


Document No. 017
NO CHANGE in Class.
 DECLASSIFIED
Class. CHANGED TO: TS S C
DDA Memo, 4 Apr 77
Auth: DDA REG. 77/1763
Date: 01/08/78 By: 008

AN ANALYSIS OF THE U. S. RESPONSE TO THE
SOVIET ECONOMIC OFFENSIVE IN AFGHANISTAN

Submitted by: 

STATINTL

Mid-Career Course on Foreign Affairs
Foreign Service Institute
Department of State

September 30, 1959

AN ANALYSIS OF THE U. S. RESPONSE TO THE SOVIET
ECONOMIC OFFENSIVE IN AFGHANISTAN

INTRODUCTION

Shortly after the death of Stalin, the U.S.S.R. launched in certain underdeveloped countries a major program of economic assistance and development. One of the major recipients of this program has been Afghanistan, a country, which although one of the most backward nations in Asia, nevertheless holds a strategic position of interest and importance to the U. S. and its allies. The United States was suddenly faced with the problem of analyzing the nature and the seriousness of the Soviet economic offensive and deciding what efforts should be taken to neutralize or combat it.

It is the purpose of this paper to analyze the United States economic program in Afghanistan in terms of the U. S. power interests in South Asia vis-a-vis the Soviet interests, and to generalize as to what type of program in the future would best serve the U. S. national interest.

The emergence of the Soviet Union as the major threat to the Western democratic way of life has forced the United States to take a "new look" in all areas of the world and to conduct a continual reassessment of its power position in the uncommitted areas as against that of the Soviets. On the surface, and in the eyes of many of the leaders of these uncommitted areas, the gains which

- 2 -

the Soviets have made in the economic and political arenas since World War II have far surpassed those of the United States. It seems particularly appropriate, therefore, to analyze the American economic program in Afghanistan in terms of certain significant elements of U. S. power.

I propose to begin by discussing the general nature and posture of the Soviet economic offensive. This will be followed by a brief analysis of the background elements in Afghanistan and South Asia which bear on the problem. Thirdly, the specific Soviet aims, objectives, and programs in Afghanistan will be outlined in terms of Soviet power interests, followed by a discussion of certain aspects of the American economic program in terms of its national power interests. Finally, an effort will be made to summarize in terms of this hypothesis: that a moderate, long-range economic development program, geared more closely to Afghanistan's natural resources, economic facilities, and manpower potential and to our overall interest in South Asia will serve the U. S. interests better than the launching of 'impact' programs designed on an ad hoc basis to counteract specific Soviet threats.

THE SOVIET ECONOMIC OFFENSIVE

Jan F. Triska, writing in the American Political Science Review, reminds us that, to the Soviets, war and peace are interchangeable periods of the same struggle - as Clausewitz puts it -

"War is a continuation of politics by other methods."¹ The Soviet economic effort, then must be continually viewed as a continuation of a political or power struggle by "other means."

By the time of the outbreak of World War II, The Stalin model of 'Communism in one country' had just about served its purpose as an interim phase in the long range developmental scheme of Soviet progress. The virtual acquisition of the Satellite countries, the pillaging of their economic and manpower resources, particularly in the case of East Germany, and the subsequent rapid advance of Soviet technology succeeded in proving to the rest of the world conclusively that the Soviet Union, outside of the United States, was the only major power influence in the post-war world.

On their part, the Soviets view the economic offensive as the next logical step in the process of influencing the uncommitted areas in a pro-Soviet direction. Zyzniowski sees the U.S.S.R. using economic assistance in terms of two basic considerations: (1) the requirements of a planned economy and (2) the aims of foreign policy.² He points out that with the acquisition and control of the East European satellites the need for 'regional security'

1. Triska, Jan F. "A Model for Study of Soviet Foreign Policy," American Political Science Review, March, 1958, pp. 65-66.

2. Zyzniowski, Stanley J. "Soviet Foreign Economic Policy," Political Science Quarterly, June, 1955, p. 206.

- 4 -

had been met, as well as a vital economic objective--to knit an economic orbit independent of contacts with capitalist countries.³

The Soviet economic assistance program represents a basic change in economic policy - but it could not have come about without a basic change in political tactics - i.e., the "peaceful coexistence" theme, born in the latter-day Stalin regime, but carried to fruition by his successors. Obviously, the decision to "wage war" by economic means was a political one, based upon an assessment by Soviet leaders of (1) their relative power position in the world via-a-vis the U. S. and its allies and (2) a consideration of the various methods and tactics which could be used to permit a widening of Soviet influence in the uncommitted area.

Although the Soviet effort in the underdeveloped countries has a fundamental political motif, the factor of economic feasibility does play a part in its decision making process. Zyzniewski emphasizes that a strong economic position, achieved either by significant trade or as a creditor nation would enable the Soviet Union to exercise more political influence upon the neutralist states.⁴ That the Soviets have acted energetically on this premise is evident from the fact that between 1953 and 1956 the number of trade and

3. Ibid. p. 21 Off.

4. Zyzniewski, op.cit. p. 231

- 5 -

payments agreements with the Middle East countries alone jumped from twenty-nine to eighty-nine.

Zyzniewski summarizes the Soviet motives in conducting its economic assistance programs as follows: "The pressure for increased trade and Soviet assistance programs have been designed to aid in disrupting Western alliances, encouraging neutralism and spreading Soviet influence. Yet the desired benefit from more trade and Soviet ability to increase exports of certain capital goods and imports of raw material have been complimentary to political motivations."⁵

Looking at the economic effort from another standpoint, the entire Soviet offensive is shaped to take advantage of the national aspirations as well as the dissatisfactions of the underdeveloped countries. As N. K. Khrushchev stated frankly and publicly to a group of visiting Congressmen in 1955, "We value trade least for economic reasons and most for political reasons."⁶

A study of Communist statements and propaganda broadcasts makes it apparent that the Soviets are deliberately misrepresenting U. S. trade and aid programs as a disguise and substitute for the 'old imperialism', in an effort to influence the newly emerging

5. Ibid. p. 233.

6. Quoted in State Dept. Publication #6632, The Sino-Soviet Economic Offensive in the Less Developed Countries, p. 6.

- 6 -

countries toward making friendly trade agreements with the U.S.S.R. These countries, some of which are having difficulty disposing of exports at stable prices in the free world markets find considerable interest and hope in the more flexible and reasonable arrangements which the Soviets are offering. The State Department summary of the Soviet economic aid program points out that new governments of the emerging countries are under constant pressure to take measures which give the appearance of hastening internal economic development, and that the Soviet Union is often in a better and more flexible position than the United States to meet the demands on a short-range basis.⁷

In terms of the Communist dialectic, the Soviets see the loss of the Western colonies after World War II and the rise of insurgent nationalism as a natural, evolutionary step in the decline of capitalism, and are using the economic aid program as one subtle and long-range method of exploiting this development.

The Soviets have studied carefully the elements of national interest which prevail in the underdeveloped countries and have played, often successfully, on the following sentiments:

1. The desire for economic development and the rise of living standards.
2. Dissatisfaction with terms of trade.
3. Dissatisfaction with terms of Western aid. (The Soviets have characteristically reacted to this by providing "soft

7. State Dept. #6632, op.cit. p. 4.

- 7 -

loans" at low interest rates with long-term repayment provisions and repayment in goods rather than money).

The Soviets have chosen their targets carefully. Up to 1958, more than 85% of their economic and technical assistance had been concentrated in five countries: Egypt, Syria, India, Indonesia, and Afghanistan. These are all countries in which either neutralism or nationalism are already strong internal elements, and in which aid programs are geographically and economically feasible for the U.S.S.R. These are also areas which seem to offer the best results in terms of increased dependence upon Soviet support.

The economic efforts of the Soviet bloc in the underdeveloped countries up to June 1959 have totaled \$2.6 billion. Of this, the U.S.S.R. has contributed \$1.8 billion. There is every evidence that the Soviets accelerated the pace of this activity in 1958, as 40% of the total amount spent over the period 1954-1958 was spent during that year. On an annual basis, the amounts the Soviets have spent have increased from less than \$50 million in 1955 to an estimated 400 million in 1959.⁸

THE BACKGROUND IN SOUTH ASIA AND AFGHANISTAN

American power interests in South Asia are to a considerable extent an inheritance of the British power and influence in this area prior to World War II. The position of Afghanistan in the

8. Draper Committee Report--Vol I--August 17, 1959, pp. 71-73.

- 8 -

area has been securely established since the agreement between Britain and Czarist Russia in 1907, which provided for a British 'sphere of influence' in Western Persia and a Russian 'sphere of influence' in Eastern Persia. Afghanistan immediately became a 'buffer state' between the Eastern and Western interests and has remained in this position ever since. The Afghanistan situation must therefore be viewed as part of a larger Asian problem, insofar as it concerns American power interests.

Dr. Lewis Webster Jones, then President of Rutgers University, in reviewing the American interests in South Asia for the Senate Foreign Relations Committee in 1957 concluded that aid to South Asia is justified by the strategic importance of the region, its potential strength as part of the free world and its vulnerability to internal and external Communist threats, because of its present economic underdevelopment.⁹ He states the case for U. S. aid in the area in the following argumentation:

1. The wide discrepancy in living standards between advanced industrial countries and underdeveloped areas is a basic cause for world instability.
2. The United States gains in influence and prestige by the existence of strong healthy economies in other parts of the world.
3. The United States cannot afford to lose South Asia to the Soviet-Communist China bloc.
4. American aid in South Asia is equivalent to an investment in democracy and peace.¹⁰

9. U.S. Senate, Compilation of Studies & Surveys - Special Committee to Study the Foreign Aid Program - Survey on South Asia, by Lewis W. Jones, pp. 1471-1474.

10. Jones, L. W. op.cit.

- 9 -

Keeping in mind these overall conclusions as to the need for economic support of the South Asia countries, we turn to the particular situation in Afghanistan.

In the fall of 1955, Messrs. Bulganin & Khrushchev visited Afghanistan at the invitation of Prime Minister DAUD, and in their wake left a \$100 million loan or 'line of credit' for a multiplicity of projects. This loan amounted to about five times the total revenue of that country during the 1954-55 fiscal year.

The United States responded in several ways. It reopened negotiations for assistance in the development of the KANDAHAR International Airport, which had been shelved a year before. By June of 1956, the amount expended in the Technical Assistance Program alone had risen to \$3 million dollars and \$15 million in additional special assistance grants had been allocated. Since that time the economic aid program in Afghanistan has been subject to considerable criticism, which came to a head in 1958 when the I.C.A. conducted a special evaluation of the program.

THE SOVIET POWER INTERESTS IN AFGHANISTAN

Using this sequence of events as a point of departure, let us first analyze to some extent the Soviet interests, aspirations, and programs in the area in terms of certain appropriate elements of national power as outlined by Morgenthau.¹¹

- 10 -

A. Geography.

Northern Afghanistan borders on three separate republics of the U.S.S.R. - Turkmen, Uzbek, and Tadzik. The geographic advantages of control or eventual annexation of Afghanistan are readily evident. Besides providing a possible invasion route through Pakistan to India, it would also permit additional control along the Iranian border, allowing further pressures to be placed upon that country. Peter Schmid reports a conversation between a German engineer and a Soviet observer along a newly constructed highway in Northern Afghanistan, in which the Russian inquired as to whether the road would be able to support heavy tanks!¹²

Geographically, then, it must be admitted that Afghanistan is in a position, where, under Soviet domination, it could provide a vital element of Soviet power in the area.

B. Natural Resources.

It is difficult to concede that Afghanistan could in its present stage of development provide much of value in the way of natural resources for the Soviet Union. Large expenditures of capital would help, but there is no indication that the Soviets are willing to provide this on the mammoth scale which would be necessary. Afghanistan's position in regard to resources is well summarized by Jones: "The prospects of rapid development are remote. Most of the people are engaged in agriculture, but there is a large

12. Schmid, Peter, "Coexisting in Kabul," The Reporter, Feb. 5, 1959, p. 24.

- 11 -

nomadic population. Terrain and climate make road maintenance a difficult and costly burden. So far as is known, mineral resources are insufficient to support the development of heavy industry. Coal is not plentiful. The hydroelectric power potential is enormous, but its development requires very large capital outlays.¹³

C. Industrial Capacity.

The present state of industry in Afghanistan is rudimentary. The Soviets have shown considerable interest in helping the Afghans develop their industrial potential, and over the past few years have poured hundreds of technical specialists and advisers into the country. The Soviets undoubtedly hope that the Afghans will become dependent upon them for the basic resources required for industrial production, such as fuel, and that they will become more prone to utilize Soviet transportation routes.

D. Military Position.

The major factor here, of course, is the geographical location of Afghanistan, already discussed, with its access routes to Pakistan, India and Iran. Although H. F. Armstrong concludes that outright acquisition of Afghanistan would not improve the Soviets' operational position markedly,¹⁴ this writer feels that the substantial military aid which has been given to Afghanistan since 1956, including the use of Soviet officers as military advisers would

13. L. W. Jones, op. cit. p. 1493.

14. Armstrong, H. F. "North of the Khyber," Foreign Affairs, July 1956, pp. 603-619.

- 12 -

not have been undertaken without ultimate strategic military objectives in mind.

E. Diplomacy (Foreign Policy).

Morgenthau, in listing the major elements of national power, rates diplomacy, or the conduct of foreign affairs as the 'brains' of national power.¹⁵ It is this diplomatic factor which has played the most important part, and has provided the major motivation for Soviet behavior in Afghanistan. It has been primarily a policy attempting to orient the Afghans, psychologically and economically, through its aid programs, toward a closer affinity with the U.S.S.R.

Peter Franck notes that since World War II the volume of trade with the Soviet Union has accounted for 20-25% of Afghanistan's exports and imports.¹⁶

Both the U.S.S.R. and Czechoslovakia began extending economic and technical assistance to Afghanistan in 1954. By 1958 the total amount of Soviet economic aid amounted to \$121 million and by early 1959 virtually all this had been obligated.¹⁷

The nature of the Soviet modus operandi has been to concentrate on tangible, fast moving projects, which can be completed rapidly, usually with Soviet technical-manpower assistance -- projects which will have an immediate positive psychological effect on the population.

15. Morgenthau, op.cit. p. 128.

16. Franck, Peter G. "Economic Progress in an Encircled Land," Middle East Journal, Winter, 1956, p. 58.

17. State Dept. Document #6777. The Soviet Economic Threat. p. 19.

- 13 -

Examples include the construction of two silos, a bakery in Kabul, and the paving of the streets in Kabul. The latter project has probably had more impact than any single project undertaken in Afghanistan by either Soviets or Americans. Long-range projects include the development of hydroelectric stations and highways in the North. The Soviets also chose projects which will be seen and admired by the greatest numbers of people. In contrast to the American Helmand Valley project, of which more will be said later, the results appear to be much more tangible.

A more detailed study of the \$100 million Soviet loan underlines the political-diplomatic motivation. The loan provided that no repayment would be required for the first eight years, after which it would be repayable over a 22 year period at a 2% interest rate.¹³ A loan could hardly be softer than this!

The U.S.S.R. is Afghanistan's largest single source for imports and runs a close second to India as a market for Afghan exports. The Soviets have made inroads into the transit problems of Afghanistan as a result of the continuing Pushtoon border disputes between Afghanistan and Pakistan.

Although Afghanistan has continually attempted to minimize its dependence on either East or West, there are certain factors, according to Ramazini, which lead to a tendency on Afghanistan's part to lean toward Soviet aid and assistance:

13. State Document #6632. op. cit. p. 84.

- 14 -

1. The frustration of Afghanistan's desire for rapid and extensive economic development.
2. The harassing problems of the Pushtoon border difficulties.
3. The Soviets' skillful efforts to exploit Afghanistan's economic predicament in an attempt to draw her closer to herself and away from the West.¹⁹

There also appears to be some logic in the contention that the Soviets have been endeavoring to establish a showcase for the edification of neighboring Asian peoples.

On the other hand, there are certain inherent anti-Soviet factors within Afghanistan today which may be neutralizing the Soviet gains. Like most Asian nationalities, the Afghans have a strong suspicion of foreigners, particularly those along her immediate borders. In earlier years, there was a steady stream of refugees coming into Afghanistan from the adjoining Soviet republics, telling of the burning of mosques and other forms of terrorism and atrocities. There is considerably more of a feeling of "good will" toward Americans than toward Russians, according to many observers, despite the fact that American aid projects have often not developed as systematically, thoroughly and rapidly as Soviet projects. Until recent years, outside contacts have been almost exclusively with the West. These factors indicate that in terms of Afghan attitudes, the psychological advantage may still be with the United States.

¹⁹. Ramazini, R. K. "Afghanistan and the U.S.S.R.", Middle East Journal Spring, 1958, p. 150.

- 15 -

This is not to surmise, however, that Afghanistan will change from a neutral "buffer" to a bona fide Western ally in the foreseeable future. On the contrary, it seems apparent that the current Prime Minister, DAUD, is acutely aware of the strategic advantages to Afghanistan of dealing with both powers, and is utilizing agreements with both to foster his country's economic and nationalistic growth.

AMERICAN POWER INTERESTS IN AFGHANISTAN

It should be restated here that American power interests in Afghanistan are part of a broader regional interest, in which two other countries, India and Pakistan, play even more vital roles. An economic program in Afghanistan cannot be discussed in terms of U. S. power interests outside of the regional framework.

At first glance, it is difficult to justify an American economic effort in this area in terms of our national interest. Certainly the U. S. geographical position would not be enhanced or strengthened by our influence in Afghanistan, nor could that country contribute much to our supply of natural resources or raw materials. Major development of Afghanistan's industrial potential would be a tremendously costly effort, which could not be justified in terms of our responsibilities in other critical areas of the world.

In terms of military advantage, it might be argued, (as did Fletcher in 1950 that Afghanistan might be used by the Allies as an invasion route to the Soviet Union). Fletcher believed at that time that "the American State Department was locked in a critical struggle

- 16 -

with the outward thrust of Soviet aggression."²⁰ "Sarhaddi," writing in The Eastern World, two years later, argued that the only solution to the unstable military situation on the Pakistan border lay in the economic development of Afghanistan.²¹

Although there are still some military considerations, it is safe to say that they do not play a major role in the development of an appropriate economic aid program in Afghanistan today.

The altruistic element of our national character plays some part in the rationale behind our overall aid program, but has no specific bearing on the Afghanistan situation.

One must conclude, almost by default, that the only element of national power playing a major role in the Afghanistan situation has been, and will probably continue to be, that of diplomacy or foreign policy. Our programs and emphases have changed as our overall foreign policy objectives have changed, and as they have become more clear-cut and sophisticated.

H. F. Armstrong noted in 1956 that the stability of India and Pakistan are of strategic importance to United States interests in South Asia and that if the U. S. turned its back on Afghanistan, India might be tempted to ride the Soviet 'wave of the future' and Pakistan might drop out of the Baghdad Pact.²² Neither of these

20. Fletcher, Arnold, "Afghanistan-Highway of Conquest," Current History, June, 1950, pp. 337-341.

21. "Aarhaddi," "The Afghans and International Politics," Eastern World, May, 1952 - pp. 18-19.

22. H. F. Armstrong, op. cit. p. 618.

eventualities has come to pass--whether or not because of the U. S. aid Program is difficult to calculate.

The regional nature of America's power interests in the Afghanistan problem are nowhere more clearly evident than in the events relating to the Pushtoon border disputes. Since the partition of India, and the creation of Pakistan, the nomadic areas in the Northwest Frontier Province of Pakistan have been under dispute. The Afghans have insisted that an independent Pushtoon-istan Republic, with at least cultural allegiance to Afghanistan, should be created - indeed such a state was created briefly in 1949. The Pakistani, on the other hand, claim that the border tribes voluntarily chose to join Pakistan at the time the country was created.

In 1955, during the most heated period of the dispute, the border between the two countries was sealed, and trade relations ceased for five months. This situation cut off the major access route of the Afghans' export trade to the port of Karachi. The Afghans depend upon this route for more than 80% of their trade. The Soviets immediately took advantage of the situation by offering trade routes through Soviet territory. This development pointed up sharply to the United States the seriousness of the border dispute, and the need to encourage closer ties between Afghanistan and Pakistan.

- 18 -

There is evidence that about this time the Soviets approached the Afghan government in regard to assistance in airport development and internal civil air transportation. The U. S. was able to take the initiative by reactivating the airport development program at KANDAHAR, previously referred to, and by providing aid for the development of "country airports" throughout the nation.

In recent years the U. S. economic policy in Afghanistan has been guided by two "power" considerations: (1) keeping the civil air transport program out of Soviet control, and (2) working toward an improvement of Afghan-Pakistan relationships for the purpose of stimulating increased use of the trade routes to Karachi. In recent months the countries have reached an agreement calling for the improvement of highways in both countries, for the extension of the Pakistan Railway into southern Afghanistan, and for improvements in the Port of Karachi. The program will be carried out through American assistance, with Afghanistan receiving \$19 million and Pakistan \$7.7 million.

The airways development project, which received an initial grant of \$14 million in 1956 was allocated an additional \$11 million in 1959. This has been a slow-moving project, hampered by transportation problems and lack of skilled technicians, but one to which the U. S. committed in terms of its own national interest.

The American project which has been subject to the most criticism has been the Helmand Valley Project, which had been developing for some years under private management under contract to the Afghan Government

- 19 -

before the United States took an official interest. Including both grants and loans the U. S. financial interest in this project has been close to \$50 million, or more than 1/3 of the total U. S. assistance to Afghanistan, which amounted, as of April 1, 1959, to over \$144 million.²³

The Helmand Valley is located in the southwestern part of Afghanistan, and occupies nearly half of the total 265,000 square miles of the country. For years it has been the 'white hope' of the Afghan government, who see in its development the ultimate solution of their agricultural and nomad problems. It contains about 880,000 technically irrigable acres, of which 250,000 acres are under cultivation to date.

Peter Schmid, on returning from a recent visit to the area, gives a rather colorful account of the plight of the Helmand Valley project:

"There was an enormous desert in the South, and near it a river, the Helmand, whose water oozed away uselessly after the rains. Dams were built and irrigation ditches dug, model seed and cattle brought in, model farms and settlements established. In return for the millions of dollars spent it was hoped that 700,000 landless nomads could be settled in a desert that had been turned into a Garden of Eden. One splendid wheat harvest came up out of the irrigated soil, and then the jig was up. The soil was salty and barren. The nomads drifted off again. The result was a fiasco. The Americans blamed the Afghans for giving the project too little thought and for rushing into cultivation too soon. And with this came the realization that it was necessary to train and educate the Afghans before building dams and factories."²⁴

23. U.S. O.M. (A) Afghanistan Builds on an Ancient Civilization 1959.

24. Schmid, Peter, op. cit.

- 20 -

Although Schmid has overstated the case, possibly for dramatic effect, nevertheless, the technical and manpower problems which have arisen in the Helmand projects, have sharply pointed up the need for intensive technical and engineering training of Afghan personnel. The Helmand project has also pointed up the dangers of beginning a large-scale program which drains too many of the local resources. The Afghan Government literally "went broke" during the early days of the project.

Despite the dissatisfactions of both Americans and Afghans, slow, steady progress is now being made in the Helmand projects, and I.C.A. is committed to continue reasonable financial support for the next several years. Although not originally tied in with our diplomatic interests in the area, the Helmand Valley has become an important symbol of the Afghan nationalist effort, and requires continued United States support.

One of the more important, though less visible, elements of national power, in the eyes of the writer, is a country's educational system. Certainly the power positions of both the United States and the Soviet Union in the world today can be traced in part to the efficiency of their school systems.

The United States seems to be making its most effective effort in Afghanistan today in the field of education. The two most influential educational projects are the teacher training program being operated by Columbia University, and the Faculty of Agriculture and Engineering at Kabul University, developed under contract by the

- 21 -

University of Wyoming. Both projects have the full support of the Afghan Ministry of Education, and although in existence only three years, are rated by I.C.A. officials as the most successful programs to date. One can reasonably speculate that had the educational program preceded the Helmand Valley projects, fewer errors and more efficient progress might have been made.

Looking at the total economic effort of both the United States and the U.S.S.R. over the past several years, one must conclude that in some respects the Soviet program has been better planned and coordinated than our own. The Soviets, for example, seem to have avoided the difficulty of undertaking to do a project and then being unable to complete it in the allotted time.

CONCLUSIONS AND RECOMMENDATIONS

In the light of the present-day situation, how should we evaluate the Afghanistan aid program in terms of U. S. power interests in the area, and what form should it take in the future?

First, it must be concluded that the increased aid program, which jumped so markedly from \$2 million in 1955 to \$18 million in 1956 was initially a 'crash' program developed hurriedly to counteract a specific Soviet thrust - i.e. the \$100 million loan. Additional money was poured into the Helmand Valley, wheat assistance and other projects without sufficient attention to problems of transportation, equipment, and manpower development. Time delays and administrative difficulties have caused Afghans at times to look more fondly upon such concrete results as the Soviet paving of the streets

- 22 -

of Kabul. The present emphasis on carefully planned, long-range projects, such as the air development program, regional transit, national roads improvement, and particularly the educational programs, seem to augur more positive results commensurate with both Afghan and U. S. national interests and capabilities.

Secondly, our power and policy interests in South Asia dictate that we continue our aid program in Afghanistan on a moderate scale and for an indefinite period for these reasons.

1. The Soviets are continuing their efforts to gain an economic and psychological foothold in the country.
2. Control of civil air transport would provide the Soviets with a key hold on transportation facilities and commodity exports.
3. It is essential to our interests that regional transportation facilities in Afghanistan and Pakistan be developed for the mutual benefit of both as well as for the maintenance of our own power potential in South Asia.

Two assumptions should be made in determining the nature of the program and the sums to be appropriated for Afghanistan development in the future:

First, that Afghanistan will continue in the role of a buffer state, and will not voluntarily become economically bound to either East or West.

Second, the Soviets will continue, as part of their strategy, to develop impact programs as well as long-range projects specifically designed to increase Afghanistan dependence upon the U.S.S.R.

- 23 -

The U. S. program, then, should continue to place major emphasis upon the long-range development of manpower potential through the expansion of the recently launched educational programs. As Millikan and Rostow explain, "The responsibility for economic programs must be accepted by the people of the area themselves at both national and local levels."²⁵ The development of local leadership in this situation can best be handled through these formal technical and teacher-training programs.

Other programs must be continued for the reasons already indicated, but at a pace which will take into account more fully the transportation and engineering, and management problems as well as the lack of skilled manpower, which has made it impossible to meet many deadlines in the past. The inauguration of new projects should also be based on the capacity of the Afghans themselves to gradually assume more of the technical and fiscal responsibilities. Otherwise the goal of a 'mutual' aid program cannot be realized.

The U. S. must be alert to the effects of the Soviet 'impact' programs, but must plan its own programs in terms of U. S. objectives which are fundamentally different from those of the Soviet Union. The Soviets are seeking to enforce, eventually, identical national objectives upon their debtors; the U. S., on the other hand, is seeking to develop mutually compatible objectives.

25. Millikan, Max F. and Rostow, W. W. A Proposal: Key to an Effective Foreign Policy, Harpers, 1957. p. 40.

- 24 -

The future U. S. course in Afghanistan should be guided by that element of national power which Morgenthau calls 'the quality of government':

"A nation must choose objectives and methods of its foreign policy in view of the power available to support them with a maximum chance of success."²⁶

26. Morgenthau. op. cit. p. 132.

BIBLIOGRAPHY

A. Government Publications.

1. President's Commission to Study the United States Military Assistance Program, Composite Report (Draper Committee) Vol. 1. Aug. 17, 1959.
2. U. S. Senate - Compilation of Studies & Surveys - Special Committee to Study the Foreign Aid Program - 84th Congress--Study on South Asia, by Lewis Webster Jones, pp. 1464-1504.
3. International Cooperation Administration, Report on Transportation Facilities of Afghanistan & Pakistan, (prepared by Koebig and Koebig, Consulting Engineers).
4. International Cooperation Administration, Appendix to Evaluation of Afghanistan Program (unclassified portion) August 25, 1958.
5. Dept. of State Publication #6632, The Sino-Soviet Economic Offensive in the Less Developed Countries. May 1958.
6. Dept. of State Publication #6777, The Communist Economic Threat, March, 1959.
7. U. S. Operations Mission-Afghanistan, Afghanistan Builds on an Ancient Civilization, 1959.

B. Periodicals.

1. Armstrong, Hamilton F. "North of the Khyber," Foreign Affairs, July, 1956, pp. 603-619.
2. Fletcher, Arnold, "Afghanistan-Highway of Conquest," Current History, June 1950. pp. 337-341.
3. Franck, Peter G. "Problems of Economic Development in Afghanistan," Middle East Journal, July 1949, pp. 293-314. (continued in October, 1949, pp. 421-440).
4. Franck, Peter G. "Economic Progress in an Encircled Land," Middle East Journal, Winter 1956, pp. 43-59.
5. Jones, Lewis Webster, "U.S. Aid to South Asia," Current History, August, 1957. pp. 74-79.

BIBLIOGRAPHY (cont'd)

6. Ramazini, R. K. "Afghanistan and the U.S.S.R.," Middle East Journal, Spring, 1958. pp. 144-152.
7. "Sarhaddi," "The Afghans and International Politics," Eastern World, May, 1952, pp. 18-19.
8. Schmid, Peter. "Coexisting in Kabul," The Reporter, Feb. 5, 1959. pp. 23-25.
9. Triska, Jan F. "A Model for the Study of Soviet Foreign Policy," American Political Science Review, March, 1958. pp. 64-83.
10. Zyzniewski, Stanley J. "Soviet Foreign Economic Policy," Political Science Quarterly, June, 1958. pp. 206-233.

C. Books.

1. Morgenthau, Hans J. Politics Among Nations. N.Y. Alfred Knopf, 1958.
2. Fletcher, Arnold. A History of the Afghan People. U. of Southern California, 1953.
3. Millikan, Max and Hostow, WW. A Proposal: Key to an Effective Foreign Policy, NY. Harpers, 1957.