

THE THIRD WORLD IN U.S.-SOVIET COMPETITION:
FROM PLAYING FIELD TO PLAYER

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I. THE STANDARDIZATION OF MISLEADING TERMINOLOGY

Some of the standard terminology in the analysis of defense and foreign policy issues is misleading and inaccurate, notwithstanding its convenience. It is a code that reduces the need for clarifying verbiage at what is presumed to be an acceptable price of imprecision. The term "Third World" is one example; "strategic analysis"--in the sense of the analysis of nuclear issues--is another.

Charles de Gaulle originated the term "Third World" (*tiers monde*) to distinguish the first two worlds--the industrial democracies and the countries of the communist bloc, respectively--from the less-developed rest of the world. The "Second-World" designation for the Communist countries has become decreasingly relevant with the arrival of *perestroika* in the Soviet Union in 1985, the striking events in China since the late 1970s as well as since the June 1989 violence in Tiananmen Square, and other extraordinary events in Eastern Europe in recent years. The Third World designation has been a misnomer from its inception.

Indeed, the conventional wisdom supposedly captured by the "Third World" terminology is more conventional than wise. Underlying its usage is a series of premises and myths that are remarkably distant from reality. Consider the following myths about the Third World compared to the corresponding realities:

Myth I: The "Third World," consisting of some 130 less-developed nations, is a reasonably cohesive entity, unified by similar interests and ideologies that enable its members to act effectively and in concert.

¹This paper was written for inclusion as a chapter in a forthcoming Festschrift in honor of Albert and Roberta Wohlstetter.

Reality: The nations of the Third World are in fact divided in many more ways and by many more conflicting interests than those that unify them. To be sure, certain attitudes--nationalism, sensitivity to foreign condescension, the waning propensity toward centrally planned economies, to name a few--are shared by many developing nations. But more fundamental, objective circumstances tend to divide them. For example, the Third World includes oil importers (Brazil, India, Pakistan, and Korea) and oil exporters (Saudi Arabia, Libya, Iraq, Mexico, Venezuela); rapidly growing and newly industrialized economies (Korea, Taiwan, Singapore, Thailand), and slowly growing or stagnating ones (most of the remaining nations); centrally planned economies as well as increasingly market-oriented ones; major international debtors (Brazil, Mexico, Argentina) and major international creditors (Saudi Arabia, Kuwait, Taiwan, Korea); communist nations (Cuba, North Korea, Vietnam) and vigorously anti-communist nations (South Korea, Taiwan, Singapore, Thailand, Turkey); nations ruled by military regimes and nations that have moved and are moving increasingly in democratic directions, and that profess the primacy of civil over military control.

In sum, the rhetoric of Third World unity is more spurious than real. The reality of the Third World is not unity and homogeneity but cultural, political, and economic diversity.

Myth II: Achieving significant and sustained economic development in the Third World is an intractable problem, made even more difficult by the rigidity and discrimination of the present global economic order.

Reality: Achieving rapid and sustained development, within the current global economic order, is much less formidable than is usually supposed. The means and methods to achieve it are well-known, have been widely demonstrated and are generally acknowledged

even if they are not widely adopted. By and large, these recipes have been amply demonstrated by the impressive development of the small number of newly industrialized economies (NIEs) that have maintained average annual rates of real economic growth of at least 7 or 8 percent annually over the last ten years.

These nations have made economic progress by achieving political stability and infrequent changes of government, by providing a growth-promoting economic climate characterized by relatively competitive markets, by being receptive to incentives for domestic savings and investment, and by avoiding hyperinflation. Orientation toward the market, while characteristic of the relatively successful Third World nations, doesn't necessarily imply private ownership or an inactive role for government. It does imply that, where government interventions occur, they usually are selective and limited.

As to the rigidity and adverse effects of the present global economic order, again the reality diverges sharply from the myth. In fact, the "old" order has been remarkably flexible, rather than rigid, and receptive rather than resistant to development in the Third World. Countries that adopt the well-known recipes for economic progress usually achieve it; those who don't, usually fail.

Myth III: The primary objective of Third World nations is to modernize their economies as rapidly as they can.

Reality: On the contrary, most Third World leaders have other goals and objectives besides economic development. These include achieving greater national recognition and prestige in the international community, acquiring "modern" and "advanced" military equipment and capabilities to protect and to further territorial and other national interests, and often agitating for international redistribution of income, rather than domestic economic growth. If one looks at behavior rather than rhetoric, economic development is

among the goals and priorities of most of the nations encompassed by the Third World designation, but not at the top of the list.

Nevertheless, provided the imprecision of the terminology is recognized, and the enormous diversity of the dozens of countries usually included in the Third World category is kept in mind, the terminology has the advantage of widespread usage. It also conveys the comforting sense that listeners or readers know what you're saying or writing, although in fact they may not.

Indeed, Albert and Roberta Wohlstetter themselves made effective use of the "Third World" designation in a notable article they wrote in the late 1960s, "'Third Worlds' Abroad and At Home," which reflects their keen awareness of both the utility and the imprecision of the Third World terminology.

II. THE THIRD-WORLD AS A "PLAYING FIELD" FOR U.S.-SOVIET COMPETITION

The competition between the United States and the Soviet Union in the Third World has undergone profound changes over the past two decades. Moreover, the 1990s and the first decade of the 21st century will probably witness even more fundamental changes. I will first review very briefly the past and recent history as a prelude to consideration of possible changes that lie ahead.

(1) The Third World as "Playing Field" in the 1970s

During the 1970s, Soviet projection forces experienced a dramatic expansion. This growth of Soviet naval forces, air and sealift, and the supporting capabilities for projecting military power in Third World areas has been described in detail by James Roche and Bruce Porter.²

The expansion of Soviet projection capabilities was accompanied by and associated with the expansion of Soviet forward-basing in the South China Sea (Camranh Bay), in the Caribbean, and in Southwest Asia. This

²Bruce D. Porter and James G. Roche, "The Expanding Military Power of the Soviet Union," Chapter 8, in Harry S. Rowen and Charles Wolf, Jr. (eds.), *The Future of the Soviet Empire*, St. Martin's Press, 1987.

expansion was partly the result of increased military outlays within the Soviet Union, as well as of reallocations among the five Soviet military services. It also resulted from the *quid pro quos* provided in the form of basing facilities and rights for Soviet forces by such members of the Soviet family as Cuba and Vietnam, in return for the increased Soviet subventions extended in various forms to these fraternal states.³

The result of these changes was a dramatic shift in the ability of the Soviet Union to project power in the Third World, relative to that of the United States and its Western allies. This general point, with particular focus on the change in the relative projection balance in the Persian Gulf and Southwest Asia, has been meticulously analyzed and elaborated in numerous works by Albert Wohlstetter and colleagues over the past decade.⁴

Soviet subventions to these countries and other members of the extended Soviet empire were substantially underwritten by the booming oil market in the 1970s. The dramatic surge in world oil prices in 1973-74, and again in 1979-80, raised Soviet hard currency earnings from oil and gas exports to over \$20 billion, and contributed to a large expansion of Soviet activities and financing in the Third World through trade subsidies, export credits, military aid, economic aid, increased intelligence and destabilization activities, culminating in the Soviet invasion of Afghanistan in December 1979. By the end of the 1970s, the real economic costs of these expanded activities in the Soviet Empire had risen to about 6 percent of the Soviet GNP, compared to less than half of 1 percent of GNP devoted by the United States to its activities in the Third World.⁵

³See *ibid*, Chapter 7, "The Costs and Benefits of the Soviet Empire," by Charles Wolf, Jr.

⁴See Albert Wohlstetter, et al., *Interests and Power in the Persian Gulf*, Volume I, Pan Heuristics, Marina del Rey, CA, February 1981; and Albert Wohlstetter, "Half-Wars and Half-Policies in the Persian Gulf," *National Security in the 1980s: From Weakness to Strength*, Institute for Contemporary Studies, San Francisco, 1980, pp. 123-172.

⁵See Charles Wolf, Jr., et al., *The Costs of the Soviet Empire*, The RAND Corporation, R-3073/1-NA, September 1983; and Charles Wolf, Jr., et al., *The Costs and Benefits of the Soviet Empire, 1981-1983*, The RAND Corporation, R-3419-NA, August 1986.

Contemporaneously with these changes in Soviet projection capabilities, the United States experienced a debilitating defeat in Vietnam--a defeat heavily influenced by the erosion of political support for the effort within the United States, as well as by mistakes of strategy and tactics in the field. Probably the most fundamental American mistake was the choice of whom to back in Vietnam--notably, the multiple and wayward generals--in the political leadership of the country, and whom to withdraw support from--notably, Ngo Dinh Diem.⁶

The Soviet Union's expanded activities in the Third World were conducted through an effective system for extending and defending both the contiguous empire in Eastern Europe and Afghanistan, and the more remote Soviet empire abroad. This external empire expanded in the 1970s, and extended from Cuba to Vietnam, encompassing a diversity of Marxist-Leninist "fraternal" states--notably, Angola, Ethiopia, South Yemen, Nicaragua, and Afghanistan, as well as other cooperative and supportive countries. The Soviet imperial system, as it developed in the Third World "playing field" in the 1970s, was supported by a combination of sheer military power applied in Eastern Europe and Afghanistan, together with more subtle political, economic, security, and propaganda instruments applied elsewhere. These instruments were coordinated in what is sometimes referred to as the "Red Orchestra" under the management of the International Department of the Communist Party in the Soviet Union.⁷

(2) The Third World as "Playing Field" in the 1980s

In the 1980s, the U.S. role in the Third World competition with the Soviet Union expanded in concept and content. The U.S. role, which had largely been one of countering Soviet initiatives, became more active

⁶Compare to Marguerite Higgins, *Our Vietnam Nightmare*, Harper & Row, New York, 1965.

⁷See Dennis L. Bark (ed.), *The Red Orchestra: Instruments of Soviet Policy in Latin America and the Caribbean*, Hoover Institution Press, Stanford, CA, 1986; as well as chapter 4 by Frank Fukiyama, "The Political Character of the Overseas Empire," and chapter 5 by Herbert Ellison, "Marxist-Leninism in the Third World," in Rowen and Wolf (eds.), *The Future of the Soviet Empire*, op cit.

under the Reagan Doctrine. This doctrine was plainly foreshadowed in the President's State of the Union message of February 6, 1985, in which he said,

Support for freedom fighters is self-defense, and is totally consistent with the OAS and U.N. charters ... [we should] support the democratic forces whose struggle is tied to our own security.

In turn, this position was elaborated further by Secretary of State Shultz:

So long as communist dictatorships feel free to aid and abet insurgencies in the name of 'Socialist Internationalism,' why must the democracies, the target of this threat, be inhibited from defending their own interests and the cause of democracy itself.⁸

The result was a substantial increase in U.S. support for the Mujahedeen in Afghanistan, UNITA in Angola, and the Contras in Nicaragua, as well as continued support for U.S. allies faced with communist threats in the Philippines, El Salvador, and South Korea. These efforts substantially changed the intensity and the outcome of the U.S.-Soviet competition in the Third World, although in varying degrees and with varying outcomes.

In Afghanistan, as a result of the strengthened military support for the Mujahedeen from the United States (in cooperation with Pakistan, the United Kingdom, and China), the Soviet position became increasingly costly and enervating, leading to withdrawal of Soviet combat forces in February 1989. In Grenada, an incipient communist state was forcibly suppressed by the United States, and in Angola, the struggle against the communist regime of da Costa shifted significantly in favor of Savimbi, as a result of U.S. aid.

⁸Charles Wolf, Jr., "Arming the Reagan Doctrine," *The National Interest*, No. 5, Fall 1986; and Charles Wolf, Jr. and Katharine Watkins Webb, *Developing Cooperative Forces in the Third World*, Lexington Books, Lexington, MA, 1987.

On the other hand, the Sandinistas became entrenched in Nicaragua as the result of a combination of expanded Soviet and Cuban aid, and several other contributory causes: the failure of the Contras to realize effective coalitions among their field units, as well as with rural and urban elements in Nicaragua hostile to the Sandinistas; and the disputatious and vacillating political frictions between the White House and the Congress within the United States.

Contemporaneous with these changes in the U.S. side of the competition, economic stagnation in the Soviet economy in the 1980s imposed tightened economic constraints on the Soviet Union, resulting in diminished willingness under Gorbachev to sustain the costs of the Soviet empire that had been built up in the 1970s. While the maintenance and continued expansion of the Soviet empire remained a high-priority claimant on Soviet resources, the availability of resources for these purposes became more acutely constrained in the 1980s. This situation seems likely to continue into the 1990s.

Nevertheless, the Soviets maintained, if not increased, their support for Cuba, Vietnam, and for the Sandinistas, and indeed increased their support for Najibullah in Afghanistan, notwithstanding withdrawal of Soviet forces early in 1989--an outcome that was diametrically opposite to the almost unanimous consensus of Soviet experts in the United States and Western Europe as recently as two or three years before the actual withdrawal took place.

The Soviet disposition toward new initiatives and aggressive competition in the Third World has diminished considerably, as a result of several factors: fissures and the emergence of political pluralism in Eastern Europe; intensified and recurring ethnic dissidence and disaffection in the non-Russian republics at home; and the constraints imposed by a low or negative rate of real economic growth, a decline in factor productivity, and nearly flat and perhaps declining real per capita consumption. Instead, Soviet attention has been preoccupied with *perestroika*. As a result of the limited progress of this restructuring effort and its dubious prospects in the immediate future, the Soviet role in the Third World competition is likely to be acutely ambivalent

in the years ahead: on the one hand, placing greater emphasis on self-reliance among the members of the Empire and their diminished access to Soviet subventions, while, on the other hand, maintaining a willingness to devote resources to promising opportunities for expanding Soviet influence that may arise. Resolution of this dilemma implies that more exacting criteria are likely to be applied by the Soviets in the future in determining and selecting what constitutes "promising opportunities."

THE THIRD-WORLD AS "PLAYER," RATHER THAN PLAYING FIELD: A VIEW OF THE FUTURE SECURITY ENVIRONMENT

The changes that are under way and that impend in the international environment are dramatic and pervasive. However, in the next two decades, these changes will very probably alter in significant ways the competition between the United States and the Soviet Union globally, and in the Third World in particular.⁹ The relatively rapid economic growth projected for the Northeast Asian and Pacific Rim countries is likely to make them increasingly important and influential international powers.¹⁰ Even if these countries do not significantly change their current policies and international alignments, their actions will carry more weight; and, of course, their policies and alignments may also change.

Economic development and technological advancement in newly industrialized countries will also tend to diffuse political and military power more widely. While the United States and the Soviet Union will remain in the forefront in developing advanced military technology, the most likely conflicts in the next two decades may well be decided on the basis of less-advanced but still formidable technologies and systems possessed by others. Numerous medium and smaller powers will have ready access to weapon systems embodying 1970s and 1980s technology, including

⁹See *The Future Security Environment*, a Report by the Future Security Environment Working Group, prepared for the Commission on Integrated Long-Term Strategy, Washington, D.C., October 1988; and the Commission's Report, *Discriminate Deterrence*, Washington, D.C., January 1988.

¹⁰See *The Future Security Environment*, op. cit.; and Charles Wolf, Jr., et al., *Long-Term Economic and Military Trends, 1950-2010*, RAND, N-2757-USDP, April 1989.

accurate surface-to-surface missiles and precision-guided munitions. Brazil, Israel, South and North Korea, China, and India will be able, and probably willing, to provide ample supplies of such weapons for other buyers. As the spread of weapons production capacity makes the arms field more of a buyer's market, the capacity of competing sellers and the advantaged buyers to do mischief in the Third World is likely to grow. In turn, the technological leaders--the United States and the Soviet Union--may feel obligated to offer their new advanced equipment to their Third World allies.

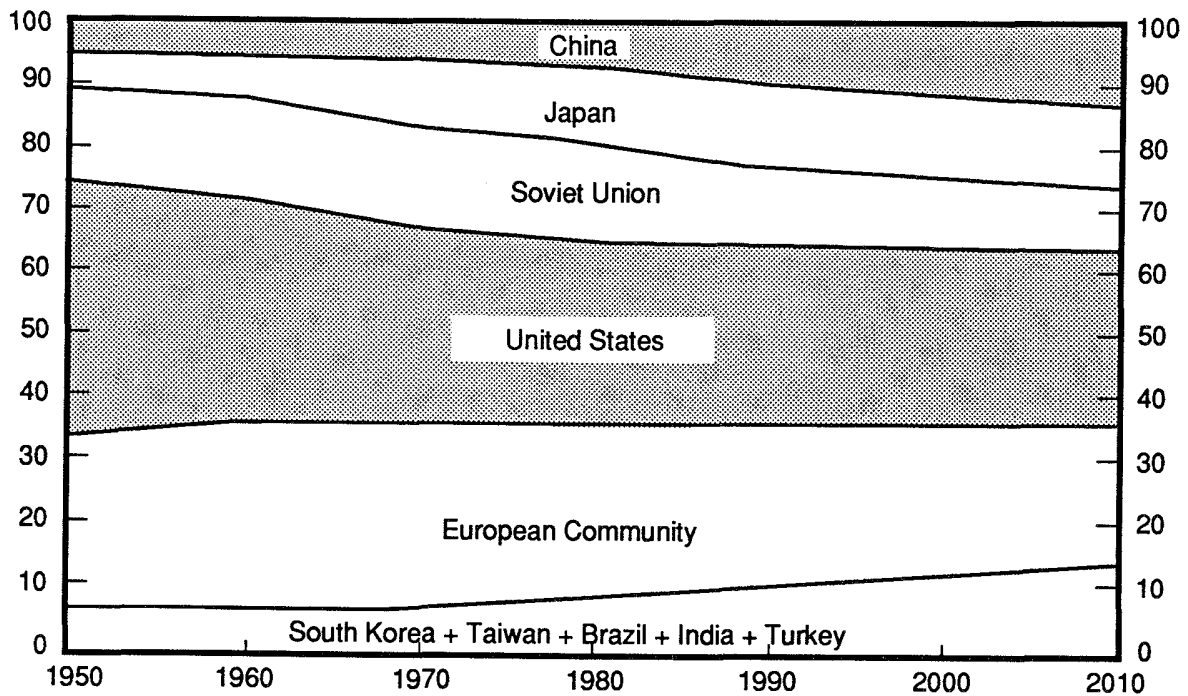
Dramatic changes are also likely to occur in other aspects of the international environment. In combination, all of these changes will determine the character of the U.S.-Soviet competition in the Third World. *They will make increasing numbers of Third World countries active players and protagonists, rather than simply locales in which the contest for external influence takes place.*

Outside the Third World itself, but impinging on it, multipolarity will be increasingly manifest. Specifically, besides the United States and the Soviet Union, Japan, the European Community, and probably China will apply their respectively very different combinations of economic, military, and political power to problems and issues that arise in various parts of the world. Even if Japan adheres to its more or less established constraint of spending no more than 1 percent or so of its GNP on military capabilities, its capacity to influence international events through the exercise of economic leverage will inevitably grow. For example, as the largest supplier of capital in the international capital market, its ability to direct capital toward, say, Latin America and the Middle East, or alternatively toward the Soviet Union and China, will inevitably be powerful instruments for affecting developments in those areas. Indeed, this leverage may be a more potent instrument in many political and security issues in the Third World than the leverage that either the United States or the Soviet Union will be able to exercise.

Within the so-called Third World itself, various middle-level regional powers, including South and North Korea, India, Brazil, Turkey, China, and Taiwan, will have acquired considerable economic,

technological, and military capabilities with which to advance as well as protect their perceived national interests, and to redress irredentist claims they have made in the past. In effect, the increasing dispersion of the various ingredients of power to actors that in the past have been constrained to relative passivity, is likely to make the environment of the next few decades more dramatically different from the present than the present is from the environment of two or three decades past.

For example, the share of the global product represented by a subset of such middle regional powers will probably increase significantly as indicated in Fig. 1. While the military capital stocks



*GNP shown as percentage of the total for these countries (about 80% of global GNP in 1986)

SOURCE: *The Future Security Environment*, op. cit., p. 4.

Fig. 1—Relative growth of Gross National Product*

(weapons and structures) of these middle regional powers will be substantially below those of the United States and the Soviet Union, and probably also of various West European countries, still, the agglomeration of this capital in these countries, and probably others, will enable them, as well as their potential local partners, to bring power to bear against local adversaries. Table 1 shows estimates made in recent RAND work for the Commission on Integrated Long-Term Strategy that highlights the point.

The scenarios that might arise from this play of events can pose serious problems for both U.S. and Soviet policy that, while they would be influenced by the actions of the other, will increasingly be dominated by considerations pertaining to the countries and regions of the local area in which the scenario or contingency arises.

Table 1

MILITARY CAPITAL STOCKS (WEAPONS AND STRUCTURES)
OF SELECTED COUNTRIES, 1950-2010
(In billions of 1986 U.S. dollars)^a

Nation	1950	1960	1970	1980	1990	2000	2010
United States	525	677	747	755	1157	1562	2089
Soviet Union	584	592	719	965	1278	1559	1867
Japan	0	6	15	31	55	82	115
China	107	103	129	211	236	392	785
West Germany	0	24	68	101	138	197	260
United Kingdom	78	113	130	139	171	227	284
France	52	74	91	107	148	215	292
India	8	9	15	21	42	81	131
South Korea	1	1	2	15	37	75	131
Taiwan	3	4	6	10	15	24	40
Brazil	7	6	8	9	10	12	18
Argentina	7	7	7	8	11	12	14
Turkey	5	8	12	23	33	48	68
Mexico	5	4	5	6	8	10	12
Egypt	18	14	17	37	39	44	51

^aConverted from local currencies using 1980 purchasing-power parities.

SOURCE: Charles Wolf, Jr., et al., *Long-Term Economic and Military Trends, 1950-2010*, The RAND Corporation, N-2757-USDP, April 1989, p. 23.

For example, India might seek to interdict a Pakistani nuclear program, or undertake military action against Pakistan for some other reason, or in response to provocation. China might again decide to use force to resolve the recurring border problems with Vietnam, or its long-standing disputes with India, or the unresolved issue of Taiwan.

In addition, as noted above, several of these middle regional powers will increasingly develop their own production capabilities for all but the most advanced weapons systems and technologies. Such potential suppliers as India, China, South and North Korea, Brazil, and perhaps others, will increase their already not inconsiderable activity in the international weapons market as competitors and perhaps displacers of weapons sales by the United States, the Soviet Union, France, and other established sellers. Once again, issues for U.S. and Soviet policy that relate to the international weapons market will be influenced by a wide range of factors only one of which is the posture of the United States or the Soviet Union itself.

In sum, the world of the next two decades is likely to be one in which independent centers of initiative, disturbance, and potential mischief will have multiplied throughout the so-called Third World. The ensuing instabilities will not be primarily or even secondarily motivated by the competition between the United States and the Soviet Union, nor will the stance of the other side be the predominant consideration in determining whether and how the United States itself should act in such contingencies when they arise.

Thus, the environment of the 1990s and the first decade of the 21st century, especially that of the bulk of the world referred to as "Third," will be fraught with instability as well as uncertainty. Borrowing Winston Churchill's characterization of a different situation, the Third World environment will be like a riddle wrapped in a mystery inside an enigma.

Numerous countries, besides the great powers, will have interests and instruments motivating and enabling them to undertake independent actions. And the instruments may well include advanced weapons systems: for example, tactical ballistic missiles with biological and chemical

warheads, if not nuclear ones. In some contingencies that may arise, the U.S. may opt for a position of maintaining a watchful distance. In others it may attempt to establish a *cordon sanitaire* in collaboration with other partners. And in still others the U.S. may choose some form of involvement: for example, to help beleaguered Third World friends, or fragile democracies under attack, or emerging countries whose values and aims look more compatible with those of the U.S. than do the alternative.¹¹ Moreover, the choice among these alternatives may well be only secondarily contingent on the position or involvement of the Soviet Union.

Instead, it is very likely that the influence on U.S. policy will emanate principally from the "players" in the Third World themselves, rather than from sources outside the area that simply impinge on the Third World as a playing field. In this environment, U.S. defense forces will probably require a substantial reconfiguration that places greater emphasis on improved and alert intelligence, enhanced flexibility and speed of deployment and operations, increased capability to act jointly with one or multiple Third World cooperating forces,¹² and a capacity to apply intense firepower with precision by small units able to deploy rapidly or to deliver firepower from standoff ranges.

The foregoing characterization of the emerging environment in the Third World suggests the misleading, if not irrelevant, character of much of the conventional writing about the impending "decline" of the U.S. position in the world.¹³ The "declinist" vocabulary may have some

¹¹It is interesting and more than a bit surprising that some influential members of the U.S. Congress--which itself is supposed to be adamantly opposed to U.S. involvement in remote areas, especially in Southeast Asia--have been in the vanguard of those urging U.S. military assistance for the anti-Khmer Rouge forces in Kampuchea, as well as direct U.S. intervention undertaken in 1989 to remove Noriega in Panama.

¹²See Wolf and Webb, *Developing Cooperative Forces in the Third World*, op cit.

¹³See, for example, Paul Kennedy, *The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000*, Random House, New York, 1987; David P. Calleo, *The Imperious Economy*, Harvard University Press, Cambridge, 1982; Calleo, *Beyond American Hegemony: The Future of the Western Alliance*, Basic Books, New York, 1989; and Robert Gilpin, *War and Change in World Politics*, Cambridge University Press, New York, 1981.

applicability to the position of the Soviet Union, but is inapt when applied to the United States. With respect to some metrics, such as GNP, the U.S. position is more likely to be that of incline rather than decline relative to the Soviet Union, Western Europe, and much of the Third World, although the U.S. position may decline with respect to the Pacific Rim. In any event, the important point is not so much decline or incline, but rather that the emerging world environment is likely to be one of greater instability, and a probably considerably lessened capacity in the United States to control events. However, the source of this loss of control is not the relative position of the United States compared, say, to that of Japan or the other large powers. Instead, it is more directly attributable to the emergence and increasing capabilities of middle-level powers and independent actors in the Third World itself.

