: 28

"To support diplomatic efforts to resolve major regional conflicts by maintaining local balance and enhancing our access and influences vis-à-vis the parties;

To influence the political orientation of nations which control strategic resources;

To help maintain regional balances among nations important to us (USA) in order to avert war or political shifts away from us;

To enhance the quality and communality of the capabilities of major Allies participating with us in joint defense arrangements;

To promote self-sufficiency in deterrence and defence as a stabilizing factor in itself and as a means of reducing the level and automacity of possible American involvement;

To strengthen the internal security and stability of recipients;

To limit Soviet influence and maintain the balance in conventional arms;

To enhance our general access to and influence with governments and military elites whose

27. Ibid., pp.236-258.

These objectives are applicable to all the developing countries, except for the restraints imposed upon Africa and Latin America.
US Economic & Military Aid Commitments, FY 1946-68

Grand Total

Military Aid of the total military & economic aid
Military Aid of Economic Aid

<table>
<thead>
<tr>
<th>Region</th>
<th>Military Aid</th>
<th>Economic Aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-regional Africa</td>
<td>$19,267,2 Mn.</td>
<td></td>
</tr>
<tr>
<td>For East</td>
<td></td>
<td>$3,878,88 Mn.</td>
</tr>
<tr>
<td>L. Am.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>XNESa</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total LDC</td>
<td></td>
<td>$94,726 Mn.</td>
</tr>
</tbody>
</table>

3.3
US Military Aid, Economic Aid, Total Foreign Aid, FY 1948-49 to FY 1977
(Appropriations)

Source: Congressional Quarterly Almanac 1969-1977 (Washington)
political orientation counts for us on global or regional issues;

To provide leverage and influence with individual governments on specific issues of immediate concern to us;

To secure base rights, overseas facilities, and transit rights to support the deployment and operations of our forces and intelligence systems.

Following the enactment of the Mutual Defense Assistance Act in October 1949, large amounts of military aid was given to South Korea. The US Foreign aid programme reached a peak in 1951-52 and has been subsequently reduced. See Graph 3.3. There has been a coordination of the AID and MAP programme. Military assistance has been gradually reduced from 78% in 1952 to 15% in 1977. Economic aid has continued to be large. It includes Security Supporting Assistance to the Third World countries. A glance at Graph 3.4 shows that the developing countries received 61% economic aid of the total US economic aid in FY 1946-68; with Near East and South Asia receiving 33.8% (excluding Israel and including Greece and Turkey), Far East 27.9%, Latin America 22.5%, and Africa (minus South Africa) 6.7% economic aid of the total economic aid for the developing countries.

In the same period 50% of the military aid went to Europe, 25% to South East Asia, 19% to Near East and South Asia, and small aid to Latin America and Africa. Between 1950-69, $14.3 bn. went to NATO Europe (mostly in early 1950s), $16.4 bn. to South and South East Asia, $ 800 mn. to Latin
America, $300 mn. to Africa, and $3 bn. to non-regional and others. Of the total military assistance to Middle East, nearly 70% of the aid went to Iran alone. A breakdown by categories shows that the aid included the following:29

<table>
<thead>
<tr>
<th></th>
<th>$ billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicles and Weapons for aircrafts</td>
<td>7.7</td>
</tr>
<tr>
<td>ammunition</td>
<td>6.9</td>
</tr>
<tr>
<td>technical assistance</td>
<td>4.4</td>
</tr>
<tr>
<td>Miscellaneous Equipment and supplies</td>
<td>3.0</td>
</tr>
<tr>
<td>Transport &amp; Delivery Ops</td>
<td>2.8</td>
</tr>
<tr>
<td>Communication equipment</td>
<td>2.4</td>
</tr>
<tr>
<td>Ships + Missiles</td>
<td>2.1</td>
</tr>
<tr>
<td>Training</td>
<td>1.8 + 1.2</td>
</tr>
<tr>
<td>Repairs etc.</td>
<td>0.7</td>
</tr>
<tr>
<td>Construction</td>
<td>0.5</td>
</tr>
</tbody>
</table>

A percentile breakdown of the Foreign military sales, the MAP and the NASF programmes shows that approximate 40% of the supplies were of weapons and ammunition, 17% included supporting equipment, such as fighter aircrafts, bombers, destroyers, submarines, tanks, artillery, machine guns, rifles and missiles, and ammunition, spare parts account for 17%, and supporting services including training, construction, supply operations, technical and administrative services account for 26%. See Table 2.4

Table 2.4 (Separate sheet, p.142)

In terms of US categories, we find that most of the military assistance went to the "forward defense areas" —

<table>
<thead>
<tr>
<th></th>
<th>Cumulative fiscal years</th>
<th>Fiscal years</th>
</tr>
</thead>
<tbody>
<tr>
<td>FMS-MAP &amp; MASF Total</td>
<td>100.0</td>
<td>100.0 100.0 100.0 100.0</td>
</tr>
<tr>
<td>Weapons &amp; Ammunition^3</td>
<td>40.0</td>
<td>42.7 45.6 53.7 36.1</td>
</tr>
<tr>
<td>Supporting equipment^4</td>
<td>17.3</td>
<td>16.6 11.2 12.8 9.8</td>
</tr>
<tr>
<td>Spare parts</td>
<td>16.6</td>
<td>16.0 15.7 16.4 20.4</td>
</tr>
<tr>
<td>Supporting services^5</td>
<td>26.1</td>
<td>24.7 27.5 17.1 33.7</td>
</tr>
<tr>
<td>FMS total (orders)</td>
<td>100.0</td>
<td>100.0 100.0 100.0 100.0</td>
</tr>
<tr>
<td>Weapons &amp; Ammunition^3</td>
<td>39.8</td>
<td>40.3 45.7 55.0 36.5</td>
</tr>
<tr>
<td>Supporting equipment^4</td>
<td>12.0</td>
<td>16.4 10.0 11.1 9.5</td>
</tr>
<tr>
<td>Spare parts</td>
<td>19.7</td>
<td>22.7 15.8 18.3 20.4</td>
</tr>
<tr>
<td>Supporting services^5</td>
<td>28.5</td>
<td>20.6 28.5 15.6 33.6</td>
</tr>
<tr>
<td>MASF total(Programs)</td>
<td>100.0</td>
<td>100.0 100.0 100.0 100.0</td>
</tr>
<tr>
<td>Weapons &amp; Ammunition^3</td>
<td>39.3</td>
<td>36.1 53.8 50.1 24.5</td>
</tr>
<tr>
<td>Supporting equipment^4</td>
<td>22.2</td>
<td>16.4 9.6 7.8 19.1</td>
</tr>
<tr>
<td>Spare parts</td>
<td>16.3</td>
<td>22.4 15.4 7.4 19.9</td>
</tr>
<tr>
<td>Supporting services^5</td>
<td>22.2</td>
<td>25.1 21.2 34.7 36.5</td>
</tr>
<tr>
<td>MASF total(Programs)</td>
<td>100.0</td>
<td>100.0 100.0 100.0 100.0</td>
</tr>
<tr>
<td>Weapons &amp; Ammunition^3</td>
<td>42.2</td>
<td>46.5 37.8 44.0 44.0</td>
</tr>
<tr>
<td>Supporting Equipment^4</td>
<td>23.4</td>
<td>16.9 26.2 29.9 29.9</td>
</tr>
<tr>
<td>Spare parts</td>
<td>6.9</td>
<td>7.4 14.3 4.7 4.7</td>
</tr>
<tr>
<td>Supporting Services^5</td>
<td>27.5</td>
<td>29.2 21.7 21.4 21.4</td>
</tr>
</tbody>
</table>

1. As of September 30, 1976.
2. Includes Fiscal Year 1977.
3. Includes fighter aircrafts, bombers, destroyers, submarines, tanks, artillery, machineguns, rifles and missiles. Also includes all ammunition.
4. Includes trainers and cargo aircraft, tankers, tugs, barges, trucks, trailers, radar and communications equipment and other equipment and supplies.
5. Includes construction, supply operations, training, technical and administrative services.

Source: Total Sales Agreement, 1976, Department of Defence.
US Military Assistance to The Third World Countries, by US categories

- Total, Forward Defence Areas
- Forward Defence Areas (minus Greece & Turkey)
- Indo-Chinese Forward Defence Areas, Total
- Total, Free World Orientation, Latin America

Source: SIPRI, Arms Trade with The Third World (Sweden: 1971), p 146-147
US Military Assistance to the Third World Countries, by region

See: SIPRI, Arms Trade with the Third World (London 1971), p. 146-147
countries bordering USSR; Indo-China, Philippines, Korea, Turkey, Iran and Pakistan. If we study the Graph 3.6 we find that the graph for total military assistance to the forward defense areas follows approx. the graph for South East Asian countries; assistance to Latin America and other countries was marginal. The aid received by these countries was substantially greater than that of other countries. Pakistan received little aid and Iran has been encouraged to buy weapons. Middle East has been the next in priority after South East Asia to receive large military aid, followed by Latin America. See Graph 3.7 Most of the aid has gone to Israel and Jordan in the Middle East region.30

There were 67 countries (including 12 European countries) receiving military assistance from the USA in 1965, 83 receiving assistance from AID, and 61 were receiving PL 480; there were in all 99 countries (including 15 from Europe).31 However, we can further analyse the nature of MAP in FY 1966 -- 72% of it was for the "Forward Defense" (11 countries), 3% for 4 countries where they had base rights, 6% for Latin American alliance,

30. Israel received 68% of total FMS financing in FY 1976, 49% in FY 1977; 64% of total Security Supporting Assistance (SSA) in FY 1976 and 42% in FY 1977.

for training in the "Free World Orientation" countries (15-18), and for Miscellaneous for US forces support and MAP administration 14/2", and 3% for 3 countries where the grant aid programme was to be phased out. Furthermore, Congress passed a legislation to end grant assistance programme by FY 1977. In view of which, the administration made special request for $284,600,000 (FY '78) for 8 countries -- Turkey, Spain, Greece, Philippines, and Portugal (where USA has base rights); Jordan (considered as a key moderating influence amongst the Arab confrontation states); Indonesia and Thailand (strategically placed friends in S.E.Asia). On the other hand, foreign military sales programme has been encouraged. According to the DOD, US grants were $17 billion and sales $5 billion (total $22 bn.) till 1961. Between 1962 to 1971, grants were $7 bn. and sales $15 bn. In other words, sales were 43.4% of grant aid in FY 61 and 235.1% in FY 66. There is a direct correlation between the decrease in military aid and increase in foreign military sales. Sales continue to be subsidized by the DOD, or given on credits.


The EMS credits have risen from 13% of government sales in FY 1971-75 to 25% in FY 1976, totalling $8 bn. (FY 1946-76)\textsuperscript{35}

Under the EMS programme the agreements were signed for over $5 bn. in 1973 although the actual deliveries stood at $1.365 bn. only. The agreements increased to over $10 bn. in 1974 and 1975, while the deliveries moved to $2.9 bn. in 1974 to $4 bn. in 1976. Further break-down of the EMS agreements FY 1973-76 shows that the Near East (including Israel, Greece and Turkey) and South Asia have been the major purchasers of arms signing 75% of the agreements in 1973, 83% in 1974 and, 60% and 66% in 1975 and 1976 respectively. While Europe purchased 15% in 1973, 11% in 1974, 30% in 1975 and 12.7% in 1976. The share of South East Asia rose from 5% in 1973 to 17.6% in 1976, and the share of Latin America and Africa still remains quite insignificant.\textsuperscript{36}

Furthermore, the share of Middle East countries had risen to 75% of the total agreements; of which Iran had signed 52% of the deals and Saudi Arabia 16%, in FY 1977.\textsuperscript{37} This region has received sophisticated weapons. For example, Iran has


expanded its air-defense capability with the acquisition of US Hawk SAM, British anti-aircraft systems, the short Tigr cat mobile airport defense missile, and the Rapier low-level, surface-to-air guided missile. Iran is similarly equipped with largest helicopter-force in the region and is modernizing and expanding its naval forces. Similarly the Arab States have acquired modern equipments, thus, fuelling the arms race in the region.

Moreover, equipping Israel has been an important factor in aggravating the arms race. With the major exception of Nigeria, and Ethiopia, the USA has attempted to restrict the supplies of sophisticated arms to the Sub-Saharan Africa. Most of the supplies have been to help the African countries in securing internal security and civic programmes, and in training them. In the South East Asia, COIN-type of material was increasingly supplied to the Indo-Chinese peninsula especially. The Vietnam war stimulated and accelerated the development of weapons, such as Cobra attack helicopter, A-37 attack aircraft, AC-119/123/130 gunships, OH-6/0H-58 helicopters in the tactical aircraft systems. Similar developments took place in the Tactical missiles and ordnance, such as 5.56 mm M-16 rifle; Combat vehicles —


39. Nigeria and Ethiopia have been supplied fighter aircrafts to balance Soviet supplies especially to Somalia: vs: Ethiopia.
M551 Sheridan vehicle; Sensors, Command, Control and Communications and Intelligence, such as Laser range finder, etc.40

These have also been incorporated and adopted by the US forces. Proliferation of these weapons technologies is apparent in the developments of cluster bomb munitions in France and UK. Many countries have acquired M-16 rifles for their armed forces — Philippines, Angola, Indonesia, Aden, Israel has even adopted its own rifle from it.41 US attempts to control the sale of supersonic aircrafts and other sophisticated weapons to Latin America led them to acquire weapons from other Western countries. To maintain and reinforce its influence, the USA sold F-5 aircrafts to Latin America in 1967.

The USA has extended training and advisory services to 62 developing countries, — especially the Forward Defence Area; Britain and France to 45 and 31 countries respectively (mostly to their former colonial territories); and Soviet Union to 23 countries — mainly in Africa and Middle East.42

The MAAGs in various countries have also functioned as military missions, military groups, equipment delivery teams, 

41. Ibid., p.172.
42. Leiss with Kemp, et.al., n.26, p.236.
liaison teams, and defense representatives. Their number has been reduced from 45 in 1976 to 34 in 1977 and is expected to be 25 in 1978. A look at the Table 3.8 shows that these missions had 1 person serving in Zaire to 625 in Iran, performing varied functions. These include automotive maintenance, ship construction, technical assistance on new equipment, radar and radio training, etc. to lab. installations and nurse education and training.


44. US Senate, n.33, p.30.

45. Ibid., p.52.

Table 3.8

<table>
<thead>
<tr>
<th>Country</th>
<th>No. of Personnel</th>
<th>MAP/FMS Amount</th>
<th>Duration (days)</th>
<th>MAP/FMS</th>
<th>DOD or Contractor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bolivia</td>
<td>3</td>
<td>$0.005</td>
<td>30</td>
<td>IMET</td>
<td>DOD</td>
</tr>
<tr>
<td>Chile</td>
<td>1</td>
<td>$0.012</td>
<td>84</td>
<td>FMS</td>
<td>DOD</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>2</td>
<td>$0.046</td>
<td>179</td>
<td>FMS</td>
<td>DOD</td>
</tr>
<tr>
<td>Haiti</td>
<td>2</td>
<td>$0.002</td>
<td>14</td>
<td>IMET</td>
<td>DOD</td>
</tr>
<tr>
<td>Honduras</td>
<td>12</td>
<td>$0.079</td>
<td>60</td>
<td>FMS</td>
<td>DOD</td>
</tr>
<tr>
<td>Indonesia</td>
<td>1</td>
<td>$0.018</td>
<td>84</td>
<td>FMS</td>
<td>DOD</td>
</tr>
<tr>
<td>Iran</td>
<td>625</td>
<td>50,800</td>
<td>360</td>
<td>FMS</td>
<td>DOD</td>
</tr>
<tr>
<td>Iran</td>
<td>7</td>
<td>$0.856</td>
<td>900</td>
<td>FMS</td>
<td>DOD</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>8</td>
<td>$1.500</td>
<td>360</td>
<td>FMS</td>
<td>DOD</td>
</tr>
<tr>
<td>China(Taiwan)</td>
<td>2</td>
<td>$0.018</td>
<td>127</td>
<td>FMS</td>
<td>DOD</td>
</tr>
<tr>
<td>Zaire</td>
<td>1</td>
<td>$0.111</td>
<td>105</td>
<td>FMS</td>
<td>DOD</td>
</tr>
<tr>
<td>Jordan</td>
<td>5</td>
<td>$0.076</td>
<td>180</td>
<td>FMS</td>
<td>DOD</td>
</tr>
</tbody>
</table>

1. Does not include contract management departments.


IMET = International Military Education & Training.
3.9
US Major Weapon Exports, by region

Source: SIPRI, Arms Trade Registers, 1975, p. 152-3.
Graph 3.9 focusses on the major weapons exports to the Third World regions. Till 1964 South East Asian countries were the highest importers and also the focus of prolonged wars in the Indo-China and Korea. From mid-60's, however, Middle East began to import large quantities of weapons and has become the largest importer of sophisticated weapons today, followed by the South East Asian region. Latin America has made modest imports in comparison to the above mentioned regions. On the whole, Middle East tops the US list of priority region with South East Asia next on the list. USA still considers the Latin America to be more or less its preserve (for reasons of geographical contiguity and historical relations), although competition with other Western powers and Soviet Union is also increasing. South Asia and Africa are still low down on the list.

Therefore, we can say that the US policy of arms transfer (including sale of weapons, grants, loans, and security supporting assistance), has been guided by its desire to preserve the regions of economic and strategic interests, maintain its influence and to counter socialist trade and aid to the Third World Countries. Middle East continues to be the priority region. It receives the largest US military aid amongst the Third World countries and also purchases the most sophisticated weapons