CHAPTER I

UNITED STATES POLICY TOWARDS THE THIRD WORLD
CHAPTER I

UNITED STATES POLICY TOWARDS THE THIRD WORLD

The United States foreign policy has long been characterised by global involvement and engagements – conditioned by the changes taking place in the international system following the Second World War. The US global engagements during the last five decades have been accompanied by the transformation of the American State from an economic power to a military, political, and economic superpower – the transformation from a regional status in the western hemisphere to a global power position in the international system. Naturally, its relations with, and policies towards various countries and regions, including the Third World,1 reflect the basic requirements and interests of the American State and the expanding role of American capitalism.

Comprehending over five decades of United States policy towards the Third World is a major challenge because America's involvements have grown in size and complexity. At the beginning of the post-war era, the United States projected an essentially economic vision of its future role in the Third World.

---

1 The term 'Third World' could be described as a multitude of states and territories in Central and Latin America, Africa, the Middle East, South, East and Southeast Asia. Notwithstanding their cultural and political identity, those states and regions share common characteristics: most of them have tropical and subtropical climates (with the exception of Latin America), the majority of their populations are of non-European origin, their economic situation is characterised by poverty and underdevelopment and their societies are marked by inequality. Besides, most of the Third World states were erstwhile colonies of either European power or Japan. For details, see A.M.M. Hoogvelt, The Third World in Global Development (London: Macmillan, 1982); also see L. Wolf-Phillips, "Why Third World? Origin, definition and usage," Third World Quarterly, Vol.9, No.4, 1987; and B.C. Smith, Understanding Third World Politics (London: Macmillan, 1996).
Evidently, the economic component has continued to be the single most important factor in its post-war engagements in the Third World. The significance of economic causes could be explained within the overall requirements of American capitalism and its expanding role in the global system. But both in theory and practice, this economic motive holds true with as much consistency today as it was five decades ago because the Third World's intrinsic importance to American economic health has increased over time. But assigning a precise role to economic influences may appear to be so complex because the political and military prerequisites for the attainment of its primary objective, which required that those in power in several countries in the Third World be friendly to American interests and its goal of an integrated world order, had, and still have, very specific economic but much vaguer and flexible political justifications. This obviously intensified the ideological confusion surrounding Washington's purposes. It is important, therefore, to analyse the military and political effects of a policy with its basic causes, and sorting out such relationships is the core of attaining an overall perception of the United States' post-war role in the major Third World regions. Keeping these fundamental questions in perspective, this chapter tries to survey the American foreign policy objectives and strategy in the post-war period focusing on its engagements with the Third World.

---

The United States entered the post-war era with its earlier experiences and obsessions, which significantly coloured its perceptions of the future. And there was apparently some continuity between its policies after 1945 and its earlier problems. Indeed, while its fear of communism intensified dramatically after 1945, culminating in its cold war fixations, the United States' pre-war definitions of its goals and needs remained, so that it was not at all surprising that they later deeply influenced its policies and action in various nations where communist and radical forces were either weak or nonexistent. And because it believed profoundly in the efficacy of its institutional proposals for an integrated post-war world economic and political structure, it assumed that the implementation of this programme would prevent the growth of communism or radical left everywhere in the world, the Third World included. A glance at the plans for the World Bank or International Trade Organization (ITO) formulated and made public during 1945, would reveal the fact that they subordinated the problems of the Third World to the reconstruction of a world economy in which the United States and Western Europe were the principal partners, while the needs and problems of Asia, Africa and Latin America were incidental and, implicitly, to be dealt with as a by-product of solving difficulties elsewhere.3

---

3 The United States effectively dominated the World Bank and the International Monetary Fund (IMF) as well as their affiliates, and by 1974, a total of 41 per cent of the bank's top managers were Americans, and the president was always a US citizen. An official US review in 1982 of its post-war ability to define major multilateral bank decisions concluded that it had succeeded in the great majority of cases where it exerted pressure. For details of how the United States used such financial agencies for furthering its interests, see Susan George, *A Fate Worse than Debt: The World Financial Crisis and the Poor* (New York: Grove Weidenfeld, 1988); also see Magdoff, n. 2, pp.184-88; Robert Gilpin, *US Power and the Multinational Corporation* (New York: Basic Books, 1975); and Robert O. Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy* (Princeton: Princeton University Press, 1984).
The post-war situation presented a complex political scenario for the US foreign policy. With the defeat of fascism in the Second World War, the US began to perceive new threats to the country from the communist bloc led by the Soviet Union. The US Secretary of State Dean Acheson articulated the security problems Washington had to encounter:

In the compact world of today, the security of the United States cannot be defined in terms of boundaries and frontiers. A serious threat to international peace and security anywhere in the world is of direct concern to this country. Therefore it is our policy to help free peoples to maintain their integrity and independence, not only in Western Europe or in the Americas, but wherever the aid we are able to provide can be effective.4

The United States attempted to deal with the emerging security problems in various regions in different ways. They ranged from the distribution of economic and military assistance, collective defence planning, regional economic arrangements to protection of sources of strategic materials. Here, 'containment' became an important package of the United States foreign policy. This was first articulated in the Truman Doctrine of March 1947, the first post-war pronouncement of a US president indicating the global objectives of the American foreign policy. Although the initial focus of the American foreign policy was on the Greek and Turkish crises,5 the US policies and programmes aimed at strengthening other nations from external communist interventions, particularly in the Third World countries which were seen as more vulnerable to Soviet/Chinese influences and pressures.


The main target of the goals inherent in the Truman Doctrine was obviously Soviet Union. In accordance with the Doctrine, the United States provided military and economic assistance to enable the Greek monarchy to defeat an army of communist-led insurgents during 1947-49 and won a victory which became a model for US relations towards civil wars and insurgencies. The American experience in Greece not only set the pattern for subsequent interventions in internal wars but also suggested the criteria for assessing the success or failure of counter-insurgency operations. Greece was the first major task which the United States took on in the post-war world. The implications of the Truman Doctrine were quite clear; that its target was not all 'violence' or all 'coercion' or all 'changes in the status quo,' but only those having something to do with 'communism.' The justification for treating communist revolutions as a unique political phenomenon rested partly on the premise that they were manipulated by the Soviet Union and partly on the dogma that the coming of communism to a society meant the end of its political evolution.6

Indeed, from the Truman Doctrine on, the suppression of insurgent movements remained a principal goal of US foreign policy. It has been the prime target of the US foreign assistance programme.7 Evidently, most of the funds had gone for civic-action teams, pacification programmes, support for


7 However, later, certain criteria were fixed for extending aid and assistance to other countries. For details, see Truman's Congressional Message, in Public Papers of the Presidents of the United States: Harry S. Truman 1947 (Washington, DC: Government Printing Office, 1963).
local police, and, above all, military aid to the local army. Such expenditures were designed to strengthen the hands of the recognized government to put down the challenge of revolution. Economic aid was extended to Third World countries not only to buy their support on foreign policy issues but also to facilitate the process of ‘gradualism’ and strengthen the forces of ‘stability.’ Obviously, US policy has been to support governments that promised to bring about changes in their societies ‘from above.’

Evidently, threat perceptions surrounding communism/Soviet Union dominated the American foreign policy establishment from the early days of cold war. For example, Dean Acheson told Congressional leaders in February 1947 that in the past eighteen months,

Soviet pressure on Iran and Greece had brought the Balkans to the point where a highly possible breakthrough might open three continents to Soviet penetration. Like apples in a barrel infected by one rotten one, the corruption of Greece would infect Iran and all to the east. It would also carry infection to Africa through Asia Minor and Egypt and to Europe through Italy and France. The Soviet Union was planning one of its greatest gambles in history at minimum costs.8

During this time, George Kennan, one of the influential scholars in the United States, had advocated “a long-term, patient but firm and vigilant containment of Russian expansive tendencies.” He said that Soviet pressure against the free institutions of the western world “can be contained by the adroit and vigilant application of counterforce at a series of constantly shifting geopolitical and political points.”9 American troops were seen as a


symbol of an "American commitment to intervene against aggression."

Morton Halperin writes:

A dominant American objective in any local war (one in which the United States and the Soviet Union saw themselves as opposite sides but in which the homelands of the two powers did not come under attack) is likely to be to demonstrate to communist nations as well as to allies and neutrals a willingness to fight, when necessary, to prevent communist expansion by force.10

On many occasions, President Truman pointed to the increasing ‘influence’ and ‘threat’ of communism in countries as far as East Asia and Southeast Asia. In the early fifties, he said:

Much of Asia at this moment is under attack. The free nations are holding the line against aggression in Korea and Indochina and are battling communist-inspired disorders in Burma, Malaysia and the Philippines. The loss of any of these countries would mean the loss of freedom of millions, the loss of vital raw materials, the loss of points of critical strategic importance to the free world.11

In the 1950s and 1960s, as the decolonisation process was under way, the terrain of the rivalry and competition between the United States and Soviet Union shifted from Europe to the Third World regions of Asia, Africa and Latin America.12 The US-Soviet conflict tended to escalate with the Chinese revolution (1949), the Korean war (1950-53), the rise of communist movements in Indonesia, the resistance against the French in Indochina etc.

---


It was in this background that the US embarked upon a policy of mutual
defence and economic aid with other countries, thinking that the
vulnerability of many Third World regimes would pave the way for
communist uprisings and 'subversion.' The Greek and Turkish crises had
already called for the initiation of the US economic and military aid to
countries threatened by external forces. During that time, the Inter-
American Treaty of Reciprocal Assistance forged the political and economic
ties between the US and the Latin American region. Washington's main
problems in Latin America in the post-war period, at least until 1960,
differed significantly from those in other major Third World regions, for they
involved not the alleged threat of Soviet Union and communism but rather
the emergence of conservative forms of nationalism - a challenge that
persisted in various forms since then. Latin America's pre-eminent economic
importance to the United States made it the single most significant test of
Washington's basic goals and assumptions. The 'open door' pronouncement
of 'equal treatment for all' which the United States so often employed in its
statements of aims elsewhere, was irrelevant in explaining the special
relationship it sought to build in this hemisphere. Throughout the post-war
era, Washington had an unswerving hegemonic objective of domination in
Latin America.13

13 See Ronald H. Chilcote and Joel C. Edelstein (eds.), Latin America: The Struggle
with Dependency and Beyond (New York: Wiley, 1974); Lars Schoultz, National
Security and United States Policy Toward Latin America (Princeton: Princeton
University Press, 1987); and Stephen G. Rabe, Eisenhower and Latin America:
The Foreign Policy of Anticommunism (Chapel Hill: University of North Carolina
Press 1988).
Meanwhile, the United States went on establishing defence arrangements with many countries in the West as well as in the Third World. Similarly, bilateral treaties were signed with Japan, South Korea, the Philippines and Pakistan. The containment policy was further pursued by successive American presidents. For instance, President Eisenhower in his address to the American Congress in January 1957 sought to underline the inevitability of containing communism. The Eisenhower Doctrine, as it came to be called, was enunciated in the background of the volatile situation in the Middle East which became another arena of the US-Soviet conflict. The Doctrine sought to advance more effective bilateral and multilateral aid programmes geared towards strengthening the independence, territorial integrity and overall self-preservation of states in the Middle East. Besides the commitment to extend both economic and military aid, President Eisenhower asked for authority from Congress that might lead to “employment of the armed forces of the US to secure and protect the territorial integrity and political independence of such nations, requesting such aid, against overt armed aggression from any communist.”

14 The regional defence arrangements are the North Atlantic Treaty Organisation (NATO) formed in 1949, the Australia-New Zealand-US Treaty (ANZUS) of 1951 and the South East Asia Treaty Organisation (SEATO) that came into existence in 1954.


Thus, economic and military aid, and the possible use of US military force was envisaged to strengthen American power and position in the Middle East. This was particularly important after the Suez crisis of 1956 in which the Soviet Union also seemed to have some stake. It also served as an indirect warning to Moscow indicating the American intention to compete against real and imagined Soviet expansionist designs in the region. The Middle East, thus, emerged as a potentially explosive crisis-prone region in the Third World. While the Truman Doctrine sought to deal with the crises in Greece and Turkey, the Eisenhower Doctrine was proclaimed to; a) fill the vacuum created by the Anglo-French withdrawal from the Middle East as a result of decolonisation; b) check the growing influence of Soviet Union in the region; and c) contain the effects of the socialist leanings of Egypt's President Nasser in the Middle East. Washington began to perceive Nasser's decision to receive Soviet aid as a sign of his pro-Moscow policies. Moreover, Nasser was seen as more threatening to the American interest in the Middle East because of his growing influence in Asia and Africa, particularly through the emerging Non-aligned Movement. However, countries like Iran, Lebanon, Pakistan and Turkey welcomed the Eisenhower Doctrine positively. When Jordan faced an internal crisis in 1957, Lebanese President requested an application of the Doctrine fearing that the instability in Jordan would threaten Lebanon too.

---

18 The nationalisation of the Suez Canal in 1956 was seen as the result of the radical nationalism of Nasser. See US, Department of State, Senate Report No.70, 85th Congress, American Foreign Policy: Current Documents, 1957 (Washington, D.C: Government Printing Office, 1957).

19 Secretary of State John Foster Dulles was a staunch critique of non-alignment. He even called it "immoral." See The New York Times, 10 June 1956.
The decade 1960s witnessed many critical challenges to the Third World—the most profound could be poverty, underdevelopment and increasing social tensions. The US administration, under President Kennedy, understood the nature and implications of the Third World crisis and stressed on the development of the Third World and its improved living conditions. Kennedy emphasised the role that foreign aid could play in alleviating Third World problems.20

In March 1961, Kennedy launched the ‘Alliance for Progress’ as a $1 billion 10-year programme of co-operation with Latin America. The rationale on development aid was that; a) the existing foreign aid programmes were not suitable to the requirements of the 1960s; b) the realisation of the link between the growth of the Third World and the enhancement of the US national security; and c) the US was to help the less developed countries (LDCs) towards self-sustained economic growth.

The US Defence Secretary Robert McNamara said that development would provide security, but in the immediate situation of stress, “security means development”: “the irreconcilable fact remains that our (US) security is related directly to the security of the newly developing world.”21 Thus, the Kennedy administration began to pay more attention to tackling problems of

---

20 The package that sought to help American farmers sell their surplus crops abroad was put under the category of the Public Law 480, ‘Food for Peace.’ An average of $1.5 billion yearly was provided to Third World countries that were faced with starvation; see W.W. Rostow, Eisenhower, Kennedy and Foreign Aid (Austin: University of Texas Press, 1985).

underdevelopment, particularly in Latin America. In his address to the
nation, he said:

To our sister republics.... We offer a special pledge: to convert our good
words into good deeds, in a new alliance for progress, to assist freemen
and free governments casting off the chains of poverty. But this
peaceful revolution of hope cannot become the prey of hostile powers.
Let all our neighbours know that we shall join with them to oppose
aggression or submission anywhere in the Americas. And let every
other power know that this hemisphere intends to remain the master of
its own home.22

Kennedy administration also used the Organisation of American States
(OAS) to isolate pro-communist/pro-Soviet states like Cuba, thereby
preventing the spread of revolution to other parts of the region. Washington
engaged itself deeply in the domestic affairs of many Latin American
countries. US pressure ranged from forcing elections, determining election
results to deciding and dictating economic policies.23

During the decade, the threat of insurgency had dominated the United
States policy towards the Third World – from Indochina and Cuba to Angola
and Palestine. Since the early 1960s, Washington began to pursue a grand
strategy toward the Third World; virtually everyone in the foreign and


defence policy establishment agreed that confronting internal disorder and insurgency in the Third World - or 'Sino-Soviet conquest' from within, as opposed to conventional warfare - was essential. The US National Security Council (NSC) favoured a greater readiness to act even when there was no direct Soviet or Chinese involvement, but where they might gain objectively from "other types of subversion" inimical to American interests. The issues of the domestic affairs of various Third World nations became more than ever the legitimate concern of the United States, including, if need be, a warrant for action. The US sought to ensure that Third World countries evolve in a way that affords a congenial world environment. Naturally, this required that strategic areas and the manpower and natural resources of Third World nations would not fall under communist control. In the larger sense, it meant that the United States had an economic interest that the resources and markets of the less developed world remained available to the Americans and to other Western powers. That precisely was the basis for a far greater activism in the Third World. It embodied Washington's fears and stereotypes regarding Soviet 'culpability' for the poor Third World nations, problems as well as its residual right, even obligation, to manipulate autonomous trends and recast them into an integrated world order under US hegemony.

The United States initiated worldwide counter-measures fearing that even indigenous insurgency might be manipulated by international communism.

led either by Moscow or Beijing, in a chain reaction that “would endanger America’s security.” 25 In the background of the Vietnamese crisis, Secretary of State Dean Rusk and Secretary of Defence Robert McNamara wrote to Kennedy: “If South Vietnam were ‘lost,’ we would have to face a near certainty that the remainder of Southeast Asia and Indochina would move to a complete accommodation with communism, if not formal incorporation with the communist bloc.” 26 Later in March 1964, McNamara reported to President Lyndon B. Johnson:

Unless we can achieve this objective in South Vietnam almost all of Southeast Asia will probably fall under communist dominance... Even the Philippines would become shaky, and the threat to India, to the west, Australia and New Zealand, to the south and Taiwan, Korea and Japan to the north and east would be greatly increased. 27

President Johnson made no secret of the United States policy of counter-insurgency in the Third World. He said: “success in fighting ‘subversion’ rests ultimately on the skill of the soldiers of the threatened country. That is why we - the US - now have 344 teams at work in 49 countries to train the local military in the most advanced techniques of internal defence.” 28 The emerging situation in Latin America and Southeast Asia prompted President

---


27 Ibid., p.278.

Johnson to formulate his foreign policy doctrine. The first Johnson Doctrine focused on Southeast Asia. The Johnson administration was determined to assist members of the SEATO either indirectly through foreign aid or directly through direct military intervention to resist communist aggression. Secretary of State Dean Rusk elaborated this: a) a provision for defence of SEATO members who are allies of the US; b) a means to aid regional allies requesting such aid c) the resolution would be invoked and applied only to deter communist aggression.

The Johnson Doctrine, articulated in the Tonkin Resolution, indicated a strong American commitment to the Southeast Asia region. During 1965-66, the US set apart $1.5 billion to finance military operations in the region. However, the first Johnson Doctrine did not bring forth desired results. Communist movements could not be brought down, except in countries like Indonesia, and the failure of the Doctrine resulted in the escalation of the conflicts in the region leading to a full scale war involving the US.


The American policy of containing communism in the Third World found its most violent expression in Indonesia when the CIA assisted the attempts of the ruling regime to liquidate several lakhs of communist party members. Washington's consistent policy, after Indonesia won its independence, was to aid the police and military with equipment to maintain order against the Communist Party of Indonesia (PKI). Way back in 1948, President Sukarno of Indonesia and his army ruthlessly suppressed a PKI-supported land reform movement, virtually destroying the PKI leadership, jailing thirty-six thousand, and greatly increasing America's respect for him and particularly his officers. Later on, the US became instrumental in liquidating communists in Indonesia, particularly during the mid-sixties.31

The events in the second half of the sixties compelled President Johnson to further diversify his foreign policy strategy and options. Here the focus was on Latin America. In fact, the second Johnson Doctrine was enunciated to deal with the situation there. In his statement on 2 May 1965, President

31 See Kahin, Nationalism and Revolution in Indonesia (Ithaca: Cornell University Press, 1952); “The reversal of the Communist tide in the great country of Indonesia” was publicly celebrated, in the words of Deputy Undersecretary of State U. Alexis Johnson in October 1966, as “an event that will probably rank along with the Vietnamese war as perhaps the most historic turning point of Asia in this decade.” The CIA estimated roughly 250,000 deaths in a party of 3 million and 12 million front group members. It dismissed Indonesia's claim of 78,000 dead and thought 250,000 to 500,000 closer to reality. But an “accurate figure is impossible to obtain,” the CIA concluded. A State Department estimate placed the figure at roughly 300,000, a number former ambassador Jones employed when he published his memoirs five years later - though he, too, did not exclude 500,000. Other estimates range up to 1 million dead, and official Indonesian data released a decade later gave 450,000 to 500,000 as the number killed. For details see Gabriel Kolko, Confronting the Third World: United States Foreign Policy 1945-1980 (Pantheon Books, 1988), pp.173-84.
Johnson said: "The American nations cannot, must not, and will not permit
the establishment of another communist government in the western
hemisphere." 32 The immediate provocation for the second Johnson Doctrine
was the Dominican crisis. 33 It was also a response to a foreign threat in the
form of political instability in Santo Domingo.

However, in the region of Middle East, the Johnson administration sought to
strike a balance between the radical states such as Algeria, Iraq, Syria, and
the United Arab Republic and the conservative regimes in Morocco, Tunisia,
Lebanon, Jordan, Libya, Saudi Arabia and the Persian Gulf Sheikdoms. With
the latter group of countries, US maintained cordial relations and even
military aid was provided to some of them. 34

Washington's engagements in the Third World under Richard Nixon
represented a continuation of those of his predecessors. However, Nixon was
convinced that the Vietnam war could be won as much through a diplomatic
offensive to gain Soviet, and later Chinese, cooperation as any other factor,
and his unwavering devotion to this strategy even as it was largely failing led
the administration to believe it could also apply this ambitious global effort
to resolve innumerable essentially unrelated issues throughout the Third
World. More than any other post-war president, Nixon and his colleague
Henry Kissinger treated events and movements in the Third World as mere

32 For full text of the speech see Public Papers of the Presidents of the United States:
II, pp.461-74.

33 See Gabriel Kolko, n.31, p.161.

34 Earl Conteh-Morgan, American Foreign Aid and Global Power Projection: The
pawns of a giant cold war struggle, without concern for their local causes or their real autonomy.

The Nixon administration, however, favoured a military withdrawal from Southeast Asia. It was considered as a landmark in American foreign policy - i.e., "away from intervention in the internal affairs of Third World countries." In fact, the US experience in the Vietnam war prompted Nixon to take certain decisive steps. The Doctrine that President Nixon advanced aimed at a reduction of the US responsibilities and objectives abroad. Specifically, the Nixon Doctrine sought to; a) reduce US political and military entanglements in the world; b) restrict the use of American forces overseas and limiting the policy of interventions; and c) shift more responsibility to the threatened country in the process of containing hostile groups. Nixon says:

The United States will keep all its treaty commitments. We shall provide a shield if a nuclear power threatens.... In cases involving other types of aggression we shall furnish military and economic assistance when requested and as appropriate. But we shall look to the nation directly threatened to assume the primary responsibility of providing the manpower for its defence.

The Nixon Doctrine proposed a different approach to potentially critical areas: "In contemplating new commitments - old ones that are 'unsound' will in time be liquidated - 'we will apply rigorous yardsticks: What precisely is our national concern? What precisely is the threat? What would be the

35 John Girling, n. 25, p.185; also see Edwin O. Reischauer, "Back to Normalcy," Foreign Policy, Fall, 1975.

efficacy of our involvement? The more US foreign policy is based on a realistic assessment of our own and other interests ... the more effective our role in the world can be.” 37

Perhaps the most significant factor that motivated Nixon to formulate his Doctrine was the changing nature of power configuration in the international system, which was poised for a bipolycentric order, as against the earlier loose bipolar system. Countries like China, India and Brazil were emerging as major powers seeking influence among smaller powers. Thus, Washington felt compelled to reassess its strategies in the Third World in the light of: a) Sino-Soviet-American competition; b) competition from middle level powers; and; c) increasing nationalism in Third World countries. The Nixon Doctrine, notwithstanding its emphasis on retrenchment in Washington’s policy, still banked on resource transfers as a way of maintaining influence in the Third World countries.38

However, the Middle East continued to receive considerable attention of the United States. It was Washington’s decisive tilt toward Israel after 1967 that led Moscow’s growing leverage in the Middle East, for the Arab nations that Israel threatened most were unable to obtain all the arms that they desired elsewhere. This fact alone greatly complicated Washington’s policy insofar as it believed, that its credibility was also involved whenever Soviet weapons in the hands of non-Communists threatened to defeat US arms in the hands of its friends. This expanded credibility doctrine, which the United States applied during the India-Pakistan crisis in 1971, revealed that while the


38 Conteh-Morgan, n.34, pp.169-70.
Nixon administration would pursue a surrogate strategy, it would be quite as ready as its predecessors also to intervene directly in the area, usually confronting the USSR at the same time, and ultimately remain unable to exercise self-control.\textsuperscript{39} This dual-track approach towards conflict in the region was not calculated well in advance but was initially an emotional reaction to immediate events. This was first revealed for the Nixon administration during the Jordanian crisis of September 1970, and it had remained the fundamental contradiction as well as the premise of US Middle Eastern policy since then.\textsuperscript{40}

The oil crisis following the October War of 1973 was a historic turning point in the economic relations between the oil-producing Third World and the major industrial capitalist nations, the United States above all, and it strained traditional political alliances as nations rushed to protect themselves.\textsuperscript{41} From $1.26 a barrel in 1970, the Organisation of Petroleum Exporting Countries (OPEC) price rose to $9.40 in 1974 and $24 at the end of 1979. The United States' bill for imports, which was $2.8 billion in 1970 and nearly doubled over the next two years as the crisis began, was $24.3 billion in 1974 and over twice that by 1979 - an increase of twenty times. The Arab world cut off exports to the United States temporarily during the October war, but most of Washington's NATO allies and Japan distanced

\textsuperscript{39} For details of US involvement in the India-Pakistan war of 1971 see India, \textit{Bangladesh Documents} (New Delhi: Ministry of External Affairs, n.d.).


themselves from Washington's policies in order to escape the boycott and ruination in Arab hands.

With both the Shah of Iran and King Faisal of Saudi Arabia joining in the tussle to exploit their new unity and leverage, the White House felt utterly betrayed, and its helplessness was reflected in occasional vague threats over coming months and years to invade Saudi Arabia should it prove necessary. The "oil weapon," as Kissinger called it, proved the most effective assault upon American interests since 1945, greatly accelerating a transformation of the world economy and the US position in it that was already well under way. The Gulf States became immensely rich, imposing not only the energy question but also the threat of the use of the vast horde of petrodollars for political purposes as vital issues defining US relations not merely with the Third World, but especially with its allies. Oil pushed Washington's military focus sharply toward the control of the Gulf and enhanced its interests in the Third World.42 This seemed to have gained considerable importance in the late 1970s when Jimmy Carter was at the helm of affairs in Washington.

President Jimmy Carter, at first, tried to provide a new dimension to American foreign policy.43 Carter's moral dynamism came at a time when Washington was suffering from the costs of the war in Vietnam and the Watergate scandal. Carter's main emphasis was on democracy, human rights, and détente with the Soviet Union. He even said: "we are now free of


that inordinate fear of Communism which once led us to embrace any
dictator who joined us in our fear."  44  Carter acknowledged that as the
world had changed dramatically, the US could no longer separate the
traditional issues of war and peace from the new global questions of justice
equity and human rights."  45

President Carter had shown some interest in the Third World problems at
the beginning when he talked about "global interdependence and North-
South cooperation" rather than East-West conflict. According to him,
maintaining a free society as an example for the rest of the world was a more
important role for the United States than policing the world as a superpower.
Initially, Carter had committed himself to removing the United States combat
troops from Korea, seeking substantial cuts in American and Soviet strategic
weapons, reducing US arms sales abroad, and elevating the human rights
performance of its client states to a prime criterion in deciding on future
levels of support.  46

During 1977-78 President Carter and his senior colleagues had underlined
the differences between their policies and those of the Ford and Nixon
administrations. However, when the deteriorating Third World conditions
had reached disquieting proportions in the late 1970s, Carter found it
necessary to change his views. The Third World resentment towards the

1977, pp. 514-17.

45  Jimmy Carter, "Power for Human Purposes", in E. Lefever (ed.), Morality and
Foreign Policy: A Symposium on President Carter's Stance (Washington, D.C:
Ethics and Public Policy Centre, 1977), pp.4-6.

46  Secretary of Defense Harold Brown, see US, Department of Defense, Annual
United States and the industrialized west had snowballed during this time, precipitated by a perception of economic neocolonialism. Besides, the US support of Israel in the Arab-Israeli conflict forced OPEC (composed of Arab nations) to substantially increase its oil prices, thereby the West was to be at its mercy. The Third World, though they too suffered as well from the oil prices, sided with OPEC in emotional sentiment.47

Meanwhile the developments in Iran, Afghanistan, Nicaragua etc. had modified Carter's ideological notions of foreign policy and transformed his 'world-order politics' into a more realistic approach by the end of his term; his hopes for a peace and democracy in the Third World were shattered by the responses of the Soviet Union and anti-American sentiment in the Third World. Carter's initial actions supported his moral principles - he recognized and supported interdependence in the Third World, and condemned the right-wing dictatorships previously supported by the United States. He even attempted to make peace in the Middle East by negotiating the Arab-Israeli conflict. However, by the end of his term, Carter's attitude towards foreign policy had changed. Carter began to completely reverse his moral foreign policy at this time, which became obvious when he began to deal with the hostage situation in Iran and the developments in Afghanistan.48

47 This was the time when the Third World countries continued to mobilise for a New International Economic Order (NIEO). A resolution to that effect was passed in 1974 by the UN General Assembly calling for a more equitable global Economic order.

48 In February 1979, with Iran and Afghanistan in political chaos, Vietnam on the march across Indochina, and Cuban troops roaming about Africa, President Carter proposed a real increase in the US defense budget, still lobbyed for the SALT II Treaty, but pointedly held open the possibility of modernizing the US strategic triad. See President Jimmy Carter, "Address at Georgia Institute of Technology," 20 February 1979, Weekly Compilation of Presidential Documents, 26 February 1979, p. 200.
In his State of the Union Address on 23 January 1980, President Jimmy Carter announced a new United States policy that came to be called the Carter Doctrine.\(^4^9\) He saw the hostage crisis in Iran and the Soviet intervention in Afghanistan as the most "serious challenge to the United States of America and ...to all the nations of the world." He said that the steady growth and increased projection of Soviet military power beyond its own borders, the overwhelming dependence of the Western democracies on oil supplies from the Middle East and the process of social and religious and economic and political change in many of the Third world countries, exemplified by the revolution in Iran, had helped shape American policy during this time. The Carter administration had categorically stated the Soviet action in Afghanistan would pose the "most serious threat to the peace since the Second World War" and that Moscow "must pay a concrete price for their aggression." \(^5^0\)

Evidently, the major objective of the Carter doctrine was to convince the Soviet Union that the Persian Gulf and Southwest Asia region would be of great importance to Washington and, in a departure from the Nixon Doctrine, to tell the Soviet Union that the US would assume ultimate responsibility for regional defence. Notwithstanding its merits and shortcomings, the Carter Doctrine defined very clearly the American stake in


the entire region. A significant change in the US policy towards the Third World came during the Reagan presidency. Unlike the cold war doctrine of containing ‘Soviet expansionism’, the new strategy envisaged by the Reagan administration sought to ensure American moral and material support to insurgent movements attempting to oust Soviet-backed regimes in various Third World countries. Early indications of this Doctrine came in the mid-80s when he affirmed that the US must stand by all its democratic allies: “We must not break faith with those who are risking their lives - on every continent from Afghanistan to Nicaragua - to defy Soviet aggression and secure rights which have been ours from birth. Support for freedom fighters is self-defense.”

President Ronald Reagan’s foreign policy was based on the ‘roll-back strategy of the 1950s in which the United States would actively push back the influence of the Soviet Union. Reagan’s policy relied primarily on the overt support of those fighting Soviet dominance, particularly in the Third World.

51 See Bruce R. Kuniholm, “The Carter Doctrine, the Reagan corollary, and prospects for United States policy in Southwest Asia”, International Journal (Toronto), Vol.41, No.2, Spring 1986, p.343-44; the author says that during the remainder of the Carter administration, defence capabilities in the regional states were improved; access to facilities was acquired in Oman, Kenya, Somalia, and Egypt; United States force capabilities were enhanced; the RDF, criticized as neither rapid, nor deployable, let alone a force, began to acquire substance; and allies on the NATO were pressed to specify shared responsibilities.


It noted:

The U.S. must rebuild the credibility of its commitment to resist Soviet encroachment on U.S. interests and those of its Allies and friends, and to support effectively those Third World states that are willing to resist Soviet pressures or oppose Soviet initiatives.54

The Reagan administration's declarations on this theme continued thereafter.55 Meanwhile US foreign policy makers believed that in Afghanistan, Nicaragua, Cambodia, Mozambique, Angola, and elsewhere, forces had arisen to challenge 'Marxist hegemony.' This change was of 'historic importance,' according to them.56 Obviously, the Reagan Doctrine had a direct bearing on the situation in these Third World countries. The case of Afghanistan could be illustrative of how Washington had been sensitive to the Soviet-inspired changes/movements in the Third World. The US involvement in Afghanistan and its policy responses during 1979-91 would reveal the essential characteristics of the US policy towards the Third World.*

However, the far-reaching changes that came in quick succession in global politics since the late 1980s and the early 1990s had tremendous


56 Ibid.; also see George Shultz, "New Realities and New Ways of Thinking," Foreign Affairs, Spring 1985, p. 713.

* This is discussed in detail in the following chapters.
implications for the politics and foreign policies of the Third World countries. These included the developments in Soviet Union under Mikhail Gorbachev (who declared Moscow's new policy of reducing commitment to the Third World), the easing of East-West tensions following the withdrawal of Soviet troops from Afghanistan, the new round of GATT negotiations under way in Uruguay, the fall of Berlin Wall, the sweeping changes across some of the East European countries, and the eventual disintegration of the Soviet Union in 1991.57 All these developments, by and large, contributed to a perception of the 'post-cold war era' in global politics with the United States emerging as the lone superpower.58 In the background of the Gulf crisis following the Iraqi invasion of Kuwait in 1990, the Bush administration sought to legitimise the US hegemony in world politics by enunciating a 'New World Order' thesis.59 This too had a great bearing on Washington's policy towards the Third World in the 1990s.60

In sum, the United States policy towards the Third World has been dictated by considerations of political economy, national security, global/regional hegemony and the inevitable confrontation with the Soviet Union. For nearly


58 See John Lewis Gaddis, The United States and the End of the Cold War: Implications, Reconsiderations, Provocations (New York: Oxford University Press, 1992); and Cynthia Peter (ed.), Collateral Damage: The 'New World Order' at Home and Abroad (Boston: South End Press, 1992);


five decades after the Second World War, the US involvements in the Third World assumed different forms and dimensions, depending on the circumstances and the strategic importance of countries and regions – perhaps the most vulnerable being Latin America, the Middle East, South, Southwest and Southeast Asia. A major objective of the American policy in the Third World has been to prevent the countries from falling into the increasing Soviet/Chinese influence and, wherever necessary, to contain the Soviet/Chinese-supported movements and regimes. For this, the successive US administrations extended foreign aid, supplied both covert and overt economic and military assistance, supported counter-insurgency operations, offered services through regional defence arrangements and bilateral alliances, and provided military training to rebels etc.

The United States clearly understood the implications of growing unrest in the Third World countries and, therefore, it sought to ensure that it did not take an anti-American character. While the US has been handling the complex situation in the Middle East with utmost care and tactics, due its geopolitical and geoeconomic importance, it has faced innumerable challenges in Latin America and Southeast Asia. The situation in South and Southwest Asia also offered critical challenges to Washington, as the crisis in Afghanistan demonstrated. However, the United States felt relieved of the burden of the cold war when the Soviet Union broke up along with its East European allies, one after another. Obviously, the US policy towards the Third World has been conditioned by this factor, more than anything else, in the post-cold war scenario.