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A REVIEW OF SELECTED MATERIALS ON
THE DEVELOPMENT STRATEGIES OF
ZHOU ENLAI, FIDEL CASTRO AND
GAMAL ABDEL NASSER

DISSERTATION

Presented in Partial Fulfillment of the Requirements for
the Degree Doctor of Philosophy in the Graduate
School of The Ohio State University

By
Joncker K. Ibn Biandudi, B.A., M.A.

* * * *

The Ohio State University
1984

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For
Helene and Joncker
ACKNOWLEDGEMENTS

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A REVIEW OF SELECTED MATERIALS ON
THE DEVELOPMENT STRATEGIES OF
ZHOU ENLAI, FIDEL CASTRO AND
GAMAL ABDEL NASSER

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The Ohio State University, 1984

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The major argument in this study is that a political leader's beliefs
about the correct strategies and tactics by which to transform their
respective societies, tend to impact on the foreign policy orientation
of the leader's country in the regional and the global arena. We
derived our definition from available literature about the countries,
and especially leaders' speeches and statements. The model, however,
did not hold with Nasser, but held in relationship to Cuba's Fidel
Castro, and Zhou Enlai of the People's Republic of China. The seven (7)
concepts or categories of leaders' beliefs are (1) man or people, (2)
social justice, (3) liberator, (4) self-reliance, (5) humanist, (6)
freedom/ independence, and (7) interdependence. The author therefore
believes that these seven categories of leaders' beliefs with respect to
internal and external relations could be employed in future research on
the Third World.
A. Purpose of This Study

It is the purpose of this study to add to our understanding of the importance of political leadership in that part of the world commonly referred to as "Third World"\(^1\) -- developing countries of Africa, Asia, and Latin America. Countries whose prospects for economic, political and social development, political integration and stability remain dim, but not hopeless. With the hope of shedding some light on the dilemmas facing or faced by leaders in the Third World, I have set for myself the task of examining the political leaders' beliefs about the correct strategies and tactics by which to develop their respective countries and how these beliefs about the correct strategies on internal development impact on the leaders' foreign policies.

This study is an attempt to discern the leaders' beliefs in the issue-area of development. It is not our intention to advance a definition of development, instead, we prefer to derive our definition(s) of development from the perspectives of the leaders. Our focus then is on the head of state or the authoritative decision-makers of the countries under examination.

\(^1\)For the purposes of this study, we are using the term "Third World" with all the ambiguities associated with the term.
Snyder (1969:209), for example, states:

It is one of our basic methodological choices to define the state as its official decision-makers... Those whose authoritative acts are, to all intent and purpose, the acts of the states. State action is the action taken by those acting in the name of the state. Hence, the state is its decision-maker... It is also one of our prime analytical objectives, the recreation of the 'world,' of the decision-makers as they view it. The way they define situations becomes another way of saying this is the way the state (is) oriented to action and why. (Emphasis my own.)

We define political leader simply as that decision-maker in government with the authority to allocate the resources of the government.

The question, "do leaders lead, or do they follow," is an age old question -- paradoxical at times -- around which proponents of organismic and mechanistic images of man and society have argued for centuries, and the argument continues. In short, leadership is more broadly defined than Rosenau's idiosyncratic factors. It basically relates to Snyder's, Brecher's, and Sapin's, and to Hermann's (1983) category of decision-makers.

The selection of leaders and countries to be studied is based on (1) the size of the country, (2) the geographical location of the country in the Third World, e.g., regional location in the global

---

system, and (3) we wanted leaders who had occupied the center stage of the political theater for a considerable period of time. The underlying assumption is that the longer the tenure of office, the more the leader's beliefs about the correct strategies by which to develop the society is to impact on the foreign policy of the country. Thus, all three leaders held power for a long period of time: Zhou Enlai of the People's Republic of China, 1949-1976; Fidel Castro Ruz of Cuba, 1959 to the present; and Gamal Abdel Nasser of Egypt, 1952-1970.

One of the persistent questions posed to this student has been: Why Zhou Enlai and not Mao Zedong? I acknowledge the predominance of Mao Zedong, his imposing stature, and the extent to which his thoughts have permeated the very fabric of the Chinese society. The point is that Mao was a thinker, Zhou Enlai interpreted and implemented. The People's Republic of China, from its inception had the good fortune, or rather luxury, of having a thinker and a doer. This is probably an oversimplification. In a moving tribute to Zhou Enlai, David and Nancy Milton (1976:108) state:

---

3 The three leaders in this study, in contrast to their counterparts in Western societies, are commonly referred to as "authoritarians," or leaders of "closed political systems." When authority is vested exclusively in the person of the head of state, that person tends to rule until death; provided, of course, that there is no effective challenge to his/her rule, and/or that the opposition is not tolerated (e.g., Nyerere, of Tanzania; Kaunda, of Zambia; Castro, of Cuba; Nasser, of Egypt; Zhou Enlai/Mao Zedong, of the People's Republic of China, etc.). Under these circumstances, beliefs about the correct strategies and tactics by which to develop the societies tend to impact (or influence) leaders' foreign policy. In this conjunction, see for example, M. G. Hermann, "When Leader Personality Will Affect Foreign Policy: Some Propositions," in In Search of Global Patterns, (ed.) James N. Rosenau, New York: The Free Press, 1974.
Millions of Chinese believed that he (Zhou) personally was the only man in that enormous country capable of solving the problems in which they all found themselves entangled. His long-tested skills as a negotiator and his capacity for political survival were put to daily tests, but what many people looked to him for was his understanding of their personal difficulties, his answers to their anguished letters, or guilts for their Red Guard children wandering through the cold of North China.

Snow (1972:157) who knew him earliest and best, states that Zhou Enlai was "...a man of the world yet not of this world ...a true intellectual," and Kissinger (1976) refers to him as "the greatest statesman of our era." But perhaps equally important is the assessment by Roots (1978:156) to the effect that:

Zhou and Mao complimented each other in character. They also symbolized the two elements in the national life which united the Red tide that swept China -- the peasant oppressed for centuries by government and landlord, and the frustrated Confucian-trained intellectual radicalized by the massive inequities of the imperial establishment and its helplessness before a foreign invader.

And finally, Butterfield (in his evaluation of China after the death of Zhou Enlai, which appeared in the New York Times of January 8, 1977) states:

Zhou's ambitious program to modernize China by the turn of the century has now become state policy, and his disciples have assumed power in Peking... But in hindsight it now appears that for most Chinese, Mao had become more a duty or an abstract mythic figure than a man, while Zhou was a revered and sympathetic leader to turn to in time of trouble... Part of Zhou's appeal was that he seemed to embody all the virtues the Chinese admire and used to associate with a Confucian gentleman. He was
intelligent, kind, gracious and modest, shrewd without being scheming, ambitious and forceful without being overbearing. He was also a good diplomat and conciliator, ready to repair the damage done by Mao's mere apocalyptic.

Roots (1978:113) sums it up when he quotes former French Premier Maurice Cove de Murville, that "He", Zhou Elai, "is the government!" Zhou was "China's Gray Eminence" (Hsu, 1968).

The three leaders and countries I am explaining in this study shared in common (1) the dilemma faced by virtually all countries and leaders in the Third World: dependency, e.g., economic and military, on external environment. Concurrently, the countries have experienced colonialism.

The historical colonial and semi-colonial experiences and/or status of these countries necessarily implied, as Wallesteen (1971:20) puts it, that the new leadership was "to hold in check the radical tendencies of lower-class protest and to hold basically intact the overall economic links with the former (colonial power)." In other words, they were expected to continue along the lines established by the former metropoles. Each leader, therefore, attempted to deal with this

dependence situation in varying ways. (2) All three leaders and countries profess an international/global role (other than national developer) (K. J. Holsti, 1970; Wish, 1977), e.g., regional leader, revolutionary supporter, liberator, etc...

With respect to the above, most leaders who assume power in the Third World are cognizant of the expectations they have created in the minds of the populace. They do, as Fidel Castro puts it, "What needs to be done to respond" to the perceived needs and expectations of the populace (Huberman and Swezy, 1960). They engage in and initiate policy which they believe as addressing or responding to their countries' needs, e.g. agrarian reforms, illiteracy campaigns, health care, schools, hospitals, roads, irrigation or dams, and increase military or defense capabilities. The abilities of leaders to meet their objectives also depends on (1) both the quality and quantity of (human and nonhuman) resources available to the leaders and the countries; (2) the abilities to obtain and/or exploit (human and nonhuman) resources in the regional and global systems.

This study, in fact, argues that leaders in Third World countries may not perceive the problems in internal domestic development in the same light. By emphasizing that we want the political leader to inform us on his/her definition or beliefs about development, is one way of inquiring where the leader places his/her emphasis, i.e., internal development, external development or both. Leaders are motivated by different needs. It could very well be the case (as outlined in the
internal development and external relations of countries in this study),
that leaders may believe that creating a propitious environment
(external) should be the first priority of his/her regime. That without
such an environment, no measures of internal development should be
attempted (or internal development cannot take place).

Another leader may believe that internal developmental strategies
must be buttressed with an active foreign policy. To put it another
way, that internal developmental strategies must go hand in hand -- or
in juxtaposition -- with the foreign policy, creating a propitious
environment necessary to guarantee or ensure the success of internal
developmental strategies. Still, other leaders may believe that in-
ternal developmental strategies should be the first priority of their
regime. This is one way of saying that: If we have a strong base
internally, our dealings (or foreign policy) with the external environ-
ment would be greatly enhanced.

The problems in the Third World could not be attributed to the
absence of enduring "political stability" alone. Politics and econom-
ics, as this study demonstrates, are intertwined. The crucial issue is
that Third World countries face acute social, economic, and political
crises. Indeed, major Latin American countries, e.g., Brazil,
Argentina, etc., are experiencing debt crises that threaten the finan-
cial health of their creditors in the Center countries. African coun-
tries, on the other hand, face economic and political crises that are
much deeper than those posed by short-term financial obligations. In
Africa, it could be argued, economic and political crises are the
results of fundamental economic and political ills for which there are no sure or simple solutions. Nevertheless, attempts should be made. "The World Bank (IBRD) warns that average per capita income on the continent at the end of the 1980's may be lower than it was at the beginning of the 1960's. The prospect of continuing economic deterioration is not a happy one for any country. For many African countries, which are among the poorest in the world, it can mean rising malnutrition, disease, and illiteracy; it can mean a contraction of modern economics and a return to the bush; (Lancaster, 1983:149-50). The roots of the social, economic and political crisis in Africa... go back to the period before independence. Not only did European colonial powers draw boundaries without regard to ethnic unity or economic viability, but they also concerned themselves less with making their colonies self-financing. Their transportation and communications systems linked the countryside with the ports and the capitals with the European metropole. But they did not try to integrate the colony itself or provide access to African neighbors. Health and educational services for Africans were few, particularly in Belgian, French, and Portuguese colonies. Many African countries attained independence with a serious lack of trained manpower, some new states having only a handful of college-educated nationals. Finally, the new African leaders inherited political (and economic) institutions borrowed from Europe, which had yet to be tested in the African environment (Lancaster, 1983:151).

It is not surprising, therefore, that military coups and counter military coups, revolutions and counterrevolutions, and civil wars have come to dominate the political processes in the Third World. It is
interesting to note, that with each successful military coup, the new leaders justify their actions with terms which have come to characterize the "way of life" in the Third World, e.g., "to restore order and tranquility" so that "development can take place"; "inept" government and "rampant corruptions"; "rescue the country from political and economic chaos"; "drive out imperialists"; "liberate the country from foreign occupation, domination, humiliation, and exploitation"; and "restore the pride and dignity of the people"; etc... The meanings of these terms are not always clear. One does not know who or what is meant by imperialism.

Thus, crises in the Third World threaten not only the economic and political security of the leaders and countries in the regions of the Third World, but also threaten the economic, political security of countries in the Center. Because economic and political disorders in the Third world do in fact provide opportunities for the expansion in the influence of, or in the replacement of one center by another, and eventually increase the danger of superpower confrontation.  

5 In this study, we examine for example the United States' decision to invade Cuba in 1961 when Fidel Castro nationalized U.S. private businesses, and the October 1962 Missile Crisis. Other examples include the Congo (Zaire) Crisis 1960-1964; fear of superpower confrontation in the Middle East from the nationalization of the Suez Canal to the present, Iraq and Iran crises; Syria and Lebanon, Libya and The Chad, etc...
B. Approach To This Study

A considerable amount of time was spent in observing, reading, analyzing, and assessing the circumstances of leadership, development and foreign policy in the Third World; and after considering those studies and "theories" which seemed relevant to the task of analysis, it became evident that there existed no adequate conceptual and/or theoretical frameworks because domestic developmental strategies and the foreign policy of countries in the Third World are inextricably intertwined, and tend to originate from the authoritative decision-makers of the countries. They are, we are inferring, the manifestations of the leaders' beliefs about the correct strategies and tactics.

Interestingly enough some, albeit few, recent studies on the problems in the developing countries have focused on the structures of the global system and dependence or dependency "theories." However, much attention has been paid to the domestic political arrangements -- elite structure, party politics, institution building, national development and the like. Very little or nothing has been done about these countries' domestic developmental strategies and their impact on the countries' foreign policy, and very little or nothing in the way of comparative studies has been done on the importance of leadership on the countries' developmental strategies and their impact on foreign policy.

The emphasis for this study is also on comparative descriptive analysis of these leaders'/countries' internal and external relations (policies). It thus owes much to those scholars who began to explore the interface between comparative and international politics. Among the
most important to the initiative of this study was James N. Rosenau (1966), "Pretheories and Theories of Foreign Policy." After examining the existing literature, Rosenau concluded that the analysis of foreign policy has sought to explain the behavior of countries by referring to no more than five sets of variables.

1. Idiosyncratic -- all aspects of the decision-maker of foreign policy in a state;

2. Role -- the influence that official positions, role behavior bring to external behavior of a state;

3. Governmental -- the internal structural limitations on, or enhancements of, a state's external behavior;

4. Societal -- non-governmental aspects of a state which influence external behavior, such as degree of integration of the society, industrial base, historical influences, etc.;

5. Systemic -- such influences which emanate generally from outside the state, although some of them may be part of the immediate environment, such as geography or climate (Rosenau, 1966).

Indeed, what Rosenau (1966) offers here is considerably advanced over what has been done previously in the field. However, the weakness of his conceptual framework is that Rosenau does not operationalize his own model, nor does he provide guidance as to how others might do so. One of the important criticisms, we believe, comes from F. B. Weinstein (1972:360); he states:

According to his (Rosenau's) pre-theory, idiosyncratic sources are the most important influence on foreign policy formation in an
underdeveloped country... [But] he says nothing about there to go from there...
Second, there is a problem with Rosenau's basic assumption that all foreign policy behavior can be explained in terms of his five sets of variables. His choice of categories determines the nature of the ultimate theoretical product to a much greater extent than he is willing to admit... [For example] to say that domestic political competition can be subsumed under societal variables is to bury it amidst a host of other "nongovernmental" factors including historical experience, economic capability... [etc...]. However, Rosenau tells us nothing about the relative potency of each variable, "the kinds of limits each set of variables can impose, or about the manner in which one set may affect another" (Weinstein, 1972:360).

Only one study attempted to examine empirically and separately some of the variables. However, we do not have, at present, a systematic empirical analysis which attempts to integrate all five (5) variables, and assess their potencies.

Following on Rosenau's conceptual framework various studies in foreign policy have focused on national attributes (domestic sources of) and foreign policy. For analytical purposes these studies have focused on three categories, i.e., size and the economic wealth of the country, types of governmental system, and political or social unrest or strain. Factor analysis was employed as the primary method in separating the most important variables. Thus, size and the level of economic development (or industrialization) has always been significant in the study of

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6 A perspective for the integration of these variables was suggested by M. East, Stephan A. Salmore, and Charles F. Hermann, Why Nations Act: Theoretical Perspectives for Comparative Foreign Policy Studies, Beverly Hills: Sage, 1978.
international politics and/or foreign policy (Sawyer, 1967, Russett, 1967, Rummel, 1967, East, 1973). Size has been considered as a crucial factor because it is mostly associated with great powers, and these countries tend to be economically, scientifically, and technologically advanced or developed. Given the importance of these variables, it has long been felt that large and economically developed countries (e.g., the powerful countries) should act differently from non-powerful countries. Similarly, East and Hermann (1974) have advanced several hypotheses concerning the effect of size and development on foreign policy behavior. They hypothesize that large countries are more active, the heads of states and bureaucratic organizations are involved in foreign policy actions, that they engage in conflict, etc... They have also suggested that developed countries will differ from large countries in having a lower percentage of events involving heads of states and verbal events, and that they use a high percentage of events which involve military skills and resources (East and Hermann, 1974). It is clear from this study, that in large and economically advanced countries, there is greater bureaucratic participation in (domestic) foreign policy decision-making processes. However, the effect of both

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variables (e.g., size and development) is not so easily determined. Indeed, large and economically advanced countries are the more active participants in the global system precisely because they have more at stake in the world.

Other related studies in international relations have suggested the intervening variables, e.g., needs and resources are the crucial variables influencing the countries' levels of participation in the global system.8

Implicit in the above studies are: (1) that in the developing countries of Africa, Asia, and Latin America, the heads of states engage in more foreign -- and by implication, domestic -- policy; and (2) that the extent to which countries participate in the global system is a function of (a) needs, and (b) resources. Indeed, the "needs" of industrialized countries in the regional and global systems are different from those of the Third World. Developed countries have more resources at their disposal to commit in the pursuit of their foreign policy objectives than Third World countries. However, it cannot be said that Third World countries' "needs" are limited to those of soliciting "aid" and "technical assistance" from developed countries. As this study demonstrates, Third World countries' "needs" include influencing the regional and the global system. Though their resources are

meager compared to developed countries, they also commit substantial resources in the pursuit of their foreign policy objectives.

Brecher's (1969) "A Framework on Foreign Policy Behavior," suggests a foreign policy framework which attempts to overcome some of the deficiencies of Rosenau's model. He contends that "all foreign policy issues may be allocated to four issue areas..." military-security, political-diplomatic, economic-development, and cultural-status (Brecher, 1969:87). One of the critics of Brecher's model, F. B. Weinstein (1972:361) argues that Brecher "operationalizes his framework and demonstrates a procedure for determining the relative importance of the ten variables he defines as important. A simple frequency count of articulated elite images, derived through content analysis of public documents, and supplemented by the analysis of unarticulated images, is said to permit a ranking of the variables in order of importance."

Weinstein (1969:361) further questions the validity of Brecher's "findings," because they were based on what he terms as "simple frequency count as the Chief source of..." data. And concludes that:

there is a tautological character to the assumption that a knowledge of elite images, drawn from the statements of government spokesmen will enable us to project probable outcomes (Weinstein, 1972:361).

In assessing the inappropriateness of the existing models in his study of Indonesia's foreign policy, and the implications to the efforts of building general "theory" of foreign policy, F.B. Weinstein (1972:362) states:

The point is that it may be neither feasible nor necessary that all use a common framework.
If the problems encountered here are at all typical, it is hard to imagine a framework that all, or even most, foreign policy analysts will find appropriate. Perhaps the idea of inducing all writers to "process" their data through one political scientist's concept of "pre-theory" is unrealistic.

As to the consequences of abandoning the single framework approach, Weinstein (1972:362) states:

The assumption on which this study has proceeded is that the prospects for theorizing will be enhanced if each researcher devises his own framework, using what he can from others, but assuring above all that his model is suited to his own data and his own theoretical concerns.

Thus, the basic differences between this study and Rosenau (1966) and Brecher (1969) on the one hand, and F. B. Weinstein (1972) on the other, is that our focus is on the authoritative decision-maker of the society. That is, decision-maker in a government with the authority to allocate, or commit the resources of the government.

Elites in the Third World come and go as leaders come and go. In other words, elites' images, we believe, reflect the beliefs of the authoritative decision-maker at that time. Elites are either removed or retired from their positions through a reshuffling process. This process denies elites followers or a status of importance which might challenge the primacy of the head of state. For example, from his ascendency to power in 1965, President Mobuto of Zaire has been constantly his cabinet, members of the only political party in Zaire, governors of the banks, generals, lieutenant generals, colonels (retired eight in 1972) and even ambassadors constantly move from one country to
another. Fidel Castro of Cuba appointed Manuel Urrutia as President of the Republic in 1959, on July 17, 1959, he was forced to resign; and appointed Osvaldo Dorticos as President. Dorticos became one of Fidel Castro's most trusted assistants, frequently "heading missions abroad and eventually adding the directorship of the Central Planning Board to his functions" (Halperin, 1972:67), was retired from his functions in 1972, and Fidel Castro assumed the position of President of the Republic. The list in Cuba includes such prominent personalities as Anibal Escualant, Blas Roca, Marcos Rodriquez, and Carlos Rafael Rodriquez, to name only a few.

Dr. Ahmed Hussein, Egypt's ambassador to the United States, was rebuked by Nasser in 1955, when he warned Nasser about the ramifications of his arms agreement with Czechoslovakia, stating: Remember "Guatemala, Mr. President, Guatemala." To which Nasser replied "To hell with Guatemala." When Hussein persisted: "How can I go back to Washington and meet Mr. Dulles?", Nasser, irritated, replied, "You don't have to go back if you don't want to" (Nasser, in Haykal, 1973:51).

The literature on China is replete with elites who have been "purged," and "rehabilitated."

The point here, is that elites in the Third World must, if they are to remain in their positions, adhere to, and carry out the wishes of the head of state with "enthusiasm." Second, whether elites remain in their positions depends to a greater extent on how the head of state perceives their works and "obediences." Third, elites' attitudes reflect, in most
cases, different shades of the authoritative decision-maker's beliefs. And finally fourth, one of the rarest statements to emerge from the Third World (Africa) was made to this author by a former elite in a bar in Ghana in 1975, to the effect that "we are a continent of over 200 million peoples, in this respect, we have over 200 million versions of the truth. In other words, no one wants to be known as ignorant."

In this context, this study argues that in the Third World a relatively small elite -- and in most cases it is the head of state -- tends to possess an almost exclusive monopoly or control over both the domestic and foreign relations of the country, so much so that the behavior of the country in domestic and foreign relations are more than mirrors of (his/her) their behaviors. This is in part a function of the level of economic development, structure of decision-making, and the historical experiences of the countries.

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A number of elites in Africa, have said to this author: "Autonomous, independent evaluations, opinions, or expressions of our own beliefs are luxuries we cannot afford. Our evaluations are based on the evaluations of the President." A Minister of Information told this author: "If you want to understand politics in these parts of the world [Third World], you need to know what the President wants when he wants it, and how." A taxi driver summarized what other drivers have warned this author: "If you want to work here, you must have radios in every room in your house, including your cars, and your mistresses' houses, day and night, just to make sure that you still have the job the next day." The point is, elites' attitudes are more often mirrors of the beliefs of the head of state.
In this study we set out to ascertain the leaders' beliefs as they relate to internal development and external policies. We conceive the leaders' operational code as an independent variable "helping to explain and predict leadership and policy-making behavior" (Johnson, 1977:85). Seemingly, we also conceive the leader's operational code as a dependent variable. This is similar to Holsti's (1970:155) approach. "In the first case, we are directed toward the relationship between beliefs and subsequent actions; in the second case, toward the genesis and evolution of these beliefs. One view projects forward in time, the other backward" (Johnson, 1975:85).

A careful search for the most appropriate aspects of existing analytical frameworks for this research has led to the postulation of the following six questions as the basis of subsequent analysis:

1. How does the leader define (conceive the concept of) development and what is his vision of the future society? Or, what are the leader's beliefs about the process of development? (How does he perceive development to be attained?) What does he emphasize (i.e., large-scaled or small-scaled industrialization or does he want to industrialize at all)?

2. In the leader's beliefs is alignment with the Eastern and Western blocs or with former metropole(s) important?

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10 It must be made clear from the outset that we do not purport to duplicate Johnson's (1977) model in this study. The usages of Johnson's words or phrases are for convenience. They describe, in most cases, what we are about. George (1969) and Johnson's (1977) studies are suggestive ways to look at, or more appropriate ways of addressing the questions of concern to this study.
3. What are the leaders' beliefs with respect to private investments and international trade?

4a. Does the leader believe that he is able to achieve his developmental strategies or objectives through participation in the international/global system as it exists? Or,

4b. Does the leader believe that he can change (or alter) the existing international/global system or its parts?

5. In the leader's beliefs is cooperation among developing countries or developing a bloc important?

6. Have the leader's beliefs changed during his stay in office?

Indeed, while the "answers" to these and related questions "will produce a picture of the leaders' beliefs," "an assumption of enduring stability to these answers is unwarranted... Instead of static continuity, a more realistic conception of the code (or beliefs) would include a flexible structure." In Johnson's reformulation, this was "composed of ... five dimensions," in our case, it is composed of seven different kinds of questions, "each susceptible to a differential state of gradual or rapid expansion or collapse as the political actor modifies his beliefs in response to the changing mix of psychological and situational pressures upon him" (Johnson, 1977:89).

As Johnson (1977:89) further notes, and we concur, that "in place of a set of beliefs held steady and consistently in a unidimensional, stable amalgam of time and space, we would, in fact," envision a more
dynamic multidimensional relationship. It may, in fact, be the case "that little change [took] place in a leader's code."

In this context, we infer, that a leader's operational code takes into cognizance the resources (both human and nonhuman) available to the authoritative decision-makers as they decide to implement the chosen course of action(s).

Thus, this inquiry is a radical departure from the accustomed process of inquiring into the political leaders' operational code. In this context we hypothesize that the leaders' beliefs about the correct strategies and tactics by which to develop the society directly impact on the foreign policy of the country.

Before proceeding further, important to this study are a few basic assumptions which can be stated as follows.

1. The regional and global systems are as given or extant. That is, there has to be an international/and/or global environment in which these leaders would and did operate, i.e., react or respond to, or initiate policies. To put it another way, the global environment has an organized influential impact which bears on these Third World countries. It is true that the Chinese leadership was opposed to the dominant structures of interstate interaction that emerged after World War II, it nevertheless, operates in it.

2. Third World countries need the global environment to realize their developmental strategies and to realize the perceived role of their countries in both the regional and global system. In Chapters 3-5 we also examine leaders' beliefs about the international and/or the global systems.
3. The two interrelated and fundamental goals of Third World countries are organization and development, which are complex socio-economic and political processes.

4. High technology including communication and organization tends to bring all countries and peoples inexorably into closer relationships.

5. For many countries in the Third World, non-alignment was perceived by the leaders of the countries to be a cardinal principle of their foreign relations. Nowhere is this concept more pronounced in this study than in Nasser’s relations with the West.

C. Research Methodology

Research for this study was carried out at the Ohio State University Libraries and the Mershon Center. I regret that I was not able to obtain interviews with representatives of the countries under examination in either Washington, D.C. or New York. I relied heavily on published speeches, press conferences, memoirs about the leaders written by journalists and statesmen, published interviews, intimate and not so intimate accounts of leaders' political, economic and foreign policy orientations. I have also relied on (1) published and unpublished scholarly studies of these countries and leaders on political, economic, cultural and foreign policy matters; and (2) countless conversations and discussions with members of my committee and some faculty members at the Ohio State University Department of Political Science (see Acknowledgements).

The definition(s) or beliefs about development are enforced or derived from speeches and statements made by and on behalf of the
authoritative decision makers. Leaders do not exactly define the concept of development. Thus, the meaning of development is also derived from the policy that is initiated. It is not unusual to hear leaders complain about the inabilities of their bureaucracies to carry out their policies as they were presented. Fidel Castro, for example, perceived bureaucracies as obstacles "to move the economy toward an efficient and abundant production with all possible speed." Among the obstacles...

he perceived to this objective were the low competence and the retarded learning capacity of most of his subordinates, which in turn, fed bureaucratic inertia. In one of his midnight forays to the university campus, he was probably deadly serious when he told a group of students...that in all of Cuba he could only count on twenty administrators with enough intelligence to handle the jobs they were assigned to do (Halperin, 1981:86).

In other aspects, while Marcelo Fernandez, Che Guevara, and others were debating Marxist economic theories, "Fidel Castro in his numerous speeches was excoriating bureaucracy as the great source of evil which he was determined to extirpate from the Cuban scene" (Halperin, 1981:87).

In explaining why he, Fidel Castro, as a prime minister "should have an office occupying several floors in the biggest building in Havana," he told Sulzberger of the New York Times in an interview on October 31, 1964, that:

At the start I tried to work in the Prime Minister's office... But I rapidly learned that I had no interest in seeing ninety percent of the people who were interested in
seeing me...so I decided to adopt a method enabling me to see those people it was necessary to see without being bothered by the others... (Sulzberger, 1973:121-22).

The point we want to stress here is as Halperin (1981:87) puts it:

To the masses held spellbound by his speeches he even appeared to be outside the government, and like his listeners, a victim of its myriad of dull, parasitic, paper-pushing and paper-storing officials... Politically, this posture -- probably a genuine reflection of his deepest feelings and hence convincing -- was an important element of his strength, for it helped maintain the identification of the Cuban people with his personal leadership. The Revolution was Fidel, not the idiotic creatures who filled the ministries and messed everything up (Halperin, 1981:87).

More simply put, when things are going wrong, the populace look to the leaders, not the bureaucrats. The types of activities or policy initiatives by the leaders with respect to development, are inferred as the manifestations of leaders' beliefs. Thus, we are interested in whether the leaders believe in small, medium or large scale industrialization. The "answers" to this question are dichotomized in terms of "yes" and "no." Finally, we take the leaders' definition(s) or beliefs on development, and see how they are manifested in the types of activities that are taking place within and without the societies.

Second, beliefs about alignments with the East and Western blocs are also dichotomized in "yes" and "no" "answers." These beliefs are derived from leaders' pronouncements and/or policy statements.

Third, beliefs about international and/or global trade are inferred and derived from (1) the United Nations' Yearbooks On International Trade, and (2) studies by areas or countries' specialists. Changes in
the directions of trade are also noted. International economists refer to International Trade as:

a nation's annual net trade surplus or deficit, based on the difference in the value of its total imports and exports. The balance of trade is to be distinguished from the balance of payments, the trade balance is only one part of the many debts and credits that comprise a nation's balance of payments (Plano, Greensburg, Olton, and Riggs, 1973:26).

Given the strong needs of Third World countries for imports of capital goods, intermediate goods, and essential consumption goods, it seems rather certain that international or global trade will remain (1) the "bulwark of most countries' efforts to improve their living standards" (Erb, 1974:10), (2) internal development strategies, and (3) a source of financing and/or buttressing the country's perceived roles in the regional and global systems.

Beliefs about private investments is derived from leaders' pronouncements and policies with respect to private investments in their respective countries. We do not raise the question of "aid," "technical, and financial assistance." The question is central to the leader's definition(s) or beliefs about development. For Third World countries, technical and financial assistance are more than necessary in their developmental strategies. F. B. Weinstein (1972:268) notes in the course of research on Indonesians' attitudes that:

Most Indonesians are sharply aware that their country lacks the capacity to finance its own economic development. Few would claim that development can advance without foreign aid. Thus, it becomes a task of foreign policy to secure the funds for development from abroad.
This encompasses not only negotiations for aid, but also debt rescheduling, solicitation of foreign investment, and fixing of trade terms. In some respects, economic development has come to be seen as a panacea in Djakarta, and it is foreign policy that must provide the funds that make development possible.

Fourth, beliefs about participation in the international and/or global systems to achieve developmental objectives are inferred from the leaders' speeches or policy statements. We also expect the foreign policy of the leaders to be geared toward soliciting assistance and "aid" from industrialized countries to buttress their internal developmental strategies. For example, in his Address at the Opening Meeting of the Second Session of the National Assembly, in November 1964, Gamal Abdel Nasser stated that:

I want to say that our foreign policy is in the service of our internal policy. Without our foreign policy we would not be able to build our internal structure.

And finally fifth, beliefs about cooperation between developing countries and creating a bloc of developed countries are derived from (1) trade between and among developing countries, (2) "technical" and/or "financial" support given by the Third World countries, and (3) leaders' speeches, or policy statements and pronouncements with respect to the importance of such cooperation.

The "answers" to the above and remaining questions are inferred from leaders' statements and policy positions. We have also made use of materials and/or documents pertaining to the history, culture, and experiences of the countries of the leaders to infer on their beliefs of the global system. The data, we believe, can tell something about the
sources of the leaders' beliefs. For example, Michael Brecher (1969:87) states: "All foreign policy issues may be allocated to four issue areas...," military-security, political-diplomatic, economic-development, and cultural status. This is particularly crucial as we examine the leaders' "answers" with respect to participation in the global system as it is.

It could very well be that leaders are opposed to the bipolar world that emerged in the global system at the end of World War II, but may want to work or participate in it in order to reestablish the centrality of their countries in the region of which they are a part, or in the global system (i.e., the perceived cultural, status, historical political experiences and roles of the countries).

Chapter 2 provides, albeit brief, an assessment of the existing literature on development. It, in effect, scrutinizes the elusive concept of development as it relates to Third World countries. We also examine this literature in contrast to the "alternative approach," or dependency. Our essential argument is that both approaches, e.g., modernization and dependence (and dependency), do not provide or suggest to authoritative decision-makers in the Third World ways out of the dilemmas they face.

Chapters 3 through 5 essentially seek to discern the leaders' beliefs or definition(s) of, or the correct strategies and tactics by which to develop their respective countries. Indeed, we do not expect to discern a definition or definitions of development from all three
leaders. It is conceivable that some leaders may not see it necessary to define what is taking place within the society(ies). In this case, we propose to infer, as we propose to do throughout this study, on the leaders' beliefs based upon the activities that are taking place within the society.

Chapter 6 provides a summary of leaders' beliefs. The above concepts of development are derived from leaders' beliefs about the correct strategies and tactics by which to transform their respective societies. The concepts are by no means exhaustive. They are only suggestive of the possible concepts that could be used, in assessing the political, economical, as well as societal transformations in the Third World.

The model employed in this chapter is derived from George (1969) and Johnson (1977). In contradistinction to George (1969) and Johnson (1977), the political leaders, in operational code in this study, is examined within the context of the issue-area of development or transformation. The model employed in this study, in effect, argues that leaders' definitions, or beliefs about the correct internal developmental strategies and tactics tend to impact on the foreign policy orientations.

The 7 (seven) concepts or categories derived from the political leaders' (Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser) beliefs are examined through inferences in Chapters 7, 9 and 11. In these chapters we are interested in the manifestations of leaders' beliefs with respect to their internal developmental strategies and tactics. It is argued
that Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser's beliefs about the internal tend to impact on their foreign policy orientation controversy. The leaders' beliefs about the external environment tend to impact on the internal developmental strategies. It is because of the nature of the model, we examine each leader's beliefs in the internal developmental strategies and in their foreign policy orientations.

Chapter 7 examines the People's Republic of China's domestic developmental strategies and tactics under Zhou Enlai, and the emphasis the strategies have placed on "man." In Chapter 8 our focus is on how these strategies and tactics impacted on China's foreign policy (relations) during Zhou Enlai's tenure of office. In this situation, the leaders believe that developing the country should be the first priority of the regime.

It should be pointed out that in this study, data on international trade are collected from the period in which the leaders assumed the center stage of the political theater. In some cases, data was not available at that time, or at certain other periods. No adjustments were made to correct these discrepancies.

Chapter 9 examines Fidel Castro's domestic developmental strategies and tactics. And in Chapter 10, our focus is how Fidel Castro's domestic developmental strategies and tactics impacted on the foreign policy of Cuba. In this situation, the domestic developmental strategies of Cuba, we argue, go hand in hand with the foreign policy of the country under Fidel Castro.

Chapter 11 focuses on Egypt's internal development, and Chapter 12 on its external relations (foreign policy) under Nasser. In this third
situation, it is argued that the first priority of Nasser and the Free Officers was geared more to establishing a propitious environment necessarily Arab in character, in order to establish Egypt's primacy in the region. In the absence of this environment, no measure of internal development could be attempted.

Chapter 13 is essentially the concluding chapter. It assesses the successes or failures of the leaders' strategies.
CHAPTER 2

THE "ELUSIVE CONCEPT OF DEVELOPMENT" 1

Introduction

This chapter focuses on the concept of "development" (e.g., social, economic and political), as it relates to the developing countries of Africa, Asia, and Latin America. In the mid 1950's, "political development" or simply "development" dominated researches of the newly emerging countries in the Third World. In most cases, "development" and "modernization" came to be used interchangeably. In the 1960's, the concept of development came under severe attack from Latin American writers, scholars and politicians. At the core of the criticism and counter-criticism is the sensitivity of Third World leaders and scholars to the implications of these "theories" or "conceptual frameworks" as they relate to the perceived "real problems" confronting countries and leaders in the Third World (i.e., economic-development, etc...).

For the purposes of this chapter (albeit short) and this study, we propose to suggest the following for consideration:

1. The definition of development is a critical economic and political issue to leaders, writers, and scholars in and out of the Third World.

2. Definition(s) of development in Western scholarship can be viewed as a part of Western domination of Third World countries, at least in cultural terms.

3. Third (and some First) World scholars have challenged the Western literature and created definitions of development comparable with Third World experiences and literature.

4. But, even within the so-called "alternative" approach, there are still severe disagreements about development.

   We have now arrived at an impasse. There seems to be a tendency among both scholars of political and economic development and "alternative" approach, to talk past each other. In other words, there seems to be no agreements on their disagreements. However, the disagreements between the alternative approach and modernization approach are quite clear.

5. Leaders (or authoritative decision-makers) tend not to explicitly define key concepts which are of interest to scholars and students of international relations and political-economy.

6. Thus, the meaning of development, in this case, must be derived by analysis of what they actually do or from their policy statements.

The "Elusive Concept of Development"

The concept of development (economic, political and social) has been one of the most elusive concepts to define. In most cases, students of international relations, international politics or comparative foreign policy would be frustrated to go through a variety of studies (and case studies or area studies) of Third World countries, in an attempt to
discern a clear, operational definition of development.

Development has been defined in terms of stability (Eckstein, 1974). This definition equates development with stability and in effect, sets a precondition from which development is to take place. In other words, it suggests that for development to occur, there must be stability, either economic, political, and/or social. Stability here is concerned precisely in terms of "stable democracy." Thus, "stability" has come to be associated with "democracy." These value-laden definitions and/or theories have come under sharp criticism not only by African, Asian and Latin American writers and politicians, but also from some Northern scholars.

Before proceeding further, it is necessary to clear up two areas of concern to both "modernization theorists" and the proponents of the "alternative approach": mainly the distinction between economic development and political development. Various leaders in the Third World have argued that: economic development = political development, and political development = economic development (Nkrumah, 1961, Nasser, 1964, Toure and others). It is rather clear that for leaders in the Third World the distinction is meaningless.

Robert A. Packenham in his "Approaches to the Study of Political Development" attempted to present a model of political development and correctly cites Coleman and Almond's finding that:

...a very common view is that political development is primarily a function of a level of

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economic development sufficient to serve the
material needs of the people and to enhance
a reasonable harmony between economic aspira­
tion and satisfaction ...however, this fact
should not be allowed to obscure the very
important statistical correlation that seems
rather well established between levels of
economic development and political democracy,
when the latter is defined in terms of
political competition (Packenham, 1973:34).

Even in this acknowledgement of the relationships between economic
development and political development, there seems to be no attempt to
escape from applying democratic principles (however defined) or value
concept derived from the socioeconomic and political framework of
northern countries and applying them to Third World countries. The key
emphasis in Coleman and Almond's statistical correlation is derived from
two interrelated variables: democracy and competitiveness. What needs
to be noted here is that the concepts of economic and political develop­
ment are so inextricably interwoven that one cannot be treated in isola­
tion from the other.

The second area of concern has centered on the term "underdevelop­
ment" and its implications. Fred R. von der Mehden (1964) challenged
the concept of underdevelopment in relation to and in contradistinction
to developed societies. Von der Mehden argued that the concept of under­
development is a value-laden definition, proudly propounded and uncon­
sciously implied:

...it is not unusual to find Western politicians
and scholars using a Western system of government
as the criterion for (political) development or
modernity (von der Mehden, 1964:4).
To further illustrate the point, von der Mehden cites K. H. Pfeffer of the University of Punjab, who argued that:

The term "underdeveloped country" is based on the assumption that there exists a commonly accepted standard of development. A person or a group or a nation can only be called "underdeveloped" when there is general agreement what a developed or fully developed person, nation, or group ought to be like. Thus, the very category "underdeveloped" should be tested before it is thoughtlessly used. The category itself is loaded with values and prejudices (Pfeffer, 1960:28).

From the standpoint of von der Mehden and Pfeffer, the term "underdevelopment"3 for analytical purposes should be avoided and/or substituted for a more accurate, descriptive and explanatory concept of countries undergoing different stages of development.

Samuel P. Huntington (1972), in what seems to be a study in institutional development, provided a unidirectional model of development. Although he does not provide us with a clear definition of development, Huntington emphasizes the necessity for institutional development and the institutions become a frame of reference to which a society identifies itself. This historical analysis demonstrates how Western institutions have evolved through time. Thus, "the most important political distinctions among countries ...(is) their degree of governments." That is to say:

In each country the citizens and their leaders share a vision of the public interest of the society and of the traditions and principles upon which their political community is based (Huntington, 1972:1).

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However, Huntington's analytical framework runs counter to the new school of thought referred to as Alternative Approaches to the Problem of Development to which we will return later, which has as one of the proponents, J. Galtung. Galtung maintains that leaders (center in the peripheries) and their citizens (peripheries in the peripheries) do not share harmony of interest. What actually exists between the citizens and their leaders are disharmony of interests or conflict of interests.

Similarly, in one of the most influential studies in economic and political development is G. Almond and G. Coleman's (1960). The problem with the conceptual framework is that the concepts of economic and political development are implicitly or explicitly unidirectional, in the sense that they assume an inevitable direction of change from a primitive or non-Western society to an industrial democracy patterned after Northern countries. The issue here is much more perennial because the data presented do not clearly support such an assumption "of the inevitable Westernization of all political systems" (Mayer, 1972:90). Mayer notes:

It appears that the assumption of inevitable westernization of political (and economic) systems was largely derived from an observation of the development of Western systems... A more variegated source of data should not have led to such an ethnocentric set of assumptions about the direction of political change (Mayer, 1972:90).

The assumption of inevitability -- that is, through time, countries in Africa and Latin America would evolve into "democratic" political systems and economic industrialization -- is belied by military takeovers and military backed regimes in Argentina, 1966-1973 and 1976-1983;
Bolivia in 1969; Brazil with a military backed regime in 1964, and currently functioning under a constitution which was promulgated on January 24, 1967, but extensively revised on October 20, 1969; Ethiopia in 1974; and Liberia, the mother of Africa's one-party system, currently under military rule.

Most scholars seem to make the distinction between "system static" and "dynamic process". The emphasis, however, is placed on the concept of process. According to Mayer (1972):

The focus of static phenomena in question involves a distinction between Western and non-Western political systems. The dynamic process in question is variously called political development, modernization, or other more specific labels, such as industrialization (Mayer, 1972:249).

The problem with Mayer's definition of political development rather than being a dynamic process, it is rather a static phenomenon and its emphasis is on Western values, e.g., modernity, industrialization. However, Mayer finds refuge in Karl Deutsch's (1961) "Social Mobilization and Political Development." In this article, Deutsch defines political development in terms of social mobilization as movement from traditional state "to a modern way of life." Karl Deutsch defines development as follows:

Social mobilization can be defined, therefore, as the process in which major clusters of old social, economic and psychological commitments are eroded or broken and people become available for new patterns of socialization and behavior (Deutsch, 1961:385-86).

The question here, however, is whether Deutsch is defining mobilization or development proper. It could be safely said that
implicit in this definition of mobilization is the definition of development. According to Deutsch, social mobilization is a movement from a traditional way of life to a "modern" way of life, industrialization, which can be accomplished by the total destruction of traditional values and ways of life to Western values. While these concepts and/or beliefs or definitions of development are clearly in line with Western or Northern developmental experiences, two questions need to be posed here: (1) Do Third World countries want to become like their counterparts in the North?, and (2) Isn't it possible for Third World countries to pick and choose the best of both worlds (i.e., the best of the traditional way of life and the best of Western or "modern" societies as in the case of Japan)? The "answer" to the first question was offered as early as 1494 by King Afonso I to the effect that the Europeans' code of law, political, social, economic systems cannot be bodily implanted in the Kongo (Vansina, 1975:34).

Deutsch's ideas have somewhat caught fire among some so-called Third World specialists to the extent that some scholars have gone as far as postulating that with industrialization, ethnic cleavages may be overcome in the long run. Deutsch places great emphasis on his correlation of social mobilization and political development, and how this process took hold in Northern countries. The strength of his correlations are not on the development of Third World countries, but rather on Northern countries, a distinction that needs to be noted. It is argued that a cross-national application of Deutsch's model as well as methodology would not produce the identical relationships in Third World countries as they produce in the case of Northern countries.
A simple cursory travel in the Third World shows an oblique developmental pattern. If there is industrialization taking place, it tends to be concentrated in major capital cities and/or in the region from which the head of state comes. For example, Mobuto of Zaire converted the huts in his village into modern day American designed one-floor homes, and a runway which accommodates a 747 airliner or U.S. military cargo planes. Nigeria's former president, Shagari, "began the construction of a new capital city about 300 miles northeast of Lagos at an estimated cost of $16 billion. Yet hundreds of thousands of Nigerians in the slums of Lagos lack running water, adequate sewage systems, medical care and educational facilities" (Hoyle, 1984:28). Felix Houphouet-Boigny has moved the capital of Ivory Coast from Abidjan to his village, thus converting it into a modern day city or town.

The poverty of scholarship on the subject of development as it pertains to Southern countries is further magnified in Norman H. Nie, G. Bingham Powell, Jr., and Kenneth Prewitt's "Social Structure and Political Participation: Development Relationships" (APSR 63, June 1969). The authors entered into a discussion of economic development
and its effect on people. In a volume that is intended to deal with political development and social change, they postulate that "the task is to identify the significant social experiences which explain the growth of political participation in economically advanced nations" (Nie, Powell and Prewitt, 1969:406). In this analysis, there is no definition of development. It can be said that at least the authors of this piece made no pretenses about applying a Western model of development to non-Western societies.

C. E. Black (1966) clearly shows the phases through which Northern countries have undergone in mobilizations and in economic and political development. Moreover, these concepts are not defined and fail to show how this model can be applied to the studies of Third World countries. Despite the temptation to use C. E. Black as a straw man, it suffices to say that these types of studies have not contributed to the cumulative knowledge that can permit students of politics to carry out meaningful research.

Indeed, it can be said that there have been several attempts at typologizing political systems into Northern and Southern countries categories. These attempts have been referred to as "models," "paradigms" and "approaches." However, these models are nothing more than ideal types in a Weberian sense.

For the sake of clarity, model is a form of paradigm, with a set of concepts around which data may be organized and "which is applicable
Mayer (1972), in his critique of system functionalism, states that:

Empirical functionalism, epitomized by the writings of Robert K. Merton, is less ambitious in its aims. The distinctions between universal functionalism, epitomized by men such as Gabriel Almond and Robert T. Holt, and requisite analysis, epitomized in the writings of David E. Apter, appear to be semantic rather than logical (Mayer, 1972:143).

Functional analysis, taken as a whole, has attained a wider dissemination and popularity than any other paradigm in the field of development. It happened to be one of the first alternatives to the more traditional approaches or models of analysis, and acquired widespread popularity among students of African, Asian and Latin American political systems (Mayer, 1972:143). The main reason behind the popularity of this paradigm is largely due to the fact that the units of analysis offered by the paradigm or requisite approach "seemed to be widely applicable to those political systems that did not share standards of Western-type governmental structures" (Mayer, 1972:143).

Functional analysis postulates the specific and necessary (and probably sufficient) preconditions to the maintenance of a system in
a given state. (The postulate takes the form of function, thus, the
approach is frequently referred to as functionalism.)

The postulates of functionalism appears to refer to the contri-
bution of phenomena and/or patterns of behavior to the maintenance of a
system in a given state. The paradigm thus postulates that there are
certain functions or roles which a system must perform if the social,
earnomic and political system is "to continue as a going concern"
(Aberle et al, 1950:100).

However, here again we must ask: How many roles or functions must
a political system perform for the political and social system to
continue to maintain itself? This is a threshold question that Aberle
and Almond fail to address and/or overcome. The second and most im-
portant problem is that although functionalism has provided us with
more variables, most of these variables are difficult to operationalize
as E. Michael Hass notes.

An expansion of terminology does not assist
empirical research unless it is operation-
ized, and ...functional analysis has been
criticized for lack of operationalizability,
both in international relations and in the
field of comparative government and politics.
(Hass, 1974:369-70).

However, the crucial point in relation to this chapter is the
absence of a definition of development. Thus far, the research for a
definition of development has been frustrating.

Deutsch's model seems to have been influenced by the work of
Daniel Lerner (1958), a study of approximately six Middle Eastern
countries. The procedure employed in ascertaining the rate of moderni-
zation were urbanization, literacy, industrialization, voting and media
participation, e.g., amount of individuals owning radios, newspaper circulations, etc... Lerner explain that:

We handle these as indices of public participation in sectors as a whole, by expressing our data as the proportion of total population possessing each attribute (Lerner, 1958:57).

Thus, he correlated literacy with urbanization, with voting, and with media participation. In short, the impressive factor is that his study's meaningfulness was based on the strength of the correlations alone. However, the point here remains Lerner's conceptual framework was based on the so-called Western (which we prefer to call Northern) values of modernization. Even in this work by Lerner, we do not have or are not provided with a definition of development or modernization. The meaning of modernization is clear. Most of these definitions we have observed are unidirectional.

It could be argued that the "modernization" approach illustrates not only how scholars and students of politics, economics, and sociology view the developing countries of Africa, Asia, and Latin America, but also how the West generally perceives the Third World. This could be best understood when we recall that Britain, France, Belgium, and Portugal were the colonial powers and believed that the African -- to take an example from one region of the Third World -- economic, political, and social systems were not adaptable to the Western model.  

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In general, two types of policies of colonial administration were employed in African and Asian colonies. One employed by the French, Belgium, and Portugal is commonly referred to as Direct Rule. The second, employed by Britain is referred to as Indirect Rule. The system of Direct Rule "assumes that indigenous African authority groups and administrative institutions were incapable of providing
Thus, an economic and political structure, based on a Western model was instituted (albeit with variations). The rationale before, during and after the period of decolonization was and continues to be that before the arrival of Europeans, Third World countries did not have (a) unified language, (b) identifiable political and economic structures, (c) common

the kind of control and political security required by modern colonial regimes" (Cartey and Kilson, 1970:73). It was concluded by the colonial authorities that "little in the indigenous political institution was adaptable to modern colonial government." Thus, Direct Rule sought to "replace African categories of government with administrative units fashioned by European officials and operated largely by them" (Cartey and Kilson, 1970:74).

On the other hand, Indirect Rule:

While sharing the view that the political systems of African Neolithic and Iron Age societies were not directly adaptable to the needs of modern colonial governments, assumed that African authority groups should have established roles in colonial government. British colonial administrators -- were ...doubtful of the African capacity to adjust to modern or Western government and strongly questioned the cultural desirability of directly requiring such adjustments...

[Thus] in local African communities, it was believed desirable to have indigenous African rulers performing a wide range of governmental functions customary to African societies (Cartey and Kilson, 1970:74).

F. Lugard, who was High Commissioner of Northern Nigeria, and the architect of Indirect Rule, states that this was done "under the guidance of the British staff, and subject to the laws and policy of the [British] administration" (Lugard, 1965:88). In practice, however, Britain's administration of its colonies in Africa and Asia was not different from the French.
currency,\(^6\) and (d) "modern belief system," e.g., Christianity.\(^7\) What we are suggesting is that implicit in the Western definition of development (if it exists) is the tacit agreement that Western model is superior to non-Western (Third World) model (i.e., at least culturally).

It should be noted, however, that past, present, and perhaps future scholars and/or students of the Third World are from the West. Most researches are funded by the governments, private foundations, and institutions of higher learning in the West. It is difficult, given their own socio-political and economic experiences and of those of the societies of which they are a part, for them to devise concepts that are alien to (themselves) their experiences. Thus, a point of departure was needed. In addition, it was also hoped that these countries -- Third World -- would continue along the line established by the former colonial powers.

In a bipolar world, with two competing economic and political ideologies (capitalism and the Soviet style "socialism"), it is relatively easy to understand Time's (January 16, 1984) lamentation, as it titled its cover stories with the heading "The Light That Failed: A Military Coup Brings an Abrupt End to Nigeria's Democratic Experiments."


Russ Hoyle (1984:24) in that issue writes:

...the December 31 [1983] coup that toppled Shagari dealt a blow to the hope of a black Africa that had looked to Nigeria as a trail blazer for democratization.

A British diplomat in the same issue states:

We have to recognize that the constitutions we bequeathed to our former African colonies don't work in some places... It is not a mortal sin for these countries to adapt them to their own particular circumstances. When one looks at the reality, it is remarkable that Africa is as stable as it is (quoted in Time, Jan. 16, 1984:39).

However, a Nigerian playwright and essayist, Wole Soyinka, provides the best possible response. He states that Americans and Europeans should not measure democracy in Africa [or the Third World] by their own standards (Time, 1984:39). More directly, he remarks:

When Westerners speak of a democracy they think of specific structures: a legislature or parliament, election conducted by secret ballot, certain formalities of debate -- in short, the rituals that were bequeathed to the ex-colonies in the hope they would remain house trained... The veneer of democracy has badly peeled (Soyinka, quoted in Time, Jan. 16, 1984:39).

If knowledge is cumulative, as we believe it is, then our focuses or lenses and/or conceptual framework -- if you will -- must adapt to the changing "realities" of Third World political processes. In short, the observer is making a plea for acumen in scholarship as it relates to Third World countries.

**The "Alternative Approach" Challenge**

As in the preceding section, the following is not intended to be an exhaustive assessment of the "alternative approach." Our purposes
here are to highlight the major differences between the two approaches and two of the strategies suggested. It would be misleading to suggest that all or most proponents of the "alternative approach" are in agreement with the suggested strategies.

The "alternative approach" could be said to have originated from and by Latin American scholars.

Berquist (1979) in his introduction to the review of the "Alternative Approaches to the Problem of Development" suggested that the "crisis in liberal thinking on development" actually began in the mid-1960's and has acquired momentum in the 70's" (Berquist, 1979:383). What is of significance with this new school of thought is that it has produced a complex and diverse body of scientific knowledge dealing with the issue of development. This body of scientific knowledge has challenged the basic conceptual framework "assumptions, methodology and -- not least -- prescriptions of modernization theory" (Berquist, 1979:384). Most studies we have been examining are generally referred to as modernization theories. And, as we have seen, there seems to be no agreement on one particular paradigm.

One definition of development was summarized at the commencement of the United Nations First Development Decade by U Thant, he states: "development = economic growth + social change." The problem with this formulation according to Goulet is: "It either says too much or says too little since not any kind of growth will do, nor any kind of change" (Goulet, 1975:xiii). Development, it is suggested, should be replaced by the term liberation as introduced by a Brazilian educator, Paul Freire, who calls it "cultural action for freedom"
(Freire, 1970). This term was first suggested by Guitierrez, when he argued that development does not evoke asymmetrical power relations operative in the world or the inability of evolutionary change models to lead, in many countries, to the desired objectives.

Therefore, says Guitierrez, it is better to speak of liberation, a term which directly suggests domination, vulnerability in the face of world market forces, weak bargaining position, the need for basic social changes, domestically and for freer foreign policy (Goulet, 1975:xiii).

The Latin American or Third World scholars argued against U Thant's definition. The substitution of the term "liberation" for "development" suggests, we believe, liberating Third World countries from Western domination, e.g., political, cultural, and economically. Because "not any kind of growth nor any kind of [social] change" will do. In what follows, we propose to show the "alternative approach" arguments.

The current crisis, Berquist (1979:389) suggests, is by no means the first or new.

Challenge to the economic, political and ideological hegemony of leading liberal capitalist powers emerged during and after the First World War and culminated in the crisis of depression and world war in the 1930's and 1940's...the contemporary crisis is most manifest in the periphery of the world capitalist system and finds its clearest expression in the pressures extended on the developed nations, particularly the United States, by the under-developed nations of the Third World.

The challenge was against modernization theory, which conceived the world into two contextual frameworks: traditional and modern societies. (See Table 2.1.) Modern societies are those societies with an advanced economic system, industrialized, and with a self-sustaining economy.
Table 2.1
Modernization Theorists' Conception of the World

<table>
<thead>
<tr>
<th></th>
<th>Traditional</th>
<th>Modern</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Structure</td>
<td>Simple, backward, largely agrarian, stagnant</td>
<td>Industrialized, competitive, self-sustaining (Advanced)</td>
</tr>
<tr>
<td>Social Structure</td>
<td>Simple, hierarchical, rigid</td>
<td>Complex, multiclass, fluid.</td>
</tr>
<tr>
<td>Political Structure</td>
<td>Authoritarian, personalistic, clientelism</td>
<td>Democratic or pluralist, well-developed interest groups, large-scale political participation. Large, complex and national bureaucratic structures.</td>
</tr>
</tbody>
</table>
Traditional societies, on the other hand, are simple, or worse, still backward, "largely agrarian, stagnant economies." Modern societies tend to "exhibit complex, multiclass, fluid social structures," while traditional societies have "simple hierarchical, rigid" systems. Politically speaking, modern societies are either democratic or pluralistic with well-developed interest groups, large-scale political participation, and large, complex and national bureaucratic structures. Modernization scholars, as noted at the conclusion of the section on the "Elusive Concept of Development", view politics in traditional societies as authoritarian, personalistic, and when it comes to political participation, clientelist. Furthermore, "it is cultural values which lie at the core of modernization theory" (Berquist, 1979:385).

It is generally argued that the continued underdevelopment of African, Asian, and Latin American countries is a function of their internal economic, political and cultural backwardness or deficiencies.

Take for example, Spengler (1960:387) assertions:

...in the underdeveloped work, per capita income, capital equipment, and capital formation are very low; inferior technologies predominate; enterprise is lacking; accessible natural resources are badly exploited; natality and (usually) natural increase are relatively high.

And Esman (1968:71) argues:

In virtually all these societies, the stability of political authority is impaired by a limited capacity to provide satisfactions or outputs demanded by the impatient elites themselves or by other mobilized groups. This disproportion between expectation and performance is aggravated by (1) clashes of interest beyond the capacity of the elites to resolve; (2) shortage of physical and financial resources
and of technical and managerial skills; and 
(3) the persistence of ethnic, sectional, 
or kinship loyalties and power structures 
and the absence of substitute institutions 
which can perform the integrative functions 
essential to the effective performance of 
tasks to which the governing elites are 
increasingly committed.

Finally, in one of the most influential statements is provided by Seymour 
Martin Lipset (1963:19) argument to the effect that:

The relative failure of Latin American 
countries to develop on a scale comparable 
to those of North America or Australia has 
been seen as, in some part, a consequence 
of variations in value systems dominating 
these two areas. The overseas offspring of 
Great Britain seemingly had the advantage 
of values derivative in part from the 
Protestant Ethic and from the formation 
of "New Societies" in which feudal 
ascriptive elements were missing. Since 
Latin America, on the other hand, is 
Catholic it has been dominated for centuries 
by ruling elites who created a social 
structure congruent with feudal social 
values.

S. M. Lipset (1963:19) continues:

Even [in Argentina] the second most developed 
Latin American country...the traditional 
landed, aristocratic disdain for manual work, 
industry, and trading, continues to affect 
the educational orientations of many students.

Lipset (1963:30) concludes that:

...the comparative evidence from the various 
nations of the Americas sustains the generali-
ization that cultural values are among the major 
factors which affect the potentiality for 
economic development.

Andre Gunter Frank (1969:4), a noted Latin American scholar, and 
one of the most influential in the "alternative approach" argues against 
the above points. He asserts:
It is generally held that economic development occurs in a succession of capitalist stages and that today's underdeveloped countries are still in a stage, sometimes depicted as an original stage, of history through which the now developed countries passed long ago. Yet even a modest acquaintance with history shows that underdevelopment is not original or traditional and that neither the past nor the present of the underdeveloped countries resembles in any important respect the past of the now developed countries. The now developed countries were never underdeveloped, though they have been undeveloped.

Frank, in effect, questions the historical foundation of modernization theorists' postulations.

In contrast to the basic conceptual framework of the modernization theorists, Frank draws a distinction between undeveloped and underdeveloped societies. He conceives undeveloped societies as the way societies are before contact with, and penetration by, the world capitalist system. Underdevelopment is what results as that process of integration proceeds. The alternative approach does not deny many of the features exhibited by the so-called traditional societies. However, the alternative approach theorists maintain that:

...many of the features called traditional are actually created or reinforced as a result of the historical process of integration into the evolving world capitalist system and the international division of labor, regional specialization, and transfers of surplus which that process has involved (Berquist, 1979:386).

But, as Frank (1969:128) argues:

In reality, the now underdeveloped countries [of Africa, Asia, and Latin America] have long since been incorporated and integrated into the single world embracing capitalist system, to whose development they contributed and still contribute with cheap labor, raw
materials, or in a word, with investible surplus capital. In this process -- that is, in the process of capitalist development and of the economic development of the capitalist metropolis in Europe and North America -- the social physiology of Africa, Asia, and Latin America has been totally and uniformly changed into what it is today, the structure of underdevelopment which was...created by and still is consolidated by the development and structure of the world capitalist system.

Frank continues:

It is in capitalism then, and not in population growth or inertia and traditionalism, that the fundamental cause of underdevelopment resides. This is equally true of Africa, Asia, and Latin America, which are distinguished by the remarkable uniformity of their structure of underdevelopment rather than by differences of nationalism, fatalism, and institutions (Frank, 1969:128).

Explicitly in Frank's arguments are the contentions that the structure and causes of underdevelopment in the Third World are distinguished by their "remarkable uniformity." To put it another way, Andre Gunter Frank -- and the proponents of the "alternative approach" -- sees underdevelopment of all Third World countries as a result of their incorporation in the world capitalist system as dependent peripheries or "satellites" of Western Europe and North America or Centers. The consequence is that:

[The] process has resulted in a truly in-calculable number of corpses -- physical, cultural, and spiritual -- in Africa, Asia, and Latin America. Entire civilizations have been wiped out, cultures destroyed, and countless millions have met an untimely death which liberated them from miseries that were previously unknown (Frank, 1969:128).
What is striking in both schools of thought is that for the "modernization" theorists, underdevelopment is a result of cultural values. In contrast, the "alternative" approach sees underdevelopment as a function of external factors, e.g., integration of the Third World in the world capitalist economic system. Thus, Berquist, (1979:386) maintains that for the modernization theorists, "economic development leads to social development leads to political development," and if development does not occur along the above continuum, as predicted, then the delay is a consequence of the society.

There is another possibility, however, a flaw in the theory. In other words, modernization scholars see nothing wrong with their theories, but see the problem to be internal to the societies to which their theories are applied, e.g., cultural values.

In the preceding pages we made reference to dependency. Dependency is here defined as a "conditioning situation" which in effect determines the limits to human interaction (i.e., development options). Dos Santos (1968:26-27), asserts:

Dependency is a situation in which a certain group of countries have their own economy conditioned by the development and expansion of another economy, to which the former is subject. The relation of interdependence between two or more economies, and between these and world trade, assumes the form of dependence when some countries (the dominant) can expand and give impulse to their own development, while other countries (the dependent) can only develop as a reflection of this expansion. This can have positive and/or negative effects on their immediate development. In all cases, the basic situation of dependence leads to a global situation in dependent countries that situate them in backwardness and under the
exploitation of the dominant countries. The dominant countries have a technological, commercial, capital resource, and social-political predominance over the dependent countries (with predominance of some of these aspects in various historical moments). This permits them to impose conditions of exploitation and to exact part of the domestically produced surplus.

The two schools are distinguishable by their divergent methodologies. For the modernization theorist, social sciences, as an interdisciplinary discipline, is neutral and objective. Concurrently, real research must be empirical and based on hard, measurable data. What is of equal importance is that the modernization theorists' concepts and distinctions of societies into modern and traditional are carried over in the study of international relations and foreign policy study as well as in comparative foreign policy analysis.

The alternative approach, on the other hand, maintains that "there is no such thing as neutral social science." All social science is socially determined, good social science is consciously socially committed (Berquist, 1974:38).

What is essential for social science is to fully state one's assumptions and conceptual framework. Because obstacles to development are systematic and structural, it is vital to understand how the part relates to the whole before empirical data can be usefully collected and measurement of hard data can become meaningful (Berquist, 1979:387).

J. Samuel Valenzuela and Arturo Valenzuela (1981:27) argue that "it is necessary to underscore the fact that dependency writers stress the importance of the 'way internal and external structural components are connected' in elaborating the structural context of underdevelopment." In this context, they argue that underdevelopment is not simply
a result of "external constraints on peripheral societies," nor can dependency be operationalized "solely with reference to clusters of external variables." Thus,

Dependency in any given society is a complex set of associations in which the external dimensions are determinative in varying degrees and, indeed, internal variables may very well reinforce the pattern of external linkages.

What then, is the way or ways out of the dilemma? The alternative approaches argue that "since underdevelopment is the result of contact with the developed world, development requires the radical restructuring or the breaking of the historical tie" (Berquist, 1979:387).

Munoz (1981:5) argues that the three fundamental elements "in the strategies to overcome dependence and underdevelopment..." are emphasized in Ul Hag's strategies. According to Ul Hag (1981:118), the first strategy is to negotiate with the Centers for a New International Economic Order or a New Deal.

...the basic objective of the emerging trade union of the poor nations is to negotiate a new deal with the rich nations through the instrument of collective bargaining. The essence of this new deal lies in the objective of the developing countries to obtain greater equality of opportunity and to secure the right to sit as equals around the bargaining tables of the world.

Second,

...the demand for a New International Economic Order should be regarded as a movement -- as a part of a historical process to be achieved over time rather than in any single negotiation.
And third,

...Whatever deals are eventually negotiated must balance the interests of both the rich and the poor nations.

Galtung (1981:175) on the other hand, contends that the key to overcoming dependency -- or dependence as Caporaso puts it -- is "self-reliance." The combination of self-confidence, a high level of self-sufficiency, and the fearlessness out of which invulnerability is forged. Interdependence, on the other hand, is defined as "equity," which means a style of cooperation that does not engender a new pattern of dependence (Galtung, 1981:174).

On the regional level, Galtung calls for "full control over Third World factors of production and production for and by Third World groups" (Galtung, 1981:178). In order to protect Third World countries from groups within the Third World which may be penetrated by Center countries, or to guard against domination of weaker or poorer Third World countries by bigger and more powerful countries such as Brazil, Iran, India, or Nigeria, Galtung (1981:183) writes:

No doubt the solution here is solidarity; the regional self-reliance of the Third World and subgroups within it, working for more equitable patterns of exchange, and for a higher level of autonomy.

On the national or state's level, Galtung (1981:179) calls for "national self-reliance." This, he believes, will also protect weaker or poorer Third World countries from bigger and more powerful Third World countries. Galtung argues that "national self-reliance is compatible with exchange with others 'at the same level of technical development' (whatever that may mean in precise terms), but it is also
compatible with production for export rather than for the needs-satisfaction of the population" (Galtung, 1981:179).

Politically, Galtung (1981) suggests "mass participation" which in turn entails "that the masses take power including the means of production into their own hands and start producing for their own needs" (Galtung, 1981:180). However, Galtung (1981:179) admits that:

National self-reliance, particularly in the Third World, is not enough. Most of the national units are too small and weak alone, measured against the giants in the Western Center and Japan. Like local units, they can too easily be conquered from the center when they are alone, fragmented, and marginalized, without any self-confidence...

"Solidarity" among Third World countries then, is regarded as the solution to these and other related problems.

Indeed, Galtung (1981) draws considerably from the experiences of the People's Republic of China; an experience that so many students of Third World political-economy have perceived as a viable alternative to the developmental problems in these countries. However, before proceeding further, let us examine ul Hag (1981) and Galtung (1981) (-- to cite only two examples --) strategies for overcoming dependency.

First, the "alternative approach" does not offer a definition of development. Instead, the approach attempts to challenge "modernization" theorists' contentions to the effect that it is cultural values that are at the roots of underdevelopment. The alternative approach, on the other hand, argues that underdevelopment is a result of the integration of (peripheries) Third World countries into the capitalist world system. That Third World countries are penetrated (politically, economically and culturally), marginalized, exploited, and worse still, they are
vertical in the global division of labor.

It is clear from the above that "breaking historical ties," is one of the strategies to overcome dependency. Second, at the commencement of this section, we observed that earlier proponents of the "alternative approach," e.g., Guitierrez, suggested substituting the term development for the term "liberation." Thus, it could be said that breaking -- or decoupling -- the historical ties between the West and the Third World means liberating Third World countries from Western domination, e.g., "vulnerability in the face of world market forces, weak bargaining positions, the need for basic social changes domestically and for freer foreign policy" (Goulet, 1975:xiii). However, the above does not define development per se. It appears to us, therefore, that the "alternative approach" prefers to do away with the term development altogether.

Third, for ul Hag (1975:1975b), a New International Economic Order is essential. Explicit in ul Hag's argument is the beliefs that Third World countries should sit on the bargaining tables of the world with the West as equals in negotiating a "New Deal." At the Geneva Conference on Trade and Development in 1964, Third World countries acknowledged that they do not have the capabilities to bargain with developed countries of the West, and that a new international organization was called for the purposes of bargaining for Third World countries. Thus, the United Nation's Conference on Trade and Development was created.

Cutejar (1975) in a response to the question posed by this student as to whether UNCTAD could be conceived as "a negotiating arm" for the Third World, maintained that UNCTAD "should not be conceived as a
negotiating arm for the Third World," it is "a part of the United Nation's systems," and as such, "it oversees the interests of all member states." At the conclusion of the Seventh Special Session of the United Nations General Assembly on September 14, 1975, the General Assembly "granted UNCTAD the authority to negotiate for and conduct studies on behalf of Third World" countries (New York Times, September 14, 1975). Even then, UNCTAD's bureaucrats hold steadfast to the conviction that "UNCTAD conducts studies of and negotiates for all member states of the United Nations systems." In the November 1979 issue of West Africa, a British diplomat argued that a "Thinktank for the Third World is Needed." He argued that Third World countries' delegates to various international organizations lack trained and experienced staff to assist the negotiators on various important issues. Indeed, if this article had appeared in the early 1960's, it could be said that it has considerable merit. Indeed, at that time, most countries in the Third World did not have enough trained and experienced people to negotiate with Western and Eastern countries. However, in the late 1970's and early 1980's, when this article appeared, it could not be said that Third World countries lack "trained" and "experienced" people to assist the country's negotiators at various international organizations.

The ability of Third World countries to negotiate for a New International Economic Order is hampered by the inequality of intelligence -- defined in the first chapter -- between them (developing) and developed countries of the West. For example, an economic negotiator from the West is more often accompanied by a staff, and is backed by huge bureaucracies at home. In the event of an impasse, the negotiator
may confer with his/her staff, or call home to obtain important information. In contrast, the negotiator from the Third World, in most cases, is less likely to have a competent staff with him/her or at home. Thus, the chief executive of his/her country relies upon his/her personal contacts and experiences in the field.

With respect to a "Thinktank," from the perspective of this observer, Third World countries need to mobilize their own precious human resources that are, in most cases, in the West; to assist in various levels in the transformation of their respective societies. This, we believe, would enhance rather than hamper the negotiating positions of Third World countries in the regional and global systems. The fact that Third World intellectuals remain in Western countries attests to the inability of Third World countries to take advantage of, and to find ways of utilizing their heretofore unutilized precious human resources.

Fourth, Galtung (1981) believes that "self-reliance" is the only viable strategy to overcome dependency. Indeed, the concept has been a part of the vocabulary of Third World leaders. With the notable exception of the People's Republic of China, "self-reliance" has not been translated into concrete actions. Accordingly, Galtung (1981) states that "self-reliance" involves numerous actors and levels, small groups, individuals, local communities, nation-states, and regions "to take control over all factors of production;" and engage in equitable exchanges. Galtung concludes: "There is no road to self-reliance -- self-reliance is the road."
Franklin B. Weinstein (1972:268) notes in the course of research on Indonesians' attitudes that:

Most Indonesians are sharply aware that their country lacks the capacity to finance its own economic development. Few would claim that development can advance without foreign aid. Thus, it becomes a task of foreign policy to secure the funds for development from abroad. This encompasses not only negotiations for aid, but also debt rescheduling, solicitation of foreign investment, and fixing of trade terms. In some respects, economic development has come to be seen as a panacea in Djakarta, and it is foreign policy that must provide the funds that make development possible.

It could be said that ul Hag (1981) and Galtung (1981) concur with F. B. Weinstein. Thus, ul Hag's suggestion that a "New International Economic Order" is needed; and that the agreement should be beneficial to both developed and developing countries. Galtung concurs with ul Hag and Weinstein, but suggests that on the regional, national, local and individual levels, Third World countries should practice "self-reliance."

"Self-reliance" at the regional level raises a number of questions with respect to cooperation between and among regional groups. Two cases come to mind. First, in 1974, various African countries (i.e., writers), were suggesting that there are areas that African leaders meeting for the Organization of African Unity may begin seeking cooperation; namely, the abolition of visa requirements for persons traveling from one African country to the other. Needless to state, that the proposition was not placed on the agenda for discussions. An argument in support of visa requirements is that visa requirements constitute one source of a country's revenues.
Second, at the Lome Convention of February 28, 1975, a new trade agreement between the European Economic Community (EEC) and the 46 African, Caribbean, and Pacific (ACP) states was consumated. The agreement included, among others, "a stabilization scheme which provides a kind of guaranteed income to the exporters of 12 primary products -- insurance against price fluctuations that are determined by market forces over which the exporters have little control and which can have a devastating effect on the "one crop economics of poorer states" (Interdependent, 1975:6). In addition, the Lome trade agreement ensured that the 46 ACP countries gain free access to the European produce market in exchange for gaining the equivalent of most-favored-nations states to the European members of EEC.

However innovative and novel this concept may be, it nevertheless continues to raise doubts (at least in this student's mind) as to whether the 46 ACP countries would be willing to give up the vertical privileges and/or special preference they enjoy in the EEC in favor of a generalized system of preferences or a more comprehensive trade agreement with the North, which would include all developing countries.

The answer to the above speculation is provided at the ministerial meeting of the Group of 77 held in Algeria in October 1967. At that meeting, the Latin American countries (who also enjoy special preference treatments with the United States through association in the Organization of American States and Alliance for Progress), attempted to persuade the eighteen (18) African states to give up special preferences which they enjoy in the EEC for a more comprehensive or generalized system of preferences for all developing countries. It became quite
obvious that the African countries were not prepared to accept the Latin American countries' demand for the abolition of the vertical preference treatment they enjoy, provided they were assured of at least equivalent advantages under the new system of generalized preferences.

What then is the solution? "No doubt the solution here is solidarity..." between Third World countries (Galtung, 1981:183). If "self-reliance" is a "three-pronged approach," which combines all three levels -- regional, national, and local; which level be given the priority? "Does one start with the individual prise de conscience, or with mobilization, confrontation, fighting at the local or the national or the regional level?" (Galtung, 1981:184). In response to these questions, Galtung (1981:184) states, and we concur, that "everything depends on the political situation."

An example of "self-reliance" at the regional level is best exemplified by the European Economic Community (EEC), and the Organization of Petroleum Exporting Countries (OPEC). However, it is difficult to make a strong argument with respect to OPEC as self-reliant today as it was possible in the 1970's.

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8 See for example, Gosovic, 1974:18; and the Charter of Algiers, 24 October, 1967, United Nations Doc. TD/38, 3 November 1967:2.
The above represent Third World's perspective relative to "under-development" in the Third World. It does not see underdevelopment as a result of "cultural values," but rather, as a consequence of Third World countries' integration into the world capitalist economic system. Implicit in the "alternative approach" is the notion that dependency is a continuation of Western (Centers) domination of the (peripheries) Third World (e.g., economic and political domination). Thus, for the Third World to achieve measures of growth, it needs to break the "historical ties" that tend to perpetuate dependency (e.g., "liberate" itself, and "assume control over all factors of production." It could be said, therefore, that the "alternative" approach attempts to articulate the perceptions of the Third World and some Northern scholars with respect to the global economic and political systems, and ways out of the dilemmas countries in the Third World find themselves. However, even in the "alternative" approach literature, we are not able to discern a concise definition of development.

Indeed, leaders in the Third World tend not to explicitly define key concepts, e.g., development, "self-reliance," national security, etc... Thus, the meaning of development must be derived by analysis of what they actually do or from the policy statements of the authoritative decision-makers (as well as those statements made on their behalf). In short, the extent to which leaders' policy pronouncements translate into concrete actions.

Thus, if "self-reliance at the national level," as articulated by Galtung (1981) (derived, in substance, from the Chinese developmental strategies), is to be a viable "alternative" for the Third World, then
we need to know what the heads of states in the Third World believe development to be, and what the authoritative decision-makers believe are the correct strategies and tactics by which to develop, or what conditions need to exist in either internal or external milieus, before some measures of economic, social and political development can take place. In most cases, the authoritative decision-makers in the Third World set the agenda with respect to what are to be the priorities of their respective regimes.

In the following chapters (chapters 3-5), we propose to discern leaders' beliefs (definitions) or perceptions about development, and what they believe or perceive as the correct strategies and tactics by which to develop their respective societies. We are also interested in discerning where leaders place emphasis, e.g., "man" (development human creativity), "self-reliance," interdependence, industrializations, etc...

To reiterate, we do not propose to advance a definition of development, instead, we want the authoritative decision-makers of the People's Republic of China, Cuba, and Egypt to inform us about development.
CHAPTER 3

ZHOU ENLAI'S BELIEFS ABOUT DEVELOPMENT

Introduction

The focus in this chapter is on Zhou Enlai's beliefs about development, his notions about the correct strategies and tactics by which to achieve his objectives. In other words, we are interested in discerning Zhou Enlai's "answer(s)" to the question: What are the leader's definition, beliefs about development? The "answers" to this question are inferred, in part, in the context or sources of Zhou Enlai's beliefs (i.e., China's positions in the world prior to its occupation, sino-Japanese wars, World War II, and its revolutionary experiences) about the world, the region, and the Chinese society itself which emerged as a revolutionary society in 1949.

Since Zhou Enlai's Selected Works are just now being published, we propose to bounce off or play Zhou Enlai's ideas or thoughts against Mao Zedong's thoughts.

Beliefs or Definition of Development

Zhou Enlai/Mao refers to "development" as a "transformation of matter..."

The cause of the transformation of matter is to be found not without, but within. It is not because of the compulsion of the external mechanical forces, but because of the
existence within the matter in question of two components different in their nature and mutually contradictory, which struggle with one another, thus giving an impetus to the movements and development of the matter (Mao, quoted by Schrum, 1970:189).

It is interesting to note that Zhou/Mao tend to use the term "development" and "transformation" interchangeably.

Thus, in development, the Chinese leadership have placed a greater emphasis on "man" (the term man is here used in the generic sense). "Man is the most precious. As long as there are people, every kind of miracle can be performed under the leadership of the Communist Party" (Mao Tse Tung, Selected Works, Volume 4, Peking, 1961:454). Alexander Eckstein (1981) states that "what Mao meant is that man is potentially most precious, or more specifically, that man being maleable, he can be energized and committed and his potential mobilized provided that he is properly organized and indoctrinated by the Chinese Communist Party -- a conviction that almost all men may be saved, although salvation is enormously difficult and backsliding is an ever present danger."

The points made above by Eckstein and Mao are further elaborated in the ideal Communist man; that is, "his capacity for total self-denial" or "self-abnegation" (Eckstein, 1981:34). In other words, creating a "selfless man." Roots (1978) underscores this point, that the preoccupation of the Chinese leadership was to eradicate not only corruption, but to instill in the minds of the top leaderships, the idea of "selfless" in order for them to be able to transmit it to the cadres, and in turn, the cadres to transmit it in its 'correct' and 'pure' form to the masses.
Isaac Deutscher (1966), in his book points out that the Chinese Communist Party, unlike the Russians, were able to experiment with their theories of transforming human nature and test them out long before they came to power (Deutscher, 1966). Furthermore,

Although the material resources of the Chinese Revolution were so much poorer than those of the Russian -- its moral resources were larger; and in revolution as in war the Napoleonic rule holds good that the more factions are to the material as three is to one (Deutscher, 1966:113).

Deutscher speaks of the suffering and privation during the two decades of battling for survival as an experience "no other ruling group has gone through" and claims that it "may have left its imprints on their character and in some measure shielded them from the worst corruption of power" (Deutscher, 1966:114-116).

The point is further underscored by Roots (1978):

It was during these two decades before the founding of the People's Republic in 1949 that the philosophical and ethical principles of China's new society were formulated and put into practice...the new ethic grew to adolescence in the ranks of the foot soldiers who lived on the land and courted the good will of its people (Roots, 1978:173).

In "renovating the society," Roots (1978) quotes Deutscher in "The Moral Dilemma of Lenin" (1959), in which reference to the Russian revolutionary leader V. I. Lenin's "Last Testaments" to which Lenin, dying of a stroke in 1924, declared: "I am, it seems, strongly guilty before the workers of Russia, for the many deficiencies of the Soviet government."

What V. I. Lenin meant and/or was referring to is what the revolution did not achieve. Roots (1978) notes that what the revolution
in Russia did not achieve

"...was any basic change in the motivation of society. The result was that five years later, as Lenin lay dying, there had developed a burgeoning Soviet bureaucracy staffed for the most part with men largely absorbed by personal ambition, jealousy and rivalry -- in short, by much the same human desires that dominated the Old Tsarist bureaucracy (Roots, 1978:172).

Development, then, as perceived by the Chinese leadership, is reduced to one common denominator; and that is first the development of man. This rather keen belief in first creating man in order for the latter to be able to develop society, is born out of the two decades of wars, the short lived period of colonization, where the Chinese were humiliated. But, given proper ideology, indoctrination and organization, in time, the Chinese leadership strongly believed the masses would be embued with these values and traits. This was Mao's view of the ideal society. Creating a sense of pride, commitment, dedication, self-abnegation were of fundamental importance if the society is to develop properly. Thus, unlike Cuba's leaders, Chinese leaders had an ideological tenet and program by which to (1) develop man, and (2) develop the society.

Thus, development is not perceived simply in terms of mechanization, but rather it centers on installing a certain kind of spirit in man which would enable him in turn to develop the society. In Chapter 6, we pick up this point again and examine it in the context of internal development; and to see how this emphasis on creating a selfless man, to create the society is put into practice. It seems rather clear that the Chinese leadership were cognizant of the errors
committed by the Russian revolution as explicated in Lenin's Testament, and wanted to avoid committing the same errors in their attempt to build a society on different foundations than what previously existed.

For the Chinese, therefore, there is a clear relationship between the development of man, and that of society, following the maxim that one cannot develop a society without first developing man. We can also suggest that the maxim takes the form: MAN = DEVELOPMENT and DEVELOPMENT = MAN. Stress is placed on proper training and indoctrination, imbued with concrete thought or "correct" and "pure" ideology which translates into proper and pure ideas. These ideas become a way of life. The man is also instilled with a sense of pride and dedication in whatever the undertaking may be. If a backward society is simple, China shows the contrary. Its view or perception of development involves rather a complex system involving the interplay of ideology and organization. Individual participation in the economic and political system does not take the form of clientelism.

The approach taken by the Chinese leadership to development is authentically Chinese despite the brief period in which it attempted to launch a major industrial campaign to accelerate the pace of industrialization. Although the strategy was aimed at closing the gap between the Soviet Union and countries of the West, the Chinese leadership found the Soviet model inappropriate for Chinese conditions. Not only was the model inappropriate, it also reflects Chinese determination to go through the process of development through self-reliance.

Only China's Zhou Enlai and Mao, after the "long march," had the insight and temporary leisure to develop a campaign to create a selfless
man (Roots, 1978:172). As a result, bureaucrats, intellectuals or university students, factory workers and even party leaders -- including the exemplary Zhou Enlai -- had to spend some period of time working with peasants and factory workers.

In a sense, this was the distinctive feature of the cultural revolution as manifested in the May 7th schools. These institutions which sprang up throughout China originated in a memorandum issued by Chairman Mao on May 7, 1966. In the memorandum Mao stated:

Going into the countryside to do manual labor gives vast numbers of cadres an excellent opportunity to study once again and this should be done by all cadres except those who are old, weak, ill or disabled (Mao, May 7, 1966).

This memorandum touched every aspect of Chinese workers. The Chinese Chief Surgeon remarked that:

...but what is more remarkable has been the effect of the cultural revolution on our own staff. Before, we would take the easy way. We stayed in the hospital, refused house calls, let the patients come to us. Now we get out among the people. Our ninety-eight doctors, besides their regular work including emergency operations, often make four hundred house calls a day, in apartment buildings, hotels, railway yards, homes. We organize traveling medical teams to visit the countryside. We train relays of young 'barefoot doctors'. We try to cultivate the attitude and purpose of 'serving the people'. If we get slack, a visit to a May 7th school recharges our batteries. We have a new spirit here -- everyone -- doctors, nurses, cooks (Roots, 1978:142).

Development, according to Mao, is "a movement of the matter" from one state to another. The matter is here defined in terms of the society. But this process of moving the matter or society from one
state to another in a revolutionary society is a never ending process. The ultimate objective is to move or create an ideal society. This process then involves "the changing of human motive." That is, in order to arrive at an ideal society, human motive need be changed. Thus, among the kinds and types of qualities that were expected as essential ingredients of a Communist man -- that is a Chinese Communist -- apart from "self-abnegation," was his "initiative" and "inventiveness," his willingness to experiment, to innovate, to try out new things. Thus, for Zhou/Mao in particular, his positions on economic policies were strongly influenced by his visions of "an ideal Chinese Communist society and his concern to adopt measures which would be designed to transform human beings and slowly, step by step, lead them on to the realization of his vision" (Eckstein, 1981:34; 1975:19).

It can be said that Mao and the Chinese Communist Party leadership first sought to develop man for the ultimate objective of developing an underdeveloped country. Hence, all these qualities, in the eyes of Mao and Zhou, as well as the Chinese Communist Party, were imperative in order to realize the "visions of a powerful, industrialized China, that is, beginning to catch up in terms of economic progress and growing national power with the Soviet Union and countries of the West" (Eckstein, 1981:36).

Socialism then, to the Chinese leadership, is not a means but an end, and that end is imbued with a specificity that is Chinese in quality. Wheelwright and McFarlan (1970) write that:

For Mao Tse Tung's followers, socialism is not merely an engine of industrialization -- a means to an end; it is the end itself -- a
society with high moral standards and a certain style of collective living. Much of contemporary Chinese development can be seen as an attempt to avoid the elite spirit that has characterized other Communist regimes, and an attempt also to avoid the mediocrity of a centralized and bureaucratic power system. In a sense, China is trying to give an answer opposite to that of the Soviet Union, especially in the sphere of technological administration incentives and mass participation (Wheelwright and McFarlan, 1970:16).

In this context, it should be noted that before and during the cultural revolution, Mao and Zhou Enlai were firmly in the tradition of Confucian teaching or philosophy and in the tradition of Emperor Wen of the Sui dynasty that is as far as ideology is concerned. The very basic and repeated message of Mao in numerous articles was the "need to serve the people wholeheartedly and never for a moment divorce ourselves from the masses, to proceed in all cases from the interests of the people and not from one's self interest or from the interests of a small group."

The literature on the People's Republic of China reveals that the Chinese leadership vehemently opposed and were dissatisfied with the prevailing equilibrium and/or the dominant structures and patterns of interstate interaction in the global system. Consequently, Zhou Enlai's pronouncements could be said to reflect the Chinese leadership's dissatisfaction with and anxiety to modify the structures of influence in the global system in assessing her own role within that structure.

The sources of the Chinese leadership's dissatisfactions could be found in China's recent history; for indeed, it is precisely this historical experience "that explains the practical and emotional appeal of Communist ideology and its success in blending the universal
prescription of Marxism-Leninism with China's national aspirations" (Camilleri, 1980:3).

The Chinese leadership is keenly cognizant of the humiliation Chinese people experienced at the hands of foreigners. The opium trade which precipitated the opium wars in 1940-42 and 1856-60, in effect, forced China to accept a series of "unequal treaties" in which China agreed to indemnify Britain, France and Japan for large sums of money and to open up virtually all Chinese ports to foreign powers (Camilleri, 1980:5, Kim, 1979). The resulting feelings of resentment and humiliation in the minds of Chinese people found frequent expression in the writings of the founding father of the Republican China, Sun Yat-sen (1928:12):

We are the poorest and weakest country in the world, occupying the lowest position in world affairs; people of other countries are the carving knife and the serving dish while we are the fish and meat.

What ensued was a burning desire by the Chinese leadership to liberate China foreigners and attempt at restoring China to the dominant position she had enjoyed under the imperial Middle Kingdom, and came to dominate Mao's beliefs about China's destiny in the global system. Mao (1969:426) asserts that:

All these wars of aggression, together with political, economic and cultural aggression and oppression, made the Chinese hate imperialism,

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1 The framework of the Chinese world view before and during Western penetration has been well-detailed in John King Fairbank's various writings and Kim (1979). Here, however, we do not purport to provide a complete analysis of the Chinese world order. We propose to only provide a brief analysis of Chinese leadership's perceptual framework through which it relates to the global system.
made them stop and think 'What is all this about?', and compelled them to bring their revolutionary spirit into full play and became united through struggle.

Camilleri (1980:4) observes that:

It is true that by the time the Communists had defeated their opponents in October, 1949, the 'unequal treaty' system had been dealt a decisive blow, but China still saw herself as a recent semi-colony that had only just emancipated herself and had yet to secure her proper place in the world.

Camilleri (1980:4) further points out that "in reality, until western penetration, China's external environment had remained inextricably tied to her internal order." And, as John King Fairbank (1968:3) puts it, "...when the barbarians were not submissive abroad, rebels might more easily arise within." Successive dynasties accepted and perpetuated the perceptions of China as the Middle Kingdom, i.e., "the only great empire," in the face of the earth, "the only civilization," and the world's center of gravity (Camilleri, 1980). Together with this is the mystical influence ascribed to the Emperor (Son of Heaven). That is, his influence covers not only the whole of China, but beyond, bestowing order and peace to all living humans. The Son of Heaven possessed the divine mandate to rule over all men. Kim (1979:21) states that:

Sinocentism, in all its pretense of paternalistic benevolence and cultural chauvinism was an outgrowth of centuries of Chinese contacts with surrounding peoples in the Sinic (East Asia) world order.

Thus, all non-Chinese states and peoples were expected to accept the primacy of the Chinese emperor (Son of Heaven). Thus, the Manchus,
Mongols, Uighur Turks, Tibetans were included in Chinese world order, although their cultures, economics (mostly pastoral-nomadic) and political organizations were fundamentally different from those of China. Nevertheless, they were not excluded from the Chinese world order. The point that we are attempting to make here is that all states surrounding China were held together primarily through the universal adherence and acceptance of the Confucian social practices and principles (Camilleri, 1980). The surrounding states and "tribes" were perceived as "barbarians" insofar as they were not a part of the Heavenly Kingdom, but insofar as they accepted the supremacy of the Son of Heaven and observed "certain ceremonies, practices and presented tribute, they were given a place in the all-embracing Chinese political and moral order" (Camilleri, 1980:4).

The cornerstone in the imperial Chinese diplomacy lies in the tributary system (Fairbank, 1968, Kim, 1979, Camilleri, 1980). All other states, peoples and/or simply "barbarians" who wished to participate economically and politically in the Chinese civilization were "expected to present tributes of varying kinds on appropriate statutory occasions as well as symbolic tributes of local products and to perform the appropriate ceremonies of the imperial court, notably the Kotow, the three kneeling and nine prostration" (Camilleri, 1980:5).

The Chinese leadership's beliefs or perceptions of world order, which owed its origins to the universal pre-eminence of the emperor (Son of Heaven), could be said to have found "practical expression in a hierarchial system operating in concentric circles of decreasing efficiency" (Camilleri, 1980:5). Camilleri (1980:5) summarizes the
consequences of the Chinese beliefs of world order

thusly:

The need to maintain Chinese superiority often in the face of military weakness necessitated such strategies as cessation of contact, cultural absorption of the foreigner, offering of material and other inducements, divide and rule tactics, and in extreme cases, acceptance of barbarian rulers at the apex of the Chinese Empire. But whatever the attempted solution to the problem of imperial authority, the principles of Chinese superiority was never abandoned. It is precisely this principle that sharply differentiated the Chinese world order from the European balance of power system based on the notion of legally equal sovereign states.

Thus, despite the many fluctuations in traditional Chinese world view at no time in its history "was the monolithic prestige of the Chinese empire effectively challenged by any rival state" (Camilleri, 1980:5, Kim, 1979:25). It is further interesting to note that traditional China remained virtually immune to the West's norms of international diplomacy, even after the Western's economic, cultural, political and technology had effectively transformed China itself, into a tributary state of the West (Kim, 1979, Camilleri, 1980). The onslaught of Western imperialism, i.e., economic, political, cultural, and technology, effectively disintegrated and collapsed the Chinese concept of universal kinship (or perceptions of world order).

Most students of China concur that the sharp break in the Chinese world order occurred in the 1890's with China's gradual acceptance of the West's multi-state system and the Chinese attempt to transform the empire into a constitutional monarchy (Camilleri, 1980). These trends eventually led to the emergence of Chinese nationalism and their
involvement in the global system under the principles of equal and sovereign states. Again, as Camilleri (1980:6) notes, that Chinese involvement in the global system was with the recognition that China did not:

occupy the central position in the international order, and that this order was based on concepts entirely different from those that had formed the basis of the traditional Chinese cosmology, did not mean that the Chinese society or its leaders accepted this situation with enthusiasm or equanimity.

It thus became the task of the Chinese ideologies to express China's feelings of humiliation, dissatisfaction and bitterness in order to adjust the Chinese world view so that China can play its pivotal role in global affairs. In the process, the Chinese leadership fused Western nationalism and Communist ideologies and applied them to the Chinese experience. They thus came to express the Chinese leadership's world view. The Chinese leadership also took into cognizance the disproportion between China's present position and status, and its potential in human and material resources on the global arena. Mao Zedong, in a speech before the First Plenary Session of the Chinese People's Political Consultative Conference in September, 1949, declared that:

Our nation will never again be an insulted nation. We have stood up. Our revolution has gained the sympathy and acclamation of the broad of mass throughout the world. The era in which the Chinese were regarded as uncivilized is now over (reproduced in Camilleri, 1980:6).

In short, Mao Zedong's blunt pronouncement was a call to mobilize Chinese human and nonhuman resources in order to realize China's
position in the global arena.

Zhou Enlai warned the Chinese people as well as the Chinese Communist Party that:

The Chinese socialist revolutionary process is a continuous process, while keeping a definite step by step development... We recognize that there is no, and we cannot permit, a great wall to separate democratic revolution from socialist revolution, or socialism from Communism. At the same time, we recognize that each of the various stages of revolutionary development reflects its own qualitative change in man and things around him. We must not confuse or mix up these qualitative by different states (Hsu, 1968:193).

With respect to the external environment, two pronouncements by Zhou Enlai are worth noting:

The present international situation is characterized by great disorder on earth. The winds sweeping through the tower herald a rising storm in the mountains... Relaxation is a temporary and superficial phenomenon, and great disorder will continue. This is a good thing...it throws the enemies into confusion and causes division among them, while it arouses and tempers the people (Zhou Enlai, 1973).

Whether war gives rise to revolution or revolution presents war, in either case the international situation will develop in a direction favorable to the people, and the future of the world will be bright (Zhou Enlai, 1975).

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It is interesting to note that Zhou Enlai's pronouncements with respect to the chaos in the international system and the role of war and revolution, illuminated precisely how the Chinese leadership sought to relate its own revolutionary experiences with events occurring in the international arena. In the perceptions of the Chinese leadership then, these unfolding events cannot be overlooked, for they represented the opportunities that China could exploit in charting its course of action in the global system.

It is against this background, albeit brief, of the Chinese world view that we propose to examine the People's Republic of China patterns of interactions in the global system. It is, however, important to note that it is "difficult to delineate a single Chinese world view that is uniformly held throughout the society or within the elites that formulate policy" (Whiting, 1977:37). But it is the Chinese ideology that is the basic frame of reference from which the Chinese comprehend world affairs, "set policy goals, and define the legitimate means of pursuing these goals" (Whiting, 1977:37). It is ideology that served as a mechanism of re-educating Chinese and to counter foreign influence. Thus, perceptions, beliefs and expectations are "shaped by an ideological framework that is articulated easily through aural and visual media" from morning to dawn (Whiting, 1977:37).

This is not to suggest that China's policy makers are unique in their orientation. Most, if not all, social systems have some such cognitive cohesion and no social system is without it. But what distinguishes the Chinese vision from others, e.g., the Soviet Union, is the degree of consciousness, uniformity and commitment with which
ideology is reflected in the foreign policy process (Whiting, 1977:38).

Throughout this study, Mao's pronouncements would be viewed against Zhou Enlai's pronouncements. In most cases, Zhou Enlai seems to preface his pronouncement with statements such as, "Comrade Mao Zedong has said..." The prefacing is in deference to Chairman Mao, since it is Zhou Enlai who carried, implemented, and executed policies. Mao's pronouncements may be said to reflect Zhou Enlai's beliefs or Zhou Enlai's beliefs may be said to reflect Mao Zedong's beliefs.

Conclusion

In this chapter we have attempted to ascertain Zhou Enlai's "answer" to the question about development. The "answer" to the question can be summarized as follows:

First, Zhou Enlai/Mao believed that "man" or human creativity needs to be developed first, if the latter is to transform the society. Zhou/Mao believed that "man" was the most precious commodity, and that with "people, every kind of miracle can be performed under the leadership of the (Chinese) Communist Party" (Mao Zedong, Selected Works, Vol. 4, 1961:454). In this context, it is believed that "man being maleable, can be energized" -- Roots, 1978 refers to this as "re-motivated" -- "and committed and his potential mobilized..." However, this possibly provided that "he is properly organized and indoctrinated by the Chinese Communist Party..." It is Zhou Enlai/Mao's "conviction that almost all men may be saved, although salvation is enormously difficult..." (Eckstein, 1981:34). Thus, the May 7th Schools can be conceived as energizing centers because "backsliding is an ever present danger."
Second, as Deutscher (1966) observed, Zhou Enlai/Mao, unlike the Russians, were able to experiment with their beliefs or "theories" of "transforming" human nature and test them long before they came to power. Thus, developing "man" first became a precondition in the transformation of the Chinese society.

Third, an ideology, necessarily Chinese in character, was to serve as (1) an organizing principle, (2) a way of life, (3) an identity, (4) a unifying beliefs, and (5) a way of viewing the external milieu. Stress is placed on indoctrinating the populace and/or instilling them with certain specific traits, e.g., concrete thoughts or "correct" and "pure" ideas. And, as we have stated above, these ideas become a way of life; they are ideas which unify the Chinese populace, and permit them to work in concert toward a common end: an ideal Chinese Communist society.

Fourth, the sources of Zhou Enlai/Mao's beliefs go back to the period before, during and after World War II. First, the Chinese experienced a semi-colonial status, which relegated its political, social and economic status within China in the region, and the world to a secondary position in relationship to the aims, wishes, and aspirations of Britain, France, Germany, and to some extent, the United States. In short, the Middle Kingdom was fragmented and penetrated. Second, after World War II, the configuration of power in the global system was drastically altered. The bipolar world that emerged effectively excluded China. Thus, cognizant of the humiliation the Chinese populace experienced at the hands of foreigners, Zhou Enlai/Mao vowed that China was not to go through that experience again. It
could, therefore, be said that Zhou Enlai's beliefs about the transformation of the Chinese society are another way of saying that China would rely on its own human creativities, and that in the final analysis, the present and the future of China will remain in Chinese hands.
CHAPTER 4
FIDEL CASTRO RUIZ'S BELIEFS
ABOUT DEVELOPMENT

Introduction

The focus in this chapter is on Fidel Castro's beliefs about development, his notions about the correct strategies and tactics by which to achieve his objectives. As in the case of Zhou Enlai, we are interested in discerning Fidel Castro's "answers" to the question: What is the leader's definition(s), or beliefs, about development? The "answer" to this question is inferred from the available literature, and policy statements made for and by Fidel Castro. In addition, we are also attempting to tease-out Fidel Castro's beliefs or perceptions about Cuba and the external milieu.

Finally, there are no written materials by Fidel Castro himself apart from his published speeches. We propose to make use of all available pieces of information on Fidel Castro.

Beliefs About Development

In Paris, I questioned a certain number of Cubans, but was never able to understand why they refused to tell me if the objective of the Cuban Revolution was or was not to establish socialism. Now I understand why they could not tell me. That is, that the originality of this Revolution consists precisely in doing what needs to be done without attempting to define it by means of a previous ideology (Sartre, March 10, 1960).

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The beliefs in "doing what needs to be done" is further elaborated by Dennis E. Shoemaker in an article in The Columbus Dispatch, October 2, 1983 to the effect that:

Cuba -- despite serious shortages of just about everything, (1) decent housing is springing up all over Cuba. In fact, Havana appears to be an economically more stable city than many other Latin American cities. There are no apparent slums in Havana. In Bogota, Columbia, on the other hand, there are large slums as there are in large cities throughout Latin America...

(2) After the revolution, it was discovered that only a small number of Cuban children had milk to drink... A program began under the direction of Ramon Castro, Fidel's brother, to build state dairies... Children all over Cuba are now developing healthy bodies because of supplies of milk produced by award-winning milk producing Holsteins... The dairy program is one of many designed to increase the quality of lives of the children... (3) Children are vaccinated against polio -- all children. (4) ...all medical services are given free. Because of this, the infant mortality rate has dropped dramatically, and as a consequence, there is in Cuba today a strong and healthy population...

In response to the question whether the Cuban revolution was Communism, Fidel Castro replied: "Cuban government and revolution were neither capitalist nor communist, but simply 'Cuban and humanist'" (Huberman and Sweezy, 1961:145).

The "humanist" beliefs of Fidel Castro, we believe, is also carried out in the successful attempt to establish social justice. Shoemaker (1983:11E) states:

The revolution [Fidel Castro] put an end to private wealth. The people of means with houses and bank accounts simply left the country. In the western part of Havana
are many houses formerly occupied by the rich and other official places. I find it hard to blame them for leaving. On the other hand, I now understand why we should not depend too much on their evaluation of the Castro-led revolution -- which is the version we most often hear.

Now the state determines salaries for the most part (some rural exceptions can be noted). It determines where one can live... The government also determines what you will do for your work, and will train you to become a productive part of the work force... Although it is not likely that anyone can get rich in Cuba today, no one need starve either -- which is more than can be said about other Latin American countries whose poverty literally kills people.

Jean-Paul Sartre's observations about the Fidelista revolution, and Fidel Castro's own pronouncements with respect to the nature of the Cuban revolution are best exemplified by the two observations made above by Shoemaker. It appears, however, that Fidel Castro does not provide a definition of development. Thus, the definition of development, we believe, must be derived or inferred from the types of activities or policy of the leader: Fidel Castro.

Fidel Castro, Gonzalez (1974:113) has maintained, "had no firm ideological tenets as a guide to policy" by which one could assess the revolutionaries' developmental strategies once in power. For fear of advancing a circumlocution argument, what is in effect being suggested here is that, unlike Zhou Enlai, Fidel Castro's did not have a systematic social, political and economic program by which to move the Cuban society. Nor did Fidel have a crystallization of a point of view of the kind of society he perceived Cuba to be. Moreover, as Gonzalez (1974:113) argued, it was not until December 1, 1961:
When Fidel Castro formally adopted Marxism-Leninism as the official ideology of his regime. Even then, however, his conversion to Marxism-Leninism seemed to stem less from political expediency, while his own preparation in the new ideology and that of the Fidelistas remained superficial at best.

In an interview with Lockwood (1967), Fidel Castro asserted that after studying the French Revolution, he began to read works by Marx, Engels and Lenin:

...Without a doubt I found extraordinary superiority in Marxist point of view. It captivated me and awakened my curiosity, and in the succeeding years, I read a number of works by Marx, Engels and Lenin which gave me many theoretical insights. From the first moment some of them seemed to me truly unquestionable: for example, the idea that society is divided into classes with antagonistic and irreconcilable interests... The encounter with revolutionary ideas helped me to orient myself politically. But there is a big difference between having a theoretical knowledge and considering oneself a Marxist revolutionary (Lockwood, 1967:139).

It could be said that at the time Fidel Castro came to power, the revolutionary regime did not have a clear cut ideology by which to guide policies. However, it could not be said that Castro did not have a personal ideology. Albeit the superficiality of the Marxism-Leninism of Fidel Castro, the moving force behind the revolution is (as articulated by Castro) the "Cuban government and revolution were neither capitalist nor Communist, but simply 'Cuban and humanist'" (Huberman and Sweezy, 1961:145). The statement by Fidel Castro quoted above concerning the Cuban Revolutionary government can be said to actually describe the humanistic beliefs of Fidel Castro at that time.
Huberman and Sweezy (1961:146) lamented that the Cuban Revolution does not provide us with a handle at all in understanding "what kind of society is being created in Cuba." It could be said that perhaps the revolutionary regime was having some difficulties in consolidating the revolution, and perhaps Fidel Castro himself did not know precisely how to put his ideas into concrete action. Hence, the "recognized categories", e.g. competitive, monopolistic (Huberman and Sweezy, 1961: 146), did not apply because the society was undergoing a process of "political decay" whereby the old order was being destroyed to be replaced by the new order.

Secondly, as Lockwood (1967) points out that Fidel Castro did not want to proclaim himself or the revolution as Marxism-Leninism for he received more support because it was conceived as nationalistic movement by the Cuban people (Dominguez, 1978). When asked if he (Fidel Castro) had announced that he was a Marxist and had openly espoused a socialist program for the development of Cuba while he was still a guerilla leader in the Sierra Maestra, he would still be able to come into power, Fidel Castro replied:

Possibly not. It would not have been intelligent to bring about such an open confrontation. I think that all radical revolutionaries, in certain moments or circumstances, do not announce programs that might unite all of their enemies on a single front.

...In the Moncada program,¹ we had declared that we were going to nationalize some North American

¹"The name given to Castro's original revolutionary program set forth in his defense speech at the trial for his attack on the Moncada Barracks, Santiago de Cuba, July 26, 1953, and later rewritten by Castro during his imprisonment on the Isle of Pines" (Lockwood, 1967:142).
businesses, such as the electric company and the telephone company, and naturally we were in the middle of a struggle where it was not at all practical to say exactly what we intended to do with those businesses. So what we did was to treat them with all the cunning that was necessary under the circumstances (Lockwood, 1967:142).

It seems clear from Castro's own explanation that he was not able to reveal to the mass of Cubans about his own ideological tenets as well as of the socialist program he had in mind once in office. That such a pronouncement would have made the revolution not nationalistic, but Marxism-Leninism and Communism in nature, thus destroying the commonly shared nationalistic feelings of the Cuban people. Fidel Castro's own statement quoted above indicates he preferred not to be involved in open confrontation or to give the enemies of the revolution reason to unite in direct conflict with the struggle.

Comparatively, the Cuban Revolution differs from that of the Chinese in the sense that Mao, Zhou and their followers had the leisure of time and a systematic program by which to develop the society; the leadership had the time to put into practice their beliefs about man. They needed first to develop man, a selfless (red) man, properly indoctrinated within the framework of Chinese socialism; a man who would, in turn, develop the society within socialist lines.

Cuba, on the contrary, did not have the leisure of time. Fidel had to act quickly. That is, "by doing what needs to be done without attempting to define it by means of a previous ideology" (Sartre, 1961). What needed to be done constituted, at the time, humanitarian actions that would alleviate the frustrations and basic biological needs (Arendt, 1965) of the Cuban population. It could be said that what Fidel Castro
was attempting to do was to win the support of those who still had difficulties in believing in Fidel Castro's promises (of bringing about structural changes in the socioeconomic and political system of the country) after their experiences with the Batista regime. Fidel Castro appealed mostly to the peasants and urban workers whose support he needed for his revolution to succeed.

In responding to a question by Lockwood with respect to his interest in agriculture, Fidel Castro responded by stating that it was:

...the quickest satisfaction of the fundamental needs of the people, food, clothing and shelter. It means the immediate utilization of the major natural resources which our country possesses (Castro, quoted by Lockwood, 1967:84).

From Fidel Castro's beliefs about development, this means first creating and/or providing (eliminating unemployment) employment, providing shelters, satisfying the fundamental biological needs of the people, and utilizing the major natural resources of the country at the maximum for the well-being of the society (Castro, in Lockwood, 1967:84). It also meant meeting the fundamental biological needs of the population, i.e., health, education and social services. For example, in response to Lockwood's question on his crash industrialization, Fidel Castro asserted that:

We are speaking in vague and generic terms about industrialization, 'wide trade', 'revolution'. Today, these ideas have been made more clear, concrete and real; structural change that is full and profound; economic development along the road of our agriculture; priority in this period to those branches of industry which serve as a basis for a modern agriculture; an educational plan of enormous breadth for the preparation of technicians for
agriculture and industry without which economic and social development are impossible (Lockwood, 1967:88).

Fidel Castro's more encompassing beliefs are that development entails (1) profound structural changes in the socioeconomic system, (2) strong emphasis on agricultural development, (3) placing a high priority on the "branches of industry which serve as the basis for a modern agriculture" and, (4) an emphasis on a universal education to facilitate the agricultural and industrial development of the country. The above observations demonstrate the changes that seem to have taken place in Fidel Castro as he attempts to respond differently to the perceived needs of the Cuban populace.

A second point that needs to be made is that in Fidel Castro's beliefs about what needed to be done was to bring about reform measures that would benefit the masses. Thus, "one of the first consequences of the Revolution was the elimination of corruption from the government." He moved swiftly in setting up the "standards of honesty for public officials," and the leaders of the Revolution set personal examples of austerity and dedication (Boorstein, 1968:39). The measures had two related effects: (1) bring about trust and confidence in Fidel Castro's revolutionary government, and (2) to distinguish his regime from that of Batista. Fidel Castro saw in the corruption of the Batista regime the alienation of the peasants and urban workers, the institutionalization and the perpetuation of the privileged class at the expense of the lower class which constituted the majority of the population. In order to correct the unequal income distribution within the society, Castro decided to institute reform measures that were aimed at the source of
the inequality, even if his policies were to alienate the privileged class (Boorstein, 1968).

Most of the early reforms instituted by Fidel Castro's regime (which will be examined in the following chapter) were aimed at fulfilling promises made during the revolutionary struggle to landless, seasonal peasants, small farmers and urban workers.

It could be said that at the early stages the preoccupation of Fidel Castro and his associates was with dismantling the existing socio-political and economic structures of the Cuban society and consolidating the revolution. Thus, the formation of the Cuban Communist Party in 1960, the social-economic-political development of Cuba were geared towards the establishment of a socialist society (Jones and Mankiewicz, 1975).

Thus, one of the most frequently repeated statements by Fidel Castro is "liberating the people from the tyranny of the corrupt and illegal regime of Batista" (Dominguez, 1978), and from wants, i.e., poverty, ignorance, premature death (Jones and Mankiewicz, 1975, Lockwood, 1967 and Dominguez, 1978). Hence, creating a better standard of living for the Cuban mass. At this point in time, Fidel Castro's personal ideology, i.e., Marxism-Leninism, became the ideology of the state and Fidel Castro's beliefs and perceptions about development were formalized and implemented.

It is, however, important to note that within the context of regional (Latin America) and global politics, Fidel Castro's had definite ideas about what he perceived the role of Cuba to be. He placed Cuba in a position without precedence among Latin American governments.
Raul Roa, heading the Cuban delegation at the Fourteenth General Assembly of the United Nations on September 24, 1959 made the first formal presentation of the new Cuban foreign policy: "a declaration of independence" (Revolucion, September 25, 1959). Roa, quoting Fidel Castro, asserted that Cuba rejects both world systems because it refuses to:

Choose between capitalism under which people starve to death, and Communism, which solves economic problems, but suppresses the liberties that are so dear to mankind... We favor neither capitalism as it has functioned throughout history nor communism as in reality it is practiced today..." (Revolucion, September 25, 1959).

Still quoting Fidel Castro, Roa further asserts that:

In the chess game of power politics, you will never find us playing the part of docile pawn (Revolucion, September 25, 1959).

Within the context of Latin American politics, Fidel Castro believed that the Cuban revolution represented a threat to existing Latin American governments and to the interests of the United States in the region.

On January 21, 1959, while addressing Cubans, Fidel Castro states:

They want to discredit the Cuban Revolution. They don't want the Cuban Revolution to be able to hold up its lead...so that the rest of the peoples of [Latin] America will not raise their heads... Ours is a people's revolution which must be a beacon of hope for [Latin] America... How badly the people of [Latin] America need a revolution to be ours... Because Cuba wants to be free...politically and economically, Cuba has become a dangerous example for all of [Latin] America... We must defend our Revolution not only for the sake of Cuba, but also for [Latin] America (Castro, quoted in Halperin, 1972:22).

It is rather clear that (1) Fidel Castro did not want Cuba to be perceived as a "docile pawn" in global or regional politics, and (2) the
Cuban Revolution was to be conceived as an example for all Latin American countries (peoples) to emulate. By implication then, Fidel Castro believed that Cuba has the responsibilities of spreading the "blessings" of "revolution" not only to Latin American countries, but to all Third World countries. Thus, the beliefs in "liberation" is here inferred.

Moreover, while Fidel Castro contends that Cuba wants to free itself economically and politically, this belief seems to have changed, as noted above. In 1961, Fidel Castro embraced Marxism-Leninism and states that he found socialism to be "superior" to capitalism.

Halperín (1972) and Gonzalez (1974) contend that: "Fidel's unexpected announcement... that Cuba was a socialist state [on the very eve of the Bay of Pigs invasion] was addressed more to the Soviet Union than to the Cuban people" (Halperín, 1972:129). Halperín quotes the then President Dorticos' speech delivered on June 14, 1961, in which he states that: "in Cuba, unlike the course of events in other countries, first a socialist revolution took place and only later was it publicly proclaimed to be socialist":

...a large part of our population -- let us mention this with complete frankness -- even a large part of our workers were frightened by the very word [socialism]... After socializing the principal sectors of our economy...the people and the entire working class applauded this transformation of our economy, and one fine day they discovered or confirmed that what they were applauding...was a socialist revolution" (Dorticos, quoted by Halperín, 1972:129).

Bray and Harding (1974:638-39), for example, observe:

It was extraordinary that so many Cubans including revolutionaries with deep anti-communist sentiments made the transition
to socialism so easily. Many explained their own changeover to these writers in such terms as "before we had no idea what communism was except that everyone said it was bad. Later, when we found out that what we had built was socialism, we knew it was good."

It is clear from the above that (1) Fidel Castro refrained from proclaiming himself and the revolution as "socialism" while in the mountains for fear of alienating nationalist elements and workers who were opposed to communism. (2) It was only after the socialization -- or the radicalization -- of the principal sectors of the Cuban economy, and when the people began to reap the fruits of socialism, that they [the Cuban populace] endorsed socialism. And, it could therefore be said that (3) socialism was introduced by way of "doing what needed to be done" to satisfy the basic biological needs of the Cuban populace.

This is in dramatic contrast to the experiences of Zhou Enlai and the People's Republic of China, where Marxist-Leninist and Maoist -- Chinese socialism -- was not only for the satisfactions of biological needs, but spiritual as well. For Zhou Enlai/Mao and the Chinese populace, socialism -- or the Chinese communist ideology -- was a way of life.

Second, the historical -- e.g., cultural-status -- experience of China is totally different from that of Cuba. Although both countries experienced domination and humiliation in the hands of foreigners, Zhou Enlai wanted, we believe, to reestablish the centrality of the Middle Kingdom in the region and in the global system; Castro, on the other hand, wanted to establish Cuba as (1) a non-capitalist and non-communist country in Latin America; (2) an example for the rest of Latin American people to emulate; and (3) independence in its foreign policy orientation.
It is necessary, we believe, to describe in brief the transformation of Castro's personal ideology into a national ideology. First, the ideology began to evolve in the economic and social policies, e.g., nationalization of private (foreign and non-foreign) businesses, agrarian reform, lowering rents, cutting or eliminating telephone cost, free education and health care. Second, in July 1961, Fidel Castro decided to weld the three revolutionary organizations, the July 26th, the Directorio Revolucionario, and the PSP (existing Communist party in Cuba when Castro assumed power) into an Integrated Revolutionary Organization (ORI). "The second stage, in 1962, was the formation of a United Party of the Socialist Revolution (PURS), which involved organizing a party nucleus in each work center and every locality, and integrating a large number of new cadres into the party. In the final stage, the new party received the name Communist Party of Cuba" (Bray and Harding, 1974:641).

It should, however, be pointed out that at no time did fidel Castro allow the PSP leadership to take control of the new Communist Party of Cuba. For example, in early March 1962, in a meeting at the University of Havana commemorating the 1957 attack on Batista's palace by the Directorio, he bitterly chastised the old-time communists for ordering the reader of the political testament of Jose Antonio Echevarria, leader of the attack on Batista, to omit a reference to his Catholic religious belief. Fidel Castro (1962b:9) stated that attempts at rewriting history would not be tolerated and that:

Revolution must be a school of unfettered thought... Are we so cowardly, so bigoted in mind, ...that we have to omit three
lines...simply because...he believed [in God]?...
In that case, we would have to suppress the books of Marti because Marti was not a Marxist-Leninist."

From the perspectives of this observer, it could be inferred that the conversion to communism entailed (1) maintaining the "cultural values" of the Cuban populace; and (2) it was not only communism, but communism and nationalism combined.

In Chapter 8, we propose to examine how Fidel Castro's "humanist," "liberation," and "social justice" beliefs are put into practice. And, in Chapter 9, we propose to examine the manifestations of Fidel Castro's beliefs or perceptions with respect to the external environments, e.g., Latin America, Asia, Africa and/or the global systems.

Conclusion

In this chapter, we have attempted to ascertain Fidel Castro's "answer" to the question about development. The answer to the question can be summarized as follows:

First, Fidel Castro believes that development is "doing what needs to be done" without attempting to define it by means of previous ideology. These beliefs are borne out of his beliefs in "humanism."

Second, it seems clear that Fidel Castro's beliefs in "doing what needs to be done" to respond to the needs of the Cuban populace, concurs with his beliefs, which we infer, in social justice. Shoemaker (1983), has summarized the manifestations of these beliefs in education, shelters, health care, and as we shall demonstrate, in employment.

Third, as we have also indicated, Fidel Castro believed that the twin purpose of the Cuban revolution was to (1) liberate Cubans from the
repressing and oppressing illegitimate rule of Batista, and (2) from United States' domination. We have also inferred that the beliefs in liberation encompasses liberation from want and ignorance. In the above paragraph, we noted the manifestations of Fidel Castro's beliefs in providing equal opportunity in education and health. Fidel Castro also believed that the populace must equally participate in the political processes of the country. Thus, eliminating alienation in the political processes of the country. To accomplish this, everyone, young and old, rural or urban dwellers, must be alphabetized. Thus, Fidel Castro, as we demonstrate in Chapter 10, believes that Cuba has the responsibilities to spread the blessing of the Cuban revolution to other Third World countries that are perceived to be struggling to free themselves from (1) illegitimate and tyrannical regimes, and (2) external exploitation and domination.

Fourth, the Cuban ideology is the transformation or application of Fidel Castro's personal ideology into a state ideology. Nevertheless, the principles or tenets of the Cuban Marxism-Leninism ideology provide Fidel Castro and the Cuban populace a somewhat comprehensive framework through which policies and positions are rationalized, explicated and defended.
CHAPTER 5
GAMAL ABDEL NASSER'S BELIEFS
ABOUT DEVELOPMENT

Introduction

In this last chapter on leader's definition(s) of development, our focus is on Gamal Abdel Nasser's definition(s), or beliefs about development; his notions about the correct strategies and tactics by which to achieve his objectives. As in the case of Zhou Enlai and Fidel Castro, we are interested in Gamal Abdel Nasser's "answer(s)" to the question: What is the leader's beliefs of development? Throughout the preceding chapters, as well as in the present chapter, we propose to infer on the leader's definition, or beliefs about development from the types of activities taking place in the country, and from available policy pronouncements made by and on behalf of the leader.

Beliefs About Development

When I try to analyze the elements of our strength, there are three main courses which could be taken into account. The first is that we are a community of neighboring peoples linked by all the material and moral ties possible, and that we have characteristics and abilities and a civilization which has given rise to three religions... (The) second source of strength...our land itself and its position on the map -- that vital strategic position which comprises that
crossroad of the world, the thoroughfare for its merchants and a passageway for its armies...
(The) third source (is) oil -- sinew of material civilization without which all machines would cease to function (Nasser, quoted to Joesten, 1960:110).

In another study of Nasser and Egypt, Mansfield (1969) writes:

...when the free officers came to power, there had been no time to work out their political and economic ideas. There was no Karl Marx nor even a Fabian society for the Egyptian revolution (Mansfield, 1969:115).

Joesten (1960) also asserts that Nasser and the free officers lacked definite ideas or programs of action when he took power. The first quotation above which is in fact Nasser's own beliefs or perception of both Egypt and the Middle East region (the Arab world), clearly demonstrates that Nasser was fully cognizant not only of Egypt's role in the region, but also the potential, vital and strategic position of Egypt in the Middle East and in the Arab world in particular. Indeed, it would be misleading to suggest that Gamal Abdel Nasser did not have ideas "for the Egyptian revolution." The coup, as it should be termed, had definite targets and objectives.

Nasser, it seems, perceived Egyptian development in the context of the interplay between domestic, regional and global politics. The continuing presence of Britain in Egypt was perceived as a constraining factor in the ability of the leader to act freely. Second, that external influence (exercised by Britain in particular, and the French) was perceived as detrimental to national development. It seemed clear from Nasser's perspective that Egypt had to free itself from external influence or domination in order to restore and instill pride in the
Egyptian people. Third, Nasser's beliefs about Egyptian liberation was not only based on ridding the country from the British, but also from the corrupt monarchy, politicians and political parties.

Indeed, while it is true that Nasser did not have the time to work out his political and economic ideas for Egypt once in power, in his beliefs or perceptions it was clear that as long as Farouk was King of Egypt, Britain would continue to exercise influence in both the political and economic system of Egypt. Nasser was cognizant of the humiliation and intimidation the Egyptian people experienced under Britain's "occupation." Thus, in order to restore -- to use Nasser's own slogans -- the "dignity and pride" of the Egyptian people, British troops had to be evacuated from the Canal Zone. In short, Egypt, in Nasser's perceptions or beliefs, cannot be said to be independent as long as Britain continued to exercise profound influence on the country and the region.

Furthermore, it could not be said that Nasser did not have some ideas about the kind of society he wanted Egypt to be. His notions about the correct strategies and tactics by which to "transform" Egypt are well-articulated in his statements with respect to the nationalization and socialist decrees of July 1961. In 1964, Nasser observed:

The stage of revolutionary administrative measures is, in fact, outmoded. The time has come for us to rely upon the popular conscience of the people and not upon government intervention... The only path that will allow us to meet the challenge of reaction and imperialism, the only way that will enable us to accomplish the transformation from capitalism to socialism is that of political and not governmental action (Nasser, quoted by Mahfouz, 1972:185).
In Chapter 11, we propose to examine precisely how these beliefs about the correct strategies and tactics to "transform" Egypt were carried out and what they accomplished. It should be noted, however, that these beliefs emerged in the 1960's.

However, the above observation should not obscure the fact that it was not until the break in an attempt to establish a United Arab Republic on September 28, 1961, that Nasser turned his attention to Egypt's internal problems (Mansfield, 1969:115). In addition, Nasser's decision to turn his attention to Egypt's internal problems was more of a reaction to the failure of uniting Egypt with Syria than to a definite program of action which hitherto was not executed. Thus, if we persist in our quest to try to ascertain from Nasser's own pronouncements as to how he perceived development, our inability to tease out Nasser's perception of development does not necessarily entail he did not have some ideas of the kind of society he perceived (conceived) Egypt to be. Rather, this inference is derived from our observation of Nasser's consistent and reoccurring pronouncements on the nature of the Egyptian Revolution (Nasser, 1955). Waterbury (1976) remarked that Egypt's economic strategies under Nasser from 1952 have been more retrospective rather than prospective. Nasser and the Free Officers "were by inclination drawn to other spheres of activity at the expense of developing a coherent economic strategy" (Waterbury, 1976:292).

The difficulties in discerning Gamal Abdel Nasser's definition, beliefs, or perceptions about development led us to do something which we did not do in the previous two chapters, i.e., teasing out "terms" which seem to reoccur in 33 of Nasser's speeches and/or interviews.
We found that in the thirty-three (33) speeches and interviews, the term "freedom" occurred sixty-one (61) times; "liberation" occurred twenty-four (24) times; and "independence" occurred forty-one (41) times.

However, when the term "development" was used, it seems to be used in a much broader context. For example, to quote only four statements:

The people of Africa and Asia want to make up for a long period in which they had been deprived of the opportunity to live on the same level with other peoples who had preceded them in the fields of development (Nasser, May 18, 1959:8).

As to principles, the peoples of Africa and Asia face today the problem of economic development (Nasser, 1958:8).

The one which comes closer to a reference on Egypt states:

Our people live at the northeastern gate of struggling Africa and cannot be isolated from its political, social and economic development (Nasser, in The National Charter, 1962:4).

Finally, given the overwhelming economic and social significance and implications of the Aswan High Dam, Gamal Abdel Nasser states that "the great significance of the High Dam

...is a consistent stimulant to all the nations of Africa and Asia, reminding them that even though small nations might possess a very limited amount of equipment for atomic destruction, they can always realize the biggest constructional achievements even if they have to dig their way through the rocks with their hands and even if they have to spill their blood in the process. (Nasser, January 7, 1960:10).

The argument we have been advancing on Nasser's perception (conception as well) on the interrelationship between the Egyptian economy and sovereignty on the one hand, and the regional and global politics
on the other, is best summarized by Waterbury. He remarks:

The order of their (Nasser and the free officers) priorities seemed based on the twin assumption that their 'revolution' was inherently threatening to the imperialistic powers and that no economic experiment would be attempted unless and until Egypt established its primacy in the area. In other words, a propitious environment, necessarily Arab in character, had to be created in order to permit some measure of "Egypt-firstism." This assumption and the perceptions underlying it have, it seems to me, considerable merit. Nonetheless, from 1955 on, Egypt's regional and international policies began, superficially, to determine economic policy (Waterbury, 1976:292).

On the basis of the above pronouncements (which Waterbury, 1976 asks us to accept by faith), and on the basis of Nasser's own pronouncements quoted earlier, there is no clear indication that he had, in fact, a program of action by which to develop Egypt. What is clear is that in his own analysis of the litmotif of the "revolution," "social justice" (Nasser, 1955), was to be the cornerstone of the Egyptian internal transformation. But, as we have seen thus far, Nasser gave priority to events in regional and global arenas. In Nasser's beliefs or perceptions, these events become the necessary conditions for Egyptian development.

It must be stated here that we were not able to discern clearly articulated statements on development in Nasser's pronouncements. What we have been able to discern is that Nasser perceived and conceived Egypt's development in the context of the interrelationship between regional and global politics. However, the absence of a clear pronouncement on the part of Nasser on development does not indicate that
Nasser was not aware of the existing conditions within the Egyptian society.

When Gamal Abdel Nasser assumed power in 1952, he made six pledges: "(1) an end to imperialism and its agents; (2) an end to feudalism; (3) an end to monopoly and the capitalist control of rule; (4) establishment of a powerful national army; (5) establishment of social justice; and (6) establishment of sound democracy" (Waterbury, 1983:48).

The establishment of social justice is directly related to ending feudalism. The agrarian reform measures sought to establish a more equitable distribution of land among landless peasants and farmers. We have also observed that it was a political act aimed at destroying the power bases of landed aristocracies. The latter group is perceived to be in alliance with Britain, and exercise their influences on the internal and external politics of the country. Mabro (1972), Vatikiotis, (1978) concur that the agrarian reform was the single achievement of the Nasser-led regime.

Second, from the nationalization decrees of 1958, we infer Nasser's pledge to end "monopoly and the capitalist control of rule," and replace it with Arab socialism. Dawisha (1976), as we observe in Chapter 11, contends that through this process and his attempt at industrialization, Gamal Abdel Nasser was able to achieve some measure of equitable distribution of income. However, as we have also noted, the gap between upper and lower segments of the society remained.
Conclusion

What then, are Gamal Abdel Nasser's beliefs about development?

First, Gamal Abdel Nasser's beliefs about development are manifested in (a) agrarian reform measures, (b) nationalization decrees of 1958 and July 1961, and (c) establishing an Arab socialist society. The agrarian reform measures should be conceived as his attempt to equitably distribute land among the landless tenants and farmers.

Second, the nationalization decrees of 1958 and July 1961, and the proclamation of Egypt as an "Arab socialist" society are inferred as (1) his beliefs in establishing cooperative and part-state ownership of the means of production to (a) enhance his First Five-Year Industrial Development Plan, (b) to establish some measure of reducing unemployment and promoting distributive justice, e.g., equalizing opportunities, and (c) enhance the prestige of the regime at home and abroad.

However, third, we have argued throughout this chapter that Gamal Abdel Nasser was more preoccupied with events in the regional and the global arenas. Thus, we infer that in Gamal Abdel Nasser's beliefs a propitious environment, necessarily Arab in character, was necessary before any measure of domestic economic and political development was to take place. It is precisely in this context that we infer that Gamal Abdel Nasser's preoccupation with the external environments, i.e., establish Egypt's primacy in the Arab World, leading, supporting, and protecting Arab countries against perceived imperialist machinations, severely hampered his efforts to effectively confront Egypt's perennial economic, political and social problems.
CHAPTER 6

ZHOU ENLAI, FIDEL CASTRO, AND GAMAL ABDEL NASSER'S

BELIEFS ABOUT DEVELOPMENT:

A SUMMARY

In Chapters 3-5 we sought to discern Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser's beliefs about development, their notions of the correct strategies and tactics by which to achieve their objectives. In other words, we wanted the leaders' (Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser's) "answers" to the question: What is the leaders' -- heads of states -- definitions or beliefs about development? As the preceding chapters indicate, the "answers" to the question vary among the three leaders, and in other aspects, leaders seem to profess similar beliefs. The variations in the definitions, or beliefs inform us relative to what the leaders believed as the best strategies and tactics to respond to their internal and external milieus.

Concurrently, our aim is to derive some useful analytical concepts which would help us assess the impact of developmental strategies on the leaders' foreign policy.

Our analysis, from chapters 3-5, of leaders and countries in this study, produced (7) categories of beliefs about development. The seven categories are by no means exhaustive. The categories

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are: (1) man; (2) self-reliance;¹ (3) humanist; (4) social justice; (5) liberator;² (6) interdependence; and (7) freedom/independence.

The above categories provide us with some useful concepts to examine in the following chapters. That is, how the various concepts manifested themselves in the developmental strategies of the leaders under examination. A brief description of these concepts in their proper context is particularly necessary at this point.

Figure 6.1 is a comparative illustration of leaders' location on a continuum with respect to their professed or inferred beliefs about the correct strategies and tactics in development or in the transformation of their respective societies. Leaders are ranked "high" or "low" depending on where they tend to place greater emphasis. Moreover, the ranking of the leaders is based on this observer's best judgments.

¹The concept of self-reliance and social justice have been expounded by various scholars of the Third World (ul Hag, 1975), and by some Northern scholars, e.g., Galtung (1970, 1981) and Goulet (1975).

²Goulet (1975:xxv) expounds on the "theory" of liberation as expounded by Latin American writers. He defines liberation as "the suppression of elitism by a populace which assumes control over its own change processes." Development, on the other hand, "stresses the benefits said to result from them (changes): material prosperity, higher productivity and expanded consumption, better housing or medical services, wider educational opportunities and employment mobility, and so on." Under this expanded definition, Fidel Castro, Zhou Enlai, and Nasser's activities seem to concur with their beliefs or perceptions about development. In fact, as we have noted, this concept tends to reoccur in Nasser's pronouncements. This concept was also expounded upon by K. J. Holsti (1970) in delineating the national role conceptions of leaders in the study of foreign policy.
FIGURE 6.1
Leaders' Ranking On Their Perceptions
Or Beliefs About Development

"Man"

High

Z  CN

Low

Self-Reliance

High

Z  NC

Low

Humanitarian

High

C  NZ

Low

Liberation

High

ZCN

Low

Social Justice

High

ZCN

Low

Freedom/Independence

High

N  Z  C

Low

Interdependence

High

Z  N  C

Low

Z = Zhou Enlai, C = Fidel Castro, N = Gamal Abdel Nasser

1. Humanitarian. This concept is derived and inferred from our readings and assessment of Fidel Castro's pronouncements relative to the nature of the Cuban revolution. According to Fidel Castro, his revolution and government are simply Cuban and humanist (Huberman and Sweezy, 1961:145). In reading Castro's speeches it became clear that humanist
Ill was perennial to his beliefs. It means "compassion" and "moral." For example, in February 1966, Fidel Castro stated:

With the natural resources of this country, with work and a little technology, we should be able to provide satisfactory levels of all the essential needs of a human being: health, food, physical and mental education, cultural development, and housing [for the] whole of the society (Castro, 1966, cited in Halperin, 1981:213).

It is equally important to note that the concept is also used by Fidel Castro with respect to Cuba's responsibilities to Latin American peoples as well as to the rest of the Third World. In this context then, Fidel Castro has referred to it as "internationalism." He states: "to aim for the highest levels of communism while millions in other countries are desperately poor would be immoral..." Thus,

...in the future we shall not be able to think of...great wealth while there are other peoples that need our help... We must not consider it a duty to provide each one of us with an automobile before every family in countries far behind us has at least a plough... We must educate our people to have a deep feeling of internationalism... Without which nobody can call himself a Marxist-Leninist and without which this First of May, International Labor Day would have no meaning (Castro, cited in Halperin, 1981:213).

In the mid 1960's, Fidel Castro's beliefs about "doing what needs to be done" to satisfy the basic biological needs of the Cuban populace, evolved somewhat, we believe, to what we infer to mean "social justice."

It could also be inferred from the literature that Fidel Castro perceived the Cuban dependency on the United States as a constraint on the country's capacity to develop. At the same time, as in the case of Egypt and Nasser, Cuba's dependency on the United States implied that
changes in the social, economic and political structures would run (as was the case) counter to the interests of the United States. To institute these changes meant that American-Cuban relations needed to be redefined.

Humanist means by "doing what needed to be done for the populace of Cuba." More precisely, development is perceived by Castro as:

the quickest satisfaction of the fundamental needs of the people, food, clothing and shelter. It means the immediate utilization of the major natural resources which our country possesses (Castro, in Lockwood, 1967:84).

Thus, humanitarian is providing the populace with the basic necessities. That entails employment in order for the people to be able to buy what they need, e.g., food and housing within their means.

2. Social Justice. The concept is here inferred to mean equity and/or equality of opportunity. This concept has been stated in various forms by various scholars in the alternative approach to development. It has also been advanced in conjunction with world trade. The concept is derived from our reading on Gamal Abdel Nasser and Egypt and Fidel Castro of Cuba. It is also inferred with respect to Zhou Enlai and the People's Republic of China. Nasser (1955) believed that the Egyptian "revolution" was to (1) give Egypt back to the Egyptians and (2) instituting land reform, i.e., equitable distribution of income and social justice. The Chinese leadership's first measures, among others, was to redistribute land (land reforms), and attempted -- rather successfully in comparison to other Southern countries -- to equalize income (see, for example, chapters on the People's Republic of China, Egypt, and
Cuba on "Internal Development"). As in the case of the concept of "Man and Self-reliant," the concept of social justice entails that in order to establish a more equitable distribution of resources in the society, everyone has to (work) take part in the transformation of the society, thus creating employment and distribute the resources of the society equally.

3. "Man" (i.e., People). We infer this concept to mean human creativity, i.e., ingenuity, innovativeness, and abilities to experiment. The concept is derived or inferred from the literature on Zhou Enlai/Mao Zedong and the social-economic and political experiences of the People's Republic of China. In Chapter 3, it was observed that Zhou Enlai/Mao placed greater emphasis in the development of "man," i.e., changing human motivation as well as remotivating the society as a whole. Zhou Enlai/Mao believed "man" must be developed first in order for him to develop or transform the society.

The concept is rather clear. It postulates that in order to develop a society, man must be developed first. A particular kind of man remotivated, imbued with certain values, i.e., red, selfless, properly indoctrinated, and organized. Thus, this concept places an emphasis on man. That is, man = development and development = man. This emphasis on selfless man, properly indoctrinated and organized, entails that he will dedicate his energy not for his own well-being, but for the well-being of the society. Society or the country comes first, and his own needs come last. The concept calls for an ideal Chinese Communist society.
4. Self-reliance. It means reliance of a country on its own human creativity, intellectual, spiritual, and natural resources. It calls for autonomy in its developmental strategies. The concept is derived and inferred from our reading of Zhou Enlai/Mao Zedong's and the People's Republic of China's experiences. We inferred it also in the case of Gamal Abdel Nasser's policies after the July 1961 socialization decrees. The concept of self-reliance places the burden for development or the transformation of the society on its own people. The concept also calls for independence in the pursuit of a country's foreign policy.

It is important to note that the concept of self-reliance dominated the Chinese leadership debate on closing scientific and technological gaps between China, the East (led by the Soviet Union), and the West (led by the United States). Zhou Enlai believed that by the year 2000, China must modernize its (1) agriculture, (2) industries, (3) defense, and (4) science and technology.

At the core of the debate is the concern that modernization of the four sectors (agriculture, industry, defense, and science and technology) must not compromise China's independence or concept of self-reliance. These beliefs were particularly reinforced after failure of the Great Leap Forward and Mao Zedong's pronouncements to the effect that China should not "worship things foreign." For Zhou Enlai and his followers, the beliefs are that China should "learn" from the advanced countries about new findings in science and technology, and make these foreign discoveries "work for China."
In short, Zhou Enlai is placed "high" on self-reliance; and Gamal Abdel Nasser (by inference of his policies after 1961). In Chapters 7-8, we examine the nature of the relationship between China and the Soviet Union, and the subsequent split in the relationship.

5. Liberation. This concept conceives development as a liberating process. Not only does it liberate the populace from itself -- as in the perceptions of Zhou Enlai and Mao -- but also liberates the populace from want. It means that once the populace is liberated, it will invest all its energy for the development of the society. For example, Zhou Enlai and Mao Zedong conceive the Chinese revolution as a process of liberating the Chinese people from the Japanese, the Nationalists, and all other foreign domination and influence. This is similar to Nasser's conception of the Egyptian "revolution." To Nasser, it was a process of liberating Egyptians from the corrupt and illegitimate rule of King Farouk, and from British occupation, domination, and influence on the social, economic and political system of Egypt.

Fidel Castro believed himself a liberator, i.e., liberating the Cuban people from the corrupt, tyrannical and oppressive regime of Batista; from poverty, ignorance and want. The liberation beliefs or perceptions of Fidel Castro has also meant "exporting revolution" and supporting armed struggles, e.g., civil war, revolution in other regions of the world, i.e., Africa, Asia and Latin America.

6. Freedom/Independence. The concept(s) is derived and inferred in our analysis of Zhou Enlai/Mao, Fidel Castro, and Gamal Abdel Nasser's speeches. In one of the supporting works by M. Hermann
Independence/interdependence of action is concerned with the amount of control that a government maintains over its foreign policy actions. There are at least two ways in which a government can maintain such control -- it can initiate actions rather than react to other's initiatives and it can act alone rather than in concert with the governments of other nations. Actions which are independent have two characteristics. Governments forfeit control over their foreign policy actions when they respond to prior stimuli directed at them and when they act in concert with the governments of other nations. In effect, their actions are interdependent on those of others. Thus, there are two aspects or dimensions to independence/interdependence of actions -- an initiative-reactive dimension that indicates whether the government initiated the activity or responded to a prior stimulus directed at it, and a solitary-communal dimension that indicates whether an action was taken alone or in concert with others.

Some scholars in foreign policy have suggested that variance in independence of action is directly related to a nation's attributes. Keohane (1969) and Rothstein (1968), for example, have suggested that leaders or authoritative decision-makers from "small states" are less likely to engage in independent foreign policy because they lack the influence and resources needed (both human and nonhuman) to engage in independent action (Wish, 1977).

Fidel Castro, Gamal Abdel Nasser, and Zhou Enlai have all professed independence in the pursuit of their foreign policy objectives (as well as orientation). As a result, all three leaders are ranked "high" on independence/freedom continuum. Indeed, it could be argued that Fidel Castro lacks the resources to engage in an independent foreign policy.
And, that when he does, it is more often than not carrying out the Soviet Union's policies in the Third World. Furthermore, given the conservative nature of the Kremlin leadership, Fidel Castro is more often than not acting as a "stooge" of the Kremlin. In other words, instead of placing the blame on the Soviet Union with respect to political turmoils in the Third World, the blame is placed on Fidel Castro and Cuba. The above arguments have considerable merit, but when viewed in relationship to Fidel Castro's beliefs, it could be argued that it is Fidel Castro who reminds the Kremlin that Cuba is a "fraternal state," and that the Soviet Union has the obligation of helping Fidel Castro in the pursuit of his foreign policy vis-a-vis the Third World. Finally, as we noted in Chapter 4, Fidel Castro stated that Cuba would not be a "docile pawn" in the regional or the global system, and that Cuba has the responsibilities of "spreading the blessings of revolution" to the rest of the Third World.

Likewise, Gamal Abdel Nasser believed and maintained that Egypt must be nonaligned, and by implication, free to pursue its own foreign policy without interference from the East or the West. Gamal Abdel Nasser's pronouncements are replete with references to Egyptian independence and freedom to be master of its own destiny. Egypt's destiny is to liberate the rest of the Arab world and to enlighten the "dark" African Continent. This insistence on Egypt's independence brought Nasser in conflict with Dulles and Eden, and eventually led to the Suez Canal Crisis.

Seemingly, Zhou Enlai/Mao believed that the People's Republic of China cannot be a "satellite" of either the East or the West. Meaning
that China is to engage in independent foreign policy. Second, Zhou
Enlai, as we shall see in Chapters 7 and 8, removed China from the
Soviet Union orbit — Sino-Soviet polemics — on ideological grounds, to
the reaffirmation of China's independence in the regional and global
systems.

We, therefore, expect the three leaders to exercise more control
over their foreign policy, and to actively participate in the regional
and global political and economic affairs. We also expect leaders to
compromise, at times, their independence of action in the global systems
in deference to, and in order to extract or obtain certain desirable
benefits or concessions from a super power with whom the leaders are
either closely or loosely aligned.

7. Interdependence. This concept is inferred from our readings
of the literature on the three political leaders and countries. The
political leaders under examination, we infer, perceived their
countries' development not in isolation from external stimuli. Thus,
we reasoned, internal development is inextricably interwoven with the
countries' external relations.

As articulated in the introductory chapter, all three countries
share another characteristic: they are developing countries and all
three are waging a struggle against dependency. Each leader, however,
is very much aware of the trade-off the country will have to make in
its effort to develop.

The above concepts are intended to be suggestive, and they are by
no means exhaustive. For example, Nasser has also made reference to
"scientific socialism" as an alternative for countries undergoing the process of development. However, this concept is closely aligned with the concept of "social justice"; and it is not clearly separated from what Dekmejian (1971) and Hussein (1977) call "etatism." In addition, since the 1961 nationalization, "Arab Socialism" acquired widespread popularity in its usage. Again, the concept was used interchangeably with "social justice."

In addition to the leaders' definitions or beliefs about development, we also wanted to know whether the leaders had visions of future societies. In other words, what societies they professed to be creating in lieu of the old orders. The "answer" to this question was derived and inferred from the leaders' own pronouncements and policy statements. The future societies the leaders envisioned is "socialism," in various forms, meanings, and terminologies. Zhou Enlai speaks of "socialist state" and "ideal Chinese Communist society" as the future Chinese society. We also inferred Zhou Enlai's beliefs from the Chinese ideology. (We examine the Chinese ideology in Chapter 7.) Fidel Castro, in 1961, referred to the Cuban revolutionary government as "socialist." In contradistinction to the Chinese ideology (which is a synthesis of Marxism-Leninism), which includes Mao's thoughts, Fidel Castro professes that the ideological tenets of Cuban socialism are derived from Marxism-Leninism. He, thus, calls for or aspires to a "true Communist" society.

Finally, Gamal Abdel Nasser speaks of "scientific socialism" and "Arab socialism." From the perspective of this observer, it is inferred that Gamal Abdel Nasser is calling for "Arab socialism."
It is perhaps necessary at this point to define socialism. Plano, Greenberg, Olton, and Riggs (1973:351) define socialism as:

A doctrine that advocates economic collectivism through governmental or industrial group ownership of the means of production and distribution of goods. Its basic aims are to replace competition for profit with cooperation and social responsibility, and secure a more equitable distribution of income and opportunity.

The picture that emerges from our observations of the leaders' beliefs about the types of future societies they would like to see develop varies among the leaders. The variation is due in large part to the experiences of the leaders and their countries. For example, Zhou Enlai's brand of socialism, as we noted above, is a synthesis of Marxism-Leninism, and Mao's thought; and it is expressed within the framework of the Chinese tradition and experiences.

Thus, for Zhou Enlai, the future society is an "ideal Chinese Communist" society. Gamal Abdel Nasser contends that both the Chinese and the Soviet brands of socialism is incompatible with the Islamic tradition and experiences. He, thus, calls for an Arab socialist society based on the Islamic tradition. Finally, Fidel Castro professes that the Cuban revolution strives to create a true Communist society.

When the leaders' aspirations are viewed against the definition of socialism provided above, it could be argued that (1) all three leaders advocated and practiced -- in varying degrees -- "economic collectivism through government ownership of the means of production," (2) promoted and/or pushed for equitable distribution of goods (i.e., distributive justice or simply social justice), and (3) replaced "competition for profit with cooperation and social responsibility and," sought to
"rescue a more equitable distribution of income and opportunity" (Plano, Greensberg, Olton, and Riggs, 1973:351).

These beliefs or perceptions about development have, we maintain, significantly affected and/or determined the developmental strategies of these leaders and countries, and have had a direct impact on the foreign policies of these leaders in the regional and the global systems.

Spinning out of these beliefs, are the leaders' perceived roles, and those of their countries, in the regional and the global systems. Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser have perceived themselves and their countries as having roles to play in both the regional and the global systems.

In Chapter 13, we propose to provide some "answers" to the question: Were the leaders successful in achieving their respective objectives.

It is also maintained that some leaders in certain situations do not perceive their country as having a role in either regional and/or the global systems. In these situations, it could, in effect, be argued that certain leaders in certain countries, e.g., Malawi, Botswana, Malagasy, Sierra Leone, Upper Volta, Benin, Ethiopia, Liberia, Guinea, Afghanistan, Burma, Ceylon, Nicaragua, Lebanon, South Yemen, Congo Brazzaville, the Cameroons, etc., do not perceive their countries as having a role to play in either the international and/or the global systems.

It could also be said that (1) leaders' beliefs about internal and external milieu tend to influence the types of actions and policies they pursue vis-a-vis the environments. (2) It
is suggested that leaders' beliefs about the internal and external milieu tend to change in relationship to the changing conditions in both environments. And finally, (3) beliefs about the international or the global system tend to vary from one leader (country) to another depending on the ways in which the leaders perceive their "state's legitimate place in the global and/or regional system" (Brecher, 1969:88). These beliefs are also related to the perceived needs of the countries.

The significance of this undertaking lies (apart from its utility in our understanding of the importance of leadership in the Third World, and leader's operational code with respect to the issue-area of development) in the twin assumptions that (1) there are linkages between perceptions or beliefs about internal (domestic) needs (development) and the opportunities available in the external (international and/or global) environments, and (2) the images, as well as beliefs about the international or the global system of Fidel Castro, Zhou Enlai and Gamal Abdel Nasser seem to bear out the socio-economic and political matrix that men -- and countries -- react not to the objective reality of the world, but to their own images of that reality (or realities). It is, therefore, these leaders' perceptions (images and beliefs) of what the world is like that determine their responses to the internal, regional and global situations, and provide a comprehensive and unifying frame of reference for the conceptualization and execution of internal and external policies during and after the period under consideration (Ole Holsti, 1962, George, 1969, and M. Hermann, 1972a, 1972b, Kim, 1979).
We commence our analysis of the manifestations of leaders' beliefs about the correct strategies and tactics to develop or transform their societies by looking at Zhou Enlai's strategies to transform the People's Republic of China. Chapter 8 examines Zhou Enlai and the external relations of the People's Republic of China. In Chapter 9, we focus on Fidel Castro's internal developmental strategies, and in Chapter 10, we examine his external relations. Finally, in Chapter 11, we examine Gamal Abdel Nasser's internal developmental strategies, and in Chapter 12, we examine his external relations. In Chapter 13, we examine comparatively how successful were the leaders in their external developmental strategies, and in their foreign policy objectives.
PART II

CHAPTER 7

THE PEOPLE'S REPUBLIC OF CHINA AND ZHOU ENLAI'S
INTERNAL DEVELOPMENT STRATEGIES

Introduction

If national foreign policy roles\(^1\) are determined by the beliefs of the regime's authoritative decision-makers (Hermann, 1983), then national roles, that is, internal policies and strategies for the development and/or the transformation of a society, are determined by the beliefs or perceptions of the regime's authoritative decision-maker.

The present chapter focuses on Zhou Enlai's strategies and tactics in the transformation or development of the People's Republic of China. In other words, we are interested in the manifestations of Zhou Enlai's beliefs or perceptions in China's developmental experiences. Thus, to understand these beliefs, we propose to proceed as follows:

\(^1\)K. J. Holsti (1970:245) defines role as: "...the policy-maker's own definition of the general kinds of decisions, commitments, rules and actions suitable to their own states, and of the functions, if any, their state should perform on a continuing basis in the international system or in the subordinate regional system." Holsti's (1970:269) national role conception refers to "any particular task or function [a state is perceived to perform] within the international system." We are using the concept in a much broader context to refer to the role of authoritative decision-maker in a society with respect to allocation and nonallocation of resources.
1. **Ideology.** Beliefs in developing "man" first, in order for the latter to develop or transform the society, can best be understood within the context of the Chinese ideology. It provides a comprehensive and unifying frame of reference (or world view) through which the Chinese populace view the world, themselves, and what they are about. Ideology energizes, revitalizes, remotivates, and organizes "man" to strive for the welfare of the society. It instills in "man" a sense of purpose, pride, and dedication. It is, in short, faith and/or a belief system. We, thus, provide a brief sketch of the Chinese Communist Ideology.

2. **The Great Leap Forward.** The strategy was an attempt to rapidly industrialize China, and to close the gap with the industrialized countries of the East (Soviet Union) and the West (the United States and its allies). The strategy called for "dual technology" in the two types of economic sectors that are so typical in most developing countries such as China. In modern sectors, "goods produced are mostly exported to earn foreign exchange to pay for the imported machines. In the traditional sectors, small scale industries in villages are self-sufficient, providing virtually all of their own consumptive and productive needs" (Wang, 1980:19). Thus, under the Great Leap Forward strategy, modern sector would not need to supply capital goods for traditional sectors. However, traditional sector "would increase its flow of food and raw materials to build up the industrial sector" (Wang, 1980:19). Thus, the meaning of Chinese beliefs in "'walking on two legs'" and "'self-reliance in the simultaneous development of industry and agriculture'" (in Wang, 1980:19).
In this section, we infer Zhou Enlai's "answers" to the questions: (a) Does the leader believe in small, medium, and large scaled industrialization? And (b) Does the leader believe in private investments and international/global trade? The "answer" to the first question is inferred as "yes." Beliefs about international/global trade are examined in the following chapter. In the present chapter, we propose to examine the first part of the question.

The Great Leap Forward policies constitute beliefs in industrialization. One of the major constraints on Zhou Enlai/Mao has been the inadequate industrialization of China, and their dependence on foreign (the U.S.S.R.) assistance. Cognizant of the importance of this constraint on their developmental strategies, Zhou Enlai/Mao embarked on once and for all industrialization of China, with the hope of closing the gap between the Soviet Union and Western countries. This, in turn, meant considerable dependence on the Soviet Union which was both a model and sources of needed financial and technical assistance. The policy, in effect, undermined the importance of "man" to some degree. However, as we propose to demonstrate in this section, the period was accompanied with significant "innovation" and "inventiveness" on the part of the Chinese people in the areas of "backyard iron production," blast furnace, etc...

Beliefs in private investments are inferred from the Chinese economic system. The economic system is state ownership of the factors or means of production. Zhou Enlai, in effect nationalized all enterprises that he perceived as exercising dominant influences over the people's livelihood; at the same time, he actively encouraged operation
of private economic enterprises that he perceived beneficial to national welfare in the 1940's and 1950's. Thus, it could be said from the outset, that Zhou Enlai (1) believed that private investments were inappropriate for China; but (2) allowed domestic private enterprises which he perceived or believed as beneficial to the welfare of the society as a whole to operate. In agriculture, as we have pointed out, Zhou Enlai started with a policy of equal distribution of land (— social justice), but not nationalization of ownership. He argued that:

The farmers have not yet abandoned their idea about private land ownership... (Zhou Enlai, in Hsu, 1968:194).

It could be argued, in fact, that Zhou Enlai, in some cases, does not appear to adhere to the Chinese Communist Party lines. For example, in December 1964, Zhou Enlai urged his fellow countrymen to be forever on guard against the possibility of bourgeois reactionary resurgence. He states:

Underestimating the danger of such a resurgence is completely wrong... But since over 95 percent of all Chinese people want revolution, want socialism, and are resolutely supporting or can be made to support the policies of the C.C.P., so long as we adhere to the mass-line, confidently mobilize the masses and organize them... [our enemies] will be smashed, and the proletarian dictatorship will stand unshakable (Zhou Enlai, in Hsu, 1968:193).

The above pronouncement draws the line between the revolutionary and the anti-revolutionary, but in the next breath, Zhou Enlai proclaims the continuing validity of the united front. He states:

The Chinese people's democratic united front, led by the proletariat through its vanguard, the C.C.P., is based on the worker-peasant alliance, and comprises national bourgeoisie,
the various democratic parties and groups... and patriotic overseas Chinese... Further consolidation and development of this united front is extremely important to the successful progress of socialist program.

No destruction, no construction, and only when there is destruction can there be construction (Zhou Enlai, quoted by Hsu, 1968: 193-94).

How could Zhou Enlai go back and forth without being labeled a "revisionist"? Hsu (1968:194) writes:

...only the Chinese Communist Party, or leaders like Zhou Enlai have insight into this undulating rhythm of revolution. Each time Chou presses the brakes or the accelerator, his enemies (if there are any who are strong enough) can easily criticize him for reversing the party line, but, interestingly, he has managed to escape such criticism. That he can revise the party orthodoxy without being called a revisionist is due in part to the built-in ambiguity of the party line itself...and partly to his ability to out-argue his less eloquent opponents, but largely to the fact that, to the Chinese mind, the important thing is not whether one remains true to an abstract label, but whether one's actions bring about the desired result.

3. Agriculture First Strategy. It is here inferred that the strategy was a reemphasis on "man." We also infer that the strategy is an affirmation of Zhou Enlai's beliefs in small and medium scaled industrialization to serve the principal industry: agriculture. The section emphasizes Zhou Enlai's beliefs in "self-reliance," and "social justice" with respect to equity in (1) income distribution, (2) education, (3) health care, etc... We have also briefly outlined areas of achievements which have impressed leaders of the Third World, as well as areas in which Zhou Enlai and the Chinese leadership are still
experiencing some difficulties.

4. **Indicators of Chinese Developmental Performance**, essentially brings together available data, and sums up various areas in which Zhou Enlai's developmental strategies and tactics have met with successes. It also serves as an assessment of China's developmental performance under Zhou Enlai/Mao Zedong.

5. **The Cultural Revolution.** As we have argued, the cultural revolution is a reaffirmation of the preeminence of Mao Zedong's thoughts in China. Similarly, we also contend that while the cultural revolution was the reassertion of the dominant thought of Mao Zedong (e.g., in economic, politics, education, arts, etc...), it also tested the courage, tenacity, and abilities of Zhou Enlai to navigate in troubled waters. Although we maintain that the cultural revolution was a deification of Mao's personality cult, it also demonstrated the centrality and/or importance of Zhou Enlai in Chinese politics. It was he, after all was said and done, that Mao Zedong and the Chinese populace turned to to put the country back to work.

We reserve the concept of "interdependence" for the concluding chapter of this study. We now turn to a brief analysis of the Chinese Communist ideology.

**IDEOLOGY**

The basic thesis of this section is predicated on the premise that there is significant correlation between socio-economic, political change and ideology. Alexander Gerschenkron (1962), writes that:
...to break through the barriers of stagnation in a backward country, to ignite the imaginations of men, a stronger medicine is needed than the promise of better allocations even of resources or even the lower price of bread. Under such conditions even the businessman, even the classical daring and innovating entrepreneur needs a more powerful stimulus than the prospect of high profits. What is needed to remove the mounting routine and prejudice is faith" (Gerschenkron, 1962:24).

The Chinese leadership stressed faith in "man" and the masses in the new regime in order to achieve their developmental objectives. The new Peking regime, as we have observed above, came into power through a revolutionary process; and to eradicate the country of corruption, the humiliations of the Chinese people in the hands of external domination -- notably the United Kingdom and Japan, the regime put into practice its theories of human behavior. Selflessness, and self-abnegation, and "Red" became not only the political foundation of Chinese society, but the cornerstone of the socio-economic and political systems of the People's Republic of China. It has also been observed that Mao, Zhou and the Communist leadership placed great emphasis on man. That man, properly indoctrinated, as well as organized are capable of accomplishing the impossible. Thus, imbued with an ideology that conveys a sense of history which is organic, present-oriented, and placing current history in a much broader conceptual framework. Concurrently, because the ideology is present-oriented, it has the effect of linking cognitive and evaluative perceptions of a person's social condition, and thus leading the people to a "program of collective action for the maintenance, alteration, or transformation of society" (Seymour, 1976:42). Thus, when Mao refers to a person properly indoctrinated and imbued with
certain values, the reference here is on ideology being internalized through a socialization process, "so that it becomes part of the matrix of attitudes and motivations underlying standards of behavior" (Seymour, 1976:42). In the process then, ideology legitimizes certain types of behaviors and delegitimizes uncongruent behaviors.

It has also been stated above that when the Chinese Communist Party came to power, it faced the tough struggle of pulling together the broken parts into unity, and attempting to transform what was a backward society into a modern industrialized nation, they made use of the tools of ideology and organization (Schurmann, 1968:17). Thus, the Chinese Communist Party "through a consistent yet changing ideology created a web of organization which covered the whole of the Chinese society and penetrated deep into its fabric" (Schurmann, 1969:18). Ideology then, is "a manner of thinking characteristic of a class or an individual" (Schurmann, 1968:18).

In this context, it is necessary to differentiate between two sets of ideologies: organization and individual ideologies. Schurmann (1968) defines organizational ideology as "a systematic set of ideas with action consequences serving the purpose of creating and using organization." And, characterized the ideology of the Chinese Communist Party as "one of the great organizational ideologies in the modern world" (Schurmann, 1968:18-20).

The Chinese Communist Party manner of thinking (ideology) is borrowed from Marxism-Leninism, and throughout its history, the Chinese Communist Party has made its "ideology" into a systematic set of ideas which it used to create its own organization and achieve its goals.
The expression of these ideas (ideology) are set forth in the Party Rules; and it demands a high level of consciousness and adherence from its members. This is achieved by encouraging its members to engage in intensive discussions based on the materials produced by the Chinese Communist party, to speak out, and write (publish). The top leaders as well as low-level leaders are also encouraged to speak out, and write by using the Chinese Communist Party's ideas to analyze a concrete problem.

In the Party Rules adopted at the Seventh Party Congress (April-June 1945), the preamble stated that "the Chinese Communist Party takes the theories of Marxism-Leninism and the unified thought of the practice of the Chinese Revolution, the thought of Mao Zedong, as a guideline for all its actions" (Schurmann, 1968:21). However, at the Eighth Party Congress (Sept. 1956), the preamble to the Party Rules stated that "the Chinese Communist Party takes Marxism-Leninism as the guideline for all its actions" (Schurmann, 1968:21). In this preamble, Mao's thought was dropped, but later a distinction was drawn between "Marxism" and "Leninism". Marxism came to be regarded as the "Weltanschauung" or "World View," and Leninism as the principles of revolution and (action) organization.

Having drawn the distinction, the dualism stated above was revised in the 1950's in stronger form; that the Chinese Communist Party takes Marxism-Leninism and the thought of Mao Zedong "as guideline for its actions" (Schurmann, 1968:21). The Chinese Communist Party stresses two ideological components: (1) pure ideology, by which is meant a "set of ideas designed to give an individual a unified and conscious world
view," and (2) practical ideology by which is meant "a set of ideas designed to give an individual rational instruments for action" (Schurmann, 1968:22). The two ideological components, although different, are closely linked. "Without 'pure ideology',' as Schurmann argues, "the ideas of practical ideology have no legitimation," and "without practical ideology and organization cannot transform its Weltanschauung into consistent action (Schurmann, 1968:22).

Of equal significance, the Chinese Communist Party uses the words, "theory" and "thought" respectively. "Theory" to them is pure ideology, and "thought" refers to "practical" ideology. Thus, the Chinese Communist Party regards "Marxism-Leninism" as pure ideology and the "thought of Mao Zedong" as practical ideology from which to move the Chinese society. It must, however, be stated that Mao Zedong thought is not a body of doctrine, rather it is considered as "manner of thinking which, as practical ideology, is meant for use" (Schurmann, 1968:23). One of the differential aspects of the Soviet Union and the Chinese communist, is that the latter regards their total ideology as arising from the fusion of a universal class ideology with particular individual ideology (Schurmann, 1968:31-32). Concurrently, the Chinese Communist Party leaders have also noted that since "thought" can undergo significant change, the principle is that every individual can arrive at "correct thought" process. However, change means that this process never ends (Schurmann, 1968:32). Thus, the Chinese Communist Party "have produced their ideology of organization through a continuing combination of unchanging universal theory with changing individual ideology" (Schurmann, 1968:33). Since the thought of Mao Zedong
continuously changes, and because it is central to the Chinese practical ideology, the ideology of an individual is expected to go through changes.

Figure 1.1 illustrates the ever-changing and ever-expanding ideas, which in effect are derived from a fixed body of theory, such as Marxism-Leninism, do constitute the thought process of Mao Zedong.

As we have noted above, and in contrast to Eckstein's (1975) inference on the similarities of Communist systems' ideology, Schurmann (1968) contends that the Chinese Communist Party is different from that of the Soviet Union. First, the Chinese Communist Party conception of "theory" differs from the "classical Marxist" conception. As Mannheim (1949) puts it, Marxism concerns theory as a "function of the process of becoming and, thus, as a function of reality: a theory leads to a certain kind of action; the action, if successful forces a revision of the theory" (in Schurmann, 1968:34). The official Soviet Union accepts

FIGURE 7.1
THE CHANGING POSITION OF IDEOLOGY

<table>
<thead>
<tr>
<th>Time</th>
<th>Pure Ideology</th>
<th>Practical Ideology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seventh Party Congress (1945)</td>
<td>Marxism-Leninism</td>
<td>The thought of Mao Zedong</td>
</tr>
<tr>
<td>Eighth Party Congress (1956)</td>
<td>Marxism</td>
<td>Leninism</td>
</tr>
<tr>
<td>Since 1960</td>
<td>Marxism-Leninism</td>
<td>The thought of Mao Zedong</td>
</tr>
</tbody>
</table>

the philosophy of the classical Marxist conception that theory in itself
changes in the process of becoming, however, denounces "dogmatism and
spiritual ossification" of Marxism, "and constantly speaks of the de­
velopment of dialectical and historical materialism" (Schurmann, 1968:
34). The Soviet Union, then holds tenaciously to Marxist-Leninist
theory of creative development.

The Chinese Communists also speak of, and hold to the Marxist-
Leninist theory of creative development, however, contrary to the
Soviet's, the meaning is dramatically different. For the Chinese, "it
is the development of new thought on the basis of unchanging theoretical
doctrine," the Russians maintain that "theory itself must be developed"
(Schurmann, 1968:34). It is precisely on this point that the Soviet
Union accuse Chinese conception of theory as dogmatism, in turn, the
Chinese Communist accuse the Russians of "violating theory" (Schurmann,
1968:34).

Second, the Soviet Union has failed to develop a "systematic
method of thought reform," such as we have seen in the case of China in
the first and the start of the third chapter. While the Chinese
Communists sought first to transform the spiritual and/or psychological
identities of individuals, the Soviet Union, even under Stalin seems
never to have understood the basic necessity of transforming the spirit­
ual and/or psychological identities of individuals in organization
(Schurmann, 1968:34). Where the Russians have shown impatience to
devise methods of transforming individuals, for the Chinese, "the
systematization of whatever is going on in the heads of the members of
that class" has been of greater importance. "Through such systematization
the Chinese Communists" as we have observed in the preceding pages, "have created and used their ideology of organization" (Schurmann, 1968: 35). The absence and/or the impatience on the part of the Soviet Union to develop methods of transforming individuals in the society, is precisely what Lenin lamented on before his death. Schurmann (1968) observed that "there are indications that the Russians, perhaps under Chinese influence, have sought to remedy this gap in their ideological arsenal. Krushchev put great emphasis, for example, on the need to create a 'new Soviet man'" (Schurmann, 1968:35).

The concept of creating, or what Roots (1978) referred to as "remotivating society" was carried out much earlier in China. It was noted earlier that unlike the Soviet Union, China had the leisure and the time to experiment with its "theory" of human behaviors. The Chinese Communist Party thought it necessary to first create a "new Chinese man," imbued with certain characteristics in order to develop a "backward society."

In the preceding pages we have attempted to provide a bird's-eye view of Chinese Communist Party ideology. In contrast to Cuba, we found it difficult to make inference or equate Fidel Castro's pronouncement that the Revolution is socialist with ideology. We failed to discern a crystallization of a point of view on ideology in both the pronouncements of Fidel Castro and the literature on Cuba. China, on the other hand, had a clear ideology. Although it borrowed from Marxism-Leninism, it incorporated the thought of Mao Zedong, and it also has an organization for actions. It could be argued that by embracing Marxism-Leninism, Fidel Castro had an ideology. That the very existence of the Cuban
Communist Party suggests that Cuba had and/or has an ideology. However, it should be noted that Cuba's Communist Party did not participate to the extent the Chinese Communist Party participated in the Communist Parties' Congresses in Moscow. In fact, Fidel Castro did not adhere to the doctrines or policies of the Soviet Union Communist Party. While Krushchev was expounding the policy of peaceful coexistence, Fidel Castro was (is) much more interested in pursuing revolutionary policies not only for the rest of Latin America, but also for Africa and Asia. In Africa for example, Fidel Castro dispatched a battalion of black Cubans to fight with Kinzenga after the overthrow of Patrice Lumumba in the then Democratic Republic of Congo in 1961. Albeit, the Cuban Revolutionary regime’s ideology, as we have concluded has remained superficial. As will be shown later, Fidel Castro and Zhou Enlai had a different conception of their countries' role in their own regions as well as in the international system.

The "Three Steps of Rhythm: The Great Leap Forward"

In 1959 when Zhou Enlai made this argument concerning the Chinese socialist revolution, it should be pointed out that China had opted for the Soviet model of development. The Soviet model was perceived as the most appropriate to move China's backward economy to a modern economic system. Eckstein (1975) suggested the system or model had been a model for developing countries which needed to develop faster, and that the model had worked well -- in the thinking of the Chinese Communist Party leadership -- in advancing the Soviet Union's backward economy into a modern economy in a relatively short period of time. During the early
phases of the Chinese socialist regime in early 1951, the Soviet Union model worked remarkably well in China. For example, "both the agricultural and industrial production sectors recovered remarkably fast, both fiscal and monetary stability was essentially obtained...and the economy as a whole was moving remarkably fast" (Eckstein, 1975:14).

There were factors that contributed to this wave of expansion. Among them, peace, order and the stability of the political system. These factors directly influenced and/or gave a strong boost to the economy. The second factor is that resources that were previously underutilized due to wars that disturbed the organization of work, underutilization of plant capacity, and rampant unemployment due to wars brought with it high work morale, great hopes and great promises of a better world for all (Eckstein, 1975:15). In addition, the Korean War greatly encouraged these tendencies, i.e., a sense of dedication and commitment.

Zhou Enlai's argument cited above, can best be appreciated in light of the progress that was taking place in China. His argument was a compromise between those who believed that the country must first be well developed before a successful revolution can take place and those who argued to the contrary. However, the argument provided Zhou Enlai with flexibility, and in a sense, "powerful leverage to achieve the three steps forward and two steps backward rhythm of ebb and flow movement and quietude, freezing and thawing -- the pattern of organic life traditionally accepted in Chinese mind" (Hsu, 1968:193).

Zhou Enlai developed an economic policy of "forcibly seizing the enterprises of the Kuomintang (KMT) and foreign capitalists," followed by
the nationalization of all enterprises that exercised "a dominant influence over the people's livelihood, while encouraging active operation of all private economic enterprises beneficial to the national welfare" (Hsu, 1969:194). The emphasis here was placed on building socialism in China in the 1960's.

At this stage of Chinese social, political and economic development, the instrument of appeal employed in implementing Chinese economic development was moral incentive as well as "coersion" (Eckstein, 1981). Zhou Enlai pushed for an early completion of the Five Year Plan in the industrial sectors, and the stress was placed on "bigger and bigger output of steel, coal, food, grain, and cotton" (Hsu, 1969:194).

In the area of agriculture, Zhou pushed his policy of equal distribution of land without nationalizing privately owned land. He justified this policy by stating that "the farmers have not yet abandoned their idea about private land ownership," but in the 1960's, agriculture "had gone through land to the tiller" and rent reduction to various types of collectivized farming. Zhou and Mao feared a reversion to capitalist agriculture, thus, cooperation was introduced. It was aimed "to encourage mutual aid teams to develop into cooperatives and to reduce the role of the private peasant" (Wheelwright and McFarlane, 1970:37).

Cooperatives had, in effect, four major economic advantages. First of all, "they could mobilize the surplus labor power available in the slack seasons, especially on small-scale irrigation work at the village level -- the building of ditches, ponds, canals, small dams, and reservoirs" (Wheelwright and McFarlane, 1970:38). Secondly, the cooperative
was able to marshal most of the savings of its members. It also had possibilities for productive investment which can be greater than those of an individual farmer, thus, benefitting most of its members (Wheelwright and McFarlane, 1970:38). Thirdly, the cooperatives were able to affect more "rational management of agriculture," simply by "pulling small fragmented plots into fields of more economic size." And fourthly, they can "develop a better social security system; the cooperative can put aside welfare funds which will be available to its members" (Wheelwright and McFarlane, 1970).

It could be said that the key to Zhou Enlai's economic policy was insistence, not so much "on the unified organizational mold of production as on the final outcome." Following the redistribution of land (or fruits of labor), he moved to the thorough control of what used to be free or private ownership to national ownership of the means of production, and nationalized the major industries. This was followed with another policy announcement of an economic goal of "so many tons of steel, coal, grains, and cotton, and the economic planning boards got to work to drum up enthusiasm in whatever way possible to fulfill and surpass the quotas -- through communization of farming and industry in areas where conditions are ripe for this development, or some other form of farming and industry where it is most appropriate (Hsu, 1969:195).

Zhou Enlai, given his personality, his position and role, was overshadowed by Chairman Mao. Despite Mao's position, Zhou Enlai exercised and played an important role in China's internal and foreign affairs. In fact, the totality of Chinese foreign policy was carried out by one person, that is Zhou Enlai. Most, if not all, the
pronouncements of economic policy as well as in social and political matters are attributed to Zhou Enlai. Mao, as powerful a figure as he was, could not have been able, in fact, was not able to implement his policies. Mao needed and had, an equally powerful implementer in the form of Zhou Enlai. It has been argued that -- and this is the position taken by this student -- if it was not for Zhou Enlai, Mao would have fallen on his face with some of his policies. To suggest, as others have, that Zhou Enlai was an opportunist, is to overlook the fact that it was Zhou Enlai who presented and made the nomination and election of Mao to the Chinese Communist Party, and finally, if Zhou was indeed an opportunist, there were several occasions in which he could have taken power from Chairman Mao. But, that would have been out of character and personality makeup of Zhou Enlai. This is not the place to compare or assess personalities in position of influence. What we propose to establish is the fact that Mao "lived" in an ideological world of his own and for his ideas to be carried out, they needed a practical, a realist, a practitioner of the art and science of politics in the form of Zhou Enlai, a selfless man, and China's Gray Eminence (Hsu, 1969).

The "Great Leap Forward" was an economic policy decision of Chairman Mao to transform China's economy in a single coup. It was a developmental strategy aimed at rapid industrialization, a once and for all strategy to transform China's economy into an industrialized economy, in order to move the Chinese economy to catch up, if not surpass, that of the Soviet Union and the West. The policy placed great emphasis on heavy machineries and heavy industries. It was precisely an adoption of the Soviet model of industrialization.
The Great Leap Forward constituted Mao's vision of emancipating China's reliance on the Soviet Union, and of equal significance, it was aimed at removing China from the vicious circle of underdevelopment.

"...through a discrete leap, through a supreme effort...a once and for all mobilization effort designed to tap all the energies and latent capacity of the Chinese people (Eckstein, 1981:58).

The idea behind the Great Leap was that one supreme effort "could push China significantly upward in terms of its stage of development and, thus, launch the country on a path of more or less automatic and self-sustaining growth" (Eckstein, 1981:58).

Although the Great Leap Forward embedded the beliefs in self-reliance, it reflected impatience on the part of Mao to catch up and, in effect, close the gap between the industrialized countries of the West and the Soviet Union. Eckstein (1981) contends that the Great Leap Forward "was based on a set of unrealistic expectations. In part, these reflected the convictions and wishful thinking of the top leadership, but, in part, they were consciously manipulated by the leadership as a means of exhorting the populace and of arousing and mobilizing its spirit for maximum effort" (Eckstein, 1981:58).

The process of rapid industrialization was followed with rapid urbanization. This was due, in part, to the industrial demand for labor. As the cities expanded, this provided employment opportunities, and as it is always the case, the cities became the focus of attraction for the urban dwellers.

However, the Great Leap Forward cannot be said to have been a well-designed, well thought out plan. The Chinese policy-makers did not
consider what effect, if any, such a policy would have on the peasants in the countryside on the one hand and on agriculture on the other. It was a strategy based on the Soviet Union method of operation. The great emphasis placed on heavy industrialization led to "a very acute agricul­
tural and food crisis that characterized the Chinese economy between
1960 and 1962" (Eckstein, 1981:58). Mao later recognized the problems created in economic development by bodily instituting the Soviet Union model of development. He states:

Since we did not understand these things and had absolutely no experience, all we could do in our ignorance was to import foreign methods. Our statistical work was practically a copy of Soviet work... The same applied to our public health work, with the result that I couldn't have eggs or chicken soup for three years because an article appeared in the Soviet Union which said that one shouldn't eat them. It didn't matter whether the article was correct or not, the Chinese listened all the same and respectfully obeyed. In short, the Soviet Union was tops. (Quoted in Eckstein, 1981:55)

It was precisely at this juncture that the Chinese policy-makers and planners became aware of the inappropriateness of adopting the Soviet model of development -- including the blueprints -- to the realities of the Chinese society. It could be argued that the Chinese experience with the Great Leap was not only due to impatience, but to the refusal to start from scratch.

Eckstein (1975) argued that Chinese leaders, policy-makers and planners paid no attention to the population (size) problem that China faced in relation to its resources in planning or instituting measures for economic development. What could be suggested is that Chinese leaders perceived its size not as an obstacle to development, but as an
asset. Mao believed that the population of China was just right to accomplish "miracles." Another aspect of the size of China can be seen in terms of available manpower in the event of war. It is precisely in this sense that it is suggested that the Chinese leadership could have perceived its size as an asset rather than a liability.

Eckstein's (1981) conclusion that the failure of the Great Leap and the ensuing crisis "was based on a set of unrealistic expectations... (and) reflected wishful thinking of the top leadership..." seems to run counter to Wheelwright and McFarlane (1970) contention that "they are rooted in the misconceptions of the Great Leap Forward as a mixture of the creation of communes and the development of 'backyard' iron production." Wheelwright and McFarlane point to the discovery or inventions that took place during the Great Leap Forward. They point to the invention of plants for extracting shale oil, in Wuhan, a small blast furnace of 3.5 cubic meters, also some medium furnaces with a total capacity of 4,300 cubic meters were established producing 50 percent of total pig iron output (Wheelwright and McFarlane, 1970:45). In 1959, a network of small chemical works were established. They turned out acid, soda, fertilizers, and insecticides; and by May of that year, there were 2,000 small acid and soda works in the country (Wheelwright and McFarlane, 1970:46). They contend:

The case of the small chemical industry also shows that 'walking on two legs' did not involve the sacrifice of the development of big industries and the large plant sector in the interests of rural industrialization. Large industries continued to make the decisive contributions in iron, steel, heavy machinery,
They further argue that what is important to note is that "the whole Leap Forward strategy, with its Emulation Campaign resulted in the discovery of many new techniques." Wheelwright and McFarlane seem to draw a totally different conclusion and a different perspective from the Great Leap Forward. They state:

The picture drawn here is in conflict with widespread view in Western countries that medium and small enterprises were not set up as economic enterprises, but for purely political reasons; that they were costly, that the quality of output was poor, and that these inadequacies forced their eventual collapse and closing (Wheelwright and McFarlane, 1970:48).

Wheelwright and McFarlane (1970) contend that this type of thinking is rooted in the misconceptions of the role of the 'backyard' iron and steel campaign that took place in 1958. They elaborate their argument by pointing to the fact that the campaign was a mass movement development, which in effect took place well before the Great Leap, and it should be regarded as a prelude to the wider use of small industry. But, argue Wheelwright and McFarlane, this was halted by the government when it became apparent that the output quality was much too low and a bigger strain was being placed on the transport system. However, with respect to the communes, this seems not to have been the case. Most of the output in communes' small industry was somewhat satisfactory and did not burden the transport system. Moreover, they pointed out that:

It is probable that skepticism about small and medium industries in China and the belief that they involved low quality output, has its roots in the confused and
incorrect identification of 'backyard' steel with commune industry. Rather, the conscious development of small and medium furnaces and converters within communes industry, the growth of small chemical and machine-building works, and similar activities, should be clearly differentiated from the short-lived 'backyard' campaign (Wheelwright and McFarlane, 1970:49).

While Wheelwright and McFarlane (1970) found some positive aspects of the Great Leap, Eckstein in his analysis concluded, as indicated above, that "the failure of the Great Leap was not primarily a failure in conception, but a failure born out of unrealistic expectations on the one hand, and inadequate and technically deficient implementation on the other" (Eckstein, 1981:59).

The impact of the Great Leap Forward and the ensuing crisis in agriculture, made the Chinese leadership recognize that there is no shortcut to agricultural development. For in effect, the rate of economic growth resulted in "sharply divergent growth paths of agriculture on one hand and the non-farm sectors on the other" (Eckstein, 1975:16). This factor, albeit Wheelwright and McFarlane argue, led the Chinese policy-makers to reorient the economic policy. It brought them to the recognition that the Soviet model of development adopted, was not applicable to the Chinese conditions. Thus, in the process of reorienting the economy, Chinese leaders, policy-makers and planners were faced with a series of questions related to the failure of the Great Leap Forward and the economic crisis that followed. Among some of the questions faced were: whether collectivization could be relied upon to raise output and/or the market share in agriculture; whether collectivization should be linked to farm mechanization or could the former be
preceded by the latter; on the question of reward; whether material or moral (psychic) would be best designed to foster work incentive. Here the policy-makers opted for material incentive. And, for the first time, the policy-makers begin to be concerned about size or population problems due to the interplay of the scarcity of resources. The result was a change in emphasis on agriculture.

The recognition of the agricultural problem led to a policy reversal. This meant changing investments and improving peasants' incentives (Eckstein, 1975:18). Zhou Enlai, in a speech before the National People's Congress in 1962, outlined that planning and investment priorities "were to be changed with agriculture assigned first place, consumer goods industry coming next, and investment in good industries relegated to the lower priority" (quoted in Eckstein, 1981:60). This also meant easing tax and collection pressures on the peasants, in addition, allowing the peasants greater freedom of private plots and free market operation. All, if not most, of these were followed by the need for population control (Eckstein, 1975).

The "Agriculture First" strategy was actually based on three essential ingredients: (1) a reordering of planning priorities; this entailed "expansion in those branches of industry that 'support' agriculture," (2) there was an initial and "temporary decrease in the rate of investment as compared to the Great Leap period" also in comparison to the latter part of the First Five Year Plan, and (3) greater reliance seems to have been placed on material incentives and rewards "as a means of motivating farmers and workers in agriculture as well as in non-agricultural sectors of the system" (Eckstein, 1981:61).
Agriculture First Strategy: Small and Medium Scaled Industrializations

The reversal in policies from heavy and/or large scale industries -- the "Great Leap Forward" -- to a reemphasis on "Agriculture First" could be regarded as placing the emphasis on man. The "Great Leap Forward" was, in Zhou Enlai/Mao's beliefs or perceptions, as one way to industrialize more rapidly and as a mechanism to close the gap with the Soviet Union and the industrialized countries of the West. In one respect, the emphasis on (the Soviet model) large scale industrialization could be perceived as an underutilization of the world's largest population; a factor which the Chinese leadership has taken into cognizance. Rapid development by automation would have deprived the Chinese leadership with the ability to cope with the problems of both covert and overt unemployment.

Thus, the decision to reemphasize agriculture could indeed be said to be taking advantage of the country's precious commodity: man. The section on Indicators for Chinese Development, as well as the subsequent pages, bear out our assumption.

The "Agriculture First" strategy was, in most part, a recognition on the part of the Chinese Communist Party leadership of the serious policy errors of the Great Leap Forward. The errors were further complicated by poor harvests as a result of the bad weather. However, the error of the Great Leap Forward stemmed from the unrealistic expectations of the Chinese leaders. Since Zhou Enlai's pronouncement cited in the preceding pages, the Chinese leaders "have given high priority to promoting agricultural growth and, in particular, to increasing grain output" (Barnett, 1981:271). "Management, production planning, and
income distribution within the communes were decentralized with small production teams becoming the primary resource-allocation units" (Eckstein, 1981:60). It also meant easing of agricultural taxation. In order to boost agriculture, chemical fertilizer production and imports were stepped up, "and the manufacture of certain small types of agriculture equipment was significantly increased" (Eckstein, 1981:60). This was followed with a temporary decrease in the rate of investment. Great emphasis seems to have been placed on material incentives and rewards as means of encouraging or motivating the farmers to produce more and to workers in agricultural areas (Eckstein, 1981:61). This new economic policy, as it was decided at the Ninth Plenary Session of the Eighth Congress of the Chinese Communist Party, made agriculture "the foundation of the national economy" (Wheelwright and McFarlane, 1969:66).

The result of this new economic policy has been the abandoning of (ideological) radical policies that brought about the post-Great Leap Forward Crisis. There has been an increase in investment in agricultural sector, encouragement "of water conservation by traditional methods applied more modern inputs, and started mechanization" (Barnett, 1981:27). Zhou Enlai, in his Report on the Work of the Government, which was made to the Third National People's Congress in December 1964, discussed the third Five Year Plan "asserted that the Communist Party must 'strive to build China into a powerful socialist state with a modern agriculture, modern industry, modern national defense and modern science and technology'" (quoted in Barnett, 1981:13). This early pronouncement of Zhou Enlai was not put in effect due to the political turmoil that took place in the form of the Great Proletarian Cultural Revolution. However,
the pronouncement, although the ideas were shared by most of the pragmatist Chinese policy-makers and planners, did not materialize in its fullest, until Mao's death. These ideas were nevertheless incorporated in the reformulation of the economic policy after the failure of the Great Leap and the ensuing economic crisis.

After the change in policy orientation, making agriculture as the economic foundation of China, the emphasis was now being placed on modernizing agricultural industries. As a result of the mechanization in agriculture, grain output rose significantly. China has also made a major effort in promoting birth control. It is important to note, that although China has taken a position of going it alone, after the breaking up of economic ties with the Soviet Union, and despite the above mentioned efforts, China continues to import grain to meet "temporary shortages, build up depleted stocks, and support their broad social and political as well as economic objectives" (Barnett, 1981:271).

Beginning with "Agriculture First" strategy, China's rate of growth in that area has been slow. However, compared to the rate of population growth, there has been considerable achievements in the area of agriculture. Many observers, remarks Barnett, "would include increased agricultural production in any list of Chinese success" (Barnett, 1981: 28). It should also be emphasized that the actual rate of increase in China's agricultural sector has been below the average in comparison to most developing countries. The relationship between the rate of growth in agriculture to the rate of growth in population has only kept ahead "by a razor-thin edge" (Barnett, 1981:23).
However, for most developing countries who have been looking at Chinese development, they have been impressed by Peking's "apparent success in coping with many of the social consequences of development that have plagued most developing nations" (Barnett, 1981:23). For example, the Chinese have been able to distribute the fruits of development in egalitarian fashion. Furthermore, the Chinese have been able to eradicate poverty, that is, since the end of the post-Leap Forward depression. They have been able to raise the standard of living among the majority of the population, and "raised the level of nutrition among the poorest group" in the society (Barnett, 1981:23). Albeit, it would be misleading to state that income distribution and standard of living are equal for all the population of China. The income differential has indeed been reduced, but in looking at income differential among factory workers, they have "been three to four times as large as the lowest wages" earned by non-factory workers. Second, those who live in urban areas, "the highest income has been close to twenty times those of persons at the bottom of the socioeconomic ladder" (Barnett, 1981:23). And, third, Party and governmental officials "have enjoyed many perquisites not included in their regular salaries" (Barnett, 1981:23). It should also be noted that Barnett's computation takes 1957 as the base for the index figures to 1977. Our interest is limited from 1960 to 1970. However, this does not obscure or impair our analysis of China's developmental objectives.

Still using 1957 as the base, China has also made significant advances, in contradiction to most developing countries, in upgrading the quality of life in the rural areas, by working through collective
organizations or communes. This is almost identical to Fidel Castro's success in improving the quality of life among people in the rural areas of Cuba, Sierra Maestra in particular. Moreover, the experiment with the communes, which were established in 1950, did not work to the satisfaction of the Chinese leadership. As a result, the regime patterned them in a form of rural organization. The label "commune" was never changed. Thus, for the past decade and a half the system of agricultural collectivization has been viable and relatively stable, although not optimally efficient in operation (Barnett, 1981:24). The system of rural collectivization has had many advantages for the regime's objectives with respect to the peasants. It has also made it an effective mechanism for the mobilization of rural labor forces as well as capital "for productive purposes, ensuring at least subsistence income to commune members, and facilitated agricultural planning and the rapid population of new agricultural methods and techniques" (Barnett, 1981:24). It could be said, that after Zhou Enlai's speech in the 1960's calling for modernization in agriculture, industries, and in the defense, and the decision to place agriculture as the foundation of the Chinese economy and give it higher priority, there has been increased modern "inputs" in the farming. The collectives or communes, have played a greater role in "disseminating knowledge and materials required to accelerate agricultural modernization" (Barnett, 1981:24).

Zhou Enlai has also taken necessary steps to reduce the gap between rural and urban areas. The method employed was that of raising "the prices of agricultural goods and reduction of the prices of manufactured goods needed by the rural population. This practice had the effect of
improving considerably the peasants' terms of trade in relation to urban areas (Barnett, 1981:24).

The Chinese leaders' capacity to mobilize large populations in both urban and rural areas for a particular project, has impressed many less well organized developing countries. This capacity has been the result of the Chinese leaders' decision of placing emphasis on the importance of labor-intensive projects.

Together with the emphasis on agriculture, China has been able to develop (after the Great Leap Forward) medium-sized and small enterprises "on a scale unparalleled in most other developing nations" (Barnett, 1981:24). Many of China's initial experiments with such industries, as described by Wheelwright and McFarlane (1969), such as the "backyard steel furnaces" which were established during the Great Leap Forward, have been, to say the least, a failure (Barnett, 1981). However, subsequent efforts have been more rational. Barnett remarks that:

"...In many fields a significant percentage of national output in recent years has come from small plants and mines. U.S. government analysts estimated that in 1977, for example, small enterprises accounted for 33 percent of coal output, and 60 percent of chemical fertilizer output, and 64 of cement output (Barnett, 1981:25)."

There are however, no reliable figures by which to compare "outputs" of small scale industries set up during the Great Leap Forward. However, the fact that the Chinese leadership decided to abandon those early small-scale industries set up during the Great Leap, indicates that they did not operate to the expectations of the leaders and/or they were unproductive.
Another feature of the Chinese accomplishment that has impressed observers of China has been the regime capacity to control excessive urbanization "and large-scale urban unemployment, which plagues most developing countries" (Barnett, 1981:25). This was accomplished in two ways: (1) by encouraging labor intensive projects, mobilization of workers as well as peasants for public works on a rather massive scale, and by virtually assigning everyone with some work, and (2) by the maintenance of "a strict control of all internal migration, preventing what in the 1950's they called the 'blind flow' of peasants from the countryside to the cities" (Barnett, 1981:25). During the period between 1960 and 1970, the Chinese leaders were capable of reversing the flow of peasants into urban areas by sending "between 10 million and 20 million young people out of the major cities to rural or frontier areas" (Barnett, 1981:25). Barnett notes:

...As a result, even though many medium and small cities in China grew substantially from the 1960's on, the population in most of China's largest cities increased only slowly in comparison with those in other developing countries; in some cases it even declined (Barnett, 1981:25).

Most of the so-called developing countries have also been impressed by the Chinese leadership capability to control inflation. The method employed in controlling inflation, is by subjecting, most if not all, "commodities to strict control, rationing basic necessities, and pursuing generally conservative fiscal policies" (Barnett, 1981:26). As it was indicated above, the Chinese leaders did not at first consider the population problem. Population problems were one of the most intense policy issues that divided the Chinese leadership in the 1950's.
The Chinese leaders had to face one crucial problem; that is, if the country has to develop, it has to produce more to feed the ever-growing rate of population. In other words, it had to deal with the interplay of scarcity of resources in relation to its population. Thus, recognizing that the rate of production cannot keep pace with the rate of population growth, in recent years China has decided to implement "one of the most vigorous population control programs anywhere in the world" (Barnett, 1981:26). What China has come to call its population control program is not at issue here. The fact is that the method employed has been rather successful. They encouraged, among others, "late marriages, use of contraceptives, 'planned child bearing'" through education and propaganda. Barnett has noted that the regime began to achieve results in the early 1970's:

The evidence points to a significant drop in the annual rate of population growth, from well over 2 percent in the late 1960's to considerably under 2 percent in the mid-1970's (Barnett, 1981:27).

Finally, what has impressed most other developing countries is that China, since the breaking of economic relations with the Soviet Union in the 1960's, has until recently relied essentially on its own resources. In addition, China has been able to minimize its foreign indebtedness.

Despite the Chinese accomplishments noted above, the country still has unresolved problems. One of the most frequently mentioned fundamental problems has been the "lag in the nation's agricultural output in relation to its growing needs" (Barnett, 1981:28). The problem is manifested in the leadership's concern over the fact that "in per capita
terms, China has made little real progress since the 1950's, despite the priority given to agriculture and the steady increase in modern inputs to farming ever since the early 1960's" (Barnett, 1981:28). In fact, Vice Premier Li Hsien-nien (Li Xiannian) admitted in a major speech to a Party meeting that "100 million Chinese were not getting enough to eat" (quoted in Barnett, 1981:28). It should also be noted that the need for industrial and food crops in China has continued to rise. It also seems that China would continue to face many difficulties in its attempt to speed up the growth in agriculture in the periods ahead. It suffices to argue, as Barnett has suggested, that the prospects for the economic future of the country depends on exactly how well the agricultural sector will perform. This fundamental problem is well recognized by the new Chinese leadership (Barnett, 1981:28).

The second and equally important problem has been the Chinese failure, since the 1950's to achieve some degree of increase in productivity of industrial labor (Barnett, 1981:28). It is, however, accurate to say that labor productivity did in fact increase during the FIRST FIVE YEAR PLAN period (1953-1957) at the average annual rate of 8.7 percent, and at the same time wages rose to an annual rate of 7.4 percent; but "after 1958, wages did not increase in due time and growth of labor productivity was not normal" (Hu Chiao-mu, 1978, quoted by Barnett, 1981:28).

The consequences of the low level of productivity in China has created problems in maintaining full-employment among its population. This assertion does not contradict what has been said above of the Chinese leadership to provide employment for its population. The point
that is being made here is that China has "avoided most overt unemployment from the 1950's until recently," and that "the economy has been characterized by tremendous underemployment" (quoted in Barnett, 1981:29). This underemployment has been attributed to the inefficient labor as well as widespread labor redundancy. This seems contrary to the view of Mao, who perceived the size of China as constituting a large labor force that is capable of accomplishing miracles. Yet, in spite of this large labor force, China has in fact encountered shortage of labor in both agricultural and industrial sectors. As a result, over unemployment has been on the rise despite the attempt by the Chinese leadership to overstaff the country's economic enterprises. Consequently, there has been popular dissatisfaction within China over the relatively low standard of living since the 1960's; and this has presented a major political and economic concern for the Chinese leadership (and policy-makers) (Barnett, 1981:30).

Zhou Enlai's initial plan and statements on improving the economic situation in China, which was hampered by the cultural revolution, surfaced to the fore in 1978. Hua Kuo-feng, as Premier, in April of 1978, addressed China's National People's Congress (the top legislative body in the People's Republic government). The report outlined in some detail China's basic economic plan, policies, and targets, not only for the future, but also for its current condition. Barnett notes:

This report was the most important and in many respects the most specific statement on long-term economic goals and policies that any Chinese leader had made in public since the 1950's. It attempted to define a framework for the development of China's economy for many years ahead and a guide for policy

Barnett also adds that Teng, in cooperation with some of the top economic planners as well as technocrats, played a great role in the drafting of these plans than Hua did. "It was frankly acknowledged that the plans were based on initial work done under Zhou Enlai's supervision in 1974-75, when Teng served as Zhou's main deputy on economic matters" (Barnett, 1981:36-37). We propose to infer that this was Zhou Enlai's reformulation of the "Report on the Work of the Government," that he discussed in December 1964 before the Third National People's Congress on the long-term plan for China's need to develop a modern agriculture, industry, defense and science. This inference is based on Lu Ting-yi (Lu Dingyi), assertion that Zhou Enlai "was correct for 41 years..." (quoted in Barnett, 1981:69).

Teng's statement can best be understood in the light of the fact that although China is one of the three largest producers of grain in the world (with the United States and the Soviet Union), comparatively, "China feeds more than one-fifth of the world's population" (Barnett, 1981:270). Although China has emphasized "self-reliance" and food self-sufficiency, it has been the largest importer of chemical fertilizer. More importantly, China is linked to the global economy in the sense that it "makes significant contribution to the world food system simply by feeding such a large part of humanity, which it has been able to do with reasonable success during the past quarter century (Barnett, 1981: 270)."
In addition to feeding its own people, and due partly to the relentless diplomatic initiative of Zhou Enlai, China is also a major exporter of agricultural commodities, and an important supplier of rice to some developing countries (Cuba, among others) (Barnett, 1981:270). Chinese leaders are keenly aware of their linkage to the world food system, although China has not participated in the International Governmental organization until late and "did not take an active part in most international efforts to improve the world food system" (Barnett, 1981:273). Barnett's argument is contradictory to his own previously stated Chinese achievement in the area of food. Barnett stated earlier that "whatever its direct linkages at any particular time with the global economy, it (China) makes a significant contribution to the world food system simply by feeding such a large part of humanity, which it has been able to do with reasonable success during the past quarter century" (Barnett, 1981:270). The fact that China did not participate in international food system is because China was denied a place or space in the international system until very recently. However, that does not necessarily mean that China has not made significant contributions to the international food system. The opposite seems to be the case, that China has indeed made significant contribution in the food system before the creation of FAO by the very fact that it has been able to feed its own people. Moreover, as Barnett himself states, "they have made a major effort to promote birth control, so as to limit the number of new mouths to feed" (Barnett, 1981:271).

Although China has held its approach to agricultural development as a model or a solution to other developing countries, and has called
upon them to strive for food self-sufficiency, China itself has not overcome the problem of food. The concluding statement by Barnett on the accomplishments of the Chinese leadership is probably more appropriate at this point. That the entire country's economic future "will depend, in a fundamental sense, on how well its agricultural sector performs; China's new leaders clearly recognize this fact" (Barnett, 1981:28).

One final point needs to be made in this section. Earlier in this chapter we cited Mao's lamentation over the fact that China had followed blindly the Soviet model of development; that the Soviet model was not applicable to the Chinese society. Here, the Chinese leadership did not blame the failure of the "Great Leap Forward" on the Soviet Union, but rather accepted responsibilities on the consequences of imitating the Soviet Union. Barnett, in advancing his contradictory argument to the effect that Chinese did not take an active part in international effort to improve the food problem, argued that the Chinese leadership "blamed most of world food problems on the policies of the capitalist nations..." (Barnett, 1981:273). A very basic and simple argument that is being advanced here is that the Chinese leadership does not and did not blame its food problems on the policies of the capitalist nations. But rather the Chinese leaders were echoing in sympathy the food problems of other developing countries.

The differences between China and Cuba are varied. While Chinese leaders who took power in 1949 had an ideological tenet by which to guide policies, i.e., economic, political and social, they also used the "try and see" method in their attempt to develop a ravaged country.
Cuba, on the other hand, did not have an ideological tenet to guide policies, but moved on the Napoleonic war tactics (see Chapter 3 on Cuba). China, by its own volition, decided to adopt the Soviet model through the Great Leap Forward. This was a desperate attempt to try to bring China at the level of the Soviet Union and the West through rapid industrialization of the country. The idea was to close the gap between the industrialized nations and China. The expression used was the "catch up" with the West and even to surpass the Soviet Union. The policy was not only a failure, but resulted in a bad economic crisis.

The break in the relations between China and the Soviet Union effectively changed the Chinese leadership strategy of development. "Self-reliance" became the cornerstone of their economic and political developments. However, China lost no time in establishing trade and diplomatic relations with other socialist countries. This area will be dealt with in Chapter 8. Suffice to say, that China did, on Mao's decision to move the country's industrial development forward, relied on the Soviet Union to develop industries and shape its economic structure. When it became evident that the Soviet type model of industrialization was not succeeding, in accordance with the expectations, the model was abandoned. The Chinese leaders and planners decided to resort to placing agriculture first, and realistically deal with the problem of its over population. In addition, the Chinese leaders had to reevaluate moral versus material incentives, and opted for material incentive. The Chinese leadership also reversed the Soviet model which emphasized labor intensive method of production, and found it advisable to concentrate on the development of small-scale industries, and not concentrate too much
on large-scale industries (Eckstein, 1975:16).

Thus, the Chinese leadership placed greater investment in (1) agriculture, (2) small-scale industries, (3) population control, and (4) on the training of technicians and engineers. There has also been a considerable investment in education.

Some Indicators of China's Developmental Performance

It has been noted above that after the failure of the "Great Leap Forward", the Chinese leadership and policy-makers adopted the "agriculture first" strategy and together with the new policy it emphasized small-scale industries. The range of priorities was outlined by Zhou Enlai. As a result, heavy emphasis was placed on chemical fertilizer production. Chemical fertilizers are produced by both large-scale and small-scale factories. However, in contrast to small-scale industry, large-scale industry is more efficient and produces fertilizer "with a higher proportion of nutrient weight" (Kaplan, Sobin and Anders, 1980: 151). Table 7.1 shows China's total output of chemical fertilizer between 1957-1977. In this case we took 1957 as the base year through 1977, since that is the only period in which we have available data or figures. Chemical fertilizers, improvement in the use of seeds, and irrigation have played a significant role in cotton production in China. Cotton has become China's major industrial crop and has made China the world's third leading cotton producer ranking just behind the United States and the Soviet Union. A careful examination shows that between 1949 and 1963, "both production and the sown areas almost doubled," however, since 1964 production has gone up 50 per cent without significant
increase in sown area. Table 7.2 shows China's cotton output in selected years, 1957-1972. Once again we took 1957 as the base year.

**TABLE 7.1**

CHINA'S CHEMICAL FERTILIZERS 1957-1977

<table>
<thead>
<tr>
<th>Year</th>
<th>Gross Production (million tons)</th>
<th>Nutrient Production (million tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1957</td>
<td>0.9</td>
<td>.16</td>
</tr>
<tr>
<td>1958</td>
<td>1.5</td>
<td>.27</td>
</tr>
<tr>
<td>1964</td>
<td>5.7-5.9</td>
<td>1.13</td>
</tr>
<tr>
<td>1972</td>
<td>19.9</td>
<td>4.92</td>
</tr>
</tbody>
</table>


**TABLE 7.2**

COTTON OUTPUT YEARS 1957-1972

<table>
<thead>
<tr>
<th>Year</th>
<th>Area (1,000 hectares)</th>
<th>Yield (kg/ha)</th>
<th>Production (1,000 tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1957</td>
<td>5,776</td>
<td>284</td>
<td>1,640</td>
</tr>
<tr>
<td>1960</td>
<td>5,300</td>
<td>171</td>
<td>905</td>
</tr>
<tr>
<td>1965</td>
<td>4,770</td>
<td>346</td>
<td>1,650</td>
</tr>
<tr>
<td>1967</td>
<td>4,800</td>
<td>404</td>
<td>1,940</td>
</tr>
<tr>
<td>1970</td>
<td>4,800</td>
<td>416</td>
<td>2,000</td>
</tr>
<tr>
<td>1972</td>
<td>4,900</td>
<td>434</td>
<td>2,125</td>
</tr>
</tbody>
</table>

As Table 7.2 indicates (it does not cover the period covered by Kaplan, Sobin and Anders, from 1949, 1953, 1975), the average rate of growth of cotton production is approximately 2.5 percent per year, that is, between 1957 and 1974. Kaplan, Sobin, and Anders (1980) state that "in the period between 1960 and 1975, China's cotton production grew at 6.3 percent per year, exceeding the growth rate of the U.S.S.R. (3.7 percent) and of the United States (whose production declined in this period) (Kaplan, Sobin, and Anders, 1980:183). Seemingly, cotton production exceeded the rate of population growth in these years, thus, making it possible for the domestic textile industry to supply even more and better quality cloth to the Chinese population. However, despite the growth in cotton production, it has failed to keep up with increasing domestic demands in the 1970's, even in spite of the improvement in yields per hectare. As a result, the increased domestic demands "has been supplemented by a rapidly growing synthetic fiber industry and by increased imports of raw cotton" (Kaplan, Sobin, and Anders, 1980:164).

With its policy of self-sufficiency, China also made considerable improvement in its output of rice. In 1975 (five years past the period under examination) China produced "122 million tons of rice on 34.5 million hectares of cultivated land, thus making rice China's largest single crop in terms of both output and area sown" (Kaplan, Sobin, and Anders, 1980:158). At least since the beginning of the mid-1960's, an increased area of paddy land was cultivated to a high-yielding seeds, thus yields per hectare have also grown. In 1965, approximately "3.3 million hectares were sown to high-yielding variety of rice seed, and by 1973, China's rice yields per hectare were averaging 3.2 tons" (Kaplan,
Sobin, and Anders, 1980:158). This average was considerably higher for Asian countries in general, but was far short of Japan's yield of 5.3 tons per hectare. The improvement in China's rice output cannot only be attributed to improved seeds, but also to the improvement in chemical fertilizer output.

**TABLE 7.3**

CHINA'S RICE OUTPUT, SELECTED YEARS 1957-1970

<table>
<thead>
<tr>
<th>Year</th>
<th>Area (million hectares)</th>
<th>Yield (kglha)</th>
<th>Production (million tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1957</td>
<td>32.2</td>
<td>2,696</td>
<td>86.8</td>
</tr>
<tr>
<td>1960</td>
<td>31.5</td>
<td>2,311</td>
<td>72.8</td>
</tr>
<tr>
<td>1965</td>
<td>29.8</td>
<td>3,020</td>
<td>90.0</td>
</tr>
<tr>
<td>1967</td>
<td>30.3</td>
<td>3,307</td>
<td>100.2</td>
</tr>
<tr>
<td>1970</td>
<td>31.2</td>
<td>3,417</td>
<td>106.6</td>
</tr>
</tbody>
</table>


The emphasis in modernizing agriculture can also be seen in the Chinese determination to improve small-scale industry. These industries are cooperatively owned by communes and brigades, and are more of state-owned enterprises under the jurisdiction of countries' administrative levels (Kaplan, Sobin, and Anders, 1980:178). Seemingly, the greater part of both output and input of these industries is limited to the immediate region in which they are located. However, in the event that a small plant or industry commences to supply a much larger area, control
over the enterprise is, in most cases, transferred to a higher level administrative unit (Kaplan, Sobin, and Anders, 1980:178). In most cases, small-scale industries tend to employ less than 500 workers each. However, some industries, such as coal mines, could have as many as "1,000 workers, while others, such as brigade flour mills, may employ only 3 or 4 workers" (Kaplan, Sobin, and Anders, 1980:175).

In the cities, a larger proportion of small-scale industries are collectively owned. In this category, one finds "small factories operated by corporations, bureaus, and strict committees, and industrial teams run by neighborhoods and small lane groups" (Kaplan, Sobin, and Anders, 1980:178). In addition, the teams are small in scale, but exist in large number in most cities." Shanghai, for example, claimed in 1972 to have 380 neighborhood factories and 4,000 teams employing a total of 210,000 people, most of whom were housewives and retired workers" (Kaplan, Sobin, and Anders, 1981:178).

Although small-scale industries have not employed massive infusion of new technology in contrast to small plants in the countryside, a systematic attempt has been made to create small-scale electronic plants in many of China's cities.

Small-scale industries play a significant role in Chinese national development. Chinese planners often speak of small-scale industries, rightly so, in terms of its contribution to "self-reliance." However, the fact that the Chinese rural economy is relatively too poor to overcome the "isolation of the countryside from the industrial mainstream -- but adequate to build small-scale industries -- is the major clue as to the meaning of the term, self-reliance. It is in every respect, a
developmental strategy.

It seeks to take advantage of rural isolation to set up industries that are both practical in terms of the resources which are locally available, and also economical in light of the difficulties of processing and transporting outside resources (Kaplan, Sobin and Anders, 1980:180).

Hence, the regime's decision to place a heavy concentration on rural production of bulk items with relatively low cost per unit, e.g., cement, fertilizers, coal, is closely related to their being established in areas in which transportation systems are relatively poor (Kaplan, Sobin, and Anders, 1980:180).

The second reality of the rural area that needs to be recognized is that industrial goods would be scarce even if these rural areas of China had better transportation systems. Two contributing factors seem to point to the difficulties of obtaining industrial goods: (a) poor transportation systems is one constraint, and (b) the long list of industrial goods that are rationed. Indeed, the need for self-reliance is rather clear. The question is however, how to achieve it in practical terms. The regime's policy of "walking on two legs" maintains that China has sought the answer to the problem in rural small-scale industry. These inherited and somewhat transformed industries, have characteristics that one suited for technological and economic constraints of rural economy. These characteristic ties can be summarized now. They are:

1. In contrast to modern large-scale enterprises, small-scale plants can be constructed faster. Thus, the speed of the construction is indicative of their relative small size, "as are the less exacting technological features of such plants permitting the utilization of local building materials and unskilled labor" (Kaplan,
2. The immediate advantage is that once constructed, these small plants can "ostensibly transform from locally-available raw materials into useful products" (Kaplan, Sobin, and Anders, 1980:180). However, this capacity of the Chinese small plants were sometimes cast in doubt. For example, during the Great Leap period, the regime mistakenly "promoted many technological processes for which there were no existing small-scale options. Large quantities of resources were wasted before new varieties of small plants were designed and produced (Kaplan, Sobin, and Anders, 1980:180). Later, however, policy-makers and planners became sophisticated enough, however, they did abandon the original approach. The new plants which emerged continued to employ "labor extensive methods of production." Their main focus remained in exploiting small pockets of resources, e.g., coal deposits and small streams that were suitable for small hydroelectric plants, "that could not be lapped by large factories" (Kaplan, Sobin, and Anders, 1980:180).

3. The location of small factories were closer to their markets. Goods designed for local conditions, such as especially adapted threshers and harvesters, in turn, these plants were able to compensate somewhat for the relatively low quality of the available materials (Kaplan, Sobin, and Anders, 1980:180).

4. Small-scale plants also had other advantages that partly offset their inefficiency relative to large-scale industries. One of the most significant advantages was that they require less infrastructure of the type required by large urban industries.

5. Finally, small-scale industries "offered significant social benefits. These included the improvement of the mechanical aptitude and industrial discipline of the peasantry, and the narrowing" of income gaps between urban and rural workers that still exists (Kaplan, Sobin, and Anders, 1980:180).
The Cultural Revolution

A brief introductory description of the cultural revolution and its consequences provides a critical variable in understanding the problem of collecting accurate and necessary data on education, health and the socioeconomic and political system of the People's Republic of China. Not withstanding the above, the Great Proletarian Cultural Revolution was perhaps one of the most significant periods in post-1949 Chinese politics. It should, however, be noted from the outset that we do not purport to provide an answer to what the cultural revolution was, "but much of its significance and complexity is explained by its dual character" (Townsend, 1980:124).

In the first place, the cultural revolution can be said to have been a national political movement "organized and directed by a group of political elites under the leadership of Mao to rectify the Chinese Communist Party in accordance with Maoist policies" (Townsend, 1980:124). As a rectification campaign, the cultural revolution sought to examine the commitment and quality of all Chinese officials, especially those at the top levels, by either reforming or purging those who were considered to be not in line -- revisionists -- with the thought and policies of Mao Zedong. The campaign was mounted against what is conceived as "right opportunism" and the socialist education movement.

Second, cultural revolution "refers to a distinctively active period in an ongoing process of change in the thought behavior of the Chinese people" (Townsend, 1980:125). In addition, the cultural revolution can be regarded as a process of social change that encompasses all the Chinese people. As the phrase "cultural revolution" indicates, the:
movement was specifically or directly with the content of art, literature, and drama, insisting that cultural expression celebrate the nationalistic and proletarian values of socialist society, be hostile toward class and foreign enemies, and reject the values of traditional China" (Townsend, 1980:125).

It is no accident that the cultural revolution emphasized dramatic reforms in the educational system, making it more open and accessible to ordinary workers, peasants, and fundamentally placing it totally in "the service of Maoist-defined national goals" (Townsend, 1980:125).

Seemingly, all schools were closed. Thus, the cultural revolution inveighed against what Townsend (1980) calls the "four olds" which are (1) "old ideas, (2) culture, customs, and habits, (3) selfish orientations toward consumption and (4) material gain, personal ties that interfered with political obligations, bureaucratic and elitist behavior, and the special honor and status accorded purely intellectual pursuits, and it upheld a self-sacrificing, collectivist, politically active and populist ideal." Townsend further argues that:

The Cultural Revolution's concern with cultural expression, transmission and behavioral manifestations was manifestly political, but that is precisely the point, it was a rectification campaign that sought simultaneously to accelerate the politicization of Chinese culture" (Townsend, 1980:126).

To argue as Townsend has done, that the cultural revolution "was manifestly political... that is precisely the point," is not to overlook the division that emerged in the economic policies adapted by the Chinese leadership and policy-makers, as well as planners. At the inaugural of the "Agriculture First" policy, Chinese Communist
leadership recognized for the first time "that growth in farm production
could not be achieved through ideology and organization alone."

On the contrary, it required modern in-
dustrial input, most particularly, chemical
fertilizer, certain types of farm equipment
and more rural electrification. This new
policy had then certain definite implications
for industrial development as well. (Eckstein,
1975:21).

This policy incorporates Zhou Enlai's concerns to modernize virtually
every aspect of Chinese economic, military and social institutions.
The new policy (as elaborated to some extent in previous pages), placed
greater emphasis on quality rather than quantity, on input productivity
rather than input mobilization; it restored private plots and pushed
for free markets in agriculture, "decentralization or virtual abandonment
of communes as resource -- allocating and decision-making units, coupled
with greater reliance on material incentives in all sectors of the
economy" (Eckstein, 1975:21).

It can be said that Mao Zedong did not share the views of most of
the Chinese Communist Party leadership as well as economic planners.
Because the cultural revolution in effect placed Mao's views in the
forefront, and as Eckstein argues:

As a matter of fact, it is reasonably clear
that one of the more significant elements
contributing to the cultural revolution was
Mao's concern that the policy of the early
1960's was leading China away from a
revolutionary path and away from his vision
of a good society (Eckstein, 1975:21).

What Mao feared the most was the priority shifts and the new
patterns of resource allocation. It can also be said that Mao feared
the effect of the reorganization in farm production and the emphasis
placed on material incentives in farming on the peasant or farmers.

Eckstein (1975) states that Mao feared "that this would necessarily lead to the 'growth of capitalist tendencies in the countryside' and thus, undermine the base of the whole economic social and political system" (Eckstein, 1975:21).

Thus, the cultural revolution can be seen as the reassertion of the dominant thought of Mao Tse-tung. Seemingly, it would be an error to view the cultural revolution as a reaction to the state of Chinese art, drama and literature alone. As we have suggested above, the movement permeated all facets of Chinese life. It would be also an error, however, to say that the Chinese people, e.g., the Central Chinese Communist Party and the top leadership, ordinary people, and the Maoists themselves, were united. Although the term Maoist was used throughout this period, as a reference to the promoters of the cultural revolution in contradiction to those who resisted it, not all Maoists held the same views nor supported the movement for the same reasons. However, this does not detract from the impact the movement had on Chinese society.

Mao's call at a September 1965 meeting of the Central Committee for a major assault on revisionist influences reflected Mao's views that the central ideology of the Chinese Communist Party had been betrayed by the policies adopted and being pursued by the regime after the inaugural of the "agriculture first" policy and the trend that was taking place in the educational system of China. During June and July, the cultural revolution became a mass movement, and it took as its task to "uncover all 'bourgeois authorities' particularly in educational and propagandist institutions" (Townsend, 1980:127). The radicalization of the cultural
revolution, the crucial adoption of the "Sixteen Point Decision" at the Eleventh Plenum on the cultural revolution, made the ascendancy of the Maoist forces at the party center possible. The target of the Maoist became those "persons in authority who are taking the capitalist road" (the names of Liu Shaogi, Den Xiaoping, and others were revealed), and the movement, especially "large numbers of revolutionary young people," became known as the Red Guards. The "Sixteen Point Decision" officially facilitated the early closing of schools (Townsend, 1980:127).

Given the aforementioned series of events, Mao's approach can be said to be a total rejection of any semblance of foreign -- western -- influence in education, cultural, political and economic system (even here, Mao perceived the Soviet Union's ideology under the leadership of Krushchev as revisionist or as departure from Marxism-Leninism, and Soviet economic and political models as not applicable to the Chinese society) of China. References to "capitalist tendency," "Bourgeois" and "the special honor and status accorded purely intellectual pursuits," the greater emphasis placed on material incentives rather than psychic incentives, the greater emphasis on input productivity rather than input mobilization could be said to have been perceived by Mao as values that are contrary to his vision of an ideal socialist society. That is to suggest that Mao believed that China should develop the educational, political, economic and social systems that are authentically Chinese and revolutionary.

It is, therefore, not surprising that the Red Guard organization "mushroomed, bringing millions of young people into the streets to demonstrate support for Chairman Mao, to denounce and terrorize those
said to be his opponents, and to destroy various symbols of bourgeois or reactionary culture" (Townsend, 1980:128). The symbols of bourgeoisie we can say, are not only attributable to the privileged intellectuals and academicians, but also to top level Chinese Communist Party officials. It was Mao's belief that the types of behaviors that the top leadership were exhibiting were not in consonance with the Chinese Communist Party's ideology, more specifically, since Mao's thought formed the core of the Chinese Communist Party's ideology, these behaviors, attitudes as well as policy reorientations, were deviating from Mao's ideas of the kind of society he perceived China should be. The rectification of the CCP was aimed at bringing the CCP in line with Mao's thought. Given the primacy of Mao Zedong thought to the Chinese Communists thought, as a guide to policy and actions any change in the policy that was not in accordance with Mao's thought would be perceived as revisionism.

For the duration of the cultural revolution, schools were officially closed. It was in the realm of education, culture, and public health, that the Maoist reforms had their greatest impact. It should also be added that the impact was also visible in the realm of the socioeconomic and political system of the country. For example, there were "measures designed to foster a more egalitarian society, by shifting resources and status to less privileged sectors of Chinese society -- that is from elitists to masses and from city to countryside" (Townsend, 1980:131). This was followed by the simplification of bureaucratic organizations, and the reduction in personnel. All cadres -- as we stated in the previous pages -- were required to spend a period of time at the May
schools where they were engaged in manual labor and in intensive ideological studies.

When the schools reopened after their closure in 1965, the primary school enrollment was considerably higher, becoming nearly universal as resources were channeled for this effort; middle schools and secondary level enrollment also grew rapidly; however, university enrollments remained below the pre-1966 years (Townsend, 1980:131).

But, the figures provided on Table 7.4 contradicts Townsend's assessment. According to the available figures, primary school enrollment declined in 1965 compared to 1964. The figure, however, shows an increase compared to 1960-1961. The total secondary school enrollment declined in 1965 compared to the 1960-1961 enrollment. The discrepancies could be explained in part to the difficulties of obtaining reliable data after the cultural revolution.

In addition, courses were shortened; grades, examinations and theoretical study were downplayed; thus, political education, applied practical studies, and experience in manual labor held priority (Townsend, 1980:131). As Roots (1978) and Townsend (1980) state, upon graduation, middle class students were assigned work in the countryside. As we noted above, in the area of public health, as in education, a major effort was undertaken by which large numbers of doctors and paramedics were sent to the countryside. The general thrust of this reform measure was to provide health care to the population, which in effect downplayed specialized care for the few who had access to specialized medical care in the urban areas. Thus, medical training was geared to producing generalists and armies of paramedics -- usually referred to as barefoot
TABLE 7.4  
CHINA'S NATIONAL EDUCATION*

<table>
<thead>
<tr>
<th>Year</th>
<th>1960-61</th>
<th>1962</th>
<th>1963</th>
<th>1964</th>
<th>1965</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>90,000</td>
<td></td>
<td></td>
<td>130,000,000</td>
<td>110,000,000</td>
</tr>
<tr>
<td>Lower Level</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>21,000,000</td>
</tr>
<tr>
<td>Middle Level</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,100,000</td>
</tr>
<tr>
<td>Gen. Middle</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Secondary Normal &amp; Tech.</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Secondary</td>
<td>13,000,000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>10,300,000</td>
</tr>
<tr>
<td>Agriculture Middle Schools</td>
<td>2,900,000</td>
<td>2,300,000</td>
<td>792,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Higher Normal &amp; Tech.</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Institution of Higher Learning</td>
<td>950,000</td>
<td>820,000</td>
<td>-</td>
<td>700,000</td>
<td>695,000</td>
</tr>
</tbody>
</table>

Source: Data provided by David Lampton, 1982.
doctors -- who could extend simple treatment as well as make referral services into the villages (Townsend, 1980:131).

One of the most persistent and reoccurring themes of the reforms was the total eradication of foreign influence, more specifically foreign models in educational, political, economic and social systems of the country. Emphasis was more on China producing its own model that is suitable and/or that is an expression of the Chinese socialist society. However, one wonders as to the logic of dropping Russian language in education and reinstituting the English language. If both the Soviet Union and the United States were enemies, then it would follow that both English and Russian should be taught; that is Chinese should know the language of the enemies.

In the area of economics, "despite the cultural revolution's attacks on Liu Shaogi's 'revisionist' economic policies, the broad outline of the economic policies of the early 1960's remained in place" (Townsend, 1980:132). Agriculture remains the foundation of the Chinese economy; the composition of the commune system with "production team as the basic accounting unit, and household retention of private plots" remained unchanged (Townsend, 1980:132). Apart from the major reforms in education and health, the cultural revolution cannot be said to have had a profound impact in the economic or political organization of the country. As Townsend (1980) has noted:

This radical rhetoric discouraged specification of national policies and plans, encouraging instead an experimental approach that permitted much local diversity and aimed more at reform of thought and behavior than at attainment of quantifiable targets (Townsend, 1980:130).
Some of the major changes in education included: (1) in places of principals or other administrators, revolutionary committees and propaganda teams assumed the task of management and decision-making. Thus, the committees were actually composed of revolutionary, teachers, students, and local worker representatives. (2) Universities, Centers for Science and Research, cultural institutions, museums, and publishing houses, were under the direction of "worker-peasant-soldier" teams. (3) The curriculum was dramatically changed, and confined to five areas: (a) political theory and practices; (b) language; (c) mathematics; (d) military training; (e) physical education; and (f) industrial and agricultural production (Kaplan, Sobin and Anders, 1980:224).

The institutions of higher learning (universities) did not reopen until 1970. With the resumption of instructions, there were also some major changes. (1) Entrance examinations were eliminated; (2) graduates of secondary schools were eligible to enter the university after completing two to three years of work experience or military service (Kaplan, Sobin and Anders, 1980:225).

TABLE 7.6

<table>
<thead>
<tr>
<th>Year</th>
<th>Entrants</th>
<th>Enrollment</th>
<th>Graduates</th>
</tr>
</thead>
<tbody>
<tr>
<td>1958-59</td>
<td>270,000</td>
<td>660,000</td>
<td>70,000</td>
</tr>
<tr>
<td>1965-66</td>
<td>100,000</td>
<td>695,000</td>
<td>170,000</td>
</tr>
<tr>
<td>1970-71</td>
<td>-</td>
<td>-</td>
<td>40,000</td>
</tr>
</tbody>
</table>

Table 7.6 shows the total enrollment of students in the scientific institutions. We took 1958-59 as the base year. Our data stops at 1966. What is interesting to note is that in some cases the data presented only gives student enrollment, the number of students graduating, e.g., 1970-71. However, no data are available with respect to number of entrants (UNESCO: Statistical Yearbook 1960-1973).

The effect of the cultural revolution placed Mao Zedong thought at the center of the curriculum in education. Thus, making the educational system of the country a vehicle for the ultimate development of the country. In other words, education cannot be esoteric, rather it must have concrete objectives to attain. They also reflected Mao's thought and the Communist Party's determination to turn China into a different kind of society in the world, and give meaning to what a socialist society ought to be, in view of the fact that the Chinese Communist leadership perceives the Soviet Union and Yugoslavia as abandoning socialism and embracing elements of capitalist societies. It is, therefore, the ideological tenets of the People's Republic of China that has continued to play an important role in the socioeconomic and political system of the country, and has continued to be an element of identity and continuity in the Chinese Communist system.

The cultural revolution could be said to have played a decisive role over the possibility of transforming China from within. A case in point is one cited by Maoists during the cultural revolution; that is the attempt to restore capitalism (Townsend, 1980:141). It is possible that this could have been taken from the kinds of policies the Chinese leadership and planners instituted after the failure of the Great Leap
Forward and the inaugural of the Agriculture First policy. Mao and his followers saw this group of the Chinese leadership (or authorities) as "taking the capitalist road" to development, and thus, "converting the party into a 'revisionist' instrument to dismantle the socialist system" (Townsend, 1980:141).

Townsend (1980) notes that:

Given the subsequent purges of Lin Biao and the Gang, it appears that transformation from within, by high-level CCP elites, is the most likely possibility for a fundamental change in the Communist system. A case could be made that Lin's attempted coup -- assuming that was indeed his intent -- would have constituted such a change. It is less certain that the Mao Liu and Hua gang conflicts posed choices between a communist and non-communist system (Townsend, 1980:141).

One cannot help but suspect that Mao felt that his primacy was being threatened, and it was necessary to reestablish himself. Thus, in effect, creating a personality cult. For example, after the Great Leap Forward, some institutions' loyalty started to fall and they suspended the cult, and the Chinese media ceased to be dominated by Maoist writings. Seymour (1976) writes:

...Liu Shao-chi's 1930 essay, 'How to be a Good Communist' was republished in tens of millions of copies. No longer evoking unquestioning devotion, unable to cope with the country's economic crises, and becoming (in the minds of some) increasingly irrelevant to the post-liberation generation of organization men, Mao seemed to be losing his charisma. By the mid-1960's both his de facto and (less significantly) his ex officio leadership positions had become eroded.

The key to recovering political power, Mao eventually concluded, was to regain his
his stature as China's omni-present charismatic leader. In this process, first the army, and the general media, would be the tools, and rekindling the revolution would be the means. It became necessary to blanket the nation with every conceivable trapping of the cult of 'The Great Teacher, Great Leader, Great Supreme Commander, and the Great Helmsman' (as he was repeatedly called) -- not only portraits, but badges, rituals, reports of near miracles, and of course, the ever read and waved 'little red book' of quotation (Seymour, 1979:149).

Seymour's analysis does not portray the cultural revolution as a dynamic social change or rectification of the CCP in accordance with the Maoist policies, but rather as recovery of the sinking political power of Mao Zedong. In other words, the creation of a personality cult. It also seems that Mao himself had second thoughts about the probabilities of this mass mobilization, that it could turn out to be counterproductive. Indeed, one could very well infer that the total national identification with Mao's personality was indeed a personality cult. No one knew more of its consequences than Mao himself. In a letter to his wife, which later became public knowledge, he writes:

I have self-confidence, but also some doubt. Once when I was in my teens, I said that I believe I could live two hundred years...I was haughty in appearance and attitude. But now I have self-doubts, the monkey profess himself king. I have become such a king. This is not to say that I am fickle. In my mind I am primarily a tiger, but there is also some monkey in me...something white is easily stained, something long is easily broken. New fallen snow soon loses its purity, a reputation is difficult to retain. These lines apply precisely to me... The higher one is elevated, the harder he falls. (Quoted in Seymour, 1976:150).
An argument can be made here, if Mao was concerned about the consequences and the subsequent effect of the cultural revolution, he was indeed in a position to control the course of the revolution, and to deny publicly his supremacy over the CCP as well as in the country. If he indeed was aware that he was that monkey and, as he told Edgar Snow, that it was poor Marxism, then the "little red book" should have been filled with quotations from Marx and Lenin. But the events clearly show that his own influence within the country was declining, and he needed to reassert himself and the indisputable leader. For the rhetorics and slogans of the Maoists were in fact elevating Mao and his thought. The rectification of the Chinese Communist Party was aimed at placing the CCP leadership in line with Mao's thought. If indeed the cultural revolution was an expansion of the personality cult as well as a political tactic, so was its eventual negation. In 1971, after the period under consideration, most of the trappings of Mao's personality cult were either eliminated or subdued (Seymour, 1976:151).

For example, in institutions of higher learning, during the cultural revolution, entrance examinations were eliminated, however, in the 1970's, the new Chinese leadership reinstituted entrance examinations in accordance with the concerns of Zhou Enlai that China must master the demands of "modernization if it is to become a leading world power" (Townsend, 1980:137). Ironically, the cultural revolution had its most vivid impact on the educational system of the country. To the extent that one may view the movement as restoration of Mao's supremacy and the continuation of the personality cult, the new leadership downplayed the Maoist rhetorics by placing greater emphasis on grades, promoting
advanced studies, restoring academic criteria for admission and promotions or promising higher status to teachers and researchers (Townsend, 1980:136).

In the area of economics, the new leadership though abandoning the Soviet model of development, Ten Year Plan for 1976-1985, adopted a rather "ambitious short-run goal of 4-5 percent annual increases in agricultural output and over 10 percent annual increases in industrial output (Townsend, 1980:136). This plan symbolizes the new leadership's commitment to modernization and economic development. The program's origin is attributed to Zhou Enlai's proposals at previous NPC meetings. The adoption of this program of action went hand in hand with the downplaying of Mao's thought and the elevation in status of Zhou Enlai, "thereby diluting further the preeminence of Mao's position" (Townsend, 1980:136).

Conclusion

The above is a rather crude sketch of China's internal development, as seen from the perspective of a student without deeper knowledge or firsthand experience in the Chinese socioeconomic and political system. Albeit, knowledge is an accumulating process. And, in this chapter, we have attempted to first observe the types of activities that were taking place in China during 1960-1970. In some cases, we had to go back prior to 1960 to see how the sets of events interrelate to the events or series of policies that existed in 1960. China has placed priority in developing man first, imbued with certain characteristics and a sense of selflessness, or self-abnegation. Creating man first was thought to be
the most important element in developing a backwards society. It was further thought necessary to infuse such a man with doses of "correct" thoughts or ideology, trained in the ideological tenets of the Chinese Communist Party which included the theory of Marx and Lenin and practical thought of Mao Zedong. With an organization for actions, this man can be mobilized at any given moment by the party for a given task or function. For example, during the building of irrigation as manifested by the cultural revolution.

In the area of development, China launched one of the most unprecedented once and for all efforts by mobilizing all its resources to industrialize the country. In this attempt to close the gap between the Soviet Union and countries of the West, China attempted to apply the Soviet model of development. Thus, with comprehensive agreement, the Soviet Union sent its technicians with complete blueprints on heavy industries and/or plants. The Great Leap Forward, as it was called, was not well conceived. Eckstein (1975, 1980) has argued that the plan reflected the impatience on the part of the Chinese leadership and economic strategists. It is difficult to attribute the failure of the Great Leap Forward to one single variable. It can be said that an interrelated series of variables was a factor in the failure of the Great Leap Forward. It is true that China borrowed its ideology from the Soviet Union. Thus, the breakdown of Sino-Soviet relations was on ideological grounds. The Great Leap was also conceived at the expense of the agricultural sector of the Chinese economy. However, the breakdown in the relations between China and the Soviets resulted in the decision of the Soviet Union to pull out all of its technicians; with
them also went the blueprints for the creation of industrialization. However, McFarlane and Wheelwright (1968) argued on the contrary that during the Great Leap Forward, there were some inventions in the area of furnaces and "backyard" pig iron.

As convincing as the Wheelwright and McFarlane argument may be, one cannot overlook the impact the Great Leap Forward had on agriculture, and the ensuing economic crisis period after the Great Leap Forward. In response to these crises, there was a shift in the developmental strategy which in effect recognized and placed agriculture at the foundation of the Chinese economy. It is interesting to note, that the Chinese leadership did not blame the failure of the Great Leap on either the international system or the Soviet Union, but on themselves. Mao Zedong's admission (quoted in the preceding pages) placed the failure of the Great Leap on the Chinese leadership itself (more appropriately, on himself); acknowledging that the Soviet model of development is not applicable to the Chinese society. Rather, he stressed that China should develop its own model of development that is suitable to the Chinese conditions. We can infer from the above, that the Chinese leadership, in effect, were rejecting not only the Soviet model of development, but rather a rejection of all foreign influences, e.g., models and theories of development, that are not in accord with their society. The emphasis then was on influencing Chinese intellectuals and planners to devise an authentic Chinese model of development.

The "agriculture first" strategy was not only a matter of policy reorientation, but rather a rational recognition of the foundation of the Chinese economy. With the inauguration of the "agriculture first"
Chinese policy-makers and planners came to confront population problems; a shift from psychic appeal or incentives to material incentives; that is, the leadership recognized that growth in farm production cannot be achieved through ideology and organization alone (Eckstein, 1975:21), that a rational approach required modern industrial inputs. The Chinese planners sought to develop China within the reality of the Chinese conditions. However, this policy reorientation does not entail, as we have seen, a break with the preceding policies. As it can be seen, the shift is mainly a change in emphasis.

The Great Proletarian Cultural Revolution, though perceived in some corners as the resurrection of Mao's personality cult, could also be perceived as a revolt against "revisionists" in an ideological sense and as a revolt against foreign influence. However, it is difficult to escape the fact that the cultural revolution was a result of the declining influence of Mao Zedong within the country and most of all within the Chinese Communist Party. The slogans of the Maoists and the policies adopted during the entire period, especially in education, were designed to reestablish the primacy of Mao Zedong's position within the Chinese Communist Party, and his thought as guide to policies and actions. It can, therefore, be said that the cultural revolution was a resurgence of Mao's personality cult. In a private letter to his wife -- quoted above -- Mao recognized the consequences of the cultural revolution on himself as well as on the nation as a whole. He admits that releasing the masses against the "revisionists" because of his declining position, was contrary to Marxism.
From the perspective of this observer, the aftermath of the cultural revolution also strengthened Zhou Enlai's position of eminence in Chinese politics. After all was said and done with, and when the dust finally settled down, Zhou Enlai was left with the responsibilities of placing all the broken pieces together where they belong. In short, he and his followers put the country back to work and functioned as it should.
CHAPTER 8
ZHOU ENLAI AND THE PEOPLE'S REPUBLIC OF CHINA'S EXTERNAL RELATIONS

Introduction

In the present chapter, our focus is on Zhou Enlai and the patterns of interaction of the People's Republic of China in the international and/or global systems. While the present and the preceding analysis may appear as a focus on the "nation-state" as unit of analysis, our purpose is to infer on Zhou Enlai's beliefs or perceptions "about the nature of politics and political conflict, his views regarding the extent to which historical developments can be shaped, and his notions of correct strategies and tactics" (George, 1969:197). In inferring Zhou Enlai's beliefs from the following discussion, we are, in effect, concurring with Hermann (1983:1) to the effect that "...national foreign policy roles are determined by the beliefs of a regime's authoritative decision-makers." Hence, what follows in this chapter should be regarded as the manifestations of the beliefs or perceptions of that one person most responsible for the conduct of the People's Republic of China's foreign policy: Zhou Enlai.

Perceptions, we have noted elsewhere, are influenced by immediate concerns ("evoked sets") as well as by more deeply rooted expectations. A person will perceive and interpret stimuli in terms of what is at the front
of his mind. To predict the inferences a person will draw from a bit of evidence, we often need to know what problems concern him and what information he has received recently (Jarvis, 1976:203).

Thus, (1) Zhou Enlai's "answer" to the question: In the leader's beliefs of perceptions is alignment with the Eastern and Western blocs or with former metropole(s) important, is inferred from our description or analysis of Sino-Soviet relations. Zhou Enlai's concerns were to (1) industrialize China. For this Zhou Enlai needed a reliable and industrially and technologically advanced ally. The Soviet Union's proximity to the People's Republic of China made it convenient for Zhou Enlai to maintain "friendly" relations with the Soviet Union and obtain what he needed in order to maximize his objectives. (2) Zhou Enlai also required a maximum security from external attack from the Soviet Union and the United States for China to operate freely. (3) Zhou Enlai sought changes in the international and/or global systems in order to (a) re-establish China's legitimate status within it, and (b) the recovery of Taiwan. And (4), maintain China's independence from both the United States and the Soviet Union.

It is important to note that at that time, Zhou Enlai perceived the Soviet Union as a "friend" of China, Britain, France, Germany, Japan and the United States as "enemies." Equally important is the fact that Zhou Enlai was ideologically in tune with the Soviet Union.

It should, however, be emphasized -- as we have demonstrated -- that Zhou Enlai/Mao Zedong believed in alignment with the Soviet Union in so far as that alignment fosters the overall national interests and aspirations of the People's Republic of China's internal and external
developmental strategies. When Zhou Enlai became cognizant that the alliance with the Soviet Union did not (1) foster his foreign policy objectives, and (2) protect China from external attack (from the United States), Zhou Enlai withdrew China from the Soviet orbit, and reaffirmed his beliefs on "self-reliance" and "nonalignment."

Zhou Enlai's beliefs with respect to international/global trade are inferred from China's extensive trade with the Soviet Union (and the Eastern bloc) and some West European countries including Canada. Up to early 1958, China's trade was monopolized by the Soviet Union. However, in mid 1958, trade between China and the Soviet Union declined sharply. The decline in the importance of trade with the Soviet Union, and the subsequent increase in trade between China and West European countries and Canada, is inferred as Zhou Enlai's decision to diversify China's patterns of trade in the global system. It is also inferred (that the decline in trade with the Soviet Union) this constitutes Zhou Enlai's reaffirmation of his beliefs in "self-reliance."

Zhou Enlai's "answer" relative to his beliefs "to achieve his developmental strategies and objectives through participation in the global system as it exists," are inferred from (1) China's extensive trade in Southeast Asia, West European countries, and Canada; (2) Zhou Enlai's participation in the Geneva Conference on Indo-China in 1953; (3) the Bandung Conference of nonaligned countries; (4) Zhou Enlai's diplomatic missions in (a) Asia and (b) Africa; and (5) diplomatic breakthrough with the United States.

However, Zhou Enlai's beliefs with respect to the above question needs some clarifications. First, Zhou Enlai's beliefs to "achieve his
developmental strategies or foreign policy objectives through participation in the international/global system must be viewed in terms of how Zhou Enlai perceives that global system to be. For example, in his cable of August 2, 1955, to Dag Hammarskjold (sent through Swedish diplomatic channels in Geneva), on the release of U.S. fliers, Zhou Enlai states:

1. Thanks for the cable from Geneva.

2. The Chinese government has decided to release the imprisoned U.S. fliers. This release for serving their full terms takes place in order to maintain friendship with Hammarskjold and has no connection with the U.N. resolution. Chou En-lai expresses the hope that Hammarskjold will take note of this.

3. The Chinese government hopes to continue the contact established with Hammarskjold.


It should be noted that (1) the cable was sent through Swedish diplomatic channels, and not the U.N. channels; although Hammarskjold was then the General-Secretary of the U.N. (2) The release of U.S. fliers was for the purpose of "maintaining friendship with Hammarskjold." And (3), at that time, Zhou Enlai refused to recognize the U.N. -- the world community that refused to recognize the People's Republic of China.

The careful wording of the cable to Hammarskjold -- removing any possible misinterpretation of the cable -- reflects Zhou Enlai's beliefs in "people to people diplomacy" strategy. Since the United States effectively barred China's admission to the United Nations, and refused to recognize the Beijing regime (Japan, some Western, African, Latin
American, and Asian countries also withheld their recognition of China), Zhou Enlai believed that he could achieve his developmental strategies and foreign policy objectives with Japan and West European countries through transnational actors, e.g., individuals and business people. For example, most commercial agreements between Beijing and some Western European countries were arrived through private commercial companies.

Moreover, Zhou Enlai encouraged Japanese leaders to visit China, not in their official capacities as prime ministers or foreign ministers, but as private citizens (Barnett, 1977). Finally, the diplomatic breakthrough between Beijing and Washington was initiated by the Chinese "ping-pong" team. What is further interesting to note is that in his statements to American press agents, Zhou Enlai made distinctions between the "American peoples," and "government." The "American peoples," are perceived as "friendly."

It is in the above context that we are able to understand Dag Hammarskjöld's reflections and feelings about his experiences in Beijing (and his meeting with Zhou Enlai) and Washington, D.C. in a personal letter of January 31, 1955, to Uno Willers. He states:

The mission to Peking was not only unique in diplomatic history, but also unique as a human experience. It is a miracle that everything went well because the risks we were taking were extraordinary; but it did -- in every detail. The contacts with Chou En-lai and with this whole very foreign world made an enormous impression on me, and I would wish that other policy-makers had got it. What is so appalling is the basic lack of realism as to assumptions on which very much of Western policy is built. And now I am thinking not only of the situation in China, but of China's role in Asia and of the position of the present
regime in Peking. It is a little bit humiliating when I have to say that Chou En-lai to me appears as the most superior brain I have so far met in the field of foreign policies. Of course, that does in no way mean that I have found a wider area of agreement than I anticipated, but it does mean that policy-making without taking into account his personal qualities is likely to lead to disaster. As I said to one of the Americans: "Chou is so much more dangerous than you imagine because he is so much better than you have ever admitted (Hammarskjold, in Urquhart, 1972:117).

This aspect of Zhou Enlai's strategies with the external milieu is briefly examined in China's relations with the United States.

Zhou Enlai's "answers" relative to his beliefs in (1) his abilities to change (or alter) the existing international/global system, or its parts, are inferred from our analysis or descriptions of China's relations with the Third World. It is inferred that Zhou Enlai believed that parts or the subsystems of the global system could be manipulated in achieving his objectives. For example, at the Bandung Conference, where Zhou Enlai called for "the solidarity of Afro-Asian countries." This theme was repeated in a speech in Pakistan. He reminded his "enthusiastic hosts" that:

Afro-Asian nations who have just struggled up on their own feet are exerting their increasing positive influence in international affairs (Zhou Enlai, in Hsu, 1968:179).

We, therefore, infer that Zhou Enlai believed that alone he could not change or alter the existing global system. Thus, (2) Zhou Enlai's beliefs in "cooperation with developing countries or in developing a bloc of developing countries," are inferred from our descriptions of
China's relations with the Third World. For example, in Southeast Asia, Zhou Enlai called for "the development of friendly relations between the two regimes [North Vietnam and China] without committing any chauvenistic error" (Zhou Enlai, in Hsu, 1968:176). In Somalia, in 1964, Zhou Enlai called for and urged solidarity of the Afro-Asian bloc because:

we Afro-Asian peoples share the same pulsation and are involved in the same revolution. Our common objectives are national independence and development of our national economy and culture. Our common enemy is staring in our eyes... (Zhou Enlai, in Hsu, 1968:179).

In Ghana, on January 15, 1964, Zhou Enlai declared that the Chinese policy...

is to support the African nations to oppose imperialism and all forms of old and new colonialism (Zhou Enlai, in Hsu, 1968:179).

Taking Latin America into cognizance, Zhou Enlai also declared in 1964 that:

Once a revolutionary Cuba has appeared in Latin America, there will be the second and the third Cuba to appear in Latin America, just as revolutionary Algeria will precipitate a series of revolutionary nations to emerge in Africa (Zhou Enlai, in Hsu, 1968:179).

Finally, Zhou Enlai's "answer" to the question: Has the leader's beliefs or perceptions changed during his stay in office, is inferred from our analysis of the Sino-Soviet relations (Sino-Soviet polemics) and Sino-American relations.

For organizational purposes, we, thus, propose to describe (1) China's relations with the Soviet Union; (2) China's relations with Southern countries, and finally, (3) China's relations with the United
States. As we have observed in Chapter 7, Zhou Enlai has not only been instrumental in the negotiation and implementation of China's economic policies, but negotiating for, and executing the foreign policy of the People's Republic of China. In this sense, we will describe his movement from dependence on the Soviet Union to the reaffirmation of "self-reliance" both in economic and political issues. Zhou Enlai then, unlike Fidel Castro, will (1) challenge the Soviet Union politically and economically (as shown in Chapter 7); (2) engage in independent foreign policy orientation; and (3) challenge the Soviet Union's influence in Southern countries. In this respect, Zhou Enlai, as will be shown, has sought to present China as (1) a friend to Third World countries and present China's developmental strategies as an alternative to the Soviet Union and the United States' models of developments, (2) a "stronger supporter of liberation and/or revolutionary movements in Southern countries, and (3) both a psychic and limited material supporter of Southern countries.

In his relations with the United States, Zhou Enlai, as we propose to discuss, pushed for the normalizations and reduction of tensions between the two countries. This foreign policy reorientation, we infer, was also to counterbalance the perceived Soviet threat to the security of the People's Republic of China. Zhou Enlai believed, we infer, that if China was to regain its legitimate status in the global community, he, by implication, needed the support of the United States.

Thus, the diplomatic offensive in Southern countries, we believe, was to gain support for China's legitimate claim in the international as well as in the global systems. It is also interesting to note in this
conjunction, though Zhou Enlai sought to counter the Soviet and American influence in Africa and Latin America, the immediate concerns of Zhou Enlai, we will show, were within Southeast Asia. In other words, Zhou Enlai believed, we will infer, that a propitious environment was necessary for the security of the People's Republic of China's revolutionary regime, especially with those countries that are contiguous to China.

Sino-Soviet Relations

In one very important respect, Communist China behaved throughout the 1950's and 1960's exactly like any other traditional nation-state. She never lost sight of the primary goal of preserving her national unity and independence and removing any foreign presence from what she considered to be China's rightful territory. This fundamental consideration explains both China's attitude to the Taiwan question and her refusal to accept permanent subordination to the Soviet Union (Camilleri, 1980: 21).

During the first ten years of the People's Republic of China, there "was total dependence on the Soviet Union" for economic and military development (and "support for the Sino-Soviet friendship saturated the media") (Whiting, 1977:39). On February 14, 1950, the Chinese leadership entered into the Treaty of Friendship, Alliance and Mutual Assistance with Moscow. Under the terms of the Treaty, the Soviet Union pledged not only to "protect...China from attack by Japan or any of its allies, but also to act in 'conformity with the principles of equality, mutual benefit and mutual respect for the national sovereignty and territorial integrity and non-interference in the internal affairs' of the People's Republic" (Camilleri, 1980:47).
Thus, in 1949-50, the Chinese leadership deferred to Stalin's "demands for concessions in northeast China and joint stock companies in order to secure a defense commitment and modest economic assistance" (Whiting, 1977:46). It could be said that in acquiescing to Stalin's demands, the Chinese leadership expected the Soviets to provide China with the support and protection "for the achievement of certain minimum national objectives" (Camilleri, 1980:50).

Three rather important expectations of the Chinese leadership in their relationship with Moscow can be summarized. First, Chinese leadership concern with the East-West strategic relationship, i.e., the Chinese leadership were anxious for the Soviet Union to achieve nuclear parity with the United States or at least sufficient military capacity to be able to exert diplomatic and strategic pressure on the West while at the same time deterring an American nuclear attack (Camilleri, 1980:50, Barnett, 1977:26).

Closely associated with the first expectation, the second series of expectations referred specifically to China's national objectives of which the recovery of Taiwan could be said to be the most important aspect. Given the weakness and vulnerabilities of the regime, the Chinese leadership proposed that the Soviet Union pressure the United States to remove military bases in Taiwan, the Far East, the Western Pacific, and Southeast Asia (Barnett, 1977). Concurrently, the Chinese leadership expected Moscow to support China, politically at least, in the event of a confrontation with any other Asian state. This was severely tested during the course of the Sino-Indian border dispute (Camilleri, 1980:51).
Third, the Chinese leadership believed that its alliance with Moscow would provide badly needed "valuable and reliable channels of economic and military aid" (Camilleri, 1980:51). Moscow's assistance in the form of "heavy and sophisticated machinery and equipment," (see chapter on Internal Development) "was regarded as crucial to China's industrialization programme" (Camilleri, 1980:51). This last point includes the Chinese expectations that Moscow should help China to modernize its military by supplying tanks, artillery and transport. It could be inferred that the Chinese leadership also expected Moscow to help China to develop its own nuclear capabilities, or at least, supply China with atomic weapons and missiles (see Camilleri, 1980).

As Barnett (1977:26-27) remarks, with respect to economic consideration,

Although the Chinese Communists knew how to deal with rural problems, they had almost no experience in administering large urban areas and developing modern industry. Determined to embark quickly on an ambitious development program, they looked naturally to the Soviet experience for their model and were eager to obtain Russian technical assistance, advice, and aid... As a result, many new economic ties reinforced the military and political alliance.

As a result, by 1959, Moscow committed itself to assist China build whole branches of industries, e.g., aircraft, motor, tractor-building industries, power producing, heavy machine-building, and precision machine-building industries, instrument-making, and radio engineering, and various branches of the chemical industry (Gittings, 1968:289-90). Concurrently, according to the Soviet estimates, a considerably large proportion of China's iron, steel and coal production, together with tin
and synthetic rubber output derived from factories built with Soviet assistance (Camilleri, 1980). In the 1950's, the Chinese received from Moscow "the most comprehensive technology transfer in modern history" (quoted in Barnett, 1977:28). Indeed, during the periods between 1950 and 1960, China had a more extensive scientific, economic, educational and cultural link with Moscow than it had with any other foreign country. That is, China interacted more with the Soviet Union than with any other country. For example, during that period, about 1,000 scientists were sent to China, while some 10,000 Chinese engineers, technicians and skilled workers, and almost 1,000 scientists had received training in the Soviet Union (Camilleri, 1980:52, Barnett, 1977:28, Gitting, 1968).

During 1951-1962, it is estimated that more than 11,000 students received their training in the Soviet's instructions of higher education. And between 1954 and 1963, Moscow turned over to China over 24,000 sets of scientific and technical documents (Gittings, 1968:135). However, it should be emphasized that the Soviet aid to China was rendered in the form of trade, and the required repayments were in the form of goods, gold or convertible foreign exchange. Camilleri (1980:52) suggests that by the end of 1962,

China had furnished the Soviet Union with 2,100 million new rubles' worth of grain, edible oils and other foodstuffs. Among the most important items were 5,700,000 tons of soya beans, 2,940,000 tons of rice, 1,090,000 tons of edible oils and 900,000 tons of meat.

The Chinese leadership appreciation was articulated by Zhou Enlai to the effect that "the experts from the Soviet Union have made an outstanding contribution to the building of socialism in China" (quoted in

Various students of Chinese economy and foreign policy concur that between the same period, China furnished the Soviet Union with significant quantities of mineral products and metals, in addition to tin, mercury, tungsten, and molybdenum, etc., "many of which it was claimed were 'indispensable for the development of the most advanced branches of science and for the manufacture of rockets and nuclear weapons'" (quoted in Camilleri, 1980:52). Camilleri (1980) further suggests that many of the Chinese exports were more in repayment for the military deliveries which amounted to some $2,000 million during the period between 1950 and 1957 (Camilleri, 1980:53). That is to say, "in order to repay these military loans, China had to commit a substantial proportion of her exports for delivery to the Soviet Union without the expectation of any further return" (Camilleri, 1980:53). Furthermore, Camilleri (1980:53) quoting Hoeffding (1962:303) contends:

...even if China were registering an annual export surplus of 1,000 million rubles, as was the case in 1958, and allocating it entirely to debt repayment, some 40 percent of Chinese exports to the U.S.S.R. would have remained committed to repayment for nearly a decade.

The Sino-Soviet trade relations during the 1950's has been said to conform to the "system of unequal exchange that has generally prevailed in relations between highly industrialized and underdeveloped societies" (Camilleri, 1980:53).

Barnett (1977:28) contends that there were "limits" to the Chinese "willingness to be integrated into the Communist bloc." For example, the Chinese refused to join COMECON because (according to Mao Zedong):
The Soviet revisionist renegade clique has again ballyhooed that "specialization and cooperation in production" is a "higher form of socialist division of labor" which can "accelerate socialist construction." But a mass of facts show that what the Soviet revisionists are advocating is really the turning of other member countries of COMECON into colonies by opposing the independent development of their national economy (in Seymour, 1976:252-253).

It is our contention that the Chinese leadership refusal to join COMECON is born out of China's own experience as part of international economy between the late nineteenth and mid-twentieth centuries (Seymour, 1976). And, as Camilleri (1980) contends, China's critical reassessment of her economic dependence on the Soviet Union could be seen in the imbalance in the economic relationship, and as a result, the Chinese economic planners began to publicly question the importance of the Sino-Soviet trade in relation to China's industrialization (Camilleri, 1980:53). He further notes that the gradual loosening of the U.N. embargo and the emergence of alternative sources of supply, e.g., oil development, and "the development of a comprehensive industrial infrastructure...prepared the ground for the increasingly conscious policy of self-reliance that was to culminate in 1960 in the termination of all Soviet technical and scientific aid to China" (Camilleri, 1980:53).

Barnett (1977) contends that numerous factors aggravated the conflict, "but issues related to military security were the crucial ones at three turning points:

in 1957-59, when the strains created doubts about the alliance on both sides; in 1962-63, when the alliance became a dead letter for all practical purposes; and in 1968-69, when
the political confrontation between the two countries was transformed into a military confrontation (Barnett, 1977:32).

Barnett's (1977) summation quoted above, could be regarded as differences and/or conflicts of interests between the Chinese leadership and the Soviet leadership.¹

The conflicts evolved around Chinese leadership perceptions of the rapprochement or "detente" between the United States and the Soviet Union. For the Chinese leadership, "detente" would, in effect, compromise the Chinese interests in Taiwan. The Soviet Union, as a nuclear power, feared that regional or local conflicts could spin into confrontation between major powers, notably, between the Soviet Union and the United States. Again the Chinese leadership dissatisfied with the prevailing status quo, argued that "armed struggles were necessary for successful revolutions..." (Barnett, 1977:34). The Chinese leadership believe that "in order for China to achieve its national objectives, including the recovery of Taiwan, the Soviet Union as well as China would have to apply increased pressure on the United States" (Barnett, 1977:34).

As Barnett (1977) observed, the conflict between China and the Soviet Union became more pronounced in 1958 over the issue of Soviet aid to China for the development of nuclear weapons. Although collaboration in the nuclear field was limited, in the mid-1950's, the Soviet

¹The Sino-Soviet conflict has been dealt with in more detail by Barnett (1977 and 1981), Fairbank (1968), Larkin (1971), and Camilleri (1980). In this section, we only wish to briefly point to the relationship of issues of concern to both China and the Soviet Union. Our assessment would not be exhaustive, but rather brief.
Union aided China to build her own nuclear reactor. In 1957 then, the Soviet Union agreed to help China build her own nuclear weapons. However, Mao's statements at the November 1957 Moscow conference, revealed a "cavalier, even reckless attitude about the nuclear development," and Moscow began to have "serious doubts about the wisdom of this policy, and the 1958 offshore islands crisis heightened the doubt" (Barnett, 1977:36). As a result, in mid-1959, the Soviet Union "tore up the 1957 nuclear agreement" (Barnett, 1977:36).

Barnett (1977:36) further contends that:

The rift over nuclear weapons, unpublicized at the time, was unquestionably one of the most important causes for the eventual open split between Peking and Moscow. From Peking's perspective, it indicated that the Russians were not willing to use their power to back China even in the pursuit of its highest national interests and that they wished to perpetuate a relationship in which the Chinese would continue to be militarily dependent on the Soviet nuclear umbrella, and subordinate. This reinforced Peking's determination to go it alone, and thereafter, China's efforts to develop its own nuclear capability were accelerated.

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In that speech, Mao Zedong notes:

In my opinion, the situation today is characterized by the fact that the East wind is prevailing over the West wind, by the fact that the forces of socialism are overwhelmingly superior to the forces of imperialism. At present, another situation has to be taken into account -- that the war maniacs may drop atomic and hydrogen bombs everywhere. They drop them and we drop them too;... If fighting breaks out now, China has got only hand grenades and not atomic bombs, but the Soviet Union has them (extracted from Stuart R. Schram, 1969:409).
In the chapter on China's internal development, we alluded to the Chinese leadership's decision in 1957-58 to abandon the Soviet model and embark on the Great Leap Forward and communes programme. This decision, as Barnett (1977:38) has observed, "posed a direct ideological and political challenge to Moscow," especially since "some Chinese statements implied, at least for a brief period in 1958, that China had now leapt ahead of the Soviet Union in moving from socialism toward the ultimate goal of Communism." Krushchev did not hesitate to refute the Chinese leadership's ideological pretenses. Thus, in the summer of 1960, not content to respond with ideological counterattacks, Krushchev decided to recall all Soviet advisers and technical experts in China. The punitive action by Krushchev had a damaging effect on the Chinese economy.

These series of events led to a steady decoupling process in the Sino-Soviet political-economic, technical and cultural relations. One important measure of the decoupling process was the steady decline of China's trade with the Soviet Union. Barnett (1977:38), for example, observes that China's trade with the Soviet Union went "from $2.06 billion peak in 1959, (it) declined steadily until 1970, (and) reached the almost negligible figure of $45 million..." The drop in trade was accompanied by a gradual weakening of all other ties -- scientific, education, cultural -- that had linked the two countries. In the 1950's, it seemed clear that China was on its way to being fully incorporated in the Soviet-dominated "Communist world system," but toward the end of the 1960's, China had nothing more than "minimal diplomatic contact with Russia."
Finally, in October 1961, Zhou Enlai braced himself for what he knew would be a bitter confrontation with Krushchev at Moscow's Twenty-Second Soviet Party Congress. The crisis over Albania led Zhou Enlai to openly challenge Krushchev by declaring that "to lay bare a dispute between fraternal...countries openly in the face of the enemy cannot be regarded as a serious Marxist-Leninist attitude" (in Archer, 1973:117). He added that unilateral accusations against the recalcitrant country would neither contribute to solidarity of world communism nor towards solution to the problem in point" (in Roots, 1978:108). In bitter repose, Krushchev pushed through the Congress a resolution to move the remains of Stalin to a lesser site -- in the shadow of the Kremlin. This was perceived by Zhou Enlai as the final insult. He walked out of the Congress with his delegation, and in defiance, placed a wreath on Stalin's tomb with the inscriptions "the great Marxist-Leninist."

It could be said that the Sino-Soviet polemics characterized and/or brought into the open the persistent strains and stresses of the competing and somewhat irreconcilable interests of the two parties in the relationship. On issue after issue, "they" (China and the Soviet Union) "attacked each other's positions or actions and actively competed for influence and leadership of the Communist bloc and world movement."

Barnett (1977:44) further notes:

Whereas before 1960 their debates had seemed esoteric to much of the world, from 1960 on the schism had an increasing impact on others, especially other Communist nations and parties, reinforcing the trend toward factional struggle and disunity.
Seemingly, the Sino-Soviet polemics revealed both countries' competition for influence over other Communist countries. In Zhou Enlai's perceptions, "the competition proved to be more important in the long run than the struggle for the allegiance of minor Communist parties" (Barnett, 1977:45). As we have remarked in the preceding first pages of this, Barnett (1977:32) notes:

> The ties between the two countries seemed so close, the advantages of cooperation so great, and the costs of a rift so obvious that there was every reason to expect leaders in both countries would do everything possible to maintain the alliance. Serious errors of judgement and major policy mistakes on both sides account for their failure to do so.

As Barnett (1977) puts it, the rift did not emerge full-blown. It developed gradually, but "in each major phase the level of conflict escalated and the nature of the conflict changed." We will argue that each major phase of the conflict demonstrated the Chinese leadership's dissatisfaction in the alliance. Each major phase of the conflict demonstrated to Zhou Enlai/Mao Zedong that their country's subordinate position to the Soviet Union impinged on their ability to recover China's legitimate status and/or position in the international system. 3 Though "the advantages of cooperation" was so great, in the Chinese perceptions, it fostered dependency on the Soviet Union -- ideologically, politically and economically.

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What seemed to have reinforced Zhou Enlai/Mao Zedong's perceptions is that the Soviet Union failed or was reluctant to support China militarily and politically in the pursuit of her highest internal and external national interests; the expectations it had when it entered into alliance with the Soviet Union. It is also possible that each major phase of the conflict reminded Zhou Enlai/Mao Zedong of the humiliating historical experience with the outside world. The Sino-Soviet polemics then, as we have suggested in the first pages of this chapter, demonstrated the Chinese leadership's determinations never again to allow China's domestic and external affairs to be governed by the decisions of a foreign power (Camilleri, 1980:7).

China's Trade With The Soviet Union

Eckstein (1966:99) has observed that in value terms, "the exchange of goods between China and the Soviet Union more than doubled between 1952 and 1959. Then it declined quite rapidly—so rapidly, in fact, that by 1963 it had shrunk to about one-fourth of the peak 1959." The data shows the closeness of the ties between China and the Soviet Union. Eckstein (1966:99) also notes that "as more and more countries relaxed their restrictions on trade with...China, total trade with the free

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4 Alexander Eckstein (1966) has commented that the foreign trade sector of the Chinese economy has been difficult to analyze since 1949. He states: "It is a sector about which the official authorities have been particularly secretive, so only the most aggregated data are available from Chinese sources." Most of the data are derived from foreign trade statistics published by China's trade partners. We did not make an attempt to go through the foreign trade statistics of China's foreign trade partners.
world recovered to its former absolute level by 1957... By 1963, the downward trend in foreign trade was reversed under the impact of domestic recovery. This reversal was accompanied by a gradual rise in trade with the non-Communist world -- so much so that it reached record levels in 1962." (See, for example, Tables 8.1a-8.5).

It could be inferred that the decline in China's foreign trade with the Soviet Union and the subsequent increase with non-Communist countries correlate with the loosenings of ties between China and the Soviet Union, and points to China's determination to expand and/or compete for influence with non-Communist countries.5

Tables 8.1a and 8.1b combined show the composition of China's imports and exports to and from the Soviet Union in 1959 and 1960. Tables 8.2a and 8.2b, and 8.3a and 8.3b show the composition of China's imports and exports with the Soviet Union in 1963 and 1964. In contrast, Table 8.4 shows China's total trade with Western Europe including Australia between 1962 and 1963. However, it does not show the composition of the trade, and the amount is expressed in million U.S. dollars. Table 8.5 shows China's trade with Communist and non-Communist countries.

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5 This point is brought out in the section dealing with China's relation with the rest of Southern countries.
### TABLE 8.1a

**CHINA’S TRADE WITH THE SOVIET UNION 1959-1960**

(1,000 New Rubles)

<table>
<thead>
<tr>
<th>Item</th>
<th>1959</th>
<th>1960</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steam Engines, Boilers &amp; Turbines</td>
<td>10,574</td>
<td>5,580</td>
</tr>
<tr>
<td>Complete Factories</td>
<td>359,785</td>
<td>336,459</td>
</tr>
<tr>
<td>Locomotives</td>
<td>66,284</td>
<td>3,487</td>
</tr>
<tr>
<td>Lories</td>
<td>22,829</td>
<td>32,504</td>
</tr>
<tr>
<td>Other Auto &amp; Spares</td>
<td>9,669</td>
<td>7,604</td>
</tr>
<tr>
<td>Crude Oil</td>
<td>12,305</td>
<td>10,904</td>
</tr>
<tr>
<td>Petrol</td>
<td>46,637</td>
<td>38,535</td>
</tr>
<tr>
<td>Lamp Oil</td>
<td>11,841</td>
<td>12,093</td>
</tr>
<tr>
<td>Diesel Oil</td>
<td>16,857</td>
<td>21,557</td>
</tr>
<tr>
<td>Lubricating Oil</td>
<td>16,584</td>
<td>16,321</td>
</tr>
<tr>
<td>Iron and Steel</td>
<td>26,450</td>
<td>33,427</td>
</tr>
<tr>
<td>Pipes</td>
<td>12,961</td>
<td>12,260</td>
</tr>
<tr>
<td>Non-Ferrous Metals</td>
<td>4,625</td>
<td>7,809</td>
</tr>
<tr>
<td><strong>Total (including others)</strong></td>
<td>859,011</td>
<td>735,361</td>
</tr>
</tbody>
</table>

Source: *Europa Yearbook, 1962:417*

### TABLE 8.1b

**TRADE WITH THE SOVIET UNION 1959-1960**

(1,000 New Rubles)

<table>
<thead>
<tr>
<th>Item</th>
<th>1959</th>
<th>1960</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zinc, Lead &amp; Other Concentrates</td>
<td>65,871</td>
<td>54,748</td>
</tr>
<tr>
<td>Tin</td>
<td>37,537</td>
<td>31,277</td>
</tr>
<tr>
<td>Raw Cotton</td>
<td>47,093</td>
<td>30,538</td>
</tr>
<tr>
<td>Wool</td>
<td>19,743</td>
<td>17,418</td>
</tr>
<tr>
<td>Natural Silk</td>
<td>15,699</td>
<td>10,792</td>
</tr>
<tr>
<td>Raw Tobacco</td>
<td>26,713</td>
<td>11,144</td>
</tr>
<tr>
<td>Soya Beans</td>
<td>60,679</td>
<td>32,113</td>
</tr>
<tr>
<td>Frozen Meat</td>
<td>22,449</td>
<td>9,556</td>
</tr>
<tr>
<td>Milled Rice</td>
<td>74,316</td>
<td>49,666</td>
</tr>
<tr>
<td>Edible Vegetable Oil</td>
<td>18,915</td>
<td>8,883</td>
</tr>
<tr>
<td>Cotton Fabrics</td>
<td>45,058</td>
<td>31,968</td>
</tr>
<tr>
<td>Wool Fabrics</td>
<td>44,863</td>
<td>51,340</td>
</tr>
<tr>
<td>Silk Fabrics</td>
<td>37,023</td>
<td>29,060</td>
</tr>
<tr>
<td>Garments</td>
<td>113,739</td>
<td>123,475</td>
</tr>
<tr>
<td>Household Linen</td>
<td>31,883</td>
<td>23,019</td>
</tr>
<tr>
<td>Leather Shoes</td>
<td>33,037</td>
<td>37,592</td>
</tr>
<tr>
<td><strong>Total (including others)</strong></td>
<td>990,300</td>
<td>763,300</td>
</tr>
</tbody>
</table>

Source: *Europa Yearbook, 1962:417*
Tables 8.1a and 8.1b, 8.2a and 8.2b, 8.3a and 8.3b are derived from Europa Yearbook, 1966-1970. No attempt was made to construct only one table from all these tables. For one thing, the composition of China's imports and exports between 1963-1964 and 1964-1965 were the same. That is, the entries in Europa Yearbook for 1968 regarding China's imports and exports with the Soviet Union was not the same for the same year, e.g., 1964 trade with the entries in Europa Yearbook, 1966. We have thus decided not to combine the tables into one. Furthermore, we were more interested in seeing how trade relations reflected on the Sino-Soviet polemics.
### TABLE 8.2a

**CHINA'S TRADE WITH THE SOVIET UNION 1963-1964**

*(1,000 Rubles)*

<table>
<thead>
<tr>
<th>Imports</th>
<th>1963</th>
<th>1964</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engines</td>
<td>257</td>
<td>329</td>
</tr>
<tr>
<td>Complete Plant</td>
<td>13,113</td>
<td>11,074</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>10,373</td>
<td>8,875</td>
</tr>
<tr>
<td>Petroleum Products</td>
<td>54,666</td>
<td>19,422</td>
</tr>
<tr>
<td>Iron and Steel</td>
<td>15,086</td>
<td>12,984</td>
</tr>
<tr>
<td>Farm Machinery</td>
<td>6,788</td>
<td>6,897</td>
</tr>
<tr>
<td>Pipes</td>
<td>6,501</td>
<td>3,641</td>
</tr>
<tr>
<td>Domestic Goods</td>
<td>10,119</td>
<td>2,173</td>
</tr>
<tr>
<td>Timber</td>
<td>8,026</td>
<td>8,442</td>
</tr>
<tr>
<td>Others</td>
<td>43,621</td>
<td>40,353</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>168,500</td>
<td>121,700</td>
</tr>
</tbody>
</table>

Source: *Europa Yearbook, 1966:305*

### TABLE 8.2b

**CHINA'S TRADE WITH THE SOVIET UNION 1963-1964**

*(1,000 Rubles)*

<table>
<thead>
<tr>
<th>Exports</th>
<th>1963</th>
<th>1965</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metallic Ores and Concentrates</td>
<td>23,999</td>
<td>11,909</td>
</tr>
<tr>
<td>Chemical Products</td>
<td>3,816</td>
<td>4,913</td>
</tr>
<tr>
<td>Non-Ferrous Metals</td>
<td>11,236</td>
<td>2,748</td>
</tr>
<tr>
<td>Building Materials</td>
<td>8,575</td>
<td>1,313</td>
</tr>
<tr>
<td>Textile Fibers</td>
<td>7,292</td>
<td>5,623</td>
</tr>
<tr>
<td>Fruit and Vegetables</td>
<td>13,002</td>
<td>16,874</td>
</tr>
<tr>
<td>Tea</td>
<td>2,678</td>
<td>2,656</td>
</tr>
<tr>
<td>Meat and Dairy Products</td>
<td>2,328</td>
<td>22,289</td>
</tr>
<tr>
<td>Textiles</td>
<td>79,169</td>
<td>38,955</td>
</tr>
<tr>
<td>Clothing and Linen</td>
<td>143,514</td>
<td>107,311</td>
</tr>
<tr>
<td>Footwear</td>
<td>7,011</td>
<td>n/a</td>
</tr>
<tr>
<td>Others</td>
<td>69,780</td>
<td>68,209</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>371,700</td>
<td>282,800</td>
</tr>
</tbody>
</table>

Source: *Europa Yearbook, 1966:305*
TABLE 8.3a
CHINA’S TRADE WITH THE SOVIET UNION 1964-1965
(1,000 Rubles)

<table>
<thead>
<tr>
<th>IMPORTS</th>
<th>1964</th>
<th>1965</th>
</tr>
</thead>
<tbody>
<tr>
<td>Machinery and Equipment</td>
<td>51,944</td>
<td>69,296</td>
</tr>
<tr>
<td>Aircraft and Equipment</td>
<td>17,644</td>
<td>12,402</td>
</tr>
<tr>
<td>Petroleum Products</td>
<td>19,422</td>
<td>2,005</td>
</tr>
<tr>
<td>Rolled Steel</td>
<td>12,984</td>
<td>22,086</td>
</tr>
<tr>
<td>Lumber</td>
<td>8,442</td>
<td>20,787</td>
</tr>
<tr>
<td>Others</td>
<td>29,008</td>
<td>52,326</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>121,800</td>
<td>172,500</td>
</tr>
</tbody>
</table>

Source: Europa Yearbook, 1963:321

TABLE 8.3b
CHINA’S TRADE WITH THE SOVIET UNION 1964-1965
(1,000 Rubles)

<table>
<thead>
<tr>
<th>EXPORTS</th>
<th>1964</th>
<th>1965</th>
</tr>
</thead>
<tbody>
<tr>
<td>Machinery &amp; Equipment</td>
<td>5,216</td>
<td>-</td>
</tr>
<tr>
<td>Wolfram Concentrate</td>
<td>10,530</td>
<td>10,467</td>
</tr>
<tr>
<td>Iron</td>
<td>9,538</td>
<td>-</td>
</tr>
<tr>
<td>Textile Materials</td>
<td>6,042</td>
<td>3,214</td>
</tr>
<tr>
<td>Meat and Products</td>
<td>19,963</td>
<td>48,647</td>
</tr>
<tr>
<td>Vegetables and Fruits</td>
<td>16,874</td>
<td>11,307</td>
</tr>
<tr>
<td>Fabrics</td>
<td>41,379</td>
<td>27,120</td>
</tr>
<tr>
<td>Clothing</td>
<td>107,311</td>
<td>40,071</td>
</tr>
<tr>
<td>Others</td>
<td>69,947</td>
<td>63,174</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>282,800</td>
<td>203,000</td>
</tr>
</tbody>
</table>

Source: Europa Yearbook, 1968:321
TABLE 8.4
CHINA'S TRADE WITH WESTERN EUROPE 1962-1969
(In Million U.S. $)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>97.0</td>
<td>128.6</td>
<td>152.8</td>
<td>167.8</td>
<td>83.4</td>
<td>28.0</td>
<td>30.6</td>
<td>35.0</td>
</tr>
<tr>
<td>Belgium</td>
<td>7.9</td>
<td>9.5</td>
<td>7.3</td>
<td>16.7</td>
<td>20.3</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Finland</td>
<td>5.1</td>
<td>5.7</td>
<td>6.6</td>
<td>8.1</td>
<td>10.2</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>France</td>
<td>43.3</td>
<td>57.4</td>
<td>49.6</td>
<td>60.1</td>
<td>92.1</td>
<td>48.1</td>
<td>53.5</td>
<td>53.4</td>
</tr>
<tr>
<td>GFR</td>
<td>31.1</td>
<td>15.4</td>
<td>25.5</td>
<td>78.96</td>
<td>192.4</td>
<td>76.6</td>
<td>85.3</td>
<td>84.2</td>
</tr>
<tr>
<td>Italy</td>
<td>19.0</td>
<td>9.3</td>
<td>18.5</td>
<td>56.4</td>
<td>62.7</td>
<td>57.5</td>
<td>46.0</td>
<td>61.0</td>
</tr>
<tr>
<td>Netherlands</td>
<td>3.4</td>
<td>12.8</td>
<td>5.9</td>
<td>19.0</td>
<td>16.1</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sweden</td>
<td>4.8</td>
<td>4.7</td>
<td>14.0</td>
<td>13.7</td>
<td>24.6</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Switzerland</td>
<td>3.6</td>
<td>3.8</td>
<td>10.6</td>
<td>18.2</td>
<td>21.1</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>U.K.</td>
<td>24.1</td>
<td>36.9</td>
<td>50.0</td>
<td>72.3</td>
<td>93.6</td>
<td>83.1</td>
<td>82.3</td>
<td>90.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>239.3</td>
<td>284.1</td>
<td>340.8</td>
<td>512.26</td>
<td>616.5</td>
<td>283.3</td>
<td>299.7</td>
<td>324.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>11.0</td>
<td>14.8</td>
<td>22.9</td>
<td>26.8</td>
<td>26.3</td>
<td>195.0</td>
<td>89.5</td>
<td>117.2</td>
</tr>
<tr>
<td>Denmark</td>
<td>9.4</td>
<td>6.7</td>
<td>10.9</td>
<td>10.5</td>
<td>11.7</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>France</td>
<td>16.9</td>
<td>20.4</td>
<td>30.8</td>
<td>43.7</td>
<td>53.9</td>
<td>52.5</td>
<td>87.8</td>
<td>42.4</td>
</tr>
<tr>
<td>GFR</td>
<td>39.3</td>
<td>40.8</td>
<td>51.7</td>
<td>72.7</td>
<td>92.5</td>
<td>206.5</td>
<td>173.7</td>
<td>150.9</td>
</tr>
<tr>
<td>Italy</td>
<td>14.1</td>
<td>19.1</td>
<td>23.8</td>
<td>38.4</td>
<td>56.4</td>
<td>73.6</td>
<td>61.1</td>
<td>60.0</td>
</tr>
<tr>
<td>Netherlands</td>
<td>13.9</td>
<td>15.7</td>
<td>20.0</td>
<td>25.4</td>
<td>30.2</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Switzerland</td>
<td>9.9</td>
<td>10.3</td>
<td>10.8</td>
<td>12.7</td>
<td>14.4</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>U.K.</td>
<td>64.8</td>
<td>51.9</td>
<td>69.0</td>
<td>83.2</td>
<td>94.7</td>
<td>106.7</td>
<td>68.3</td>
<td>124.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>179.3</td>
<td>179.7</td>
<td>239.9</td>
<td>313.4</td>
<td>380.1</td>
<td>674.3</td>
<td>480.4</td>
<td>495.1</td>
</tr>
</tbody>
</table>

### TABLE 8.5
DIRECTION OF CHINA'S FOREIGN TRADE 1959-1970
(In Million U.S. $)

<table>
<thead>
<tr>
<th>Year</th>
<th>TOTAL TRADE</th>
<th>COMMUNIST COUNTRIES</th>
<th>NON-COMMUNIST COUNTRIES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total Exports</td>
<td>Imports</td>
<td>Balance</td>
</tr>
<tr>
<td>1959</td>
<td>4,290</td>
<td>2,230</td>
<td>2,060</td>
</tr>
<tr>
<td>1960</td>
<td>3,990</td>
<td>1,960</td>
<td>2,030</td>
</tr>
<tr>
<td>1961</td>
<td>3,015</td>
<td>1,525</td>
<td>1,490</td>
</tr>
<tr>
<td>1962</td>
<td>2,675</td>
<td>1,525</td>
<td>1,150</td>
</tr>
<tr>
<td>1963</td>
<td>3,770</td>
<td>1,570</td>
<td>1,200</td>
</tr>
<tr>
<td>1964</td>
<td>5,220</td>
<td>1,750</td>
<td>1,470</td>
</tr>
<tr>
<td>1965</td>
<td>3,880</td>
<td>2,035</td>
<td>1,845</td>
</tr>
<tr>
<td>1966</td>
<td>4,245</td>
<td>2,210</td>
<td>2,035</td>
</tr>
<tr>
<td>1967</td>
<td>3,895</td>
<td>1,945</td>
<td>1,950</td>
</tr>
<tr>
<td>1968</td>
<td>3,765</td>
<td>1,945</td>
<td>1,820</td>
</tr>
<tr>
<td>1969</td>
<td>3,860</td>
<td>2,030</td>
<td>1,830</td>
</tr>
<tr>
<td>1970</td>
<td>4,290</td>
<td>2,050</td>
<td>2,240</td>
</tr>
</tbody>
</table>

| Total | 46,895 | 22,593 | 21,120 | 16,615 | 9,550 | 7,055 | 27,290 | 13,325 | 14,065 |

Source: These figures are our adjustments. Central Intelligence Agency, China: Economic Indicators. December, 1978:39 (ER78-10750).
The above data and figures by no means suggest that prior to the period under consideration, China was not a periphery of the Soviet Union. Mao's own pronouncement in the 1949 essay "On The People's Democratic Dictatorship" in which he argued that China had no choice but to "lean to one side," states that:

Throughout his life, Sun Yat-Sen appealed countless times to the capitalist countries for help and got nothing but heartless rebuffs. Only once in his whole life did Sun Yat-Sen receive foreign help, and that was Soviet help... Dr. Sun had experience, he had suffered, he had been deceived. We should remember his words and not allow ourselves to be deceived again. Internationally, we belong to the side of the anti-imperialist front headed by the Soviet Union, and so we can only turn to this side for genuine and friendly help, not to the side of the imperialist front (Mao Zedong, Selected Works, Volume 4:411-423).

Indeed, at the time, Zhou Enlai saw their prospects for development in their relationships with the Soviet Union. But, as the Chinese leadership have consistently demonstrated, politics and economics are interwoven. And not even two decades later, Zhou Enlai was comparing the Soviet Union foreign policy to that of John Foster Dulles (Terrill, 1972:41). This, we believe, reflected the Chinese leadership awareness of their verticality in their relationship with the Soviet Union. It is also a reflection of Zhou Enlai's beliefs.

---

7 For example, Jean Luc Pepin, Canadian's Trade Minister's statement before the Canadian Senate to the effect that "I do not think that one can always divide politics and trade too clearly... The Chinese do not divide the two, so we had better not either" (the Senate of Canada, September 22, 1971). Quoted in Ho and Huenemann (1972:3).
The following section concentrates on the reaffirmation of Zhou Enlai's beliefs in self-reliance. Although the discussion runs past Zhou Enlai's death, it is intended to further demonstrate the continuity of Zhou Enlai's influence on the Chinese new leadership.

The Debate Over "Self-Reliance": Overcoming Scientific and Technological Gap

Soon after the Sino-Soviet polemics, in his Report on the Work of the Government at the Third National People's Congress (NPC) in December 1964, Zhou Enlai (as quoted in the chapter on China's Internal Development), in his discussion of the third Five Year Plan, asserted that the Communist Party must:

strive to build China into a powerful socialist state with modern agriculture, modern industry, modern national defense and modern science and technology (in Barnett, 1981:13).

However, the political conflicts which shattered the unity of the Chinese leadership, postponed the implementations of this policy. In January 1975, a year before his death, at the Fourth National People's Congress, Zhou Enlai once again called for "initiating an essentially pragmatic new modernization program." Reminding his audience that he had proposed this early in 1964, he argued adoption of a two-stage program:

On Chairman Mao's instructions, it was suggested (by Zhou himself) in the Report on the Work of the Government to the Third National People's Congress that we might envisage the development

---

8Reference here is being made to the "Great Proletarian Cultural Revolution."
of our national economy in two stages beginning from the Third Five Year Plan. The first stage is to build an independent and relatively comprehensive industrial and economic system in 15 years, that is before 1980; the second stage is to accomplish the comprehensive modernization of agriculture, industry, national defense, and science and technology before the end of the century, so that our national economy will be advancing in the front ranks of the world (in Barnett, 1983:14).

However, as we will see in the subsequent pages, the implementation of this new policy was to produce conflicts between pragmatics and the top radicals of the Communist Party over the concept (policy) of "self-reliance." As Barnett (1981:122) in his preface to the debate, observes that:

Despite the fact that self-reliance was one of the fundamental principles underlying China's policy, and had been ever since 1960, Chou Enlai (Zhou Enlai) and other leaders who shared his view that increased trade was a necessity began to take steps in the early 1970's to expand the country's foreign economic relations, but their moves were opposed by China's top radicals.

The debate itself is behind the perimeter of this exercise, but it is nevertheless important to understand what and how the Chinese new leadership perceptions were shaping.\(^9\)

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\(^9\)It is interesting to note that in January 1977, there was also an "extensive commemoration of (the) first anniversary of Zhou's death" throughout China (Terrill, 1978:viii).
In early 1974, after his comeback as Zhou Enlai's principal deputy, Teng Hsiao-ping or Deng Ziaoping began to hint of a policy change. Thus, in a speech to the United Nations General Assembly in April, he states that "self-reliance in no way means 'self-seclusion' and rejection of foreign aid" (Whiting, 1979: ). In an article published in the

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10 Teng is considered to have been a key organization leader from the mid-1950's to the mid-1960's; and was in that role the Party General Secretary. He was purged during the Cultural Revolution, and recently rehabilitated with Zhou's and Mao's backing. Barnett (1981:14) contends that "the real patron saint of the post-Mao policies was Zhou Enlai, and the real prime mover pushing for their rapid implementation was Teng." It is further interesting to note that Teng was purged for the second time by Mao and the radicals in early 1976, and was rehabilitated for the second time in 1977 and again assumed a key position in the leadership. The circumstances of his second purge are attributed to the three (3) documents drafted under his aegis in 1975, in which he (1) defined a set of very new economic policies, and (2) these policies called for a major shift away from Mao Zedong's ideological priorities and toward increased pragmatism (Barnett, 1981). These documents became the target of violent political criticism and attacks by China's radicals. The criticism (which made the implementation of the policies impossible) explicitly named Teng as the target. Consequently, on April 7, 1976, the Central Committee ousted him from all posts. Criticism and attacks reached a peak between then and Mao's death in September 1976. In addition, Barnett (1981) notes that "Peking Review carried a series of articles strongly criticizing both Teng personally and the three documents." Some questions that come to mind are: (1) Why the focus on Teng and not on Zhou Enlai? (2) Is it possible that Teng was aspiring to the Premiership of the PRC when one considers the fact that on the very day of his purge, Hua Kuo-feng (Hua Guogeng) was appointed first Vice Chairman of the Central Committee and Premier? Or, why wait until the death of Zhou Enlai to oust him from all posts? The two equally interesting points that Barnett (1981) points out when Teng was rehabilitated for the second time and assumed top leadership position are that (1) immediately "after Mao's death, the standard objectives describing him were 'most esteemed and beloved great leader and teacher'." Barnett cites Hua Kuo-feng's "Speech at the Second National Conference on Learning from Tchai in Agriculture," published in the Peking Review, No. 1, January 1, 1977. But (2) within a year, Mao was generally referred to simply as "our great leader and teacher." However, Zhou Enlai was from the start, labelled as "our esteemed and beloved Premier." And this label has remained (or stuck), "and the parise of Zhou became increasingly fulsome over time" (Barnett, 1981:590).
radicals' Shanghai journal, in August 1974, entitled "Down with Underestimation of Oneself," it denounced the ideas of "worshipping things foreign" and sell out the country... To view foreigners as a hundred percent perfect and ourselves as totally incompetent, is a spiritual shackle... We have firm faith in the strength of the masses of people, and we are convinced that by maintaining independence, keeping the initiative in our own hands and relying on our own efforts, we shall be able to rapidly develop our science and technology and change China's outlook" (in Barnett, 1981:123). It could be said that the radicals were advocating Mao Zedong's position of not to "worship things foreign."

However, despite the opposition, in 1975 Teng commenced to formulate concrete changes in foreign and domestic economic policies. In a document drafted under Teng's supervision and circulated within the Party, it states:

In catching up with industrially advanced countries, the industrially backward countries invariably rely on adoption of the most advanced technology... (China must) learn with open-mindedness all advanced and good things from foreign countries, usher in advanced techniques from abroad in a planned and selective manner (Issues & Studies, Volume 13, No. 7, 1977:106-108).

As a follow-up, a plan for the development of science and technology was drawn up in the fall of 1975. It "strongly argued for learning the good points of foreign countries," and "advocated greater study of experience abroad, increased gathering of scientific and technical information, more foreign language study, and expanded contact with the international scientific community" (Issues & Studies, Volume 13, No. 9, September, 1977:67-68).
The radicals' counterattack is worth noting. In an article published in August 1975, entitled "Self-Reliance is a Question of Line" argued that:

For more than the last two decades, one struggle centering on adhering to or opposing the line of independence and self-reliance has been very sharp. Out of their sinister efforts to subvert the dictatorship of the proletariat and restore capitalism, Liu Shao-Chi (Liu Shaog¡¯) and Lin Piao (Lin Biao) frenziedly hated and stubbornly opposed this line. They vainly tried to sell out state sovereignty and once again bring "wolves" into our country, frantically advocating servility to things foreign and the doctrine of trailing behind at a snail's pace... To achieve real success by following the spirit of independence and self-reliance, it is necessary to continuously deepen the criticism of servility to things foreign and the doctrine of trailing behind at a snail's pace, both of which have their deep social and historical roots in China and still poison the minds of a section of the people today... We should...give full prominence to the spirit of independence and self-reliance... Learning from foreign countries must be combined with a spirit of independent creation. It is wrong to imagine that foreign technology is flawless (in Barnett, 1981:124).

Embedded in this attack is the radicals' attempt to remind Chinese leadership of (1) China's past historical experience with foreigners; (2) relatively recent experience with the Soviet Union; and (3) a commonly shared perception with the "pragmatists" that China must follow an independent policy (self-reliance). In this counterattack, the radicals actually acknowledge that China should "learn" from foreign countries, but "must" do so by combining the learning process "with a
spirit of independent creation" (see above). However, the radicals' position also edges on an article by Mao Zedong entitled "On the Ten Major Relationships" published in 1956, in which he asserted that "our policy is to learn from the strong points of all nations and all countries." He also stated that "we must not copy everything indiscriminately."

There has been numerous other articles elaborating on these themes. In January 1977, a year after Zhou Enlai's death,11 in an article which strongly denounced the recently purged Gang of Four, gave details on how "the radicals had obstructed China's foreign economic relations and asserted that:

We are using exports to obtain needed materials in return and to import needed equipment and technology in an effort to implement the principles of 'making foreign things serve China' and combining learning with creation (to enhance China's) ability to build socialism with independence, initiative, and self-reliance and accelerate the socialist construction.12

In a radio "talk" in October titled "Do We Need to Import Advanced Technology?", it was asserted that:

Rather than negating the principle of self-reliance, learning from foreign countries' fine experience and emulating other people's

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11 It is interesting to note that in January 1977, there was also an "extensive commemoration of (the) first anniversary of Zhou's death" throughout China (Terrill, 1978:viii).

good points and importing the needed technology and equipment from abroad will strengthen our capability to develop our economy through self-reliance... With regard to foreign countries' scientific and technological achievements that the Chinese people do not have at present, we should use them as much as possible... We must seize the present good opportunity and race against time to develop and strengthen our country by adopting various methods, including learning from the strong points of all countries (FBIS, Daily Report -- PRC, November 16, 1977:E3-E5).

Again at China's National Science Conference in March 1978, Teng declared:

A person must learn from the advanced before he can catch up and surpass them. Of course, to raise China's scientific and technological level we must rely on our own efforts, develop our own inventions, and adhere to the policy of independence and self-reliance. But independence does not mean shutting the door on the world, nor does self-reliance mean blind opposition to everything foreign. Science and technology are a bond of wealth created in common by all mankind... It is not just today, when we are scientifically and technically backward, that we need to learn from other countries; after we catch up with the advanced world that levels in science and technology, we will still have to learn from the strong points of others... We must actively develop international academic exchanges and step up our friendly contacts with scientific circles of other countries (Teng, March 21, 1978:E8).

Though the above statements may indeed appear as reviving the Great Leap Forward, it may indeed be conceived as China's determination to "update science and technology to transform step by step all the sectors of the national economy" states Vice Premier Li Hsien-mien (Li Xiannian) (in Barnett, 1981:127). In October, Hu Chiao-mee (Hu Quiaomu) took the debate a step further in advocating "learning, planning and management
techniques from capitalist countries" (in Barnett, 1981:127). He states:
"The planned management and other management systems within capitalist
factories in the early years have now been developed into a modern,
highly efficient planned management and other management systems of the
big companies" adding in effect that they "act according to objective
laws of economy" and have "rich experience in using these laws skill­

The debate brought into open the pragmatist and the radicals' per­
ceptives on how China should go about establishing her legitimate status
and/or position in the international or global arena. On the one hand,
is the imperative need to update the major sectors of China's economy
and military by increasing exports, and develop a more "flexible form"
of trade. On the other hand, is the contention that such a policy will
compromise China's independent and "self-reliance" policies; and the
beliefs that by opening up China to the world, e.g., imports of science
and technology, was tantamount to selling out China's "national interests
and compromised with and capitulated to foreigners" (Barnett, 1981:124).

China's Relations With Third World Countries

In Chapter 3, we attempted to present, albeit crudely, Zhou Enlai's
perceptions of the existing world order. We pointed to the Chinese
leadership's dissatisfaction with the prevailing dominant patterns of
interstate interactions in the global system, and to the determination
of Zhou Enlai/Mao to establish China's legitimate role in that system.
Zhou Enlai/Mao Zedong's perceptions and/or images of world order
represents, as Kim (1979:92) remarks:
...an underdog perspective from below, struggling to redefine the basic values and rules of the game in the international system, rather than a top dog perspective from above, preserving the existing status quo through the enforcement of 'world law and order'. The (Chinese leadership) images shows that its values are oriented toward 'world order'. To put it differently, the (Chinese leadership) image defines 'world order' in terms of its own conception of justice rather than in terms of peace. Peace or order is an illusion that blinds our perception of the structural violence inherent in that asymmetrical distribution of social and economic goods and justice in the present system of world dominance.

Although Zhou Enlai has made ferocious attacks against the "great power chauvenism, coupled with the pledge that China would never be a super power, represented...opposition to the imperialist (U.S.) and socialist -- imperialist (U.S.S.R.) hierarchical conceptions of world order in the contemporary international system." As a result, Zhou Enlai, in the light of their own revolutionary experience and beliefs about the global system, sought to present to the rest of the world, "a radical-populist model of world order":

such an orientation is in part psychological and in part conceptual. Psychologically, Mao found it difficult to render support to the structures, values, and rules of the post-war international system in which China had been prevented from playing her legitimate role. Consequently -- and normatively, too -- Mao believed it to be an overriding imperative that the old structures of the exploitative system give way to new ones if the populist needs of the global underdog were to be met. By refusing to join the super power club and by casting China's fate with that of the Third World in the restructuring of global forces and institutions in the late 1960's and early 1970's, Mao laid down a new strategic principle for China (Kim, 1979:92-93).
Researchers on China's foreign policy concur that new elements of moderation in Chinese foreign policy first became evident at the 1954 Geneva Conference and the Bandung Conference of Afro-Asian and/or the nonaligned countries on April 1955 (Camilleri, 1980:79, Fairbank, 1972:367). At that Conference, Zhou Enlai outlined seven principles that were to govern China's relationship with the Afro-Asian countries. These principles included "respect for the territorial integrity and sovereignty; non-aggression; non-interference in each others internal affairs; equality of all races; rights of all peoples to choose their own form of political and economic system; and mutual benefits on economic and cultural relations" (Zhou in Chai, 1972:170-172). The above principles originated in the China-India accord as the five principles for peaceful coexistence, and was incorporated in the final declaration which was adopted at the conference as the basic principles to govern relations among Afro-Asian countries (see Fairbank, 1972:367).

In Zhou Enlai's beliefs, the opportunities that the Bandung Conference offered China, represented an effective means of containing the

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13 Fairbank (1972:367) remarks that "at the Geneva Conference of April-July, 1954, Chou En-Lai joined the foreign ministers of the other powers in an effort to create stability in Indo-China as France withdrew. In negotiating at this time with India and Burma, Chou enunciated five principles of 'peaceful existence'. These also formed his main theme at the conference held in April 1955, at Bandung in western Java by leaders of twenty Asian and African states."

14 Latourette (1957:114) remarks, for example, "Nehru was outstanding, but he was, in part, eclipsed by Chou En-Lai who, speaking for People's Republic of China, by his geniality and conciliatory attitude disarmed some of the criticism of his government."
United States and the Soviet Union military expansion in Southern countries. It also provided an opportunity to cement a bond of solidarity with the Afro-Asian countries. It could also be said that the strategy presented Chinese leadership the opportunity to hold out her experiences as a model or as an alternative to the prevailing world order.

Seemingly, Camilleri (1980:80) observes that:

> It is precisely these considerations (i.e., of creating a region of peace in Asia, free from great power intervention) that prompted China to foster greater cooperation with India, Burma and Indonesia and to establish diplomatic relations with such countries as Afghanistan, Nepal, Egypt, Syria, Yemen and Ceylon, all of which had social systems vastly different from hers. Indeed, Peking was ready to improve relations even with those neighboring governments that had committed themselves to various forms of military alignment with the United States, as in the case of Pakistan, which was a member state of SEATO and the Baghdad Pact, and of Japan, which was tied to the American nuclear deterrent by the U.S.-Japan Security Treaty of 1951.

Thus, behind all these diplomatic initiatives, Zhou Enlai wanted to demonstrate China's independence from the Soviet Union, as well as her ability to "thwart" the United States policy of containment (Camilleri, 1980). Although Zhou Enlai was not able to offer very much, e.g., sizeable economic, military and financial aid, she offered political assistance. In so doing, China imposed certain limits on herself, on the degree of support she would offer revolutionary movements (Camilleri, 1980).

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15 The term Southern countries is here interchangeably used with the term Third World.
The policy was aimed at presenting a favorable image to Asian countries, and in the process, to induce these countries on exerting pressure on the United States.

Eckstein (1966:13) asserts that China's trade policy with non-Communist countries "seems to have been guided by two primary considerations: (a) to promote domestic growth and stability and (b) to serve foreign policy objectives ranging from attempts to buy good will to efforts to create strong relationships of economic and political dependency." Seemingly, Barnett (1981:162) observes that:

> On many occasions, the Chinese have indicated that in their view, the development of trade relations is an important means to pave the way for the establishment of diplomatic relations and cement existing relations...

However, up to 1958-1960, virtually all of China's trade with non-Communist countries was two-thirds of her total trade with Asia; and of this, a large part of it was with Hong Kong (Eckstein, 1966:192). Hong Kong served as the "transshipment port for China's exports" with European countries. Later, however, China began to buy its exports

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16 The centrality of Hong Kong in China's trade was due principally to the fact that it provided "banking, insurance, and shipping facilities for the China trade, and it served as a prime point of commercial contact between China and the West. Thirty-five non-Communist countries plus Cuba maintain professional consular staffs, trade commissioners, or both there" (Eckstein, 1966:197). In addition, when the Chinese leadership came to power in 1949, they did not have adequate foreign trade network and organization, and they lacked facilities for foreign trade financing." The problem was compounded by the fact that up to the early 1950's, China was not able to obtain "direct shipments on through bills of lading from Europe to China -- partly because of the blockade... All cargo had to be shipped to Hong Kong and then forwarded to China under a separate bill of lading" (Eckstein, 1966:197). However, when the People's Republic regime became well established, it built up its own trade contracts and eventually placed less reliance on Hong Kong with respect to its imports.
from Europe and have them shipped directly to her own ports instead of Hong Kong. As the significance of Hong Kong as a center for the procurement of imports diminished, "Asia's role as a seller to China also declined for more than 60 percent of the non-Communist total in the early 1950's to about 20 percent in 1961, 1962 and 1963" (Eckstein, 1966:193). However, China's leading trade partners in Asia were Hong Kong, Japan, Ceylon, Indonesia, Malaya and Singapore, and Burma (Eckstein, 1966:193).

Since the early 1960's, Zhou Enlai has talked a great deal about extending trade with Southern countries. For practical purposes, as a group, these countries buy more from China than they sell to it. In return, "China earns substantial amount of foreign exchange from them that it can use on trade with other nations" (Barnett, 1981:163). However, China's trade with non-Communist developed countries has extended even more, and is far more important "because these countries possess the modern capital goods and technology that China needs" (Barnett, 1981:163). Thus, from 1961 through 1970, China's trade with Southern countries (excluding Hong Kong and Moscow) increased by over 100 percent, from $397 million to $790 million (Barnett, 1981:163). During the same period, however, trade with non-Communist developed countries also increased by 171 percent, from $824 million to $2.230 billion (Barnett, 1981). It is further interesting to note that from 1970 through 1977, "the rate of increase in trade with the LDC's was faster than the rate of increase in trade with the DC's; as a result, in 1977 trade with the LDC's was 4.11 times (in current dollars) the 1970 figure, while trade with the DC's was only 3.34 times the 1970 figure" (Barnett, 1981:163).
Barnett (1981:164) also points out that (recently) China has aimed at achieving a rough balance in total trade. However, she has "never insisted on balancing bilateral trade exactly with individual non-communist nations;" as a result, "a triangular trade relationship has developed" between China, the developed countries, and Southern countries. As Barnett (1981:164) notes:

of its total exports, 37 percent went to the DC's (developed countries), 23 percent to the LDC's (less developed countries), 23 percent to Hong Kong, and 17 percent to Communist nations. In 1979, 69 percent of imports came from the DC's, 18 percent from the LDC's, and 13 percent from Communist nations, while 42 percent of exports went to the DC's, 24 percent to the LDC's, 22 percent to Hong Kong, and 11 percent to Communist nations.

Singapore and Indonesia (in Southeast Asia) have been of particular importance in China's favorable trade balance with Southern countries. For example, in 1977, "China had a total export surplus of $300 million in total trade with that region, including surplus of $200 million in trade with Singapore and $146 million in trade with Indonesia (partially offset by deficits with the Philippines and Thailand)." In that same year, China also earned "surpluses of $230 million in the Middle East (mainly with Kuwait and Iraq), $215 million in sub-Saharan Africa (mainly with Nigeria), and smaller amounts in 'South Asia' and North Africa" (Barnett, 1981:165). Together, with these surpluses, China also "had large deficits, amounting to almost $410 million, in trade with Latin America (mainly with Brazil and Argentina)" (Barnett, 1981:165).

However important are the surpluses China earns from her trade with Southern countries, Hong Kong is dominant in this respect than the whole
of Southern countries. Hong Kong plays a crucial role in China's overall trade. As Barnett (1981:165) observes:

This small British colony, which Peking claims as Chinese territory, but has no desire to take over at present, plays a special function in helping China pay for its trade with the developed nations. Although its population is only a little over 4 million, by 1977 China's two-way trade with Hong Kong amounted to $1,840 billion, which made it China's second largest trading partner, next to Japan. (Actually, China's exports to Hong Kong in 1977, totaling $1,795 billion, were greater than those to Japan, they almost equaled its exports to all Third World countries.)

The most important and significant aspect of China-Hong Kong trade connection is its one-way flow. For example, China imported only $45 million from Hong Kong in 1977; as a result, China had a huge surplus of $1,750 million, "or 3.6 times the surplus it earned in trade" with the rest of Southern countries (Barnett, 1981:165). As Barnett (1981) further notes, some of China's exports to Hong Kong are actually re-exported (in 1977, 30 percent of the total). However, most of her exports consist of food and manufactured goods that are consumed by the local Chinese populace.

To conclude this section, it is important to look briefly at China's relations with African countries. Researchers on Chinese foreign policy concur that China's relations with Africa are "surely less important to China" than her affairs with some selected countries and regions, e.g., the Soviet Union, adjacent Asian countries and the United States (Larkin, 1971, Eckstein, 1966, 1982, Barnett, 1981, Seymour, 1976, Whiting, 1977, Dernberger, 1977). However, it is probable that if
and when the countries of Africa "became a more important political
force in its own right than it is today, there are strong reasons to
expect China will increase the share of her attention given to African
policy" (Larkin, 1971:1).

By 1970, the Chinese leadership had established diplomatic re-
lations with 15 African countries. In 1966, approximately 5.1 percent of
total Chinese imports and exports were in African trade, and in mid-1966,
China had promised African countries $350,000,000 in aid, however, the
sum made available and actually drawn was much less (Larkin, 1971:2).
These figures should take into account the Chinese commitment to finance
and build the Tanzania-Zambia (Tanzam) railway. In 1970, the figure for
this project was placed at $400,000,000 interest free and to be repaid
10 years after its opening.

The non-aligned Conference of the Afro-Asian Countries in Indonesia,
April 18 through 24, 1955, provided a forum for the first Chinese
diplomatic contact with African leaders (at that time, the roster was
limited to Egypt, Ethiopia, Gold Coast (later Ghana), Liberia, and
Sudan). It was also at the Bandung Conference that Chinese leaders
encountered leaders of the African liberation movements. Zhou Enlai and
Nasser, who had met socially at Rangoon en route to Bandung, talked to-
gether at the Conference, and was later instrumental in negotiating arms
sales of Soviet weapons to Egypt (Heykal, 1979). 17 At the conclusion of

17 It does not appear clear that Africa was of importance to China, al-
though the Bandung Conference marked the commencement of significant
Chinese initiative in Africa. For example, Larkin (1971:19) contends
that "there is no evidence that China foresaw this with clarity. And
China's overtures to Nasser can be amply explained without postulating
the existence of an African policy at that time."
his speech to the Conference, Zhou Enlai extended a blanket invitation to all Bandung delegates to visit China.

When Nasser nationalized the Suez Canal on July 26, 1956, (a week after the Chinese ambassador arrived in Cairo), the Chinese leadership endorsed Nasser's action and condemned British-French-Israel invasion. The most concrete form of support was a $5,000,000 loan -- China's first credit of the kind. As Bruce Larkin (1971:25) points out, "the Suez affair was more than a convenient vessel for China influence. In one interpretation, it was confirmation that anti-colonialism was a powerful force, the peak of the movement for national independence of the Asian and African people in 1956." Seemingly, a stronger view is suggested by Zhou Enlai, who reported in March 1957 that:

(Suez was) a great revelation to us, showing that although the Asian and African countries are not yet powerful in material strength, all aggression by the colonialists can be frustrated, as long as we maintain our solidarity and firmly unite with all peace-loving forces of the world and wage a resolute struggle (Zhou Enlai, quoted by Larkin, 1971:25).

On the other hand, it is contended that the Chinese did not expect "Western control of the strategic waterway could be ended so abruptly" (Larkin, 1971:25). In the Chinese leadership perceptions, Britain and France's military might was not enough to force Egypt from the Canal. And as Larkin (1971:25) puts it, "this union of 'peace-loving forces', therefore, was stronger than the CCP had thought. If Zhou Enlai's phrasing was carefully planned, if the sense of Chinese surprise which it conveys was accurate, Egypt's ultimate possession of the Canal after a vigil of five months must have left an extraordinary impression on
the makers of Chinese foreign policy."

The development of China's interest in Africa can be seen in the rearrangement of the People's Republic of China's Foreign Affairs Department. In September 1956, China's Ministry of Foreign Affairs assigned African responsibilities of the West European and African Affairs Department to a newly created office, the West Asian and African Affairs Department. The Chinese leadership recognized that colonialism was ending. It also took cognizance of the pivotal role of Egypt in Africa, Middle East and in the Arab World in particular. In late 1964, the West Asian and African Affairs Department underwent further division: a new African Affairs Department was established, and Arab concerns were delegated to a separate West Asian and North African Affairs Department (Larkin, 1971).

In December 1963, Zhou Enlai with Foreign Minister Chien Yi, undertook a wide-ranging tour of Africa. For two months, they visited ten African countries, "hoping to stir up interest in a second Afro-Asian Conference, and explaining Peking's case in the Sino-Indian dispute (Roots, 1976:109). It is also interesting to note that the trip took place soon after the Sino-Soviet split. In his speech to the Guineans on January 1964, Zhou Enlai declared:

The peoples of Africa will assuredly win complete victory in their national liberation struggle, provided that under a correct leadership, they are united and organized for an answering struggle against imperialism, and colonialism and neo-Colonialism, and build their country by relying on their own efforts...

We, people of Asia, Africa and Latin America, have had the common experience of suffering from
imperialists and colonialist aggression and oppression, and have the common militant task of combating imperialism and old and new colonialism. World peace and human progress will certainly be won if the people of Asia, Africa and Latin America, if the people of all continents, become united in a resolute and unremitting struggle against the imperialist policies of aggression and war.\textsuperscript{18}

In that same speech, Zhou Enlai restated the five (1) principles that will govern China's relations with African countries. He also stressed the common experiences of Asian (Chinese) and African people in their "struggle" for independence. And, as noted in the commencement of this chapter, Zhou Enlai also stressed the imperative of self-reliance in African internal development and independence in its foreign policy orientation.

Zhou Enlai's statements in Africa carried with them the themes of the Bandung Conference. In an interview with reporters of the Ghana News Agency in January 15, 1965,\textsuperscript{19} Zhou Enlai stated:

The Chinese people and the African people share the same experience of suffering from imperialist and colonialist aggression and oppression and have before them the common fighting task of opposing imperialism and old and new colonialism (Zhou Enlai, 1965: 223).

He went further in to assert that China will be guided by eight principles in assisting African peoples. Stating, in fact, that China

\textsuperscript{18}See text in Appendix A.

\textsuperscript{19}See text in Appendix A.
always bases itself on the principle of equality and mutual benefit in providing aid to other countries... Through such aid, the friendly new emerging countries gradually develop their own national economy, free themselves from colonial control and strengthen the anti-imperialist forces in the world... Second...the Chinese...strictly respects the sovereignty of the recipient countries... Third... Chinese government provides economic aid in the form of interest-free or low-interest loans... Fourth, in providing aid...the purpose of the Chinese government is not to make the recipient countries dependent on Chinese, but to help them embark on the road of self-reliance step by step. Fifth... to help the recipient countries build projects which require less investment while yielding quicker returns... Sixth, the Chinese government provides the best quality equipment and material of its own manufacture at international market prices... Seventh, in giving... technical assistance, the Chinese government will see to it that the personnel of the recipient country fully master such technique. Eighth, the experts dispatched by the government to help in construction in the recipient countries will have the same standard of living as the experts of the recipient countries (Zhou Enlai, 1965:225-226).

It is interesting to note that in both speeches, Zhou Enlai's constant reference to "imperialism" and "new colonialism" did not distinguish between the Soviet Union and the United States. Both super powers could be said to have been perceived as "imperialism". The interview with the Ghanian press and the radio speech to Guinean people are rather revealing. In both cases, Zhou Enlai presented China as a model, in contrast to the super powers' machination. And, as expected, attempted to instill in the minds of his African audiences, (1) the value of self-reliance, and (2) China best understands the struggles of African countries, economically, politically and culturally, and is thus able
to provide African countries the kind of assistance they need. Meaning, in fact, that China will not look down on the Africans' way of life.

However, behind Zhou Enlai's pronouncements lie the Sino-Soviet competition for influence in Africa. In October 1963, Zhou Enlai sought to encourage radical dissidents to split from Communist parties and groups deferential to Moscow (Larkin, 1971:65). As Larkin further notes, this decision was more significant in regions where parties were well-developed than in Africa. However, looking at Zhou Enlai's speech to the Front de la Liberation Nationale in Algeria in December, the decision could be said to have been of significance to Africa too. Zhou Enlai declared:

The truths of revolution cannot be monopolized. The revolutionaries of all countries will find the way for revolution suitable to the realities of their own country, and earn the support and respect of the popular masses so long as they rely on the masses and persevere in the revolution. Otherwise, they will be renounced, sooner or later, by the masses of the people (in Larkin, 1971:68).

As Larkin (1971:68) further elaborates, Zhou Enlai "believed" that "the FLN could be persuaded to take up the mantle of a true Marxist-Leninist party, a party adhering generally to the Chinese rather than the Soviet world view." Implicit in Zhou Enlai's pronouncement was a threat: that is, if the Front de la Liberation Nationale (FLN) "proved inadequate to the task -- and at this juncture Ben Bella was treading a careful path between Moscow and Peking -- China would lend her support to true revolutionaries" (Larkin, 1971:68).

Zhou Enlai's diplomacy in Africa was in part to elicit support for the projected second Bandung Conference, but did not seem to
encourage the Second Conference of Non-Aligned State. In a press con-
ference in Algiers (Algeria), he states:

Being a committed country, China obviously
will not participate in a conference of
non-aligned countries. We support the
result of the first conference of non-
aligned countries in opposing imperialism,
defending world peace, combating colonial-
ism and supporting the national independence
movement. I believe that the second con-
ference of non-aligned countries, should it
take place, would follow the policy of the
previous conference; otherwise, it would
fail to play the progressive role of arousing
the people of the world to struggle (Zhou

On the one hand, Zhou Enlai felt that since most African countries were
independent (or in the process of becoming independent), a Second
Conference of Non-Aligned Countries was not necessary. On the other
hand, his constant tendency to explicate China's objection to the test
band treaty, indicates that he wanted to persuade African countries
(who were prepared to ratify it), that China's intentions (even her
intention of testing nuclear weapons) were peaceful. Algeria, which was
to host the conference, postponed convening the conference indefinitely
despite Zhou Enlai's insistence.

In the case of Congo (now Zaire), the Chinese leadership were
prepared to support Antoine Gizenga's faction in Kisangani (Stanley-
ville). This diplomatic venture failed when Gizenga joined the Adoula's
central government.20 However, China (Zhou Enlai) was successful in

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20The details of China's diplomatic initiative in Zaire (then Congo)
(Leopoldville), Algeria, with the FLN, Zanzibar, Kenya, Tanganyba
(Tanzania), Congo (b), Burundi, etc., are well documented in Larkin
(1971).
establishing diplomatic relations with a number of African countries. The picture that emerges in China's relations with Africa, Asia and Latin America (to a limited extent) is that the Chinese leadership has been motivated as much, if not more, by political rather than economic considerations (Eckstein, 1966:5). In this sense, the Chinese leadership (Zhou Enlai), apart from identifying themselves with the political and economic struggles in these countries, sought to present China as a "rapidly industrializing and expanding" society, that should serve as a model, and compete with the Soviet Union for economic and political influence in the South. To the extent that a large proportion of the countries in the South profess the desire to achieve rapid industrialization, the Chinese leadership would like to see their developmental experiences used as a model (North, 1969). As Eckstein (1966:6) observes:

The spirit of frugality and sacrifice, coupled with high rate of saving and investment, the large allocations of investment to heavy industry, and the emphasis on catching up rapidly with the West are all elements of the strategy which have a strong potential appeal in newly emerging nations.

The low level of trade between China and the rest of Southern countries may be explained in part by the fact that many of the countries to which China has extended aid "rank lower in terms of per capita GNP than China itself (ranking 101.5 among nations of the world in the mid 1950's, at a level of $73)" (Eckstein, 1966:6); but several recipients
It has been estimated that about half of Southern countries "which have received Chinese grants-in-aid and interest-free loans have a per capita gross national product roughly equal to or exceeding that of China" (Kovner, 1967:671 and North, 1969:121-122).

It is thus difficult to assess China's trade relations with Southern countries in light of its concentration in a few countries. China's interaction with the Caribbean is absent. The concentration of China's trade has been with Western European countries (see, for example, Table 6.4). As Eckstein (1966:193) has remarked, "the Middle East, Africa, and Latin America are of minor commercial importance to China, although trade with them has been expanding somewhat." Thus, the concentration of trade with Canada and Western European countries are essential in relation to China's perceived needs, e.g., imports of plants, machinery, equipment, food, fertilizer, steel, and other manufactured goods. With respect to the theoretical framework, then, and given Chinese leadership's own image and their image of the global system, it is difficult to define China as a periphery. Her own refusal to be and/ or remain a periphery of either the Soviet Union or the United States

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21 Pakistan (104 at $70), Uganda (107 at $64), Burma (113 at $57), Somalia (113.5 at $57), Afghanistan (119 at $50), Laos (119 at $50), Yemen (119 at $50), and Nepal (122 at $45). Bruce M. Russet, H. R. Alker, Jr., Karl Deutsch, and Harold D. Laswell, World Handbook of Political and Social Indicators. New Haven: Yale University Press, 1964:155-157.

22 Algeria (65 at $178), Syria (67 at $173), Ghana (69 at $172), Indonesia (80 at $131), Ceylon (81.5 at $129), Cameroon (86.5 at $105), Cambodia (91.5 at $99), Congo-L. (96 at $92), Kenya (98 at $87), and Nigeria (99 at $78). Ibid: 156-157.
suggests that China perceives herself as a center. As was noted in
the introduction, apart from some limited financial aid to some African
countries and Cuba (see Chapter 7), Zhou Enlai urged the African
countries to examine carefully the Chinese model of development. In
short, he offered psychic support.

Sino-American Relations

This section is predicated on the assumption that the United States
does not perceive China as its periphery or as a periphery of the United
Kingdom. Conversely, China does not perceive herself as a periphery of
either country. Fairbank (1972:306), for example, maintains that on the
international stage,

\[\ldots\] we tried to make China a great power in
form if not in substance. She was permanently
excluded from the high command of the war at
the British-American Conference at Quebec in
August 1943, but was included along with the
Soviet Union in the Moscow Declaration of
great power principles in October. The
British-American-Chinese Cairo Declaration
of December 1943, promised to return to
China all territories lost to Japan, and
Roosevelt at the Teheran Conference stood
firm for China's great power status on the

In this context, then, it could be said that the United States gave a
tacit recognition to the Nationalists as China, than to the Communist.

And, as Fairbank (1972:306) observes, that "from 1943, the United States
viewed the KMT-CCP rivalry as leading to civil war at some distant date,
and feared the Soviet Union's influence on the CCP." As a result, the
United States' aim was to (1) "avert civil war by encouraging a political
settlement, which, Chiang Kai-Shek advocated as early as September 1943,
and (2) strengthen the Nationalist government position partly by building up its armies, partly by getting it to reform itself. Armies were built up, but reform proved impossible." Fairbank (1972:307) further observes that "our idealistic support of Chungking's international prestige accompanied a realistic military effort, which produced a modernized Nationalist army and air force."

Despite the mediating influence of General Marshall beginning in December 1945, and the United States' aid to the Nationalist between "V-J Day and early 1948 (which) cost over two billion dollars, in addition to some billion and a half committed during World War II" (Fairbank, 1972:311), the Chinese Communist triumphed in October 1949. It would appear, therefore, that from the outset, "American policymakers were determined to thwart Communist China's claim to legitimacy and to prevent the Chinese civil war from reaching its natural and logical conclusion" (Camilleri, 1980:28).

Chinese-American hostilities came to the climax when the United States recognized and provided support to the Nationalist regime in Taiwan. The United States' policy of promoting and protecting both neutral and anti-Communist regimes in Asia, was perceived by the Chinese leadership, a result of the American strategy "to be the leader of a powerful coalition of anti-Chinese forces throughout the Asian Continent" (Camilleri, 1980:28). Thus, the "domino theory" came to explain and justify American military encirclement of the People's Republic of China, as well as her diplomatic isolation from international forums. This policy was, in turn, to be clearly spelled out to British Prime Minister Attlee on the occasion of his visit to Washington in December 1950.
President Truman (1956:400) envisaged, for example,

...the possibility of some military action which would harass the Chinese Communists and of efforts which could be made to stimulate anti-Communist resistance within China itself, including exploitation of national capabilities.

The Chinese leadership's reaction to the perceived hostility of the United States was, in the least, direct. In his report to the People's Political Consultative Conference of September 1950, Zhou Enlai "warned against the exclusion of 'nearly 500 million Chinese people from the United Nations'" (Camilleri, 1980:28). And as Camilleri (1980:28) further observes, that despite the Chinese leadership's accusation of the United States' manipulation and obstructions at the United Nations, and the reaffirmation that Taiwan is a part of China, "Peking was careful not to allow the Sino-American conflict to escalate into total confrontation." Thus, throughout the 1950's and 1960's, the United States' foreign policy toward the People's Republic of China was, as Camilleri (1980:29) observed, "predicated on the premise that Communist China was an aggressive, unpredictable, irrational power."

This premise finds further expression in the Secretary of State Dulles' contention that one way to make the People's Republic of China "conform with established norms was to follow a policy of threat and brinkmanship." Dulles maintained:

I believe that promises of the Communists are never dependable merely because they are promises. They are only dependable if there are unpleasant consequences in case the Communists break their promise (Dulles, 1955).
The same line of thought epitomized the United States' understanding of the Chinese leadership's motivation during this period. For example, in December 1963, the Assistant Secretary of State for Far Eastern Affairs, Roger Hillsman, contended that:

First and foremost, the Chinese Communist leaders have shown themselves to be dangerously overconfident and wedded to outdated theories, but pragmatic when their existence is threatened...
A second major fact about Communist China's leaders is their parochialism: They have seen extraordinarily little of the outside world, and their world view is further constricted by their ideology (Hillsman, 1964).

In assessing the United States' foreign policy during the 1950's and 1960's, Camilleri (1980:29) notes:

American diplomacy had become so obsessed with the allegedly expansionary and subversive tendencies in Chinese foreign policy as to lose sight of its own imperialist thrust into Asia. America's misconception of the true nature and consequences of its actions was thus subtly but unmistakably projected on the Chinese perceptions and behavior. Having failed to recognize its own will to power and the irrationality of its self-imposed role as policeman of the world, American foreign policy defined its objectives as rational and defensive and those of its opponents as misguided and provocative.23


Throughout the two decades of Sino-American relations, the hostilities centered on (1) United States' policy of "containment," and/or beliefs that China was a part of a monolithic Soviet controlled Communist bloc" (Barnett, 1977:176), and (2) the Chinese leadership's beliefs that the United States was a threat -- militarily and politically -- to China, and must be vehemently opposed. However, as Barnett (1977) remarked, the cold war heightened tensions in the Sino-American relations.

It is not our intention to provide the same treatment in this section as we have done in the Sino-Soviet relations. Most of the decisive foreign policy initiatives by the United States' government were conducted beginning in 1972. We have maintained throughout this dissertation that policy initiated and/or adopted at \( t_5 \) could very well be a continuation of a policy or policies initiated at \( t_3 \). In the case of the United States and the People's Republic of China, one could argue that the United States overtures to China in 1972 could be said to be a continuation of U.S. policy prior to 1949. And that this situation can be, as a result of the Sino-Soviet polemics. See, for example, Barnett (1977), especially pages 154-155 and 159-162.

Although the 1954 Geneva Conference on Indochina and Korea\(^{24} \)

"produced a settlement that temporarily halted the fighting...and

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\(^{24}\) A great deal has been written about the Sino-American hostilities from 1948 to the opening of diplomatic relations between the two countries. Barnett (1977:154) has remarked, for example, that "Suprisingly, few analyses are available of the relationship from the perspective of the Chinese, particularly for the period since 1949. That is due in part to a lack of knowledge about China's policy-making process and in part to Americans' difficulty in overcoming their own parochialism."
ostensibly laid the basis for a political settlement...the conference did nothing to improve Sino-American relations. In some respects, in fact, it damaged them further" (Barnett, 1977:184). In this context, Zhou Enlai is purported to have told French Ambassador Etienne Monac'h that "(we) had been 'had' at Geneva. We were inexperienced. We thought the Americans would support the decision of the Conference. But we were wrong" (quoted in Roots, 1978:158-159). However, at the 1955 Bandung Conference of Asian and African countries, Zhou Enlai dramatically offered to:

...sit down and enter into negotiations with the United States Government to discuss the question of relaxing tension in the Far East, and especially the question of relaxing tension in the Taiwan area... The Chinese people are friendly to the American people. The Chinese people do not want to have a war with the United States of America (in Kahin, 1956:28-29).

This reconciliatory tone was followed by Zhou's offer to negotiate directly with the responsible local authorities 'on Taiwan regarding' peaceful liberation (Barnett, 1977:186). Initially, the United States' foreign policy decision-makers "were inclined to reject his offer, but ultimately Washington agreed, and official Sino-American talks at ambassadorial level began in Geneva in late summer of 1955... The ambassadorial talks...provided a quasi-diplomatic link between the two

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25 In 1954, after the Geneva Conference, the Chinese leadership seemed satisfied with the immediate results of the Geneva Conference. It was also the first time since 1949 that the Chinese leadership and principal American officials responsible for foreign policy had an occasion to meet.
countries for more than a decade and a half" (Barnett, 1977:186). This link continued, with minor interruptions up until the U.S.-China opening of 1971-72, and eventually followed by direct diplomatic exchange in 1973.

Through this period, China and the United States were involved in bitter hostilities over Taiwan. For example, in September 1954, after the Geneva Conference, China called for the "liberation" of Taiwan and the shelling of Quemoy. It is "probable," as Barnett (1977) suggests, that the Chinese leadership were not intending to launch an invasion, but rather "were trying to exert pressure on both the Nationalists and Americans in order to achieve certain political aims." For, since 1950, the People's Republic of China "had seen a steady strengthening of the Nationalist regime with increasing U.S. support, and it feared the result would be a permanent separation of the island" (Barnett, 1977:185). See also, Fairbank (1972) and Camilleri (1980).

North (1978:162) remarks, for example, that "...during the 1960's, policy-makers in Washington and Peking became aware of a shifting distribution of interests in the world and gradually changing configuration of power." It is, thus, suggested that one of President John F. Kennedy's closest advisors once remarked that Kennedy "felt dissatisfied with his administration's failure to break new ground" with respect to China's policy (North, 1978:162). It is maintained Kennedy concluded that "any United States' initiative toward negotiations, diplomatic recognition, or admission to the United Nations would be interpreted by the Chinese as rewarding their aggressiveness. He was also concerned about how any such initiative would be received by Congress and by the
country as a whole" (North, 1978:162). Thus, apart from the ambassadorial "talks", contacts between the United States and the People's Republic of China governments "were even more infrequent and tenuous under the Kennedy administration" (North, 1978:163).

Seemingly, under the Johnson administration, the involvement in the Vietnam war and the continued support to Taiwan prevented substantive progress. At one point, however, in a statement before the Sub-Committee on the Far East and the Pacific, of the House Committee on Foreign Affairs, on March 16, 1966, Dean Rusk, then Secretary of State, asserted "on the one hand that the United States should do nothing that might encourage Peking or anyone else 'to believe that it can reap gains from its actions and designs'. On the other hand, the United States 'must continue to make it plain that if Peking were to abandon its belief that force is the best way to resolve disputes and to give up its violent strategy of world revolution', an era of good relations with China would be welcomed in Washington" (North, 1978:163).

On April 10, 1966, Zhou Enlai, following on Dean Rusk, issued the four point statement on China's policy toward the United States, to the effect that "the People's Republic would not take the initiative to provoke a war with the United States; but if any country in Asia, Africa, or elsewhere met with aggression by imperialistic actions headed by the United States, China would give support, just as the Chinese would rise in resistance against a United States' attack on the People's Republic. No matter how many United States' 'aggressor troops' might attack, they would 'certainly be annihilated in China'; once such a war broke out, there would be no boundaries" (in North, 1978:163-164). In May, Zhou
Enlai further revealed an "eighteen month old Chinese proposal" for a Sino-American agreement on no-first-use of nuclear weapons (North, 1978: 164). Zhou Enlai's proposal was subsequently followed up at the ambassadorial talks where the United States inquired whether the People's Republic of China would be willing to sign a partial nuclear test-ban treaty "in return for no-first-use pledge" (North, 1978:164). Zhou Enlai categorically rejected the idea.

The People's Republic of China's position on nuclear test-ban treaty is best exemplified in a proposal by Zhou Enlai for the "complete prohibition and thorough destruction of nuclear weapons," in October 1964. Zhou Enlai proposed:

That a summit conference of all the countries of the world be convened to discuss the question of the complete prohibition and thorough destruction of nuclear weapons, and that as the first step, the summit conference should reach an agreement to the effect that the nuclear powers of those countries which may soon become nuclear powers undertake not to use nuclear weapons, neither to use them against non-nuclear countries and nuclear-free zones, nor against each other (in Chou, 1972:345).

It is this proposal that the United States rejected, and African leaders, i.e., Modlibo Keita of Mali, supported. To Zhou Enlai, the issue of nuclear weapons should not be confined to the super powers, but be a global issue to be determined by all countries also.

Thus, in his inaugural speech, President Nixon expressed his beliefs by stating that "an era of negotiation was now succeeding the period of confrontation" and referred "to the possibility of improved relations with China" (in North, 1978:164). At Guam in July 1969, President Nixon enunciated what came to be known as the "Nixon Doctrine," foreshadowing
a lessening of the American commitment to Asia. Specifically, "it indicated that in future Vietnam-type situations, the United States would 'look to the nation directly threatened to assume the primary responsibility of providing the manpower with defense'" (in North, 1978: 164).

In the process of reducing the United States' military presence in Vietnam, in July 1969, Nixon also undertook a series of small steps relaxing travel and trade restrictions with China, 'clearly signalling to Peking his hopes of a genuine dialogue' (North, 1978:165). In seeking to establish "dialogue" with the Chinese leadership, Nixon put out feelers to the Chinese -- first through French President Charles DeGaulle, and later through Pakistanis and Rumania, to express Nixon's desire for dialogue26 (Kissinger, 1979).


During the Sino-Soviet polemics in the 1960's, Zhou Enlai warned that the West should not read anything into the confrontation. Yet, in a private meeting between Edgar Snow, Zhou Enlai "indicated that Peking had not quite made its choice between Moscow and Washington." However, later in December of 1970, again in a private talk between Edgar Snow,

Mao "indicated that the decision had been made in favor of America" (Roots, 1978:112). Barnett (1977:195) contends that at that same meeting, "he" "Mao" told Snow that he would welcome a visit by Nixon to China." Kissinger (1979:709) indicates that he had received a State Department memorandum of 1971, which included "a report of Edgar Snow's impressions from his recent talk with Mao and Chou." That memorandum only made reference to Zhou Enlai's pronouncement to former Japanese Foreign Minister, Aiichiro Fujiyama, in March 1971, whereupon Zhou Enlai informed him that "at some point, a sudden dramatic improvement is possible" in the relations with the United States. Chou said that he had 'very carefully' read the President's Foreign Policy Report and 'took specific note of the fact that for the first time, an American President called China by its official name.' It is in this context, that Kissinger (1979:709) argues that "State could not have had the full text of the interview," that is, between Edgar Snow and Mao, "for it ignored the important element of the invitation to Nixon; it reported instead that Snow had come away from his meetings with the impression that 'there was no immediate prospect of improving Sino-U.S. relations because of the war in Indochina. Mao said the memorandum did not expect progress in the U.S.-Chinese relations before 1972.' It is, thus, possible that even at that time, State Department's perceptions of the Chinese leadership remained virtually unchanged.

It could be argued that Zhou Enlai was cognizant of the fact that the Thirty-First Table Tennis Championship in Nayoya, Japan will bring both Chinese and Americans into contact. It is probable, we infer,
that in Zhou Enlai's perceptions or beliefs, the Championship provided China with a channel through which to "subtly...improve Sino-American relations, without risking the political embarrassment of a direct proposal to Washington" (Acher, 1973:161). In other words, we maintain that Zhou Enlai believed that cooperation on non-political areas might spill over into political-economic areas. For example, Kissinger (1979:709) notes that: "The nine young Americans on our team did not know it, but they were about to be players also in a complicated chess game." It is rather instructive to note here that Kissinger intellectually approached and recognized China as a contending power, in the changing global distribution of powers, whose place and legitimate status can no longer be denied.

Thus, within the context of the "people's diplomacy," Acher (1973:161) suggests that "he", Zhou Enlai:

sent China's crack ping-pong team to Japan without first quoting from the thoughts of Chairman Mao to inspire them to victory. In fact, he clearly indicated that to create good will, they were expected to win with their matches by only the slimmest of margins, commanding admiration for their skill while making foreign opponents look as good as possible.

It is interesting to note that while in Nagoya, Japan, Glenn Cowan, a participating member in the American team, struck friendship with the Chinese team captain, Chuang Tse-tung. The next day, both exchanged gifts: an American "T" shirt and a "Chinese handkerchief showing printed Chinese scenes." Kissinger (1979) reports that Cowan later stated that he wanted to "promote friendship with everybody, including the Chinese" (Kissinger, 1979:709).
On April 6, 1976, China stunned Washington when the Chinese team extended an invitation for the American team to visit China. The American team accepted the invitation. Nixon, in his speech of April 7, 1971, announced the "withdrawal of 100,000 additional American troops (in Vietnam) between May 1 and December 1 of 1971" (Kissinger, 1979: 710). On April 14, while welcoming the American team in the Great Hall of the People, Zhou Enlai told his audience that:

You have opened a new chapter in the relations of the American and Chinese people. I am confident that this beginning again of our relationship will certainly meet with major support of our two peoples (in Acher, 1973: 162).

The American team, in return, invited the Chinese team to visit the United States. It was accepted.

With respect to our contention advanced above, it is interesting to note Kissinger's (1979:710) own assessment of Zhou Enlai's "people diplomacy." He states:

The whole enterprise was vintage Chou En-Lai. Like all Chinese moves, it had so many layers of meaning that the brilliantly painted surface was the least significant part. At its most obvious, the invitation to the young Americans symbolized China's commitment to improved relations with the United States; on a deeper level it reassured -- more than any diplomatic communication through any channel -- that the emissary who would now surely be invited would step on friendly soil. It was also a signal to the White House that our initiatives had been noted. The fact that the players could not possibly represent a particular political tendency added to the attractiveness of the maneuver from the Chinese perspective.

China would be able to make its point without any possibility of a jarring American commentary. Chou En-Lai, too, knew how to make gestures
that could not be rebuffed... But it was also a subtle warning to us: if Chinese overtures were rebuffed, Peking could activate a people-to-people approach and seek to press its case in a public campaign much as Hanoi was doing.

Most scholars on China's politics and/or foreign policy concur that the prime consideration leading the Chinese leadership to "alter their U.S. policy in 1971-1972, was their concern about national security" (Barnett, 1977:196). North (1978:161) notes:

...from the Chinese perspective, the U.S.S.R. was reaching for maritime supremacy in order to extend its influence on the various continents and, thus, establish world domination. On a relatively unobtrusive, non-violent level, the Soviet Union was 'extending its fishing operations to distant waters' not only in order to 'plunder the world's fishing resources', but also to 'raise their bid for world maritime legemony against the other super powers.' At the same time, the U.S.S.R. was strengthening its naval forces and changing its strategy from 'offshore defense' to 'attack in the distant seas.' Ostensibly, all this was being done in order to defend the 'security and interests of the Soviet Union.' But what interests did the Soviet fleets have to safeguard in places several thousand kilometers away from the Soviet coasts, the Chinese wanted to know. And who was threatening Soviet security?

Thus, given the Soviet Union's geographical proximity to the People's Republic of China, in Zhou Enlai's beliefs or perceptions, the Soviet Union posed more of a threat than the United States. From the United States' perspective, Kissinger (1979:711) notes that the Chinese leadership "needed us as a counterweight to Moscow...China's stake had to be in Washington with the authority and determination to maintain the global balance of power."
To demonstrate United States' interests in ending Sino-U.S. hostility, in 1970 the National Security Council (NSC) Under Secretaries Committee was instructed to "develop a program to augment travel and trade with China" (Kissinger, 1979:712). In mid-March 1971, the Committee produced a lengthy list which catalogued "every conceivable step within the administrative discretion of the President and not in need of Chinese acceptance or reciprocity" (Kissinger, 1979:712). While the Committee recommended "immediate approval of the entire package," Kissinger (1979:712), in a memorandum to the President on March 25, divided the list into three components:

The first package would keep trade with China somewhat below that with the Soviet Union; Stage II would place China trade on a par with U.S.-Soviet trade; Stage III would go beyond the level of trade with the Soviet Union. I recommended that the first package be carried out in the near future and unilaterally; implementation of the second and third should await the development of our relations with China and be based on reciprocity.

This recommendation was made before the invitation to the ping-pong team. The Chinese invitation of the U.S. team preempted the conditional aspect of the first stage of the recommendation. It was approved by the President on April 12. On April 13, Kissinger notified the various agencies concerned with the implementation, and on April 14, the White House Press Secretary, Ron Ziegler, "announced the first major breach in the decades-old trade embargo against China." The announcement was followed with the decision to "approve the sale of French dump trucks containing American-made engines and transmissions to the People's Republic of China" (Kissinger, 1979:712).
At the time, substantive quantity in trade between North America
and China was with Canada. Kissinger (1979:712) further explains that
in his perceptions:

triangular diplomacy, to be efficient, must
rely on the natural incentives and propensities
of the players. It must avoid the impressions
that one is 'using' either of the contenders
against the other; otherwise, one becomes
vulnerable to retaliation or blackmail. The
hostility between China and the Soviet Union
served our purposes best if we maintained
closer relations with each side than they did
with each other. The rest could be left to
the dynamics of events."

The long awaited Chinese response to the United States' overtures,
and the establishment of official channels of communication between the
two countries came on April 27. In his message to President Nixon,
Zhou Enlai declared:

At present, contacts between the People's
Republic of China and the United States are
being reviewed. However, if the relations
between China and the U.S. are to be restored
fundamentally, the U.S. must withdraw all its
armed forces from China's Taiwan and Taiwan
Straits area. A solution to this crucial
question can be found only through direct
discussion between high level responsible
persons of the two countries. Therefore,
the Chinese government reaffirms its willing-
ness to receive publically in Peking a special
envoy of the President of the U.S. (for in-
stance, Mr. Kissinger) or the U.S. Secretary
of State or even the President of the U.S.
himself for a direct meeting and discussion.
Of course, if the U.S. President considers
that the time is not yet ripe, the matter
may be deferred to a later date. As for the
modalities, procedure and other details of
the high level meeting and discussions in
Peking, as they are of no substantive
significance, it is believed that it is
entirely possible for proper arrangements
It is clear from the above message that Zhou Enlai believed that for better relations with the U.S., must involve discussions of the U.S. military presence in Taiwan. From Zhou Enlai's perspectives, Pakistan, not London or Paris, was to be the official channel of communication between Peking and Washington. And finally, an official invitation to the President of the United States to visit China was extended. And President Nixon visited China in 1972.

It is interesting to note that even President Nixon perceived the People's Republic of China as among the powers. For, he envisaged the global balance of power as being made up of industrialized countries of the United States, Soviet Union, Western Europe, Japan, and the People's Republic of China. However, Zhou Enlai is said to have rejected this concept of global configuration of power (Kissinger, 1979). As we noted earlier, this assessment is consistent with the Chinese leadership perceptions about the global distribution of power.

In what became known as the Shanghai Communique', it was stated that:

The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The United States government does not challenge that position. It reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves. With this prospect in mind, it affirms the ultimate objectives of the withdrawal of all U.S. forces and military installations from Taiwan. In the meantime, it will progressively reduce its forces and military installations on Taiwan as the tension in the area diminishes (in Kissinger, 1979:1079).
In this context, the Communique' (1) recognized that there was only one China, (2) U.S. "reaffirmed" her interest in the "peaceful solution" to the Taiwan question, (3) the United States agreed "in principle" for the "total withdrawal" of U.S. forces from Taiwan on condition that there should be a "reduction of tensions in the area." However, China did not insist on a total withdrawal of all American military forces in Taiwan before rapprochement between the two countries can take place.

It is, therefore, difficult as we noted at the beginning of this section, to conceive of China as a periphery. In fact, even in its relations with Moscow, China did not behave as a periphery (as Latin America, some Asian countries, and African countries do). What seems to appear in the case of the People's Republic of China is that China behaved more as a semi-independent country in its relations with the Soviet Union to an independent country in both internal and external relations. In her relations with the United States, it could be said that China was establishing its legitimate status in the global system.

Conclusion

In this chapter, we attempted to show that Zhou Enlai/Mao Ze'dong's concerns were first to industrialize China and/or transform China into, and surpass countries of the West (e.g., the United States and its allies) and countries of the East (the Soviet Union and its allies). Although China accepted the dependent status from the Soviet Union, that dependency was "tolerated" on the basis of "mutual respect" of each other's national integrity and sovereignty and, as long as the Soviet Union refrained from interfering in the internal and foreign policy
activities of the People's Republic of China. As we have shown, despite
dependence of the Soviet Union for military, economic and technological
transformation, Zhou Enlai (a) diversified China's trade relations, (b)
challenged the Soviet Union on both ideological (political) and economic
grounds which resulted in the Sino-Soviet polemics. And (c) maintained
"self-reliance" and/or independence in the internal and foreign policies
of the People's Republic of China.

Second, in this chapter we have also described the Sino-Soviet
polemics or split. Our beliefs are that the necessary conditions in
the Sino-Soviet polemics lie in Zhou Enlai's beliefs or perceptions
that (1) the alliance with the Soviet Union did not guarantee China's
protection against nuclear attack from the United States since the
Soviet Union herself was seeking rapprochement with the United States.
To Zhou Enlai, we infer, this was a "conspiracy" against the People's
Republic of China. (2) The alliance failed to foster what Zhou Enlai
believed was China's national, international objectives, e.g., of which
Taiwan could be said to be the most important, notwithstanding, the
Soviet Union's refusal to support China in the Indochina dispute. That
is, Zhou Enlai believed, we infer, that China's own national and global
objectives were being subordinated to the Soviet Union's global interests.
And (3) to Zhou Enlai, the Soviet Union showed no flexibilities in
accommodating the diversity of positions and aspirations of the member-
states within the Communist bloc.

Third, in this chapter, we have also discussed Zhou Enlai's beliefs
as they relate to his strategy of advancing China in the "front ranks"
of the world economy within the context of "self-reliance." As the
preceding discussion has demonstrated, that Zhou Enlai believed, we infer, that the People's Republic of China cannot be transformed in isolation from the world economy. He believed that China should "import" or "learn" of the recent advances made in science and technology and use them for the advancement of China's agriculture, industry, defense, science and technology. The persistence of the debate demonstrates the extent to which Zhou Enlai's beliefs and perceptions about the correct strategies China should pursue to overcome dependency, science and technological gap with the world most industrially, scientifically and technologically industrialized countries, are shared by the present top Chinese leaders.

Fourth, in its relations with the rest of Southern countries, we have argued that China carried to these countries its dissatisfactions with (a) the dominant structural patterns of interstate interactions in the international and/or global systems, and (b) in the bitter experiences with the Soviet Union. Thus, Zhou Enlai presented to Southern countries' leaders (1) the Chinese developmental experiences or strategies as an alternative model for transforming their own respective societies in contrast to the Soviet and American (and their allies) models of development. (2) Although China's trade with Southern countries was low compared to its trade with Southeast Asian countries, Zhou Enlai nevertheless provided loans, expertise, moral and psychic support for the aspirations of African, Asian and Latin American countries. President Julius Nyerere of Tanzania best explicates Zhou Enlai's efforts in Africa. Stating in effect that:
Like us, they are a poor country, but they offered us a thirty-year interest-free loan, and ten thousand skilled workers to build our Tanzam railroad, linking central Africa's copper mines to the Indian Ocean.

...I would have much preferred American aid, and I begged Washington and the World Bank to help us before trying elsewhere. They were courteous, but explained that such a deal would not be profitable. Under our poverty-stricken circumstances, China's offer was simply irresistible (in Roots, 1978:190).

In this respect, Zhou Enlai emphasized or stressed "self-reliance," "solidarity" and the emphasis on developing "man" and resisting imperialism (both Soviet and American) influences on internal and external policies of these countries. And (3) in giving material and psychic support to the plight of these countries, Zhou Enlai, since the Bandung Conference, sought support from these leaders and countries in re-establishing the legitimate status of the Middle Kingdom in the global system.

Finally, fifth, Sino-American rapprochement, we will suggest, represents the flexibilities and abilities of Zhou Enlai and the Chinese leadership to move from a position of independence, to domination by the West, to a Soviet satellite and back to an independent position. As Roots (1978:6) puts it: "long before Chou and Mao, (the Chinese were accustomed to the principle of absolute government) ...they have been trained to believe there was only one correct doctrine, and that power belonged to whoever best understood and applied it." Zhou Enlai and Mao Zedong took power away from the West and the Soviet Union to the "absolute government" of the People's Republic of China.
In the Sino-American relations, Zhou Enlai believed, we infer, that the Soviet Union threat -- evidence by some one hundred and fifty frontier or border incidents reported in "one recent year alone" (Roots, 1978:6) -- to China's security needed to be counterbalanced by the United States. We will also infer that Zhou Enlai believed that rapprochement with the United States would lead to (1) diminishing hostilities between the two countries, (2) resolution of the Taiwan question, and (3) expand China's sources for trade, e.g., needed scientific and technological know-how for his four modernization strategies. It could also be inferred that in Zhou Enlai's beliefs and perceptions, in the final analysis, the reestablishment of the People's Republic of China in the global system, by implication, required the United States' ("tacit") endorsement. Thus, China's industrial, science and technological needs, strategic and security issues, we believe, were of utmost importance in Zhou Enlai's mind in seeking rapprochement with the United States.
CHAPTER 9
CUBA AND FIDEL CASTRO'S INTERNAL
DEVELOPMENT STRATEGIES

Introduction

If national foreign policy roles are determined by the beliefs of a regime's authoritative decision-maker (Hermann, 1983), the national roles, that is, internal development strategies, are determined by the beliefs of a regime's authoritative decision-maker.

In this chapter, we are interested in the beliefs of Fidel Castro about the correct strategies and tactics to transform Cuba. While the following may appear as a summary of Cuba's economic, political, and social policies under Fidel Castro, our contention is that leaders in the Third World set the agenda with respect to the internal development of a society, e.g., Fidel Castro in this case. The types of policies initiated and/or pursued necessarily reflect the beliefs of a regime's authoritative decision-maker, about the correct strategies and tactics for the development of the society. To understand these beliefs, we propose to proceed as follows:

1. Agrarian Reforms. Fidel Castro's humanitarian beliefs manifest themselves in the agrarian reform measures. The reform measures reflect Fidel Castro's beliefs about what was wrong in the Cuban society: inequitable distribution of land and/or values. As the following pages will demonstrate, Fidel Castro believed that equal
distribution of values required fundamental changes in social, political, and economic structures of the society. Second, farmers and urban workers are entitled to equal privileges with respect to ownership, health, education and/or public services. Fidel Castro's "answers" with respect to his beliefs in private investments are inferred from his decisions to nationalize all private enterprises, domestic and foreign. This is also demonstrated in his speeches quoted in the section on the Ten Million Ton Sugar Harvest, and elsewhere.

Fidel Castro's "answer" with respect to his beliefs in (1) international trade, and (2) alignment with Eastern (Soviet) and Western (U.S.A.) blocs or with former metropoles are inferred from his relationship with the Soviet Union, and trade monopolization by the Soviet Union and the Eastern bloc. The alignment with the Soviet Union was believed as essential to (1) secure the revolutionary regime against external (U.S.) attack, and (2) to secure economic and military assistance from the Soviet Union. We infer that to completely liberate himself and Cuba from any further dependence on, or military threat from the United States, the consolidation process required "a political, economic and military realignment with the Soviet bloc even though such an alignment would itself assure the permanent enmity of the 'Colossus of the North'" (Gonzalez, 1974:120). Trade with the Soviet Union in particular, and the Eastern bloc in general, was important for Fidel Castro to buttress his developmental strategies and/or objectives at home.

2. The Ten Million Ton Sugar Harvest could be inferred as an attempt by Fidel Castro, or that he was "looking for a way to maintain what he needed of the life-saving economic and military support received
from the Soviet Union while at the same time to reduce his dependency on that support" (Haiperin, 1972:311). In Fidel Castro's beliefs this constituted a legitimate attempt to overcome dependency on the Soviet Union. For Fidel Castro came to believe that the future economic growth or the quickest way to meet the need of the Cuban populace lied in agriculture, and sugar, was one commodity Fidel Castro believed will make the difference in Cuban development. As in the case of Zhou Enlai/Mao Zedong's attempt to industrialize China on a massive scale, Fidel Castro's attempt at industrialization met with total and complete failure. As a result, Fidel Castro also turned his attention to agriculture.

3. **Unemployment.** Closely associated with Fidel Castro's strategies with respect to (a) agrarian reform, and (b) the Ten Million Ton Sugar Harvest are his beliefs in the elimination of unemployment in "socialist" Cuba. The agrarian reform could also be inferred as an attempt to eliminate unemployment. They are also the manifestations of Castro's beliefs in "social justice."

4. **External Factors in Development.** In this section we also infer on Fidel Castro's "answer" to the question of the importance of alignment with the Eastern bloc. We also describe the options or alternatives that are available to Fidel Castro when he assumed power. As we noted in the introductory chapter, leaders in Southern countries, upon assuming power, are expected to maintain intact the economic and political interests of the former metropoles or centers. Failure to maintain intact the interests of the center countries tends to result in coups, countercoups and/or counterrevolutions. To make his revolutionary
claims, i.e., that it was "neither capitalist or Communist but Cuban," Fidel Castro needed to demonstrate in a dramatic way, we believe, that neither the United States or the Soviet Union will determine Cuba's patterns of development and/or economic and political alignment. But, pressures from within and without Cuba necessitated a realignment with the Soviet Union. Independence from the United States did not mean that Cuba or Fidel Castro could achieve his developmental objectives alone. In other words, Fidel Castro substituted dependence on one center (the United States) to another center (the Soviet Union). As we have noted above, to meet the needs of the Cuban populace, Fidel Castro needed a reliable external ally. He found that ally in the Soviet Union.

5. Education. Fidel Castro's beliefs in "social justice," are also inferred from his literacy campaign. Fidel Castro believed that if the mass of the Cuban populace is to actively participate in the political system, the education system is to be expanded to every Cuban. And, if the Cuban populace is to contribute to the social, economic and political development of Cuba, they are to be educated. Indeed, as it will be shown, Cuba lost a large number of its educated and professional cadres when Fidel Castro took over and commenced initiating measures that were perceived as detrimental to their interests. However, in Fidel Castro's beliefs, his campaign in education was to rid the country of illiteracy or ignorance and to create a new group of educated people.

Policies initiated in Cuba to respond to the basic needs of the Cuban populace are the manifestations of Fidel Castro's beliefs. Thus we are interested to see how the "humanist," "social
justice," and "liberator" concepts are carried out in his strategies to develop Cuba.

Agrarian Reforms and Other Laws

Fidel Castro's first economic measures were land reform. With it came the necessity to diversify trade in light of the United States' embargo and elimination of the sugar quota (Boorstein, 1968:25). The Land Reform Law, which was promulgated on January 3, 1959, was referred to as Law 3 of the Sierra Maestra. This law abolished the Latifundios and called for "free distribution of land" to those farmers, landless, and seasonal peasants who had less than 67 hectares (Boorstein, 1968).

The provision of the law called for the expropriation of all properties larger than 99 acres (Bray and Harding, 1974:628). Furthermore, all properties owned by Batista were seized, cooperatives were established, and all small and medium-size farms were organized into state farms. Renting, tenancy, and sharecropping were abolished. Instead, the land was given to the people who worked it. Low interest loans were extended at minimum prices and Castro promised new housing for rural workers (Bray and Harding, 1974:628).

For the urban worker, Fidel Castro lowered rent and the cost of electricity. It was precisely these daring reform measures that provoked serious opposition to Fidel Castro's regime in the early 1960's and served as a la raison d'être of the heavy emigration of the moderates and professionals to the United States and other Latin American countries. Matthew notes that:

Cuba lost...the services of many thousands of civil servants, businessmen, bankers, managers,
technicians, teachers, doctors, lawyers and the like. It was a grievous loss from which Cuba has not yet recovered. But no one can doubt that in accepting this loss Fidel Castro saved his revolution (Matthew, 1969: 139).

Table 9.1 shows that the net balance of immigration and emigration between 1960 and 1970 was negative. In fact, Cuba lost more people than it gained.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TOTAL</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>62,379</td>
<td>13.9</td>
</tr>
<tr>
<td>1961</td>
<td>67,468</td>
<td>15.06</td>
</tr>
<tr>
<td>1962</td>
<td>66,264</td>
<td>14.8</td>
</tr>
<tr>
<td>1963</td>
<td>12,201</td>
<td>2.7</td>
</tr>
<tr>
<td>1964</td>
<td>12,791</td>
<td>2.9</td>
</tr>
<tr>
<td>1965</td>
<td>18,003</td>
<td>4.02</td>
</tr>
<tr>
<td>1966</td>
<td>51,972</td>
<td>11.6</td>
</tr>
<tr>
<td>1967</td>
<td>56,755</td>
<td>12.7</td>
</tr>
<tr>
<td>1968</td>
<td>49,776</td>
<td>11.1</td>
</tr>
<tr>
<td>1969</td>
<td>50,404</td>
<td>11.3</td>
</tr>
<tr>
<td>1970</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N=10</td>
<td>Total 448,013</td>
<td>100.</td>
</tr>
</tbody>
</table>


Table 9.2 shows comparison of the Cuban workforce and employable refugees. This table shows the computed ratio of the percentage of employable emigrants in each occupational category to the percentage of the total Cuban workforce in that occupation in 1953. However, housewives, children, the retired and the handicapped are excluded.
### Table 9.2

**Comparison of Cuban Workforce and Employable Refugees**

1960 - 1970

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional, Semi-Professional, Managerial and Executive</td>
<td>3.35</td>
<td>2.27</td>
<td>1.94</td>
<td>1.77</td>
<td>1.34</td>
</tr>
<tr>
<td>Clerical and Sales, Domestic Service</td>
<td>2.42</td>
<td>2.31</td>
<td>2.60</td>
<td>2.24</td>
<td>2.21</td>
</tr>
<tr>
<td>Military and Police</td>
<td>0.85</td>
<td>1.09</td>
<td>1.03</td>
<td>1.05</td>
<td>1.09</td>
</tr>
<tr>
<td>Skilled, Semi-Skilled, and Unskilled Labor</td>
<td>0.92</td>
<td>1.23</td>
<td>1.25</td>
<td>1.43</td>
<td>1.52</td>
</tr>
<tr>
<td>Agriculture and Fishing</td>
<td>0.10</td>
<td>0.12</td>
<td>0.10</td>
<td>0.14</td>
<td>0.17</td>
</tr>
</tbody>
</table>


What Cuba lost was the badly needed manpower, e.g., technicians, businessmen, teachers, doctors and lawyers to undertake the responsibilities of carrying out revolutionary programs for the development of Cuba. It should be made clear, however, that the Agrarian Reform laws by themselves cannot be said to be the primary reason for the emigration
of several Cuban intellectuals and professional people. The uncertainty over what kind of political system Fidel Castro would establish in Cuba also played a role in the emigration. For example, Gonzalez (1974) has noted that:

...not all Cubans share the fidelista vision of a new communist society or at least the commitment to the continued sacrifice and struggle necessary for the realization of such a society. Individual cases of anti-revolutionary sentiment could be found among virtually all sectors of contemporary Cuban society -- provided, of course, that one looked hard enough (Gonzalez, 1974:8).

Demoralization, political alienation, and the anti-revolutionary sentiment are best seen in the negative reactions to the implementation of the Agrarian Reforms. For example, some ranch owners were opposed to the distribution of land, and others refused to divide their cattle with the peasants. They then began to slaughter them. These actions moved the revolutionary leaders to favor collectivization as a means of maximizing productivity (Bray and Harding, 1974:628).

The expected goals of the Agrarian Reform, as Fidel Castro conceived it, were to provide farmers with adequate income and, thus, contribute to the national economic development by means of increasing production which would, in turn, decrease the need to import food, increase and diversify exports (Bray and Harding, 1974:628).

National Agrarian Institute

In 1961, the National Agrarian Reform Institute (INRA) was established and the distribution of land, seizure of large farms and cattle ranches gave the revolutionary government responsibility for
agricultural development (Boorstein, 1968:43). Furthermore, the country was divided into 28 agricultural development zones (Boorstein, 1968:44). Thus, virtually all large farm land and large cattle ranches were organized into 'direct administration farms' run by INRA; and at the beginning of 1961 they came to be known as granjas or "people's farms as a form of state farm" (Boorstein, 1968:45).

The large sugar estates which were also seized were transformed into cane cooperatives. Cooperatives were also established for the production of rice, tomatoes and charcoal (Boorstein, 1968:45). "Here and there, a few cooperatives were left, but the people's farms became the basic form of organization of Cuba's socialized agriculture" (Boorstein, 1968:45). Cuba, like most of the underdeveloped countries, is economically dependent on one crop: sugar. Boorstein (1968) notes that:

> With the great dependence of the whole Cuban economy on the exports of sugar and the imports purchased with the proceeds...Cuba's socialized farms cannot be allowed the degree of choice about what to produce that is normal for cooperatives (Boorstein, 1968:45).

INRA later became one of the most important government agencies. It not only carried out expropriation and redistribution of land and the organization of state farms and cooperatives, it was also engaged in a variety of activities. For example, it established the people's stores to sell goods to the "compesinos" at a reasonable cost; it was engaged in the construction of new houses, sometimes a whole new village, including community and sports centers. Furthermore, it was instrumental in building and operating schools, hospitals, and dispensing
a team of physicians and mobile dispensaries into the countryside. It built warehouses and factories to process and store agricultural products. It was further designed to grant credit to farmers and all other necessities for farming (e.g., incubators, insecticides, fertilizers, animal foodstuffs, material for constructing new agricultural installations, chickens and pigs (Boorstein, 1968).

However, the INRA was plagued with one serious problem: namely, the lack of manpower, e.g., trained people. Thus, the men and women who made up the Institute did not have the necessary training to make policies. As Boorstein (1968) noted:

There was no comprehensive, detailed and finished agricultural policy when INRA began, nor could there have been. There were many ideas. And there was also the method that Napoleon explained when he was asked how he determined the tactics to be followed in a battle. "On s'engage, et puis -- on voit!" You get into action and then -- you see! (Boorstein, 1968:52).

Thus, much of the actions in this period of land reform were simply a reaction against the existing agricultural setup that Fidel Castro's regime inherited from the Batista regime. The INRA had to act. There was land that needed to be cultivated, but was being wasted. And unemployment was high. Fidel Castro's agriculture reform laws were aimed precisely at reducing unemployment. Technicians and trained people were badly needed to make the experiments work. Thus, Cuban experts tended to make projections about aspects of development, e.g., factories that would produce 10,000 tractors, complete diversification of export commodities, etc., that were utterly unrealistic and overly ambitious in nature.
In late 1961, the National Institute of Housing (INAV) and the National Tourist Agencies (INIT) were established. They operated with the revenues from the national lottery and social security funds (Boorstein, 1968:41). The National Institute of Housing began the construction of several thousand new apartments and one-family houses. These projects were, in part, a counterreaction to the decline in private construction activities "which began in the wake of the government measures to reduce rents, and mostly to curb real estate speculation" (Boorstein, 1968). Moreover, these projects were also designed to meet the promises Fidel Castro made to urban workers and to rural workers and peasants. However, the irony is the INAV projects:

reflected American middle class standards rather than an attempt to meet the needs of a country as poor and as short of housing as Cuba. Individual units cost about $8,000-$10,000 and were designed with an abundance of fixtures and gadgets, almost all of them of U.S. manufacture (Boorstein, 1968:41).

The primary reason the projects were put into effect at the time was due to an acute housing shortage and decline in construction. The projects even aimed at reducing unemployment. Although the houses were of American middle class standards and not appropriate to such a poor country as Cuba, "there were no other standards familiar to the Cubans".

To have devised different standards and pushed them through the bureaucracy would have taken a great deal of time. For all the imperfections and errors, the works of INAV and INIT brought obvious benefits, not only economic, but political. Before the revolution, no one had thought of building houses and beaches for the people (Boorstein, 1968:43).
Dominguez (1978:173) notes that "the peculiar way in which land reform legislation was applied in 1959-1960 helped to increase agricultural production." Of the total land that was socialized between 1959-1961, "48.9 percent was taken as a result of laws aimed specifically at all United States' landowners in Cuba," an additional 13.1 percent had been sold voluntarily, and another 13.1 percent was donated to the government (Dominguez, 1978:173). However, only 3.7 percent of all sequestered land resulted from the February 1959 law, which, in effect, socialized all property belonging to officials of the Batista regime, thus, only 27.2 percent from the land reform laws of May 1959 (Dominguez, 1978). It seems clear that the land reform measure was directed more to foreign -- United States -- large landowners. It is possible that a large proportion of the best farm land in Cuba was in the hands of foreign landowners. A large proportion of the land taken under the Agrarian Reform was used for cattle raising. Thus, most of the land used for food cultivation was not affected by the law until the second half of 1960, although the owners were very much aware that their land would one day be naturalized or expropriated by the state; and the owners of the unaffected land were stimulated to increase productivity in order to reduce the chance of losing their land to the state. However, when it became evident that they would not escape expropriation, agricultural workers demanded that farms be thoroughly exploited -- a precaution not to lose their jobs -- if production fell -- or they would renounce the owner to the regime for counterrevolutionary activities (Dominguez, 1978:174). Ironically, the non-application of the Agrarian Reform laws, together with strong political and social
pressures from agricultural workers who wanted full employment, stimulated production (Dominguez, 1978).

It is agreed that the Cuban economy plunged in the early 1960's to a bottom reached in 1963 (after the attempt to diversify the economy, the emigration of professionals, technicians, lawyers, etc., the Bay of Pigs invasion, which served to mobilize the populace in the defense of the revolution at a cost in the economy, and the Missiles Crisis of 1962). It was also noted that after the expropriation of domestic and foreign businesses, Cuba's economy was reorganized in 1963 to emphasize sugar production. The economic recovery of the mid-1960's was interrupted at the end of the decade with a second economic plunge, which was worse than the first. Table 9.3 summarizes both the best and the worst years for the production of 353 different items. It is estimated by Dominguez (1978:174) that a fifth of all industrial products had their worst year in 1963.

The Agrarian Reform law testifies to Fidel Castro's determination to place agriculture first. That is, as a result of the institution of the 1962 sugar boycott by the United States, the economy of Cuba was reorganized in 1963 to emphasize sugar production, as it did in the prerevolution period, and a specialization in agriculture. As in the case of China, industry was to serve agriculture and provide some of the essential consumer goods. Fidel Castro states:

...We have come to the conclusion that our main source of immediate returns lies in agriculture, in which we must invest our present resources while we are preparing the people and developing our general and technical education. This means that until the year 1970, we will devote ourselves
**TABLE 9.3**  
PRODUCT LINES AT PEAK AND LOWEST PRODUCTION 1960-1970$^a$

<table>
<thead>
<tr>
<th>Year</th>
<th>INDUSTRY$^b$</th>
<th>AGRICULTURE</th>
<th>CATTLE RAISING</th>
<th>FORESTRY</th>
<th>FISHING</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td># at Prod.</td>
<td># at Prod.</td>
<td># at Prod.</td>
<td># at Prod.</td>
<td># at Prod.</td>
</tr>
<tr>
<td>1960</td>
<td>5</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>1961</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>1963</td>
<td>30</td>
<td>54</td>
<td>4</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>1964</td>
<td>26</td>
<td>19</td>
<td>3</td>
<td>3</td>
<td>1</td>
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<tr>
<td>1965</td>
<td>14</td>
<td>25</td>
<td>2</td>
<td>2</td>
<td>0</td>
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<tr>
<td>1966</td>
<td>10</td>
<td>10</td>
<td>7</td>
<td>4</td>
<td>0</td>
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<tr>
<td>1967</td>
<td>22</td>
<td>15</td>
<td>1</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>1968</td>
<td>19</td>
<td>17</td>
<td>4</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1969</td>
<td>12</td>
<td>30</td>
<td>2</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>1970</td>
<td>7</td>
<td>56</td>
<td>3</td>
<td>8</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: Jorge I. Domínguez (1978:175)

a - Measured by physical output.

b - Seven of the 259 industrial products are measured in terms of pesos, not output; two of these reached possibly price-inflated record levels in 1971, one in 1972 and two more in 1973.
fundamentally to the development of agriculture. Then, from 1970 to 1980, we will proceed to the development of other lines of industry which require a higher level of technique and investment.

Naturally, there are some industries that are indispensable during this period for agricultural and social development... (Castro, in Lockwood, 1967:86-87).

Table 9.4 shows the worst data for total agriculture production.

### TABLE 9.4

**AGRICULTURAL PRODUCTION 1959-1971**

<table>
<thead>
<tr>
<th>Year</th>
<th>Cuban Government Statistics</th>
<th>Hagelbert Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1959</td>
<td>6,039</td>
<td>5,964</td>
</tr>
<tr>
<td>1960</td>
<td>5,943</td>
<td>5,862</td>
</tr>
<tr>
<td>1961</td>
<td>6,876</td>
<td>6,767</td>
</tr>
<tr>
<td>1962</td>
<td>4,883</td>
<td>4,815</td>
</tr>
<tr>
<td>1963</td>
<td>3,883</td>
<td>3,821</td>
</tr>
<tr>
<td>1964</td>
<td>4,475</td>
<td>4,590</td>
</tr>
<tr>
<td>1965</td>
<td>6,156</td>
<td>6,082</td>
</tr>
<tr>
<td>1966</td>
<td>4,537</td>
<td>4,867</td>
</tr>
<tr>
<td>1967</td>
<td>6,236</td>
<td>1,236</td>
</tr>
<tr>
<td>1968</td>
<td>5,165</td>
<td>5,315</td>
</tr>
<tr>
<td>1969</td>
<td>4,459</td>
<td>5,534</td>
</tr>
<tr>
<td>1970</td>
<td>8,538</td>
<td>7,559</td>
</tr>
<tr>
<td>1971</td>
<td>5,925</td>
<td>5,950</td>
</tr>
</tbody>
</table>

Source: Domínguez (1978:176) and Gerald B. Hagelbert, the Caribbean Sugar Industries: Conflicts and Opportunities. (New Haven: Yale University Press, 1974) p. 112.

The table further shows that 1963 was a devastating year for the Cuban economy. However, in 1970, the year of the ten million tons shows a marked increase in sugar production. In total, economic performance was dismal throughout the mid 1960's. It is in the area of social
services that Fidel Castro's regime has been successful.

However, it is nevertheless difficult to assess the revolutionary government's economic performance. As we noted in the preceding pages, the economic achievement in sugar production in 1970 (see Table 9.4) was matched by the terrible cost of that achievement in the rest of the economy. For example, in 1970, 21.6 percent of industry products, 21.1 percent of agricultural products, and 41.7 percent of forestry products had their worst production year (Dominguez, 1978:178). Hence, between 1968 and 1970 declines seem to have outnumbered increases by almost two to one in industry and by over two to one in agriculture (see Table 9.3) (Dominguez, 1978:179).

Mesa-Lago (1974:38) for example, summarizes economic dilemma faced by the Castro's regime. This will, therefore, bring this section to its conclusion.

Since 1961, there has been spiraling inflation in Cuba generated by a wide gap between the demand for and the supply of consumer goods. Demands rose steadily because the population's disposable income was enlarged by full employment; a guaranteed annual salary for sugar workers even if they did not have work to do in the dead season; the increase in minimum wages and pensions; the expansion of free social services (i.e., education, medical care, social security, burials, public telephone calls, water, sports, and in part, housing); and a reduction in the cost of other services (i.e., electricity, gas and public transportation).

It is evident from the above, that the Castro regime remained dedicated to doing what is necessary for the well-being of the Cuban populace. It is this emphasis in the social services that led us to
place Cuba in the category of social justice.

"Ten Million Tons of Sugar:" Implications For The Economy

Dominguez (1978) remarked that Castro's emphasis on sugar had become an obsession by the end of the 1960's; in 1970, an attempt was made to produce ten million tons of sugar -- "something which the Cuban economy has yet to achieve."

Seemingly, the obsession with sugar became one of the most intense campaigns to produce ten million tons of sugar harvest by the year 1970. To meet this goal, it was found necessary to mobilize the political and economic energies of the country. The failure of the campaign resulted in serious economic dislocation and translated into an increasing political and economic dependence on the Soviet Union. Perceptually, this was the correct response to the economic problems facing the country, but as Hazelberg (1979:35) puts it, "although the obstacles in the way of increasing sugar production and, above all, of stabilizing it at the higher level to meet long-range export commitments were, in turn, seriously underestimated." (For additional discussions, see Boorstein, 1968; Matthews, 1969; Castro, 1970a, 1970b).

The sugar harvest of 1970 was launched by Fidel Castro in 1968, and was called the "Great Revolutionary Offensive" like its counterpart the "Great Leap Forward" in China under Zhou/Mao. It is important to note, in this conjunction, that prior to Fidel Castro's decision on the "Ten Million Tons of Sugar;" a great controversy existed between Che Guevara and his followers, and the moderate pragmatist group led by the economist Carlos Rafael Rodriguez. The latter placed emphasis on "first,
that central planning should also be based in cybernetic and input-output techniques, but with some autonomy at the enterprise level and with partial use of market mechanisms. Against budgetary technique, they introduced self-financing in about one-third of the state enterprises. These received loans from the central bank, loans which earned interest and had to be repaid; in turn, the enterprise could retain a good part of its profits for reinvestment and expansion. Second goal was economic institutionalization based upon an efficient bureaucracy, high labor productivity though the Soviet system of work quotas, and material incentives (e.g., wage differentials, bonuses for overfulfillment of work quotas, overtime payments, and awards in kind). Thirdly, the group also favored a strong Communist party, Soviet styled unions, close links with the U.S.S.R. and more flexibility in Cuba's foreign relations with Latin America" (Mesa-Lago, 1974:7).

The Guevara's approach, closely related to the Chinese emphasized:

(1) total elimination of the market or 'commodity production' through full collectivization of the means of production, a highly centralized-computerized planning system, central financing of all state enterprises through budgetary appropriations (i.e., non-repayable, interest-free grants, with transfer of all enterprise profits back to the state budget), and the gradual eradication of money and 'material incentives.' (2) ...the creation of an unselfish, self-sacrificing, frugal, fully-socialized, egalitarian human being -- the 'New Man' ...attained by raising mass consciousness through education, mobilization, unpaid voluntary labor, and 'moral incentives' (i.e., banners, medals and free social services provided by the state) ...(And) (3) the exportation of the Cuban revolutionary
model to Latin America. This action was urged on by the premise that continental revolution was indispensable for the survival of socialism in Cuba... (emphasis my own) (Mesa-Lago, 1974:6).

Interestingly enough, for four years Fidel Castro did not openly participate in the controversy, "but clearly dismissed or sent abroad the leaders of the two opposing groups" (Mesa-Lago, 1974:7). When "his path was cleared of potential opponents" he endorsed the "Sino-Guevarism although embellished with personalistic Castroite features." Mesa-Lago (1947:7) further adds:

the most important economic decisions were not concentrated in a "scientific and objective" central planning apparatus, but were made by the prime minister (Fidel Castro) and his inner circle of loyalists and implemented through "mini" or sectional plans.

The emphasis, therefore, was placed on "capital accumulation, mobilization, moral incentives, egalitarianism, and abolition of money..." (Mesa-Lago, 1974:8).

In addition (and for the purposes of "capital accumulation), Fidel Castro decided to eliminate "bourgeois institutions, ideas, relationships, and privileges." The remnants of private trade -- about 556,000 small businesses -- were wiped out. "Shops, stalls, small factories, and private service establishments (except for fishermen and some farmers) were abolished. Cabarets and bars were closed. Self-employed craftsmen had to go into factories or on farms. Enormous quantities of hoarded consumer goods, much of it black market, were confiscated. Hotel staffs voted against tips (Matthews, 1975:298). When it was
over, 90 percent of the Cuban economy was taken by the state.

Fidel Castro stated in a speech announcing the new policy that:

"Gentlemen, we did not make a revolution here to establish the right to trade, such a revolution took place in 1789 -- that was the era of the bourgeois revolution -- it was the revolution of the merchants, of the bourgeois. When will they finally understand that this is a revolution of socialists, that this is a revolution of Communists?... It must be said very clearly -- and goes without saying -- that the revolution is not out to make enemies for the fun of it, but neither is it afraid of making enemies when necessary -- it must be said that private trade, self-employment, private industry or anything like it will not have any future in this country...

We don't feel that the Communist man can be developed by encouraging man's ambition, man's individualism, man's individual desires. If we are going to fail because we believe in man's ability, in his ability to improve, then we will fail, but we will never renounce our faith in mankind (Castro, in Matthews, 1975:298).

Fidel Castro's conception of privately owned enterprises is not necessarily limited to foreign enterprise, but includes Cuban's private business. In a speech on January 12, 1968, Fidel Castro stated categorically that:

Clearly and definitely we must say that we propose to eliminate all manifestations of private trade, clearly and definitely...it must be said that private trade, self-employment, private industry, or anything like it will not have any future in this country. Because whoever is self-employed can then pay the hospital and the school, can pay everything and pay dear (Fidel Castro, 1968:273).
In his speech, Fidel Castro touched on social justice, that if those who do not work for themselves are receiving free medical care, then private business owners who make more than those who work for the state, must not receive free medical care, but rather should pay for it "dearly."

For Fidel Castro, private accumulation of wealth is a moral question, though it touches on his beliefs that in a socialist state all should be equal. This equality is not limited to work, treatment, but also to wages. To him, it is "selfishness."

We cannot encourage or even permit selfish attitudes among men if we don't want men to be guided by the instinct of selfishness, of individuality; by the wolf, the beast instinct; man as the enemy of man, the exploiter of man, the setter of snares for other men. The concept of socialism and communism, the concept of a higher society, implies a man devoid of those feelings, a man who has overcome such instinct at any cost, placing above everything, his sense of solidarity and brotherhood among man (Fidel Castro, 1968: 273-274).

Private enterprises are not only seen as "exploitation" of man by another man, but an evil in itself. Thus, under socialism, the belief is that the concept of socialism espouses brotherhood destroys the beastly instinct and promotes solidarity among man. Fidel Castro went even further in the above quotation by stressing that private investment, or people in private business, or

...the one who makes 200 or 300 pesos a day is contributing nothing to society... And this has posed the need to put an end to all types of exploitation that remained in our country... This is why this nationalization or takeover -- if you wish -- of all types of private businesses left in our country is taking place... Today no one can make 200 or 300 pesos a day, no one (Fidel Castro, 1968: 293-294).
As Castro put it, "all this was a source of immorality, corruption, delinquency" (Castro, 1968:294). Thus, private businesses, as well as investment -- which did not contribute to the society -- were perceived as "immoral." And, as a socialist state, the bitter experience with U.S. owned foreign enterprises had an effect on Castro's perceptions of private enterprises and investments.

As a result of the policy, there was a good deal of sabotage and other crimes in 1968, mostly by the young people. Fidel Castro denounced the state of lawlessness in a speech in September 1968. As Matthews (1975) notes, it was a period of discontent, production was lagging and consumer goods were in shorter supply than ever. Many thousand petit bourgeois has been alienated by the nationalization of small businesses. Dominguez (1978:506), for example, states that government surveys show that "36.6 percent of all these businesses had been established after 1960; 10.2 percent had been established in 1967-68 in the interior of the province of Havana." In metropolitan Havana itself, 51.7 percent were established in 1960. No reasons are given as to why these private businesses were allowed to exist and to operate. However, private plots were allowed to operate.

One possible reason could be derived from Castro's own explanation stated below, and this seems to correlate with the profits these small private businesses were reaping.¹

¹For example, one-fifth of these businesses had a gross daily income of over 100 pesos, and an additional 35.5 percent had a gross daily income between 50 and 99 pesos (Dominguez, 1978:506). These actions must be viewed in the context of the basic minimum wages in Cuba. In September 1972, the basic minimum wage was $75 a month, however, salaries of $800 and even $1,000 a month were being earned. Newly trained engineers, for example, received between $300 and $400 a month (Matthews, 1978:296).
Fidel Castro explained in his May Day speech in 1971 that:

In no way can all salaries be made equal. We cannot simply forget that some work is much harder than another; that there is work which required much more expertise and responsibilities than other work... Sometimes it is difficult getting workers for certain types of activity. Some compensation must be established for them; there is no other mechanism... It is true that the salary is not the fundamental factor, not the decisive factor, but all the same, it has its weight...

We have reached very high levels of voluntary work... But the road to Communism is not only a road of conscious, it is a road of the development of productive forces and of a material basis...

We cannot be misled into the idealism that because we want Communism and because we are struggling for Communism and because conscious is the fundamental factor of development that, therefore, we already have a fully developed conscious, that we already have a material basis, that we are already in a Communist society, and that all men are already behaving exactly the same in their conscious. In reality, this is not the case. All this is a process; but a process that moves upward...

We must understand that we are in a transitional stage; in the socialistic phase of the revolution, not in the Communist phase.

Some are asking themselves if there has been any change in the line or in the position of the revolution (on moral values). There has been no change. There cannot be one! For the day on which we abandon these banners, the revolution would really be in danger; the revolution would be disarmed (Castro, in Matthews, 1975:296).

Castro's speech should be seen in the context of the revolutionary's belief in "historic salary," by which salaries could not be reduced, but
only increased. And in a speech to the 1973 CTC Congress, he explains that:

The historic salary first arose as a need to establish a certain discipline in wages, taking into consideration the enormous diversity of existing types of salaries, of the need to establish a scale, and the desire and intention of not prejudicing workers, since many of those historic salaries were the result of great conflicts in the past by the workers themselves, and the revolution did not want to adopt measures prejudicial to the workers (Castro, in Matthews, 1975:296).

The beliefs in 1974 were "to adopt a policy so that there is not a single new historic salary in the first place, and move progressively and by different paths toward the disappearance of the historic salary... And logically, remuneration must be associated with the amount of work the person is fulfilling" (Castro, in Matthews, 1975:296-297).

The discussion has led us beyond our immediate concern. We now return to the failure of the Great Revolutionary Offensive. In 1970, the "Year of the Ten Million," Cuba suffered a severe drought. Thus, the harvest was a poor one. Matthews (1975:312) suggests lamentably that:

What was missing -- fatally -- were the hoped for Russian cane cutters. The Russians had tried, but their first machine was what Fidel called 'a great destroyer'.

When the Russians did come up with what seemed to be a good machine, it was 1972. And even the 1972 harvest was a poor one. Thus, by the middle of May 1970, Fidel Castro had had to announce, unhappily, that the goal of ten million tons of sugar could not be reached. "Today,"
Fidel Castro commenced, on July 26, 1970:

I am going to speak of our problems and our difficulties: not of our success, but of our reverses... And we are going, with your permission, to present the essence or what is essential in our difficulties in the most elemental way possible. We desire, above all things, that the masses understand, and that the masses prepare to fight their battle...

In effect, this heroic effort to raise production has turned into deficits in the economy, into a reduced production in other sectors, in short, into an increase in our difficulties...

Let us first begin by pointing out, amidst all these problems, the responsibility of all of us, mine in particular. I have no intention, in any way, to pick out responsibilities that I would claim were not mine as well as those of the entire administration of the revolution. Unhappily, these self-criticisms cannot easily be accompanied by consequent solutions. It is better that I say to the people: seek someone else! And more: seek other men! It would be better. In reality, for my own part, it would also be hypocritical... I believe that we, the leaders of this revolution, have proved too costly in our apprenticeship... I include myself in the category, of course, one of those exceptions was not I -- we were all ignorant...

We are not bringing any magical solutions here to you. We have presented the problems and said: only the people, only with the people, with the mobilization of the conscience of the people, the decision of the people and the will of the people, will these problems be overcome...

Ah! This is not the first time that we said this. We said it when we arrived here the sixth or seventh of January (it was January 8, 1959), and we said that we realized our task was great and that we had much to learn. And
we said in all sincerity, as in all sincerity, we said that the apprenticeship of the revolutionaries in the construction of the economy is much more difficult than we had believed; that the problems are much more complex than we believed; and the apprenticeship much longer, very much longer, and very much harder. And this is the battle that we now face...

Today we are not fighting against men -- unless those men be ourselves, we fight against objective factors; we fight against the past; we fight in the presence of that past which is still with us; we fight against limitations of every kind. But this, sincerely, is the greatest challenge that we face in our lives and the greatest challenge that the revolution has faced.

Our enemies take shelter and base their hopes on our difficulties... They are wrong in only one thing: in believing that for the people there is any alternative to the revolution, in believing that the people, faced with the difficulties of the revolution, whatever these difficulties are, can choose the road of counter-revolution. Ah! In this you are mistaken, senores imperialistas! Yes, in this you are mistaken! In this, no one is ready to grant you a shred of truth! This is where you go wrong...

If we are worth an atom of anything, that atom will be in fulfillment of an idea; that atom will be in fulfillment of a course; that atom will be for the uniting of a people...
And we are men of flesh and bones, fragile to an incredible degree. We are nothing; yes, we can say it; we are something only in the fulfillment of this or the other task... And always, always we will be -- every time more consciously, every time more intimately, every time more profoundly -- at the service of the cause. Once more, there only remains for me to say to you, our people, in the name of our Party, our Administration, and also in the name of my own feelings at the reaction, the attitude and the confidence of the people -- to say to you: many thanks! (Castro in Matthews, 1975:12-13).
Fidel Castro went through a long period in which production had slumped heavily because of the distortion in the economy; for example, rice, milk, fertilizers, paper, shoes, cloth, etc... This resulted in the imposition of restrictions on the consumption of meat, fowl, vegetables, fruits, lard, beans, beer, etc... Cigars and cigarettes fell far short of demand that rationing had to be introduced. There were failures in imports and exports...difficulties on railway and truck transportation, and a serious decline in a number of public services. It was the picture of economic breakdown (Matthews, 1975).

In the speech of July 26, 1970, Fidel Castro accepted the blame for his administration, and the economic failure of his administration. The outcome was very much similar to the Chinese' "Great Leap Forward."

Here again, Fidel Castro, contrary to the pronouncements of some Northern scholars, did not blame his economic failure or his desperate attempt to free Cuba economically from dependence on the Soviet Union on either the West or the Soviet Union, but on himself. His speech to the Cuban populace was more of a call to action than a mere acceptance of defeat.

Unemployment

The emphasis on agriculture could be regarded as one way to deal with unemployment in Cuba. A survey conducted by Frie (1976:22-23) in the spring of 1960, indicated that 22 percent of the respondents were still citing unemployment as the greatest fear, and 23 percent cited employment as the greatest hope. Overall, the Cuban political system was to have been improving on those things that the pre-revolutionary
regime had already done relatively well; that is, economic growth and redistribution of income that seemed to have favored organized labor (Dominquez, 1978:182).

However, Fidel Castro's regime was not reducing unemployment when compared to the pre-revolutionary regime. For example, the annual unemployment rate in 1957 was at 12.4 percent. It fell to 11.2 percent in 1958. It rose again to 13.6 percent in 1959, and fell again to 11.8 percent in 1960. Essentially then, there was no remarkable change (Dominquez, 1978).

Dominquez (1978) distinguishes between overt unemployment and disguised unemployment. One thing that could be said is that the Fidel Castro regime succeeded in curbing overt unemployment in the 1960's. Carmelo Mesa-Lago (1972:40) estimated that unemployment fell from 8.8 percent in 1962 to 4.5 percent in 1965 and 2.7 percent in 1968. Finally, in 1970, the unemployment was at 1.3 percent. A shortage of labor, as Dominquez (1978) notes then appeared. To face this problem, fidelista regime resorted to:

...large scale mobilization of unpaid and not always voluntary labor to face the shortage. Overt unemployment, however, was replaced by disguised unemployment, a solution reached at a cost to economic efficiency.

For the newly employed, nevertheless, steady job holding and the security it represented was new experience, both socially and psychologically, disguised unemployment is profitable to overt unemployment (Dominquez, 1978:183).

With respect to wage sharing in the economy, it was no lower in the 1960's than it had been at the end of the Batista regime; and it was perhaps higher (Dominquez, 1978:182). Most of the agricultural workers
who were previously privately employed were placed on the state payroll in 1963. This move was called by the government, the "revolutionary offensive" (Dominguez, 1978). However, between 1963 and 1968, relatively few workers were placed on the state payroll. Dominguez (1978) contends that "there must have been a real upward trend during those years." Thus, between 1967 and 1970, the average annual income increased by 4.1 percent (Dominguez, 1978:182). This was partly due to the socialization of private retail business and residual categories in industry and transportation, and perhaps through a real wage increase that "led to large accumulations of money in private hands (much of which could not be spent because of rationing and scarcity of consumer goods)" (Dominguez, 1978:182). Moreover, in 1969, the percentage of gross material or social product rose to an all time high. But since that time, wage share of gross product has been in decline. Dominguez (1978:182), for example, observes that in 1971, wages increased 2.9 percent, in 1972 by 5.9 percent, and in 1973 by 9.7 percent. All the above was a determined attempt by Fidel Castro's regime to improve the condition of living and provide employment to the Cuban people. But as we have seen, unemployment remains one of the main concerns of the revolutionary regime.

The regime, however, made an effort in the 1970's to increase productivity and reduce disguised unemployment. Fidel Castro, at the 1973 Thirteenth Labor Congress, revealed the magnitude of disguised unemployment. Jobs that used to be done in the pre-revolutionary period by 200 workers, now required over 700 workers. The regime further adopted policies which tended to protect disguised unemployment; that is by guaranteeing jobs to seasonal workers year round, particularly in the
sugar mill industry. These workers maintained jobs, but did relatively little work.

In late 1970, the regime adopted policies aimed to remedy the problem of low productivity. These policies were partly successful, but only by leading to even more overt unemployment in the country. Fidel Castro acknowledged at the Labor Congress that "a greater demand for jobs;" "a time may come when we will have a headache finding jobs for all those who want to work." The problem surfaced earlier in two of the largest provinces, Las Villa and Oriente. President Dortico noted the end of the labor shortages and the emergence of regional unemployment. Thus, the headache remains and the revolutionary government continues to search for solutions to the problems.

External Factors in Development

In an effort to develop rapidly, Fidel Castro promised "a dramatic" industrial and agricultural development. However, to accomplish his early conceptions of how and what was needed to fulfill his promises, Fidel Castro had to contend with external forces operating against his reform measures inside the country, mainly, the United States based companies and private businesses. Several arguments have been advanced with regard to Fidel Castro's decision to nationalize and expropriate the United States based companies and private businesses (Boorstein, 1968, Bray and Harding, 1974, Gonzalez, 1974, Huberman and Sweezy, 1961 and Matthew, 1969). Had the United States based companies and private businesses cooperated with Fidel Castro, would Castro have taken the decisive decision to nationalize these enterprises and expropriated
U.S. private business? Could the United States have negotiated with the revolutionary government of Fidel Castro, some form of settlement that would have been beneficial to both parties?

The answer to these questions can be found in (1) the context of what was transpiring in the international system -- the nature of the United States and the Soviet Union relations, (2) the United States' perceptions of Communism and Communist governments/regimes, (3) the fact that Cuba was in all respects a United States colony and its geographical proximity to the United States, Latin America and the Caribbeans, and (4) the United States' fear that should Castro succeed, the same revolutionary elements operating in other Latin American countries would gain momentum, if not succeed in disturbing the status quo. Of equal importance, the answer can be found in the nature of the revolution. We define revolution as a drastic change in the social, political and economic structures of the society (Welch and Taintor, 1972). Given this definition, it would have been difficult for Castro and the United States to arrive at mutually beneficial agreement.

For instance, when Fidel Castro sought to diversify trade by selling sugar to the Soviet Union for oil, the United States oil refinery in Cuba refused to refine Soviet oil (Matthew, 1969). This action on the part of the oil refinery company eventually led Fidel Castro to expropriate the refinery (Bray and Harding, 1974:623). It is argued here that when the United States government decided to cut Cuba's sugar quota in 1960, this decision led Fidel Castro into reliance on the Soviet Union. Gonzalez (1974) has noted with respect to consolidation at home, breakthrough abroad that:
...because it was both a creative and re-active process (the Cuban revolution between 1959-1970), the fidelista revolution went through three distinguishable stages of development, which correspond to the ever changing circumstantial imperatives and task confronting its leadership.

On the three stages of development, Gonzalez asserted that:

...the first stage...lasted through 1962, was one of consolidating power internally and securing Cuba's position externally in order to proceed with the revolution... The latter could not be assured unless the regime took steps to prevent a collapse such as occurred in the 1933 Revolution, or a "Guatemalization" as had occurred with the overthrow by the United States of the Arbenz government in Guatemala in 1954. In moving to consolidate their position after the outset of 1959, Fidel and his followers had to face three interrelated policy questions. The first involved the nature of the revolution: Could fundamental revolutionary changes be carried out and insured under a democratic order, or would a revolutionary dictatorship be required to impose deep transformations and to maintain revolutionary momentum? The second involved the choice of revolutionary allies: Could a viable revolutionary regime be formed solely with non-Communist elements drawn principally from the July 26th Movement, or would the Cuban Communists have to be included as a new domestic source of organized support and as a means of attracting external support from the Soviet bloc? The third question involved the foreign policy options available to the revolutionary Cuba: In light of previous Cuban and Guatemalan experience, could the United States be expected to countenance a regime bent on the revolutionary transformation of Cuba? If not, could Cuba realign itself with the Soviet Union with the assurance that assistance from the latter would be forthcoming immediately and, most importantly, in future years? (Gonzalez, 1964:115-116).
The realignment with the Soviet Union is one of the options Fidel Castro opted for, and the adoption of "a revolutionary dictatorship and the inclusion of the Cuban Communists in the revolutionary camp" (Gonzalez, 1974:116). It was through the radicalization of the revolution along socialist lines in addition to the establishment of a revolutionary dictatorship that Fidel Castro and his followers secured the regime position at home and abroad (Gonzalez, 1974:116).

The consequences of this revolutionary transformation inevitably led to intense opposition both at home and abroad\(^2\) (the United States and some Latin American countries). What is equally important is the fidelista decision to abandon the pledges made during the revolutionary struggle and once in power, to restore free elections. This pledge was abandoned. Instead, "a popular revolutionary dictatorship was substituted which had a charismatic rather than institutional basis of authority, whereby effective political power was invested in the person of the líder máximo" (Gonzalez, 1974:116) or more accurately, in the person of Fidel Castro. This, in a sense, seems to exemplify this student's crystallized point of view on the institution of the presidency in Southern countries. We have maintained that the institution, perception, conception, authority and responsibilities of the presidency are defined by the man and woman who occupy the position at the time. Thus, the man or woman who occupies the position of the presidency defines the position according to his/her beliefs about the position.

\(^2\)The ill-fated Bay of Pigs invasion is well documented. See, for example, Janis (1972).
Ideology and Economic Implications

It has been suggested that Fidel Castro and his followers embraced socialism as a result of "both objective economic conditions and class struggle and subjective political and economic commitments and values on the part of the revolutionary leadership" (Bray and Harding, 1974:623). Several factors did in effect play an important role in the decisions to embrace socialism as a road to development and autonomy from external influence. Dependency on foreigners for Cuban economic and political development, economic and social stagnation, trade monopolization by the United States, and "unproductivity which characterized Cuban economy; the enormous technical and capital requirements necessary for the development of any underdeveloped country in the present day; and the absence of a nationalist, autonomous, capitalist class made rapid development of Cuba and a redistribution of wealth to benefit the Cuban masses impossible under capitalism" (Bray and Harding, 1974:623-624).

Nationalization of foreign trade, business and companies is a risk taking process, but in the case of Cuba, this was found to be the way to economic development. This point is underscored by Blake and Walters (1976) that:

> Nationalizing holds the promise of increased government revenues and foreign exchange earnings in a way that appears to reduce the dependence of a poor state upon rich states and the multinational corporations operating from them (Blake and Walters, 1976:173).

In his beliefs (Fidel Castro), what was required was socialism in order to achieve development and social equality. Bray and Harding (1974) caution that:
This does not mean, however, that socialism was inevitable in Cuba. On the contrary, the reality of dependency put enough pressure on any political group in control to conform to the fact of U.S. power. However, the revolutionary leadership was determined to do whatever was necessary to benefit the Cuban workers and peasants. They had the power in the Rebel Army to do so, and they did not shrink from their goals even when it became evident to them that only under socialist organization could they achieve their aims (Bray and Harding, 1974:624).

"The restructuring of the economy along socialist lines led to many difficulties that dampened the initial revolutionary fervor of the less committed." Gonzalez (1974) continues:

The nationalization of the major manufacturing and commercial enterprises, along with the trend toward centralized state control over agriculture, greatly overtaxed the capabilities of the new government. The regime had neither the trained administrators and managerial personnel nor the experience in central planning with which to replace the private entrepreneur (Gonzalez, 1974:119).

Despite the determination to move both the economy and society within socialist line or organization, that is, transforming the economy from capitalism to socialism, the revolutionary government experienced disruption in production and the distribution of goods and services within the state sector (Gonzalez, 1974:120). At the time the INRA was forging toward socialism. The process had a serious effect on production in the private sectors of the economy. Quantitatively, at least, the private sector produced more than the state owned (people's farms or granjas) sectors of the economy, particularly in the agricultural areas, where Cuba still had 63 percent of the land under private ownership. Faced with the only alternative to sell their produce to the state at a
much lower price than was previously the case, and coupled with the scarcity of consumer goods, the private farm owners (peasants) were reluctant to sell their farm products to the state, and began cutting down on production (Gonzalez, 1974:120). This resulted in a shortage of food toward the end of 1961. Food and articles of clothing were rationed by the regime (Gonzalez, 1974:125). But as Gonzalez was to remark:

> These growing economic deprivations may have been less significant for those individuals who found a new sense of popular participation in, and identity with, the unfolding revolutionary process (Gonzalez, 1974:120).

But what is of equal significance, as Arendt (1968) and Huntington (1968) and Gonzalez (1974) were later to remark that "revolutions, after all, do not thrive on immediate economic success. On the contrary, they may be sustained by revolutionary élan in which there is widespread commitment to sacrifice and hardship as a necessary cost for the making of a new order" (Gonzalez, 1974, Huntington, 1968:309-310).

Gonzalez further asserts:

> But such commitment can also wane under conditions of protracted stress and privations, especially in a country such as Cuba where many sectors of society had previously been accustomed to high rates of consumption. The revolution and the regime itself could not, therefore, thrive on spirit alone. What was also needed was the reorganization of society under revolutionary institutions in order to consolidate the revolutionary process (Gonzalez, 1974:120).

This process of consolidation of the regime was accomplished through external linkage. That is, through Fidel Castro's strategy of obtaining the Soviet Union commitments. To completely liberate Cuba from any further dependence on the United States, the consolidation
process required "a political, economic and military realignment with the Soviet bloc even though such an alignment would itself assure the permanent enmity of the 'Colossus of the North' (Gonzalez, 1974:120).

In discarding the two contradictory schools of thought regarding the Cuban socialism that suggests a "revolution betrayed" and the second as a "conspiracy," O'Connor (1970) suggests instead, a third thesis that "the rise of Cuban socialism was true drama, not melodrama or farce." Contrary to Draper's (1962) sophisticated perception of the "revolution betrayed," O'Connor's thesis is based on three propositions.

...First, that Castro was a highly competent revolutionary politician and personally ambitious man who brilliantly exploited the wait-and-see attitude of the United States toward the revolution for his own ends; second, that most of the social and economic reforms introduced during the first few months of the revolution were sensible and practical, but that their effectiveness was quickly eliminated by Castro's alliance with the Cuban Communists, his demagogic nationalism, and his eagerness to polarize the revolution against the middle classes, who were chiefly responsible for the victory against Batista. Castro's unreadiness for socialism, it is claimed, was by the lack of interest of the people in the socialist planning, inefficiencies in the operation of industry and agriculture, and the general failure of the economy to perform up to pre-revolutionary standards (O'Connor, 1970:4).

O'Connor advances a rather different thesis on the Cuban socialism. Stating in fact that:

...Cuban socialism can be understood only in the context of the old economy and the old social and political structure, not as the bitter fruit of some "abnormality" or "conspiracy" nor as the product of a series of mistaken judgements by Cuban liberals and
reformers and United States' policy-makers.  

...The heart of the argument is that Cuban socialism was inevitable in the sense that it was necessary if the island was to be rescued from permanent economic stagnation, social backwardness and degradations, and political do-nothingism and corruption (O'Connor, 1970:5-6).

The Soviet Union, on the other hand, although not endorsing Cuban socialism, moved to establish diplomatic relations with Cuba, in addition to trade agreements which included the purchase of seven hundred thousand tons of sugar in 1960, and a pledge for military and technical assistance to Cuba. It was not until after the Bay of Pigs ill-fated invasion that the Soviet Union "publicly acknowledged that Cuba had indeed embarked upon the path of building socialism" (Gonzalez, 1974:125).

After securing relationships with the Soviet Union, Fidel Castro began the reassessment of the internal political, social, and most importantly, the economic systems of Cuba. However, the acquired ideology was more in what was taking place in Cuba.

Draper (1965) and Matthew (1969) quote Fidel Castro as having said in a speech on September 28, 1964, that, "We began to construct socialism without knowing how socialism should be constructed. We knew what we wanted, but we did not know how to get it" (Draper, 1965:214). Bray and Harding (1974), in reference to the way in which many Cubans including revolutionaries "with deep anti-Communist sentiment" made the transition to socialism, wrote:

Many explained their own changeover to these writers in such terms as "before, we had no idea what communism was except that everyone said it was bad. Later, when we found out that what we had built was socialism, we knew
It was good" (Bray and Harding, 1974:638-639).

Thus, the conversion to socialism was not exclusively limited to the top leadership of the revolutionary government, but through doing "what was needed to do," it permeated the Cuban people.

Among the older population, the transition to socialism did not occur through indoctrination, but by following in doing what was needed to be done. However, among the younger population, e.g., students, the process was through the school curriculum (indoctrination).

**Attempt at Industrialization**

In the area of industrialization, Fidel Castro conceived it "to be the answer not only to Cuba's foreign exchange and unemployment problems, but also the only path to "economic freedom," the "road to collective well-being in the age of economic empires" (O'Connor, 1970:248). Thus, ambitious and general plans were made "for new and expansion of investment in steel, chemicals, petroleum, minerals, construction materials, electrical power, vehicles, and other heavy industries" (O'Connor, 1970:249). In 1962, industrialization plans and projects were being made by the new regime. The political-economic projects were of three types. The first plans had its aim in stabilizing and at the same time raising the level of sugar exports. O'Connor states:

This was considered important for two reasons: planned industrial investments required planned imports of raw materials and capital goods, which in turn, required high, stable export earnings; and planned, full-time utilization of resources depended on predictable export earning because cross-elasticities of supply between imports and home-produced goods were low (O'Connor, 1970:249).
Second, the industrialization plan was aimed at diversifying Cuba's exports. The emphasis was on expanding the exports of raw and processed minerals. And the third objective was to obtain "full cooperation of the major socialist countries" (O'Connor, 1974:249). Cooperation with the socialist countries entailed not only continuous flow of aid and technical assistance, but also to obtain from these countries guarantees of "favorable and stable prices for Cuba's sugar and other exports" (O'Connor, 1970:249). In a sense, Cuba's first plan for industrialization was oriented by the need for external direct and indirect financing.

The 1962 plan met with some serious shortcomings. In fact, the plan failed. Boorstein (1968) states that Cuba's first plan failed because:

...it is hard in a country without a long tradition or organization, without a large number of trained and experienced people, to convert an anarchic economic into a planned economy overnight. Even with the tradition and trained personnel, the setting up of a large organization to perform new and unfamiliar tasks is much more difficult than many realize...the plan also failed because of the manner and method with which planning and organization were introduced in Cuba. For all its faults, par la libre had had one virtue -- it looked to the external world and people. And for all their potential virtues, organization and planning as they were introduced in Cuba had a basic defect -- they almost forgot about the external world and people (Boorstein, 1968: 166-167).

O'Connor on the other hand maintains that Fidel Castro's industrialization plan of 1962 was "at best a paper plan;" that the actual balances were worked out within and between major economic sectors,
but these balances failed to reflect real input-output relations because of a highly unrealistic appraisal of the resources of inputs necessary to attain planned output goals" (O'Connor, 1970:250). Fidel Castro himself accepted the blame for the economic failures of his regime. As Matthew finally put it, the furthest Castro can go in his speech was to say, "we have made mistakes" (Matthew, 1969:238). Theodore Draper in The New Leader of April 13, 1964, stated that "for over three years, the Castro regime has fed its people far more fantasies than food."

However, Matthew (1969) countered this argument by suggesting that:

This was true in the literal sense; the food situation was extremely bad and was still bad four years later. At the same time, no Cuban went hungry; children under seven received a quart of milk a day; thousands of students in the schools and universities received free or cheap meals; hundreds of thousands of civil servants and workers in all fields were able to get a solid midday meal free or cheaply (Matthew, 1969:238).

Moreover, as Matthew contends that the picture that the critics have painted about Cuba's economic situation as in the case of Draper (1964) "are really half truths." Matthew instead maintains that the critics:

omit the fact that a social revolution provides benefits which are not measurable in terms of food or other statistics. It is true that a dismal failure was made of the Cuban economic structure for a number of years. It does not follow that the Cuban revolution has been a failure; at least not yet. It will fail in the long run if the Cuban economy is not put on a healthy, viable basis which among other things, means plentiful and unrationed food supplies. Cuba is still far from realizing that goal (Matthew, 1969:239).
Fidel Castro recognized the problem with the structure of the economy. This was made evident in a key speech that he made on agriculture (in attempting to find solutions to the problem) on August 18, 1962, in which he also announced the end of cooperatives:

If there is one thing we must understand, it is the need to train men so that they will not make our mistakes. If you know that many mistakes have been made, what other way can there be to overcome these shortcomings? No one else is born with knowledge. Many men who were suddenly called on to fill a post did not know how, and it cannot be said that it was their fault. But if, within some years, there are no men of complete ability and competence, then the blame will be ours. But we will not make that mistake...we know what we are doing, we know that in the future we will not have the shortcomings, nor will we lack the elements we lack today. Today is the bitter present of work, suffering and patience. We need all the devotion of the revolutionaries and the faith of the revolutionaries, encouraged by a tomorrow that we know will be very different when these masses of youths, properly trained, join in the task in the effort.

Tomorrow, the problems may be different, corresponding to new stages or progress. However, what is scarce today will abound tomorrow. And it is not a question of days, weeks, or months; it is a question of years. Of course, we would all like to be living in tomorrow; we would all like that right away. But that does not happen in life. Not even to the fastest germinating seed. It always requires years (Fidel Castro in Matthew, 1969:239).

In this moving and somber speech, Fidel Castro faced reality and accepted the blame for the failure of his regime's economic policies. However, what Fidel Castro did not know exactly was precisely how many years would be required. The fact remained that he faced reality; and no one could have expressed better what these years have been than Fidel
Castro himself in the statement, "today is the bitter present of work, suffering and patience." O'Connor (1970) underscores Matthew's assessment of Fidel Castro's determination to correct the mistakes his revolutionary government had made in industrial and agricultural development.

Industrial planning during the following two years was considerably more realistic. Cuba's planners narrowed the range of projected investments and modified the general orientation of investment... The government reoriented investment policy by placing strongest emphasis on agricultural machinery and irrigation equipment, chemical fertilizers, petroleum, textiles, and sugar milling. Cuba thus became the first socialist country in history to choose to industrialize via an expansion of agriculture (O'Connor, 1970:250).

It is indeed true that the Castro regime sought to industrialize by way of expanding agriculture. However, it cannot be said that it was the "first socialist country in history" to do so. First, Cuba's socialism was Cuban and not a carbon copy of the Soviet Union or of other Eastern socialist states. Second, and most important, the Chinese leadership, after the failure of the Great Leap Forward reoriented investment policy by placing its emphasis on "Agriculture First." The Chinese approach in "Agriculture First" strategy meant significant expansion of those branches of industry that support agriculture, that is, provide important industrial inputs for agriculture. Just as in the case of Cuba, "this was coupled with a significant increase in the rate of application of these modern inputs to farming" (Eckstein, 1981:61). It is therefore, difficult to argue as O'Connor has suggested that Castro's regime emphasis on agriculture expansion is unparalleled in history by any socialist state. The People's Republic of China, as a
socialist state, has made significant advances in placing agriculture at the core of its development and industrialization.

Fidel Castro's role in the Cuban agricultural development is captured by Lockwood (1967). In this interview, Lockwood reveals Fidel Castro's own preoccupation with agriculture and the significance of this area of development for Cuba's economic, social and political development. In that interview, Fidel Castro stated:

What does agricultural development mean to our country? It means the quickest satisfaction of the fundamental needs of the people. Food, clothing and shelter. It means the immediate utilization of the major natural resources which our country possesses (quoted by Lockwood, 1967:84).

In this attempt to explicate the meaning of agricultural development for Cuba, Fidel Castro revealed two interrelated factors: first, as Matthew (1969) has noted elsewhere, that after the failure of his "agrarian reforms" Fidel Castro read most, if not all, available literature on agriculture, and in fact, became somewhat of an expert on agriculture and farming methods. Second, he also revealed what he believes or perceives as development. That is, providing the necessary "fundamental needs of the people," mainly, providing "food, clothing and shelter" for the majority of the Cuban people. The point that needs to be emphasized here is that that is precisely what the regime has been attempting to do since it assumed power in 1959. However, at that time, in 1961, Fidel Castro and his associates referred to it as "humanitarian." The means by which to provide food, clothing and shelter were by way of providing employment.
Agriculture

Fidel Castro also recognized, as we have stated in the preceding pages, what he conceived as necessary to overcome the problem of stagnating economy, shortage of food, the basic necessities, and most important, to maintain the revolutionary plan. Fidel Castro states:

I am spending most of my time on agriculture, specifically problems of agricultural technology. I think the application of technology is essential in agriculture, and if we who direct the country didn't have any technical knowledge, we would have to depend on the technicians... Our need for technology in general is so important that we are conducting a training program for agricultural technicians such that within ten years we will graduate fifty thousand technicians of the middle level and above, most of them chosen from among the farm laborers... We hope to have one of the most modern agricultures in the world (Lockwood, 1967:84).

Even in this interview, Fidel Castro does not seem to underestimate his own role in the agricultural development of Cuba. Fidel Castro, as we have seen from the above statement, placed great emphasis on the "problems of agricultural technology" which he perceives as the solution to that vital sector of the economy. The statement also reveals how he perceives his role in agricultural development. It is in this area that Fidel Castro perceived the potential economic development of Cuba. It is in this area that he has come to the conclusion that "our main source of immediate returns lies in agriculture in which we must invest our present resources which we are preparing the people and developing our general and technical education" (Lockwood, 1967:86).

This emphasis on developmental strategy in investing the country's resources in agriculture which in fact stressed the development of the
sugar and cattle industries was made possible by the trade agreement Cuba signed with the Soviet Union. Under the terms of trade, the Soviet Union in 1964 guaranteed sugar sale at prices much above the world market average (O'Connor, 1970:253). The Cuban-Soviet trade agreement on sugar has been described by some observers of Cuba's relations with the Soviet Union as a "favor," in the sense that, as Lockwood (1967) put it, the Soviet Union does not need all that sugar when it is able to produce enough for its population.

It is difficult to suggest that the Soviet Union did not have a direct impact on the Cuban internal political and economic development. Mesa-Lago (1974), Hagelberg (1979), Silvert (1979), and Hewett (1979) agree that since Fidel Castro's endorsement of the Soviet Union invasion of Czechoslovakia, there has been a steady improvement in the Cuban-Soviet relations. This accommodation, coupled with the realization that "continental revolution was not possible for the moment, was pivotal in shaping a less idealistic, more compromising foreign policy vis-a-vis Latin America" (Mesa-Lago, 1974:8).

The steady improvement in the Cuba-Soviet relations led to deeper Soviet involvement in Cuba. It should, however, be mentioned that the deterioration in the Soviet-Cuban relations was a result of the Soviet Union's refusal to endorse Castro's continental revolutionary approach in relation to the rest of Latin America. Second, Castro denounced the U.S.S.R. for "limiting the supply of oil to Cuba" and for imprisoning a group of PSP leaders for their alleged anti-governmental activities".

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3 The PSP is the "micro faction" of the Communista Party of Cuba. The PCC was established in 1965 under the Soviet Union's influence.
Albeit, it is accurate to say that the revenues from the sale of sugar to the Soviet Union, one of the leading importers, followed by China, played a decisive role in aiding Fidel Castro to diversify Cuba's economic position. For Cuba was not only able to export sugar, but it also served to expand and give priority to those industries which served the nickel plants at Moa Bay and Niearo. The nickel plants were expanded and integrated under the reorientation of the industrial policy. Thus, nickel was now exported as a finished product or metal, and it passed tobacco and became the country's second largest export (Bray and Harding, 1974:657).

Thus, the investment in agriculture and sugar industries does not come from foreign investment, but rather from direct investment from the revenue from the sale of sugar and nickel. Some of, if not most, the produce from Cuba is sold to markets in Latin American and Eastern European countries. Table 9.5 shows the distribution of state investment in selected sectors of the economy.

As shown in Table 9.5, the strategy in agro-industry meant a total reorientation in the resources to the countryside. This meant that state investments were to be concentrated in the agricultural sector of the economy.
TABLE 9.5

DISTRIBUTION OF STATE INVESTMENTS
IN SELECTED SECTORS OF THE ECONOMY 1962-1966

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>29.4</td>
<td>24.3</td>
<td>30.5</td>
<td>40.5</td>
<td>40.4</td>
</tr>
<tr>
<td>Industry</td>
<td>23.1</td>
<td>21.5</td>
<td>29.1</td>
<td>18.1</td>
<td>16.7</td>
</tr>
<tr>
<td>Housing &amp; Community Services</td>
<td>13.5</td>
<td>11.5</td>
<td>11.4</td>
<td>9.4</td>
<td>9.6</td>
</tr>
<tr>
<td>Education, Culture, and Research</td>
<td>8.1</td>
<td>7.0</td>
<td>5.3</td>
<td>5.0</td>
<td>4.4</td>
</tr>
</tbody>
</table>

Source: Data taken from Junta Central de Planification, Direction Central de Estadistica, Boletin Estadistico 1966 (Havana). Page 102 (Taken from Gonzalez, 1974:128).

Education

Matthews (1969, 1979), Gonzalez (1974), and Mesa-Lago (1974), have analyzed the effect and impact of the emigration on Cuba when the Fidel Castro regime came to power. Domínguez (1978:41) noted that the "export of the elite opposition, however, seriously weakened Cuba's economy, though even this price had an important political benefit: it accelerated the circulation of elites." It should, however, be noted that none of the political exports would have been possible without a willing importer: the United States.

To deal with the vacuum created by the emigration of elites, the revolution moved quickly in the fields of education, public health, and public work. The ministries of education, public health and public work
were established. However, there were problems -- "not just of personnel who had served Batista, of corruption, and organization, but of basic philosophy" (Boorstein, 1968:40). As Boorstein remarks, these agencies did not serve the people and these agencies were to be reeducated with a new philosophy, a new spirit. For under Fidel Castro, everyone was entitled to education and medical care regardless of his status; public works under the new regime were for all the Cuban people.

When the revolutionary government took complete control of the ministries, it moved to both reorganize and reorient the agencies. Boorstein (1968) remarks that "before long, results began to appear. Thousands of new teaching positions and classrooms were created" (Boorstein, 1968:40). Military camps and barracks were converted to school houses and hospitals. In addition, new parks, playgrounds and sports centers were constructed. As a measure of Fidel Castro's determination to eliminate illiteracy, "government expenditure on education rose from 74 million pesos in 1958 to 170 million in 1961, and were still higher later" (Boorstein, 1968:40). Table 9.6 shows the number of pupils in elementary, secondary, technical schools and universities in 1959, and Table 9.7 shows the number of pupils in the four levels in 1961.

**TABLE 9.6**

<table>
<thead>
<tr>
<th>EDUCATION</th>
<th>(1959 - No. of Pupils)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIMARY</td>
<td>SECONDARY</td>
</tr>
<tr>
<td>642,058</td>
<td>70,895</td>
</tr>
</tbody>
</table>
TABLE 9.7
EDUCATION
(1961 - No. of Pupils)

<table>
<thead>
<tr>
<th>PRIMARY</th>
<th>SECONDARY</th>
<th>TECHNICAL</th>
<th>UNIVERSITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,235,375</td>
<td>89,754</td>
<td>21,254</td>
<td>19,157</td>
</tr>
</tbody>
</table>

PRIMARY EDUCATION: (1963): 1,230,000 pupils.

As Tables 9.6 and 9.7 demonstrate, there has been a dramatic increase in the number of pupils attending primary, secondary, technical schools and universities. Thus, Table 9.8 shows the increase in the number of students attending schools in all four levels and the percentages in each category.

TABLE 9.8
INCREASE OF STUDENT ENROLLMENT IN ALL FOUR LEVELS
(1959 to 1961 in percentages)

<table>
<thead>
<tr>
<th>Levels</th>
<th>Percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>92.4</td>
</tr>
<tr>
<td>Secondary</td>
<td>26.6</td>
</tr>
<tr>
<td>Technical</td>
<td>968.5</td>
</tr>
<tr>
<td>University</td>
<td>4.3</td>
</tr>
</tbody>
</table>

The high percentage in technical school enrollment reflects, at least, the revolutionary government's determination to create a base for the economic development of the country. In a sense, it reflects the Soviet type model of economic development by placing greater emphasis on producing technicians. Seemingly, in the case of Cuba, technicians were badly needed to take the place of those technicians who fled the
country. The emphasis in technical education cannot solely be attributed to the exit of the pre-revolutionary technicians. It is in fact Fidel Castro's conception that technicians were needed in all areas of the labor force, mechanics.

### TABLE 9.9

**ENROLLMENT IN PUBLIC UNIVERSITIES AND WORKER-PEASANT ADULT EDUCATION PROGRAMS (1959-1971)**

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Universities (Of Enrollment)</th>
<th>Worker-Peasants Adult Schools</th>
<th>Of Adults Completing Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1959-60</td>
<td>25,295</td>
<td>79,912</td>
<td>-</td>
</tr>
<tr>
<td>1960-61</td>
<td>19,162</td>
<td>66,577</td>
<td>-</td>
</tr>
<tr>
<td>1961-62</td>
<td>17,888</td>
<td>428,590</td>
<td>-</td>
</tr>
<tr>
<td>1962-63</td>
<td>17,259</td>
<td>468,456</td>
<td>-</td>
</tr>
<tr>
<td>1963-64</td>
<td>20,393</td>
<td>455,394</td>
<td>87.5</td>
</tr>
<tr>
<td>1964-65</td>
<td>26,271</td>
<td>817,998</td>
<td>65.7</td>
</tr>
<tr>
<td>1965-66</td>
<td>26,162</td>
<td>550,837</td>
<td>79.7</td>
</tr>
<tr>
<td>1966-67</td>
<td>28,243</td>
<td>430,078</td>
<td>81.3</td>
</tr>
<tr>
<td>1967-68</td>
<td>29,238</td>
<td>477,811</td>
<td>73.8</td>
</tr>
<tr>
<td>1968-69</td>
<td>32,327</td>
<td>349,217</td>
<td>84.9</td>
</tr>
<tr>
<td>1969-70</td>
<td>34,520</td>
<td>268,745</td>
<td>74.8</td>
</tr>
<tr>
<td>1970-71</td>
<td>35,137</td>
<td>278,087</td>
<td>78.7</td>
</tr>
</tbody>
</table>

**TOTAL N = 12**

Sources: Computed by Dominguez (1978:166).

The high number of pupils attending schools in 1961 reflects Fidel Castro's determination to wipe out illiteracy or to correct the existing inequality in education. For example, before the revolution most children in the countryside were deprived of educational opportunity. Not only was Fidel Castro concerned with the education of children in the countryside and in urban areas, he was also determined to bring the
blessings of education to those workers and peasants who did not have an elementary or secondary education. That is to say, those who did not know how to read, write or count.

To compensate for the lack of available teachers to go around the country, late in 1961 Fidel Castro released young people of 12 to 18 years of age from their own school work to the countryside to "alphabetize everybody young and old" (Boorstein, 1968:41). The ability to "alphabetize people in the countryside was facilitated by the opening of the countryside with new roads. In turn, this facilitated the ability of the revolutionary government to bring medical/health care to the inhabitants in the countryside (and other areas).

It should be noted, however, that these tables present only public school enrollment. Thus, some of the growth of the early 1960's can be said to reflect the socialization of erstwhile private schools. However, on a large scale, adult educational programs were promoted, as we have indicated, by the Fidel Castro revolutionary regime, and do in fact show marked growth through the early seventies.

Moreover, the net effect of Fidel Castro's revolutionary educational policies could best be seen and appreciated in the number of students enrolled per 1,000 population at the commencement of a number of academic years and at four different educational levels.

Dominguez (1978:167) remarks that "because the middle third of the twentieth century had witnessed educational stagnation in literacy and school enrollment, the quantitative educational achievements of the revolutionary government are truly impressive."
TABLE 9.10
STUDENT ENROLLMENT PER 1,000 POPULATION AT THREE DIFFERENT ACADEMIC YEARS 1958-1971

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Primary Schools</th>
<th>General Secondary Schools</th>
<th>Technical Secondary Schools</th>
<th>Universities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1958-59</td>
<td>133</td>
<td>12</td>
<td>2.4</td>
<td>3.8</td>
</tr>
<tr>
<td>1964-65</td>
<td>176</td>
<td>18</td>
<td>5.9</td>
<td>3.5</td>
</tr>
<tr>
<td>1970-71</td>
<td>195</td>
<td>22</td>
<td>3.2</td>
<td>4.1</td>
</tr>
</tbody>
</table>

Source: Computed by Dominguez (1978:166).

In 1961, Fidel Castro's regime launched a literacy campaign. At the end of that year, the adult literacy rate was listed as 96.1 percent -- the highest in Latin America and among the highest in the world. Dominguez (1978) remarks that "there is some doubt that the 1961 literacy campaign could have reduced the illiteracy level so drastically, but the reduction of illiteracy was real though perhaps less impressive, and it did represent a large scale government effort to advance the level of education and break down the psychological barriers to participation by adults in effort to educate them" (Dominguez, 1978:165). The literacy rate computed from the 1970 census has not yet been released (from the sources that this student has examined), but a large number of scholars

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in Latin America place it between 95 and 96 percent (Dominguez, 1978: 1966).

The essence of Cuba's educational revolution can be seen in Tables 9.9 through 9.10.

<table>
<thead>
<tr>
<th>TABLE 9.11</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENROLLMENT IN PUBLIC SECONDARY SCHOOLS 1959-1971</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Initial Enrollment in General Schools</th>
<th>Initial Enrollment in Technical Schools</th>
<th>% of Initial General School Enrollees Completing Year</th>
<th>% of Initial Technical School Enrollees Completing Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1959-60</td>
<td>59,582</td>
<td>20,963</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1960-61</td>
<td>89,754</td>
<td>25,632</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1961-62</td>
<td>109,324</td>
<td>34,103</td>
<td>82.6</td>
<td>92.6</td>
</tr>
<tr>
<td>1962-63</td>
<td>123,118</td>
<td>35,966</td>
<td>84.2</td>
<td>87.6</td>
</tr>
<tr>
<td>1963-64</td>
<td>137,930</td>
<td>48,872</td>
<td>83.9</td>
<td>83.8</td>
</tr>
<tr>
<td>1964-65</td>
<td>136,726</td>
<td>48,531</td>
<td>82.8</td>
<td>77.2</td>
</tr>
<tr>
<td>1965-66</td>
<td>149,374</td>
<td>45,536</td>
<td>84.5</td>
<td>54.1</td>
</tr>
<tr>
<td>1966-67</td>
<td>171,421</td>
<td>51,477</td>
<td>78.7</td>
<td>45.0</td>
</tr>
<tr>
<td>1967-68</td>
<td>178,511</td>
<td>83,089</td>
<td>82.1</td>
<td>25.6</td>
</tr>
<tr>
<td>1968-69</td>
<td>187,575</td>
<td>55,860</td>
<td>71.2</td>
<td>53.4</td>
</tr>
<tr>
<td>1969-70</td>
<td>177,917</td>
<td>44,890</td>
<td>79.3</td>
<td>46.7</td>
</tr>
<tr>
<td>1970-71</td>
<td>186,667</td>
<td>27,566</td>
<td>88.4</td>
<td>64.1</td>
</tr>
</tbody>
</table>


The literacy campaign of 1961 could be said to have been consolidated by the efforts in adult education during the remainder of the period under examination. Table 9.11 gives enrollment figures of only the most important or significant adult education programs. For example,


6 These tables are computed from Dominguez (1978:166-179).
from 1962-63 through 1973-74 (period outside the boundaries of this dissertation and not included in the table), 528,518 adults completed the sixth grade in these programs. Thus, the high dropout rate for 1964-65 can be said to suggest that crash efforts to educate adults, for example, the one made in that year, are not always successful. The same inefficiency can be seen in Table 9.11 for enrollment in technical secondary schools in 1967-68 where another crash educational program was initiated by high dropout figures -- another reason to question the efficiency of the literacy campaign in 1961 alone. The exception is for 1964-65, where the proportion of participants remaining in the adult education programs throughout the year is high and very stable. Thus, the tapering off of the enrollment in the early 1970's could conceivably be taken as an indicator of the long-term success of the program in ensuring a basic level of literacy in Cuban society.

Table 9.12 shows the enrollment in the primary public schools for the decade (1960-1970).

The campaign for literacy seemed to have focused on adult education, rural, children and women. In Fidel Castro's perceptions, to correct the imbalance created by the exodus of professionals and other badly needed manpower, no one in Cuba will be denied the opportunity for an education. In addition, in his perceptions, if the populace is to participate effectively in the affairs of the country, it has to be educated.

It could be said that primary school literacy effort brought to an end the revolutionary government's emphasis on education in the urban areas from the first year of the revolutionary rule. For example,
Dominguez (1978:168) writes that based on the census of 1953, "43 percent of the population lived in the rural areas; in 1970, 39.5 percent was rural." Consider again Table 9.12. The distribution of school enrollment by 1970 is probably what could be anticipated from the rural share of the population. Thus, the decline in rural share of primary school enrollment after 1962-63 academic year could be explained as "the effect of rural migration to the cities" (Dominguez, 1978:168).

TABLE 9.12*

ENROLLMENT IN PUBLIC PRIMARY SCHOOLS 1959-1971

<table>
<thead>
<tr>
<th>Academic Year</th>
<th>Initial Enrollment</th>
<th>% of Initial Enrollment Rural</th>
<th>% of Initial Enrollment Compl. Year</th>
<th>% of Initial Rural Enrollees Compl. Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1959-60</td>
<td>1,050,119</td>
<td>43.6</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1960-61</td>
<td>1,136,277</td>
<td>42.5</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1961-62</td>
<td>1,166,888</td>
<td>44.5</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1962-63</td>
<td>1,207,980</td>
<td>46.0</td>
<td>90.9</td>
<td>84.7</td>
</tr>
<tr>
<td>1963-64</td>
<td>1,315,959</td>
<td>43.1</td>
<td>93.5</td>
<td>95.0</td>
</tr>
<tr>
<td>1964-65</td>
<td>1,370,698</td>
<td>41.4</td>
<td>92.8</td>
<td>97.4</td>
</tr>
<tr>
<td>1965-66</td>
<td>1,332,088</td>
<td>43.0</td>
<td>93.8</td>
<td>95.2</td>
</tr>
<tr>
<td>1966-67</td>
<td>1,367,307</td>
<td>42.6</td>
<td>93.0</td>
<td>92.5</td>
</tr>
<tr>
<td>1967-68</td>
<td>1,397,711</td>
<td>41.9</td>
<td>94.7</td>
<td>95.3</td>
</tr>
<tr>
<td>1968-69</td>
<td>1,466,286</td>
<td>41.1</td>
<td>103.2</td>
<td>113.6</td>
</tr>
<tr>
<td>1969-70</td>
<td>1,558,145</td>
<td>40.1</td>
<td>96.3</td>
<td>96.7</td>
</tr>
<tr>
<td>1970-71</td>
<td>1,664,634</td>
<td>40.2</td>
<td>98.3</td>
<td>99.7</td>
</tr>
</tbody>
</table>


*The percentages were derived from 1958-59 to 1973-74. We only took the academic years that fall within the parameters of this dissertation and did not change the percentages.

It could be said that the degree of Cuban social mobilization reflects the regime's success in universal education -- as indicated by
the completion of the first through sixth grades, in both rural and urban areas, regardless of one's social class. Lockwood (1967:102) notes:

One of the most successful achievements of the Castro regime in the social area has been its massive education program. By the end of 1965, nearly 2,500,000 people, children and adults were studying something (out of a total population of just over 7,000,000).... A recent UNESCO report designated Cuba as the country making the greatest in education in all of Latin America.

Fidel Castro boasted that:

...great success. Before, it was very difficult to get teachers who would go to teach in the mountains. Now, students from every province and from all the towns of the country go into that school, and when they graduate they begin to teach in the mountains. At present, we have some fifteen thousand young people studying to be teachers. In 1965, the first thousand graduated; beginning in 1968, four thousand per year will graduate; and between 1970 and 1980, we will graduate a total of fifty thousand teachers... This program is progressing very well (Castro in Lockwood, 1967:125).

Most, if not all, students of Cuba agree that the literacy campaign of 1961 was the most successful undertaking by the revolutionary regime. Together with education, Cuba's health coverage is said to be a truly national system. "At present, life expectancy for men is 71 years and for women almost 74 years. Comparable figures for Argentina are 67.1 for both sexes, for Ecuador 52.3, and for the United States 70.8 (1970)" (Silvert, 1979:14).
Conclusion

As the preceding pages indicate, Fidel Castro has attempted varieties of economic and social programs which he perceived and believed were essential in responding to the perceived needs of the Cuban populace. Indeed, it was "unrealistic" for Fidel Castro to boast that in the future, Cuba would be building trucks and tractors, in the light global economic structure and the vertical division of labor between North and South. It is the beliefs of virtually all Southern countries' leaders that once in power, and with time on their side, they could rescue their countries from the "permanent economic stagnation, social backwardness and degradations, and political do-nothingism and corruption" (O'Connor, 1970:5-6); at the same time, eradicate the existing inequitable distribution of resources in the global system. However, it could not be said that all leaders in Southern countries have failed in these respects. In Fidel Castro's beliefs and perceptions, we will infer, the Cuban socialism "can be understood only in the context of the old economy and the old social and political structure," but "not as the bitter fruit of some 'abnormality' or 'conspiracy' nor as the product of a series of mistaken judgements by Cuban liberals and reformers and United States' policy-makers." The heart of the argument is that Fidel Castro's "socialism was inevitable in the sense that it was necessary if," in Fidel Castro's beliefs "the island was to be rescued" (O'Connor, 1970:5-6) from the conditions stated above. Fidel Castro, it may be argued, has rescued the country from some of these conditions. For example, he has turned Cuba from (1) a political
do-nothingism to a politically active population in both internal and external politics. This is not meant to suggest that the Cuban people participate in the foreign policy decision-making process of Cuba. However, to the extent they present little or no resistance to Fidel Castro's policies entails, we believe, that they adhere to the basic fundamental beliefs and perceptions of Fidel Castro about the nature of internal and external politics. That is, what Cubans should do about Cuba, and what Cuba's role should be vis-a-vis the external environment.

(2) The overview on internal development has shown the "humanist" and "social justice" approaches of Fidel Castro with respect to development, e.g., lowering rents, reduced cost for electricity and telephone, free health care and compulsory education for all, and as Halperin puts it:

Coin-operated public telephones were declared to be a free service. However, there was some skepticism about the government's ideological motives. The coin mechanism in most telephones had already broken down and ceased to function. Then came the law abolishing payment for funerals, another step in the transition from socialism to Communism, but the prospect of being buried free of charge was a Communism benefit which everybody hoped to postpone as long as possible (Halperin, 1981:220).

Finally, Fidel Castro "learned" that he cannot accomplish what he believed was possible without the badly needed economic, military, and technical assistance from a technologically and economically industrialized society: the Soviet Union. With this heavy dependence on the Soviet Union, there were expected trade-offs. Dominguez (1978:155) puts it thusly:
...Castro emphasized that the Soviet Union had taken the initiative in selecting the projects for which...aid would be used, which suggests that Cuba had traded future economic growth for its own decision-making authority. The Soviet Union's hegemony was increased, even while the Cuban state was strengthened relative to its own society.
CHAPTER 10
FIDEL CASTRO AND CUBA'S EXTERNAL RELATIONS

Introduction

In the present chapter, our focus is turned to Fidel Castro and the patterns of interaction of Cuba in the international/global system. As noted in the previous chapter, while the present discussions may appear as a focus on the "nation-state" as a unit of analysis, our purpose is to infer, as we have done in the preceding chapters, on Fidel Castro's belief "about the nature of politics and political conflict, his view regarding the extent to which historical developments can be shaped, and his notions of correct strategies and tactics" (George, 1969:197). Hence, what follows in this chapter, is inferred as the manifestations of Fidel Castro's beliefs about what should be his correct strategies and tactics in the international or global system.

Perceptions, as Jarvis (1976:203) has observed:

are influenced by immediate concerns ("evoked sets") as well as by more deeply rooted expectations. A person will perceive and interpret stimuli in terms of what is at the front of his mind. To predict the inferences a person will draw from a bit of evidence, we often need to know what problems concern him and what information he has received recently.

Thus, Fidel Castro's "answer" with respect to his beliefs in alignment with the Eastern and Western blocs or with former metropoles, is
inferred from Fidel Castro's alignment with the Soviet Union. The alignment was perceived essential (1) to secure Fidel Castro's revolutionary regime, and (2) as a central part of Fidel Castro's international/global strategies to obtain Soviet's political, economic, and military commitment. Beliefs in alignment are discussed in the section on Cuba-Soviet Relations.

Beliefs in private investments and international and/or global trade are inferred from Fidel Castro's decisions to nationalize U.S. private businesses in Cuba (as well as in his decisions to nationalize all Cuban private businesses discussed in the previous chapter). As we have observed in the preceding chapter, Fidel Castro's declaration to the effect that the Cuban revolutionary government "is socialist," necessarily implied that the Soviet Union was to play a vital role in Fidel Castro's developmental strategies. In the section on Cuba-Soviet relations, we have outlined the six ways in which the Soviet Union assists Fidel Castro in his developmental strategies.

Beliefs in international trade are inferred in the Cuba-Soviet commercial agreements, and the trade relations between Cuba and the Eastern bloc. For example, after the conclusion of the Sugar Agreement with the Soviet Union in 1964, Fidel Castro confidently maintained that the Agreement set a precedent:

which will shatter the pretensions of (Kennedy's) Alliance for Progress...which is nothing more than a swindle... (The poor countries) now have the great opportunity of proposing a similar kind of commercial exchange to the United States...and saying "No, what we need from you is not...money, but a fair and stable price for our product..." Soon there will be an international meeting in Geneva, and the
agreement between Cuba and the Soviet Union will certainly be the kind of commercial policy which all the underdeveloped countries of the world will demand... (Castro, in Halperin, 1981:17).

International trade, as we have observed in the preceding chapters, plays an important role in the developmental strategies of leaders in the Third World. It provides essential revenues to finance development programs at home. The United States' economic embargo against Cuba deprived Cuba of its major sugar importer. Thus, Krushchev's announcement on May 7, 1960 to the effect that "the Soviet Union would purchase the seven hundred thousand tons of Cuban sugar that had been eliminated from the U.S. market," delighted Castro.

Beliefs in the ability to achieve his [Fidel Castro] developmental strategies or objectives through participation in the international/global system as it exists, are inferred in Fidel Castro's (1) trade relations with Eastern bloc and some developing countries, and (2) Cuba's extensive involvement in global political affairs, e.g., Latin America, Caribbean, and Africa.

Beliefs to change or alter the existing international and/or global system or its parts are inferred from Fidel Castro's support of revolutionary movements in Latin America, Asia, the Caribbean, and Africa. It is argued that, like Zhou Enlai, Fidel Castro believed that the subsystems of the global system could be manipulated to achieve his foreign policy objectives.

Like the People's Republic of China, the impact of Cuba in the decade under examination and after has been far greater than one would expect from a country of its size. Its people brought about one of the
very few radical national revolutions of the 20th Century. The heroes of the Cuban revolution, e.g., Fidel Castro Ruz and Ernesto "Che" Guevara, in a fundamental way, became objects of admiration and/or fear abroad. In Dominguez's (1978:1) words:

The Cuban government's organizations and policies have become models for a number of developing countries. Cuba has launched efforts not unlike China's to change the nation's culture and to create a new citizen, although it has been less austere in its approach than China and more open to the rest of the world. Politics in Cuba has been an instrument for change in the economy, society, and culture as well as in individual experience. Yet success in transforming the country has thus far depended on a very high degree of political centralization and control by a relatively small and stable group of people.

Thus, Fidel Castro's beliefs with respect to cooperation among developing countries or creating a bloc of developing countries are inferred in his statements (speeches) about (1) creating a Latin American common market, and (2) in his calls for cooperation between Latin American, Caribbean, African and Asian countries. Fidel Castro has sought to break Cuba out of her isolation within Latin America and the Caribbeans. For example, in response to the Panama Canal crisis of January 9, 1964, Fidel Castro called upon Latin American countries to "back up Panama... Among other things, immediately offer Panama economic aid" (Castro, in Halperin, 1981:19). Why? "Because the United States is exerting economic pressure against Panama to bring it to its knees" (Castro, in Halperin, 1981:19). However, if they (Latin American countries) don't want to join in some kind of collective aid, Cuba is ready to help Panama unilaterally... If
Panama needs our economic aid, Panama can count on economic aid from Cuba. And to start with, in the same amount which it has been getting from the United States. And, of course, with absolutely no strings attached, with no condition of any kind, not even the reestablishment of diplomatic relations... Because what the imperialists do today to Panama, tomorrow they can do to any Latin American country. One day they shed Cuban blood, the next day its Panamanian blood (Castro, in Halperin, 1981:19).

Implicit in Fidel Castro's pronouncements are the beliefs that Cuba (Fidel Castro) has an obligation to bring and/or spread the blessings of Cuban liberation experiences to the rest of "the developing world." (This, we infer as Fidel Castro's beliefs in liberation.) Second, appeal to Latin American countries to resist the United States' "imperialist aggression," and to collectively assist each other politically and economically. The pronouncement was also a challenge to the United States' political, economic and military influence in the region. Third, although Fidel Castro does not place conditions on Cuba's aid to Panama, it was nevertheless with the expectations of "reestablishing diplomatic relations" with Panama. Fourth, the offer may be conceived as an expression of Fidel Castro's humanitarian, internationalism, and liberator beliefs. These beliefs manifest themselves in Fidel Castro's involvement in Angola, Mozambique, Ethiopia, Guinea-Bissau, and in the Caribbeans.

Finally sixth, Fidel Castro's "answer" with respect to changes in his beliefs during his tenure of office is inferred from (1) his challenges to the Soviet Union (i.e., de l'audace, encore de l'audace, toujours de l'audace), and (2) his peace initiative with the United
States. It is also probable, we infer, that changes in (a) the perceptions of leaders in the Third World as they come to grips with the perennial problems of development, and (b) changes in the political and economic climates in both the subsystems, e.g., Africa, Asia, Latin America, and the Caribbeans, and the global system as a whole, could have contributed to changes in Fidel Castro's beliefs or perceptions.

For the purposes of the organization of this chapter, we propose to describe (1) Cuba's (Fidel Castro's) relations with the Soviet Union, (2) Cuba's (Fidel Castro's) relations with the United States, and finally, (3) Castro's relations with countries in the Third World.

Cuba-Soviet Relations (Changing of Centers)

Leogrande (1982:167) has observed that "in both an economic and military sense, Cuba's national security has been a function of its relations with the superpowers...its nearly constant relationship of hostility with the United States and its close friendship with the Soviet Union." In Fidel Castro's perceptions, the first and foremost objective of Cuban foreign policy has to be the survival of the revolution. This factor can be traced back to 1959. Thus, the survival of the revolution, in light of the United States' hostilities toward Fidel Castro, necessitated a realignment with the Soviet Union. This realignment could be said to be a central part of Fidel Castro's international strategy to obtain Soviet's political, economic and military commitment.

It would be a serious error to assume that the Soviet Union from the start was a willing partner in this realignment. In fact, until the
arrival of Deputy Premier Anastas Mikoyan in Havana in early February 1960, the Soviet Union had "serious reservations concerning Soviet involvement and communist advances in Cuba" (Gonzalez, 1974:121). For strategic purposes, Cuba was geographically remote from Moscow, and Cuba was not within the sphere of interest of the Soviet Union. At the time, the Soviet Union had embarked upon summit diplomacy in the meeting between Krushchev and Eisenhower at Camp David in September 1959, "with the result that Soviet engagement in Cuba would nullify the prospective gains that were expected from the ensuing 'spirit of Camp David'" (Gonzalez, 1974:122). The sudden deterioration in the relations between Moscow and Washington, provided the initial stimuli for firming up Cuban-Soviet ties. Moscow's announcement of May 5, 1960, of the shooting down of the U.S. U-2 spy plane and the subsequent scuttling of the summit conference in Paris, resulted in the Soviet abandonment of its support of the "spirit of Camp David" and in pursuit of exploiting the Cuban situation for maximum advantage against Washington (Gonzalez, 1974).

Thus, on May 7, 1960, diplomatic relations between Moscow and Havana were established. Thereupon, in early July, Krushchev announced "that Soviet Union would purchase the seven hundred thousand tons of Cuban sugar that had been eliminated from the American market, while publicly pledging Soviet military support for the embattled Cuba" (Gonzalez, 1974:124).

Fidel Castro was willing to accept dependence on the Soviet Union for the survival of his revolutionary regime. Meneses (1966:112) deplored the 1960 trade agreement between Cuba and the Soviet Union,
suggesting that:

Part of the crop's (sugar) price was sacrificed, due to the fact that the U.S.S.R. was to buy the million tons at the world price, whereas the U.S., on whom Cuba continued to depend for the purchase of her sugar, paid considerably more and had been doing so since the end of World War II... It is incomprehensible that the Cuban leaders could have allowed themselves to sign such an agreement unless they considered the military aspect to be more important.

The answer perhaps could be found in Meneses' (1966) own last words: "military aspect" and/or the security of the revolutionary regime. On the other hand, the agreement also guaranteed the replacement of U.S. "technicians" with Soviet "technicians." The agreement could not be looked at only in terms of exchange value, but within the context of the perceived values and expectations that would be derived from the agreement. Fidel Castro went even further on December 1, 1961; he declared that "I am a Marxist-Leninist and shall remain a Marxist-Leninist until the day I die" (Halperin, 1981, Meneses, 1966). As Halperin (1981:7) observes, "it was a far-fetched effort to establish the ideological credentials which he hoped would admit him to membership in the socialist 'club'." To the United States this pronouncement confirmed their beliefs about Fidel Castro and the Cuban revolution. And, Fidel Castro's decision to nationalize U.S. private businesses and properties led to Washington's decision to invade Cuba (to be discussed in the following section).

THE OCTOBER MISSILE CRISIS: CRISIS OF CONFIDENCE

There are no conclusive evidences and/or documents that illuminate what prompted Kurshchev to take the enormous risk of surreptitiously
introducing strategic atomic weapons in Cuba. What we do have, are speculations. Two plausible interlocking motives were involved: (1) to improve the Soviet vantage position in the strategic "balance of terror" on "which depended the credibility of the Soviet military and political posture in the cold war" vis-a-vis of the United States, and (2) to dissuade "any further aggression against Cuba" (Halperin, 1981:8). Thus, converting Cuba from a liability to an asset.

It has been argued that Fidel Castro "had reservations about Krushchev's plan, but was persuaded to go along" (Halperin, 1981:9). The U.S.'s U-2 discovery of the missiles' installations and ensuing negotiations and/or "brinkmanship" between Kennedy and Krushchev, excluded Fidel Castro from the process. Later, Krushchev agreed to dismantle the weapons and ship them back to Moscow. In return, Kennedy promised not to invade Cuba. Fidel Castro, his pride deeply hurt at Krushchev's failure to consult him at that moment of international crisis, "flatly refused to allow the members of the U.N. commission into his country" (Meneses, 1966:146).

In assessing the impact of the Soviet Union in Southern countries after the October Missile Crisis, Meneses (1966:147) suggests that:

The Russian withdrawal was not only a disastrous propaganda defeat in the eyes of the new countries who had believed in Communist superiority, but it increased the standing of the North Americans by showing them to be strong, determined and reasonable. Russia's satellite countries could not understand how a man with Krushchev's political experience could have allowed himself to be caught in a trap of his own making.
It is also possible, as some Sovietologists believe, that Krushchev was a victim of two political factions which were tugging Moscow apart: The hard-line Stalinists and those believing in "peaceful coexistence."

In their perceptions, the Cuban issue was the result of Krushchev "having tried first to satisfy the hard-liners and then the moderates, with the result that he ended by pleasing nobody in the Communist camp" (Meneses, 1966:147). In this conjunction, perhaps the most plausible explanation could be that the Chinese Communist leadership was, in effect, forcing the Soviet Union to take the initiative on all fronts, i.e., Mao's enthusiastic pronouncement that "the East wind prevails over the West wind."

However, in his (Fidel Castro's) speech on March 13, 1965, at the University of Havana, he for the first time, revealed his position over (1) the Sino-Soviet polemics, (2) how the socialist camp should help North Vietnam and (3) how the Soviet Union should have helped Cuba during the October Missile Crisis. Our interest is on the third point. He states:

Cuba did not vacillate...in order to strengthen the socialist camp...and defend the Revolution...in risking the dangers of thermonuclear war...on our soil when we agreed to the installation of strategic thermonuclear missiles on our country... And in addition, not only did we agree to their installation, but we did not agree to their removal! And I believe this is absolutely no secret to anyone! (Castro, in Halperin, 1981:160).

Halperin (1981:160) clearly points that this was the first time Fidel Castro publicly "contradicted the Soviet explanation that the only reason for the emplacement of the missiles was the defense of Cuba."
And, as we have pointed out above, "the revealing words were in order to strengthen the socialist camp with strategic missiles -- that is to say, the intent was also to strengthen the offensive capability of the Soviet Union." And as Halperin (1981:160-61) puts it, "pulling this dirty linen out of the archives must have appalled the Russians and delighted the Chinese who had severely condemned the Kremlin at the time of the missile crisis."

Perhaps more significantly, Fidel Castro's speech illuminated the strains and stresses in the Cuba-Soviet relations, culminating from the October Missile Crisis of 1962. (We will examine Castro's challenge to Moscow in the section on Cuba's relations with Southern countries). Suffice it to say, that Fidel Castro learned that he could not rely on the Soviet Union if the defense of Cuba would mean Soviet-American confrontation. However, Fidel Castro was equally cognizant that without the Soviet Union, Cuba will lose its source of political, economic and military assistance.

In January 1964, Castro and Krushchev signed the famous Sugar Agreement which in effect guaranteed the prosperity of the Cuban economy: sugar.

From 1965 to 1970, that is, over a period of six years, the U.S.S.R., at a fixed price of six cents per pound, would purchase approximately twenty-four million tons of Cuban sugar, starting with two million in 1965, increasing by a million tons in each of the following two years...

The agreement was, in fact, an aid to the Cuban economy. It constituted one of the three distinctive areas in which the Soviet Union operates in the Cuban social system. It is to these three areas
that we will now turn.

The first area concerns the defense of Cuba. As we have noted earlier, with respect to the October Missile Crisis, on July 9, 1960, Krushchev and Cuba's Armed Forces Minister, Raul Castro, signed an agreement by which the Soviet Union pledged to "use all means at its disposal to prevent an armed United States' intervention against Cuba" (quoted in Dominguez, 1978:149).

International trade constitutes the second area of Soviet involvement in the Cuban social system. In that same agreement referred to above signed by Raul Castro and Nikita Krushchev, also stated that "the strength of the socialist countries...can fully take care of supplying Cuba...with all the necessary merchandise which is now denied to it by the United States and other capitalist countries" (quoted in Dominguez, 1978:149). It is thus, interesting to note that by 1959 it was the United States which accounted for 74 percent of Cuban export sales and supplied 65 percent of its imports; the socialist countries, on the other hand, accounted for a meager 2.2 percent of Cuban exports and 0.3 percent of its imports (Dominguez, 1978:149). However, by 1961, the socialist countries accounted for 74.0 percent of Cuban exports and 70.0 percent of its imports; while the Soviet Union alone accounted respectively for 48.5 percent and 41.1 percent in 1961; and the United States, on the other hand, accounted for 4.4 percent and 3.7 percent (Dominguez, 1978:149). This is a complete reversal of the patterns of international interaction that existed prior to the Bay of Pigs invasion. In other words, centers tend to be replaced by another center. Thus, the center dominant patterns of interactions (vertical
division of labor) remain when periphery change centers. In 1973, however, the socialist countries accounted for 67.5 percent of Cuba's total trade (that is, exports and imports).

It is interesting to note that in the long run, it is the Soviet Union which has supplied a larger proportion of Cuba's imports than it has taken from Cuba's exports (Domínguez, 1979:150). As Domínguez (1978:150) has observed, the Soviet share of Cuban trade, exclusive of trade with other socialist countries, has never matched the United States' share before the revolution." Thus, "the highest level of Cuban import dependence on the Soviet Union -- 60.9 percent -- came in 1968; its greatest exports dependence -- 51.9 percent -- in 1967." A more normal share of the Soviet Union in the Cuban economy has been about 40 percent in exports, and 50 percent in imports. Thus, the political heterogeneity of the socialist countries has provided Cuba with a somewhat higher level of trade diversification since the revolution.

The third area of Soviet support of Fidel Castro's regime is by providing direct aid. One form of this aid has been financing trade deficits incurred by Cuba with its socialist partners, especially the Soviet Union. For example, as Table 10.1 shows, from 1961 to 1974, Cuban imports exceeded exports every year. The mean (average) Soviet share of the total deficit during the same period has been 85.6 percent (Domínguez, 1978:151). As Domínguez (1978:151) further notes, "the Soviet willingness to finance these deficits has underwritten the revolution." Thus, while trade between Cuba and Eastern Europe in 1974 showed a surplus in Cuba's favor, which in effect, eliminated old debts;
the bilateral trade between Cuba and the Soviet Union continued to show large deficits (Dominguez, 1978).

### TABLE 10.1
**CUBA'S TRADE BALANCE 1960-1974**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>TOTAL BALANCE IN THOUSANDS OF PESOS</th>
<th>SOVIET/CUBAN BALANCE IN THOUSANDS OF PESOS</th>
<th>SOVIET SHARE OF DEFICIT PERCENTAGES</th>
<th>CUBAN BALANCE WITH OTHER SOCIALIST COUNTRIES IN THOUSANDS OF PESOS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>+ 28,415</td>
<td>+ 25,161</td>
<td>0</td>
<td>+ 18,006</td>
</tr>
<tr>
<td>1961</td>
<td>- 12,299</td>
<td>+ 41,120</td>
<td>0</td>
<td>- 24,242</td>
</tr>
<tr>
<td>1962</td>
<td>-237,032</td>
<td>-189,471</td>
<td>79.9</td>
<td>- 11,529</td>
</tr>
<tr>
<td>1963</td>
<td>-322,185</td>
<td>-297,059</td>
<td>92.2</td>
<td>- 40,062</td>
</tr>
<tr>
<td>1964</td>
<td>-304,542</td>
<td>-135,046</td>
<td>44.3</td>
<td>-133,935</td>
</tr>
<tr>
<td>1965</td>
<td>-175,509</td>
<td>-105,853</td>
<td>60.3</td>
<td>- 16,263</td>
</tr>
<tr>
<td>1966</td>
<td>-327,727</td>
<td>-247,266</td>
<td>75.4</td>
<td>- 9,384</td>
</tr>
<tr>
<td>1967</td>
<td>-294,108</td>
<td>-215,929</td>
<td>73.4</td>
<td>- 1,084</td>
</tr>
<tr>
<td>1968</td>
<td>-451,116</td>
<td>-382,151</td>
<td>84.7</td>
<td>- 9,132</td>
</tr>
<tr>
<td>1969</td>
<td>-554,928</td>
<td>-436,078</td>
<td>78.6</td>
<td>- 8,536</td>
</tr>
<tr>
<td>1970</td>
<td>-261,491</td>
<td>-161,930</td>
<td>64.9</td>
<td>+ 12,704</td>
</tr>
<tr>
<td>1971</td>
<td>-526,322</td>
<td>-427,149</td>
<td>81.2</td>
<td>+ 23,378</td>
</tr>
<tr>
<td>1972</td>
<td>-418,945</td>
<td>-490,292</td>
<td>117.0</td>
<td>+ 17,322</td>
</tr>
<tr>
<td>1973</td>
<td>-314,005</td>
<td>-334,263</td>
<td>106.5</td>
<td>+ 47,577</td>
</tr>
<tr>
<td>1974</td>
<td>- 3,731</td>
<td>+214,349</td>
<td>5,750.4</td>
<td>+155,663</td>
</tr>
<tr>
<td>TOTAL</td>
<td>-4,175,525</td>
<td>-3,572,655</td>
<td>85.6</td>
<td>+ 20,483</td>
</tr>
</tbody>
</table>


The second form of aid -- as noted above under the Sugar Agreement -- has been to pay for Cuban sugar above the prevailing international market price. It is estimated the Soviet Union "has paid accumulative sugar price premium or subsidy amounting to $1,202.34 million from 1960 to 1971" (Dominguez, 1978:151, Suchlicki, 1972:170).

It should be pointed out, however, that the United States paid a
"similar" premium on sugar prior to the revolution. However, there is one political difference. Before the revolution, the sugar premium was only partly captured by the state via taxation. It served to give impetus to private business and to increase pluralization. However, since the revolution, it has been captured by the state to consume or invest as it sees fit, adding further to centralization (Domínguez, 1978:151).

The third type of aid has been in the form of military equipment. For example, on April 22, 1970, Fidel Castro indicated that:

Soviet military aid to Cuba through 1969 already amounted to $1.5 billion. Because Soviet-Cuba relations have become closer since 1960 and Cuban military capabilities and inventories modernized since the late 1960's, it is likely that the level of military aid has climbed. Most of this aid has been a gift, the Soviet Union has been providing weapons free of charge since 1962 (Domínguez, 1978:151).

The fourth form of aid has been direct credit for economic development. In most cases, this form has involved construction of new factories, the training of Cuban personnel to operate them, and then turning them over to the Cubans. For example, between 1960 and 1964 (excluding credits to finance trade deficits), it is estimated that the "Soviet Union granted Cuba four credits worth $459 million, at an interest rate of between 2 and 2.5 percent, and amortization in ten to twelve years, for the development of metallurgy, electricity, petroleum, mining, chemical and fertilizer plants, and the sugar industry" (Domínguez, 1978:151). In 1960, the People's Republic of China granted a ten year credit of $60 million interest free, and Czechoslovakia, a
ten year credit of $40 million at 2.5 percent interest. In 1961, Hungary granted Cuba a ten year credit of $15 million at 2.5 percent; Poland, an eight year credit of $12 million at 2.5 percent in 1960. In 1961, Bulgaria granted a ten year credit of $5 million at 2.5 percent interest; and the German Democratic Republic, three ten to twelve credits worth a total of $60 million at 2.5 percent interest between 1960 and 1963 (Dominguez, 1978:151). It is interesting to note that eight of the credits were advanced in 1960 and 1961, at the time when the United States was turning out in full force against Cuba. The credits, as we noted above, served to strengthen Fidel Castro's revolutionary regime, and as Fidel Castro noted, "to strengthen the socialist camp with strategic missiles" against the United States.

The advancement of credits did not have immediate economic impact on Cuba, however, the political impact was immediate. They reassured Castro that he could count on the socialist support for the survival of his regime. And, as Dominguez (1978:152) has remarked, "those who might have wavered in their support for the revolutionary government in its hour of peril were now reassured." It is important to note that many development projects completed in the mid-1960's resulted from these credits Cuba obtained from socialist countries. Table 10.2 summarizes the value of factories bought from Cuba's three main socialist partners.
<table>
<thead>
<tr>
<th>Year</th>
<th>Value (Thousands Of Pesos)</th>
<th>U.S.S.R.</th>
<th>Czecho-slovakia</th>
<th>East Germany</th>
<th>% of Total Imports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1967</td>
<td>62,410</td>
<td>12.3</td>
<td>29.7</td>
<td>34.0</td>
<td>6.2</td>
</tr>
<tr>
<td>1968</td>
<td>51,302</td>
<td>47.4</td>
<td>9.2</td>
<td>17.5</td>
<td>4.7</td>
</tr>
<tr>
<td>1969</td>
<td>84,979</td>
<td>52.2</td>
<td>7.4</td>
<td>2.7</td>
<td>7.0</td>
</tr>
<tr>
<td>1970</td>
<td>48,087</td>
<td>52.0</td>
<td>15.7</td>
<td>9.7</td>
<td>3.7</td>
</tr>
<tr>
<td>1971</td>
<td>39,653</td>
<td>22.6</td>
<td>7.9</td>
<td>4.6</td>
<td>2.8</td>
</tr>
<tr>
<td>1972</td>
<td>29,793</td>
<td>44.6</td>
<td>7.3</td>
<td>1.5</td>
<td>2.5</td>
</tr>
<tr>
<td>1973</td>
<td>41,202</td>
<td>51.3</td>
<td>7.5</td>
<td>1.0</td>
<td>2.8</td>
</tr>
<tr>
<td>1974</td>
<td>86,394</td>
<td>45.1</td>
<td>7.0</td>
<td>0.6</td>
<td>3.9</td>
</tr>
</tbody>
</table>


Thus, between 1961 and 1971, aid obtained by Fidel Castro from the Soviet Union and other East European socialist countries, was used to construct and/or modernize 200 important industrial enterprises (Dominguez, 1979:152). And, the Soviet Union alone accounted for 160 of these projects, in addition to the modernization of 114 sugar mills as a result of the Cuba-Soviet Sugar Agreement of 1964. Dominguez (1978:152) contends that "by 1973 the Soviet Union had reportedly constructed over a hundred 'modern works' in Cuba, by the end of 1974 the enterprises built or modernized by the Soviet Union accounted for 10 percent of the Cuban gross industrial product." It is further interesting to note that linked to the Soviet economic aid involved the training

\(^1\)Almost all of them members of the Council for Mutual Economic Assistance
of Cuban specialists in the Soviet Union; thus, through 1971, approximately 4,500 Cubans were trained in the Soviet Union; and in 1974, there were over 800 Cubans studying in the Soviet Union (Dominguez, 1978:152). Seemingly, the number of Soviet technicians and specialists in Cuba increased from 1,000 in early 1970's to "several thousands" in 1973 and possibly to six thousand by 1975 (Dominguez, 1978:152); signifying the growing dependence of Cuba on the Soviet Union.

The fifth variety of aid stems from the recent recognition by the Soviet Union that Cuba would not be able to repay credits advanced within the context of the timetable, notwithstanding interest. As a result of the reconciliation between Cuba and the Soviet Union in 1968, when Fidel Castro publicly endorsed Soviet invasion of Czechoslovakia. In December 1972, Fidel Castro and the Soviet leadership signed five agreements. The first argument postponed until January 1, 1986, repayment on credits advanced to Cuba before January 1, 1973. The reasoning was to equalize "reciprocal trade balance and to provide technical and economic aid; repayment of interest on the debt according to previous agreements was also postponed until the credits are repaid in full" (Dominguez, 1978:153). Repayments were scheduled to be completed in 2010. The second agreement advanced credits to Cuba interest-free for 1973, 1974 and 1975, to cover the unfavorable balance of trade between the two countries (Dominguez, 1978:153). The repayments for these new credits were scheduled beginning 1986 (Dominguez, 1978:153). The third agreement made an inventory of goods to be traded. The fourth agreement advanced Cuba credit worth 300 billion rubles with unspecified interest, for unidentified "particular economic development projects" (Dominguez,
The net effect of these agreements are summarized by Dominguez (1978:155) thusly:

Prime Minister Castro emphasized that the Soviet Union had taken the initiative in selecting the projects for which this aid would be used, which suggests that Cuba had traded future economic growth for its own decision-making authority. The Soviet Union's hegemony was increased, even while the Cuban state was strengthened relative to its own society.

The fifth agreement served to regulate trade prices. If a baseline could be located between 1960 and 1964, it seems that the ten-to-twelve year repayment period was extended to forty-seven to fifty-one years; and there is no interest for thirteen years (1973-1985) regardless of the baseline (Dominguez, 1978:153).

Finally, the sixth form of aid is the provision of convertible currency to finance Cuban trade in relation to the Western and/or capitalist countries. As Dominguez (1978:154) has observed, that this type of aid has "proved difficult to quantify and even to document, but fragmentary evidence suggests that it is real and important." It is thus important to note that Cuba's balance of trade with "nonsocialist countries was consistently negative from 1960 to 1971 (except for the year 1963, thanks to the high sugar price)" (Dominguez, 1978:154).

In assessing the value of Soviet Union aid to Cuba (see, for example, Table 10.3), other factors should be taken into cognizance. Table 10.3 is an estimation of Cuba-Soviet net barter terms of trade, and it compares Cuba's overall terms of trade -- which inevitably includes the Soviet Union. As a concept, "terms of trade" measures "the amount of imports a country can buy with its exports" (Dominguez,
Dominguez (1978:155) also asserts that most of Cuban-Soviet trade is barter trade; "cash prices are imputed without cash changing hands. Cash is exchanged, however, "in Cuban trade with capitalist countries." It is also interesting to note that Cuba's terms of trade improved remarkably from the late 1960's to the mid-1970's," thanks to the Sugar Agreement which necessitated fairly stable import prices until 1974 and rapidly rising export prices.

**TABLE 10.3**

INDEXES OF CUBA'S TERMS OF TRADE 1968-1974 (1968 = 100)*

<table>
<thead>
<tr>
<th>Year</th>
<th>Import Prices</th>
<th>Export Prices</th>
<th>Terms Of Trade</th>
<th>Import Prices</th>
<th>Export Prices</th>
<th>Cuban-Soviet Terms of Trade</th>
<th>Sugar Export Prices</th>
<th>Sugar Export Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>1968</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>1969</td>
<td>95.3</td>
<td>102.3</td>
<td>107.3</td>
<td>97.5</td>
<td>100.8</td>
<td>103.4</td>
<td>97.9</td>
<td>98.5</td>
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<td>1970</td>
<td>93.0</td>
<td>119.1</td>
<td>128.1</td>
<td>98.3</td>
<td>117.0</td>
<td>119.0</td>
<td>109.3</td>
<td>98.5</td>
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<tr>
<td>1971</td>
<td>97.4</td>
<td>119.6</td>
<td>122.8</td>
<td>99.6</td>
<td>120.3</td>
<td>120.8</td>
<td>110.7</td>
<td>97.8</td>
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<tr>
<td>1972</td>
<td>96.9</td>
<td>132.6</td>
<td>136.8</td>
<td>106.4</td>
<td>122.8</td>
<td>115.4</td>
<td>127.7</td>
<td>98.1</td>
</tr>
<tr>
<td>1973</td>
<td>86.0</td>
<td>169.2</td>
<td>196.7</td>
<td>107.4</td>
<td>177.0</td>
<td>164.8</td>
<td>168.7</td>
<td>162.4</td>
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<td>1974</td>
<td>133.9</td>
<td>296.8</td>
<td>221.7</td>
<td>130.3</td>
<td>261.1</td>
<td>200.4</td>
<td>330.6</td>
<td>264.7</td>
</tr>
</tbody>
</table>

*Source: Computed from Dominguez (1978:155). As shown, Cuban-Soviet prices are available only after 1968. Information was gathered for 20 export products and 114 import products, accounting for virtually the entire value of Cuban exports, but only about 60 percent of the value of Cuban imports. Each of these products has been converted to its equivalent in 1968 prices, they are then summed to represent Cuban imports and exports in 1968 prices. The respective import and export amount in current prices for subsequent years, multiplied by 100, were divided by the respective import and export amounts in 1968 constant prices, giving the Cuban import and export price indexes. The overall terms of trade were then estimated by dividing the price of Cuban exports multiplied by 100 by the price of Cuban imports. The same procedure was followed to estimate Cuban-Soviet net barter terms of trade. Information has been gathered for 10 Cuban products exported to the Soviet Union and for 38 products imported from the Soviet Union, accounting for virtually the entire value of Cuban exports to the Soviet Union, but only about 60 percent of the value of Cuban imports from the Soviet Union -- about the same as in the overall trade."
It could be argued that during the seven year period, prices (sugar especially) in the capitalist markets were more favorable to Cuba than those in the Soviet market. But as Dominguez (1978:156) observes, "this differential cannot be interpreted to mean, however, that Cuba would have been better off if it had done its trading elsewhere. Differences in price behavior do not say enough about the long-term rationality of sacrificing short-term gains, and they say nothing about real product-by-product comparisons. They simply emphasize the favorable terms of non-Soviet trade with Cuba."

The Soviet Union's support of Fidel Castro's regime as well as its influence has led to the bureaucratization of the revolution, and the establishment of "increasingly larger and more complex administrative and political organizations" (Dominguez, 1978:159) have been an apparent effect of the Cuba-Soviet relations. Suarez (1967:137-142) in tracing the twists and turns of the Cuba-Soviet relationship in the first half of the 1960's has concluded that "Castro acquiesced in the formation and development of a revolutionary party, and eventually, a Communist party, first as an effort to obtain further support from the Soviet Union, then as a condition of continued Soviet support." Subsequent developments in Cuba-Soviet relationship further validate Suarez (1966) analysis. For example, Dominguez (1978:159) observes that as the disastrous year of 1970 (after the failure of the Ten Million Tons (of sugar):

the Soviet Union once again rescued Cuba, but this time on condition that a major reorganization of the Cuban government, under Soviet guidance, be undertaken. The instrument for this reorganization was the Cuban-Soviet
Commission for Economic Scientific and Technical Collaboration, established in December, 1970. The details of this agreement made evident how vast and decisive Soviet influence would become within the Cuban government, for example, they spelled out the means of coordinating the efforts of the Cuban Ministries of Foreign Trade, Merchant Marine and Ports, Basic Industries, and Mining and Metallurgy and of the Central Planning Board, the Agency for Agricultural Development and al.

As the above observation on Cuba-Soviet Union relations will indicate, the socio-economic and political ties between the two countries are very strong. For example, it was observed that aid obtained by Cuba between 1961 and 1971 from the Soviet Union was used to construct and/or modernize 200 important industrial projects. Of the 200 projects, the Soviet Union alone accounted for 160 of the projects. Table 10.2 clearly shows the extent of the Soviet Union's interaction with Cuba. (See, for example, Table 10.4.)

In assessing Fidel Castro's relations with the Soviet Union, Hewitt (1979:51) asserts that it is "inconvenient that Cuba has joined CMEA" -- the Council for Mutual Economic Assistance (also known as COMECON). He further suggests two "possible explanations" for Fidel Castro’s reasoning.

The primarily political explanation is that Cuba had no choice in the matter: the Russians used the tremendous leverage of Cuba's accumulated debts with the U.S.S.R. to force Cuba into CMEA. This makes a good deal of sense from the Soviet point of view. They can boast that CMEA spans three continents: Asia, Europe and Latin America. In a more practical vein, they can formally spread the cost of subsidizing Cuba among other CMEA member states...from Cuba's point of view, there is no real muscle. Perhaps there are very good economic reasons for
<table>
<thead>
<tr>
<th>Year</th>
<th>United States</th>
<th>Percent</th>
<th>USSR</th>
<th>Percent</th>
<th>Other Socialist Countries*</th>
<th>Percent</th>
<th>Other Countries</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1959</td>
<td>2,937,216</td>
<td>59.3</td>
<td>273,776</td>
<td>5.5</td>
<td>0-</td>
<td>0-</td>
<td>1,740,882</td>
<td>35.2</td>
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<tr>
<td>1960</td>
<td>1,948,574</td>
<td>34.6</td>
<td>1,577,683</td>
<td>28.0</td>
<td>703,225</td>
<td>12.5</td>
<td>1,605,031</td>
<td>24.9</td>
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<tr>
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<td>-0-</td>
<td>-0-</td>
<td>3,302,865</td>
<td>51.5</td>
<td>1,522,422</td>
<td>23.7</td>
<td>1,588,274</td>
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<tr>
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<td>-0-</td>
<td>-0-</td>
<td>2,122,245</td>
<td>41.2</td>
<td>1,631,227</td>
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<td>27.0</td>
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<tr>
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<td>1,936,798</td>
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<td>32.1</td>
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<td>-0-</td>
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<td>1,814,930</td>
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<td>-0-</td>
<td>2,473,305</td>
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<td>1,769,745</td>
<td>32.1</td>
<td>2,160,127</td>
<td>39.2</td>
</tr>
</tbody>
</table>


Source: Adapted from International Sugar Council/Organization (1956 ff).
Cuba to join CMEA, that is, the actual costs of membership may be far below the apparent ones, and the actual benefits may exceed the obvious ones (Hewitt, 1979:51).

This is the organization that Zhou Enlai/Mao refused to join on the ground that it "perpetuates" vertical "division of labor."

It is, however, interesting to note that CMEA was formally established in 1949 with the "goals...to encourage the development of mutual aid and trade among the socialist countries" (Hewitt, 1979:52). But, in point of fact, the organization was a "visible" response to the proposals for Marshall Plan aid which had come to several socialist countries. Thus, the CMEA was an act of defiance against Western policies and "not as a positive action concerning socialist economic relations" (Hewitt, 1959:53). After outlining the CMEA activities, and its economic effects on Cuba in light of the Cuban-Soviet bilateral trade relations, Hewitt (1979:60-61) concludes that:

Cuba has enjoyed a very rich benefactor in the Soviet Union; its relations with the other CMEA countries has not been unusual... Joining CMEA could hardly give Cuba a better deal with the Soviet Union or with the East European countries; thus, the net benefits from such a move appears slim indeed. On the other hand, it seems that potentially important costs would result from such a move.

DE L'AUDACE, ENCORE DE L'AUDACE, TOUJOUR DE L'AUDACE

On February 24, 1965, at the Second Economic Seminar of Afro-Asian solidarity, Che' Guevara delivered a speech "from the heart" which was an unexpected frontal attack on the Soviet Union. This came about during Guevara's analysis of trade relations between the socialists and "developing" countries. Guevara argued that socialist countries
"should abandon the practice of buying raw materials from, and selling manufactured goods to the latter on the basis of 'world' -- that is to say, capitalist market prices, which inevitably discriminated against the raw material producers (a debatable thesis accepted as axiomatic in socialist and other anti-imperialist economics and referred to in current Marxist terminology as "unequal trade") (Halperin, 1981:126).

Implicit in Che' Guevara's contention is the belief that "socialistic countries have an international obligation and" the duty imposed by (their) ideology "to be guided in their trade policy only by the needs of the poor countries." In essence then:

...the socialist countries must bear the cost of development of the countries which are now beginning to embark on the road to liberation... The socialist countries are in a sense accomplices of imperial(istic) exploitation... The socialist countries have the moral duty to liquidating their complicity with the exploiting countries of the West (Guevara, in Halperin, 1981:126).

This was the first time that a Cuban official has linked "socialism" to "imperialism;" not to speak of the impact of this speech in the capital cities of East European countries, and Moscow in particular. Halperin (1981) stated that when he inquired on the meaning of the statements two days later in Havana, a Cuban official at the Ministry of Foreign Trade replied: "It represents the Cuban point of view."

It is also interesting to note that "Fidel was at the airport to greet Che' when he returned to Havana on March 24. It was a way of publicly saying to his top level emissary: ...well done" (Halperin, 1981:127).

In an interview with Cyrus Sulzberger, on October 30, 1964, Fidel Castro revealed the conclusion he had arrived at in signing the joint
Cuba-Soviet Communique' in Moscow in January 1964. He felt "tricked into endorsing the integrity of Moscow's intentions toward China by Krushchev's assurance that a solution to the Sino-Soviet controversy was imminent" (Halperin, 1981:153). He told Sulzberger that:

I feel that existing differences between Russia and China are transitory and they can find common points to overcome their divergencies... In my opinion the political change in the Soviet Union (Krushchev's removal) creates the opportunity to make a serious effort to overcome the difficulties between Russia and China... (Sino-Soviet unity would) strengthen the socialist camp. That would increase the security of smaller socialist countries like our own (Sulzberger, 1973:125).

However, in an interview with Lockwood (1967:226), Fidel Castro further stated that "...at the time Krushchev was replaced, our relations with him had reached their lowest point...with him personally and consequently with his government."

On the occasion of the sixth anniversary of the Revolution on January 2, 1965, Fidel Castro further provided some hints on the problems in the Cuban-Soviet relations. However, in presenting the problems in the Cuban-Soviet relations, Fidel Castro was in effect preparing his fellow citizens to the problems they should expect to face. He is reported to have said "the imperialists have rejected our offer to discuss our relations, to seek a peaceful solution to our differences..."

We are a small country, we have an imperialist enemy facing us, we have the socialist camp on our side, but in the socialist camp various kinds of problems have come up. What is our situation? (Castro, in Halperin, 1981:155).
"The situation is," Halperin (1981:155) went on to explicate Fidel Castro, "is that we have come to take socialist aid against imperialist aggression too much for granted. It created 'a kind of obsequious (acomodaticio) attitude on the part of our people'... Hence, 

...Something is lacking in our revolutionary spirit (even more important, there was the danger of) lowering our dignity... When would we become a completely revolutionary people? ...The day we decided -- now listen carefully -- that even if absolutely no aid whatsoever could reach Cuba from abroad, our people would stand firm. (Let us imagine), a total blockade, cut off from fuel, from everything; let us examine the worst circumstances... If one day we should be faced with this situation, fuel will be reserved for...the armed forces. And what about the urban population? We would move en masse and join our rural population, we would work with oxen, with hoe, with pick and shovel, and we would stand firm (Castro, in Halperin, 1981: 155-156).

Inherent in Fidel Castro's speech is the ability to put his people at rest and to reassure them in the midst of, or when faced with a dilemma. To reassure his people, Fidel Castro went on to say:

We can develop, we can grow, we can make progress in our economy. I am absolutely sure of this. We don't have a dark period ahead of us, a terrible outlook. No! When we speak of this, we mean only the state of mind we must have, the conviction we must have (that we can overcome even unthinkable obstacles) (Castro, in Halperin, 1981:156).

A careful reading of Fidel Castro's speech does in fact reveal that though Cuba does not face the prospect of economic crisis, strains or conflicts in the Cuba-Soviet relations (problems of political nature) may spill over into economic problems. In other words, conflicts in
Cuba's foreign policy would impact on domestic or internal development.

For example, Fidel Castro remarked in that same speech:

We are a people with the right to speak with our own voice, on the basis of our own judgement and thinking... We must interpret the ideas of Marx, Engel, and Lenin... reaching our own conclusions in the light of new circumstances, new conditions (Castro, in Halperin, 1981:156).

In a speech on March 13, 1965, before a large gathering of University of Havana students, Fidel Castro rebuked both the Soviet Union and the People's Republic of China for failing to check the United States' rein of "death and destruction" in Vietnam. Fidel Castro charged both of "bad faith and opportunism" and also "of cowardice."

He states:

Faced with the concrete situation of a country like Vietnam, we take an invariable position... We propose that Vietnam be given all the aid which may be necessary! Aid in weapons and men! Our position is that the socialist camp run whatever risks may be necessary (Castro, in Halperin, 1981:160).

Fidel Castro was in fact recalling the Soviet Union -- marche en arriere -- retreat during the October 1962 missile crisis; and calling upon her to take the "risk" of confronting the United States' "aggression" in Vietnam. In Fidel Castro's perceptions, the Soviet Union, as leader of the socialist camp, has the duty to come to the aid -- political, economic, and military -- of another socialist country (large or small). At the same time, however, allowing member countries to engage in an independent foreign policy, the military backing of the Soviet Union notwithstanding.
Although socialization of foreign property was not solely the result of pressure from below, it is incorrect to say that it occurred without such pressure, that it was simply the result of decisions by the revolutionary leadership, especially Fidel Castro (Domínguez, 1979:143).

Could the Cuban-American hostilities be explicated by reference to the Castro regime's nationalization of United States' firms and private properties? In part only, for it does not account for the deeply felt deprivation of the Cuban people, and their pressure on Fidel Castro to respond to the needs and/or demands of the Cuban people. The basic premises of this section are that (1) the United States foreign policy decision-makers later came to perceive Fidel Castro as presenting a potential threat to her security and interests (however defined), (2) Marxist-Leninist or Communist, is a concept that directly challenges -- as capitalism does to communism -- the basic fabrics of the United States political, economic and social institutions. Conversely (3), Fidel Castro has consistently perceived the United States as presenting a direct threat to the security of his revolutionary

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2Lloyd A. Free in Attitudes of the Cuban People Toward the Castro Regime. Princeton: Institute for International Social Research, 1960:18, 24, 25. Surveyed of one thousand urban Cubans (one half from Havana were surveyed). Asked to state their fears or worries about their country, only 6 percent cited invasion by, or aggression from, the United States, United States' imperialism, or United States' economic and other pressures as sources of concern. Six (6) percent cited threats, aggression, domination of conquest by some other foreign power; this could be possibly linked to the 7 percent who mentioned fear of Communism, Communist infiltration or influence, or Communist government or dictatorship.
regime. And (4), it is rather clear from what follows in this section that after the October missile crisis, the United States' continued hostilities toward Fidel Castro's regime are unwarranted.

In the preceding chapter, we noted the re-thinking President Richard M. Nixon had done in the course of his many foreign trips since the days of his vice presidency. "He believed that an era of negotiation was now succeeding the period of confrontation," and was looking forward to the upcoming negotiations with the People's Republic of China in Warsaw. He stated: "We will be interested to see what the Chinese Communist may have to say at that meeting, whether any changes of attitude on their part on major substantive issues may have occurred" (Nixon, 1969:247). Nixon's pronouncement suggests that there were some "changes of attitude" on the part of the United States. And, if "an era of negotiation was now succeeding the period of confrontation," why didn't the Nixon regime explore possibilities of reducing hostilities between Cuba and the United States? The answer to this question could be found in part from the fact that (1) in the United States' perception, the People's Republic of China was a super power; (2) Cuba, for all intent and purposes, was a periphery; and (3) the People's Republic of China, as a power in the global distribution of power, was geographically far removed from the United States than Cuba (only 90 miles from the coast of Florida). In this sense, the People's Republic of China was not perceived as representing a direct threat to the United States.

The above propositions are best summarized by Jarvis (1976:136-137), paraphrasing Wolfers, states that:
America's advantageous geographical position has permitted her great freedom of choice. Enjoying a large element of "free security," the United States has not had to make the same hard choices that others have faced. American statesmen have been slower to perceive trade-offs because in their benign environment, they have had to make fewer sacrifices.

As Jarvis (1976:137) further maintains, that it is "difficult to speak with confidence of the processes by which this consistency develops, it seems clear that decision-makers do not simultaneously estimate how a policy will affect many values." But, as they come to favor the policy that seems best on these restricted dimensions, they alter their earlier beliefs and establish new ones so that as many reasons as possible support their choice (Jarvis, 1976:137).

Thus, as Matthews (1969:179) noted (in his interview with Cubans -- Che' in particular) that it was not the fear that Cuba would be completely independent of the United States economically as well as politically, but

We (Americans) really feared...a drift toward Communism which would in time lead to a military alliance, a Red base or something approaching this, perhaps even a Communist government in Cuba.

This fear, on the part of the United States, seemed to be closely related to Fidel Castro's beliefs that Washington was a threat to the survival of his revolutionary regime. This perceived threat from the United States seems to have been consistently reinforced by the latter's covert operations, including plots to assassinate Fidel Castro (Leogrande, 1982, Mesa-Lago, 1970, 1982, Gonzalez, 1974, 1982, Dominguez, 1976, 1979). Thus, Fidel Castro's perceived threat from the United
States necessarily demanded realignment in the country's foreign policy and further attest to Fidel Castro's determination to beef up his own military defense.

What informed Fidel Castro of the threat from the United States to his revolutionary regime were series of events which culminated to the ill-fated Bay of Pigs invasion. On March 4, 1960, the French ship, LaCoubre, which was carrying "a load" of ammunitions, blew up in Havana. Many Cubans were killed and wounded. As Matthews (1969:180) notes, Fidel Castro was convinced that it was "sabotage." Lopez-Fresquet (1966:83) remarked that a Belgian expert who arrived in Cuba the day after the explosion "ruled out the possibilities of improper handling, heat, and all other accidental causes. He maintained that it was sabotage, but could not determine whether the action took place in port, during the trip, or while loading."

The long, ridiculous and sometimes humorous and sad story of the Bay of Pigs fiasco is too well-known, and does not need to be analyzed here. The Bay of Pigs fiasco was the United States' "clumsy" response to what was perceived as the provocations and the dangers that Fidel Castro and his Cuban revolutionaries represented. The Eisenhower-Nixon reaction of 1959-60 "was based more than anything else on the radical nature of Castro's acts and the unindemnified expropriations of American properties by the Castro regime. At the same time that Vice President

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Nixon said he wanted to arm Cuban exiles and send them in, the only men available were Batistianos" (Matthews, 1969:205). The responsibilities for granting the CIA covert (or not so covert) operation was left to President John F. Kennedy. But as Matthews (1969:205) observes, that President Kennedy "with his keen and subtle intelligence and his sophistication, would surely have understood the true relationship of Fidel Castro to the Cuban Communists and to Moscow if he had been properly informed."

President Kennedy was convinced by the CIA in April 1961, that the "invasion of Cuba would have the support of the majority of the Cuban population" (Meneses, 1966:130). This assessment proved to be utterly wrong. Fidel Castro enjoyed the support and popularity of the majority of the Cuban population. As Schlesinger (1965) commenting on why the invasion was doomed, states that "the reality was that Fidel Castro turned out to be a far more formidable foe and in command of a far better organized regime than anyone had supposed." This was apparent in the quick and precise "victory" Fidel Castro scored on the invaders.

With respect to the October missile crisis outlined in the preceding section, Matthews (1969:223) has observed that "the decision to permit Soviet nuclear missiles to be installed in Cuba was the greatest act of folly in Fidel Castro's hectic career." We have suggested in the preceding pages that Fidel Castro was first reluctant, but under pressure from his associates he acquiesced to the Soviet demands. Fraternal motivations, notwithstanding, informed Fidel Castro at that time that:

...we felt ourselves in danger from the United States... We consulted with the Russians -- which is to say, Nikita Krushchev -- on what
could be done. When they (he) suggested the missiles, we immediately said "yes", by all means, we are completely in accord; this satisfies our desires 100 percent! We also felt that we were in duty bound to agree out of solidarity for the Soviet bloc. In the crisis, Krushchev was clumsy. Moreover, it is true that he was acting solely in Russian interests and not in Cuban interests. We were acting both in our interests and in the interests of the Soviet bloc. This was the simple truth. I think that Krushchev did it entirely on his own without consulting other members of the Politburo. I also think that Kennedy acted as he did partly to save Krushchev out of fear that any successor would be tougher. Kennedy was willing to give up the Turkish and Greek bases. Krushchev did not even make sure, as he could have, that Kennedy would give a firm promise not to attack Cuba (Castro, quoted in Matthews, 1969:225).

The first statement conforms with Castro's perceived threat posed by the United States to his revolutionary regime. The second statement, on the contrary, suggests that Fidel Castro was "100 percent" in "accord" with Krushchev's proposal. The installation of the missiles, in Fidel Castro's perceptions, would deter any further "invasion" from the United States. The third statement suggests that Fidel Castro was acting both "in our (the Cubans) interests and the interests of (socialist solidarity) the Soviet bloc." Finally, the reference at the end was to the fact that Krushchev "accepted the Kennedy proviso that the United States would promise not to attack Cuba if a United Nations' team was allowed to inspect the missile sites to make sure that they were clear" (Matthews, 1969:225). Although Fidel Castro refused to allow a U.N. team of observers to enter Cuba for the purposes of inspecting the removal of the Soviet missiles, the United States aerial reconnaissance with
U-2 planes provided a means of inspection.  

As Matthews (1969:231) observes, "the missile crisis was a severe setback for Fidel Castro in Latin America. It shocked every responsible Latin American official into a realization of the mortal danger each of their countries faced because of policies that Fidel Castro had pursued and might pursue again." Furthermore, as Matthews (1969) and Schlesinger (1965) contend, on the face of it, Fidel Castro "seemed to be acting as a stooge of Moscow." It would be, however, difficult to accept Schlesinger's (1965) exaggerated verdict that the missile crisis "displayed Castro as a rather impotent and ignominious Soviet tool." Indeed Fidel Castro was "impotent" in the crisis because (1) the crisis was settled between Kennedy and Krushchev without the consultation of Castro at any stage during negotiation; and (2) he was in no position to control the missiles being installed, which in effect, shows Cuba's weakness in the international system. However, in expressing his feelings and beliefs in an interview with the French journalist, Claude Julien, which Le Monde published on March 22, 1963, Fidel Castro stated:

Cuba does not intend to be a pawn on the global chessboard. Cuban sovereignty is a reality; that is what we fought for. I cannot accept that Krushchev should have promised Kennedy to withdraw his missiles

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without the slightest reference to an indispensable accord with the Cuban government. To be sure, it was a case of Soviet missiles which was out of our direct control. But they were on Cuban territory and nothing should have been decided without consulting us. We are not a satellite. Obviously, the U.S.S.R. has global responsibilities which we do not have. Krushchev wanted peace and we also wanted peace. Nobody has the right to dispose of Cuban sovereignty. That is why we proposed a five point program which, alone, can guarantee peace in the Caribbean (Castro, in Matthews, 1969:233).

Fidel Castro's five point proposal demanded (1) removal of economic embargo and commercial pressures; (2) end of all subversive activities against Cuba by the United States; (3) end of "pirate attacks" from bases in the U.S. and Puerto Rico; (4) cease the violation of Cuban air and naval space; and (5) withdrawal of the U.S. from Guantanamo Naval Base (Matthews, 1969:233). The five point proposal was, of course, unceremoniously rejected by the United States. As Matthews (1969) reveals in his interview with a Cuban Cabinet Minister in 1968, the proposal was "simply a declaration of independence with the intention of showing that Cuba had a policy of her own and was not just a Russian satellite" (Matthews, 1969:233), political, economic, cultural and technical dependence on the Soviet Union notwithstanding.

The Peace Offensive

In the aftermath of the October Missile Crisis, Fidel Castro and President Kennedy began to exchange letters. The actual contents of the letters are not known. However, in July 1964, Fidel Castro made "a spectacular bid for normalizing relations with the United States" (Halperin, 1981:93). In a well staged interview (high placed foreign
journalists were invited through whom he wished to transmit an important message aimed at a selected target), with Richard Eder of the New York Times, Fidel Castro is reported to have said that "the Cuban leaders... were now more mature", meaning of course, that he, Castro, was more mature 'and the United States had given some indications -- notably through the Alliance for Progress -- that it was willing to accept a degree of social change in Latin America.' Fidel Castro seems to have reversed himself sharply with regard to the Alliance for Progress which he perceived as "an unmitigated fraud" (Halperin, 1981:94). What seems to have informed Fidel Castro was the suggestion that the United States was prepared to "accept a degree of social change," and Cuba had already accomplished this feat. However, Fidel Castro also noted that because of the "political climate in the United States...the immediate renewal of formal relations, though desirable, would be premature. This would be possible 'only when the sharp edges of the quarrel between the two countries are softened somewhat..." (Halperin, 1981:94). Eder summed up Castro's startling proposal thusly:

Cuba would commit itself to withhold material support from Latin American revolutionaries if the United States and its Latin American allies would agree to cease their material support of subversive activity against Cuba. (Quoted in Halperin, 1981:94).

Reportedly, Fidel Castro returned to the above themes several times so that there could be no question that he was misconstrued or that "by material support to Latin American revolutionaries he meant arms and money" (Halperin, 1981:94). The proposal for the normalization of relations between Havana and Washington were overshadowed by Fidel
Castro's offer to abandon the ongoing revolutionary struggle in Latin America. Fidel Castro also dealt with issues of considerable interest to Cuba, to demonstrate his "new attitude" on moderation and reconciliation. At the time, two issues of the greatest tension between the two countries concerned (1) the United States' naval base at Guantanamo, and (2) the continuing overflights of U-2 reconnaissance planes over Cuba.

With respect to the benefits that might result from the rapprochement between the two countries, Fidel Castro proceeded to suggest that buying Cuban sugar "would be more economical than expanding sugar beet production" in the United States (Halperin, 1981:96). Here, Fidel Castro blissfully ignored the "sugar beet lobby in Washington. While both countries would benefit from a resumption of American exports to Cuba" (Halperin, 1981:96). It was also suggested that once trade between the two countries was under way, indemnification of expropriated American firms and properties would be negotiated. On the issue of political prisoners in Cuba, Fidel Castro is quoted by Eder to have said that there was "something under 15,000" and conceding that "this is a great many" (Halperin, 1981:96). He is also quoted to have said

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5 Dominguez (1979:254) states that by 1965, the Cuban government admitted holding 20,000 political prisoners. Dominguez (1979) also argues that Cuba's rate of political imprisonment is well above that of most other authoritarian Latin American regimes. For example, in 1974, "Cuba had no fewer than 40 political prisoners for every 100,000 people in its population in December 1975, barely two years later the start of military rule, Chile had no more than 47 political prisoners per 100,000 population. This extremely conservative statistic in the Cuban case assumes no more than 4,000 political prisoners in 1974. In 1969, a former Spanish information officer in Havana reported 55,200 political prisoners; these numbers are closer to the estimates cited by Cuban exiles. In 1977, President Castro admitted to holding between 2,000 and 3,000 political prisoners!! (Dominguez, 1979:254).
that if relations with the United States were normalized, "there would be no need to keep most of them in jail. Ninety percent could be released and would be permitted to go abroad or remain in Cuba, as they preferred" (Halperin, 1981:96). It is clear that Fidel Castro perceives most of his political prisoners as a threat to his revolutionary regime. It is also possible that among these political prisoners are American citizens.

The second (Castro's) "peace offensive" came in a speech delivered in Santiago, in 1964, in which Fidel Castro made an account of his interview with Eder. He stated that:

I spoke to him very frankly...because the best way is to be frank. Why beat around the bush? So I said to him: 'the truth of the matter is that neither of our two countries, neither the United States nor we, did very much to prevent things reaching this point (in our relations)'. I was frank about this (Castro, in Halperin, 1981:102).

As Halperin (1981:102) went on to observe, it must have come as a complete surprise, "not to say shock, to the Cuban people -- and to the sources of 'fraternal' delegates and other foreign sympathizers seated on the platform behind him," for never before had Fidel, or the Cuban government, given a hint that 'el imperialismo yanqui' was not solely, exclusively, and by its very nature inevitably responsible for the break in relations." However, Fidel Castro went further to shock his audience by suggesting that in negotiating detente with the United States, he would propose that it be based on "mutual nonintervention and acceptance of the standard 'norms' of international conduct (Halperin, 1981:103). Cognizant of his "fraternal" delegates, Fidel Castro
interjected that this would not mean a 'deal' by which Cuba would turn its back on the revolutionary movements in Latin America." In Halperin, Fidel Castro went on to state:

If there is to be peace...if nations are to live in a civilized manner, they must comply with the norms of international law. This is necessary, no matter how great our sympathy for revolutions... This is our sincere thinking on the matter, our revolutionary thinking. (Spelling this new concept up) we don't believe that international norms apply to only one of the sides and are not obligatory for the other side. In a word, if we want to help a revolutionary movement, we are limited by existing international norms, that is to say, we have no right to meddle in the internal affairs of another country... So the norm is an obstacle which prevents us revolutionaries from helping other revolutionaries. We would like to send them arms... material aid. What prevents us? The norms which must exist between nations...the respect for the principles of sovereignty, and self-determination of each country (Castro, in Halperin, 1981:103).

Cognizant of the fact that the OAS just met that morning in Washington, D.C., and announced that it had voted to impose economic sanctions against Cuba, and had required all member states which had not already done so to break diplomatic relations with Castro's regime.

6 Bolivia, Chile, Mexico and Uruguay continued to have diplomatic relations with "Castro's Cuba." Halperin (1981:99) remarks that the decision was "the final step in a process that had begun late in November 1963, when some three tons of arms secretly shipped from Cuba were discovered on the coast of Venezuela. The decision taken in Washington eight months later was based on incontrovertible evidence that the weapons came from Cuba and were destined to be used in an attempt to overthrow the Venezuelan government."
With respect to the OAS's economic sanctions and the severing of diplomatic relations, Fidel Castro in what came to be known as the "Declaration of Santiago, Cuba" as a reply to the "Declaration of the OAS," states:

And if they don't respect Cuba, the countries which meddle in the internal affairs of Cuba and promote counterrevolution have no right to complain that we help revolution in those countries. We believe this to be something clear and elementary! (As to OAS), that collection of garbage, that Yankee ministry of the colonies, which as you know, has met to pass judgement and impose sanctions on Cuba, accusing Cuba of having sent a shipment of weapons to the Venezuelan revolutionary... The people of Cuba warn that if the pirate attacks proceeding from North American territory and other countries of the Caribbean basin do not cease...as well as the dispatch of agents, arms, and explosives to Cuban territory, the people of Cuba will consider that they have an equal right to aid with all the resources at their command the revolutionary movements in all those countries which engage in similar intervention in the internal affairs of our Fatherland (Castro, in Halperin, 1981:105).

What is interesting to note is that the following day Fidel Castro held a news conference with scores of leading American journalists. Thus, at that press conference, Fidel Castro "confirmed the basic points of his offer to resume normal relations with the United States" (Halperin, 1981:106). If there was any doubt as to the significance of Fidel Castro's offer on the 26th of July, it should have been eliminated in the minds of the American foreign policy decision-makers.

Halperin (1981:107) lamented that "it was another moment when history might have taken a sharp turn for the mutual benefit of both the United States and Cuba -- were it not for the gross miscalculations of
the decision-makers in Washington." To Washington, the elaborate speech
by Fidel Castro meant that "he was in deep trouble" and that "maintaining
and increasing the pressure would soon topple him." The disorganization
of the Cuban economic, not to speak of "the steep decline in the price
of sugar on the world market," was perceived by Washington as "impending
disaster." Washington "overestimated the effectiveness of the trade
embargo, despite the refusal of Britain, Spain, Japan, and Canada to
cooperate. They underestimated the capacity of the Soviet Union to
provide the basic necessities for survival" (Halperin, 1981:107).

Halperin's (1981) assessment is buttressed by the then Secretary
of State's, Dean Rusk, pronouncement at the conclusion of the Organiza-
tion of American States (OAS) meeting to the effect that the OAS meeting
was the "most important ever held in the hemisphere" and added that
"Castro has no future in Cuba or in the hemisphere" (in Halperin, 1981:
108).

Only Senator J. William Fulbright made a realistic appraisal of the
situation. In a speech on March 25, 1964, according to the New York
Times (March 25, 1964), he urged the United States government to abandon
"old myths," including the 'master myth...that the Communist bloc is a
monolith,' and to base Cuban policy on 'objective facts,' singling out
the boycott policy as a failure. Castro, he said, was a 'distasteful
nuisance', but not an 'intolerable danger' to the United States
Fidel Castro's Relations with Southern Countries

Bray and Harding (1974:73) have eloquently stated that "with the triumph of the rebel army, Cuba changed overnight from an insignificant actor in world affairs to the most internationally influential country in the history of Latin America." It would be, however, inaccurate to say that Cuba's internationalism is a by-product of its society. It would be more accurate to say that Cuba's internationalism is a function of its leader's (Fidel Castro's) conception and/or perception of its role in the region as well as in Southern countries. Heavy economic dependence of the Soviet Union did not result in dutiful acceptance of the Soviet political advice. For, as Huberman and Sweezy (1969:77) put it, "Soviet economic policies toward Cuba, centering on the sugar agreement of 1964, are in no sense charity, but on the contrary, may well yield substantial long run economic benefit to the U.S.S.R."

Thus, in his relations with the Soviet Union, Fidel Castro refused to yield to the Soviet Union admonition to pacify relations with the United States to stop encouraging guerrilla warfare in Latin America. Fidel Castro's "support for the Latin American insurgents was particularly resented by the U.S.S.R. which was engaged in an unprecedented effort to establish diplomatic and trade relations with the existing governments in Latin America" (Bray and Harding, 1974:717). What Fidel Castro was interested in creating a propitious environment in the region for the continued survival of his revolutionary regime.
On January 9, 1964, several hundred Panamanians marched on the Canal Zone in order to raise the Panamanian flag on what they considered to be national territory illegally occupied by the United States. In a confrontation with American troops, twenty-two Panamanians were killed and many injured. A joint communique signed in Moscow between Fidel Castro and Nikita Krushchev carried a paragraph denouncing the "massacre" and supported the "people of Panama in their just claim of sovereignty" over the Canal Zone (Halperin, 1981:18). Upon his return to Havana the following day, Fidel Castro made a dramatic offer. Challenging Latin American countries, Fidel Castro states:

What should be the position of the Latin American countries? To back up Panama... among other things, immediately offer Panama economic aid...and let me add that if they (the Latin American countries) don't want to join in some kind of collective aid, Cuba is ready to help Panama unilaterally... If Panama needs our economic aid, Panama can count on economic aid from Cuba. And to start with, in the same amount which it has been getting from the United States. And, of course, with absolutely no strings attached, with no conditions of any kind, not even the reestablishment of diplomatic relations (Castro, in Halperin, 1981:19).

This seems to have been a well calculated strategy. For Fidel Castro was perhaps certain that his offer would not be taken up by other Latin American countries. The offer was an attempt to impress Washington with his bargaining position.

It is interesting to note that as a result of a coup d'etat in Panama City in October 1968, Omar Torrijos emerged as the country's new strong man. In August 1974, diplomatic relations between the two countries were restored. In Mid-January 1976, Torrijos paid a state
visit to Cuba. And Fidel Castro is reported to have advised Torrijos "to be prudent and persist in negotiating a settlement with the United States rather than a confrontation" (Halperin, 1981:20).

The Johnson administration's decision to send 4,500 troops to the Dominican Republic on April 28, 1965, to put down Col. Caamano, revealed precisely how far Fidel Castro would go not to risk the security of his revolutionary regime in the face of the United States' military intervention in another Latin American country. Convinced that the United States' action constituted the making of "a second Cuba," Fidel Castro did not attempt to offer material support to Caamano, rather he covered himself from any reproach for not taking on the United States by stating that, "we are really a small part of the world, our resources are limited" (Castro, in Halperin, 1981:162). However, he did not fail to demonstrate his opposition to the "imperialist aggression:"

...it is necessary to demand the withdrawal of the imperialist troops from the sovereign and independent state of Santo Domingo (Castro, in Halperin, 1981:162).

This rhetoric was addressed to world opinion and, in particular, to all nonaligned countries. And, as a challenge to the Soviet Union, Fidel Castro perceived the weakness of a small country to challenge and/or confront a nuclear power as "a risk imposed by history." He states:

...nuclear equilibrium (gives the super powers immunity from nuclear war, and thus, they count on having) a wide field for perpetrating their crimes in the form of limited war... aggressions, aerial attacks (it was necessary), to change the attitude of the imperialists... As long as they believe that they don't risk their own hides, they will do whatever they please; as soon as they understand that they really risk being incinerated, they will begin to think differently...
We must face up to this reality and take this risk which history imposes on us at this time. Somewhere or other we must cut off the hands of the imperialists in Vietnam or wherever it may be (Castro, in Halperin, 1981:165).

It is interesting to note that though Cuba lacked the necessary and sufficient resources to challenge the positions of the United States in Latin America, Africa and Asia, and that of the Soviet Union, Fidel Castro did not perceive this factor as limiting his capacity to give moral or psychic support to revolutionary movements in these countries. What seems to be operating to Cuba's advantage is the personality characteristics of the leader Maximo: Fidel Castro. In one respect, as Halperin (1981:86) observed:

Fidel's compulsive urge for personal control of whatever undertaking struck his fancy, and at any level that he chose, was not motivated by a mere lust for power, but by the great mission which destiny had entrusted to him and the conviction that he was especially endowed with the wisdom for fulfilling the mission.

A cursory examination of trade between Cuba and the rest of the Southern countries is, to say the least, marginal (see for example, Table 10.5). Fidel Castro's perceptions are summarized in the now famous phrase to the effect that "the duty of every revolutionary is to make a revolution" (in Matthews, 1969), came out of the Second Declaration of Havana in February 1962. This particular statement put him in a collision course with the United States on the one hand, Soviet Union and the People's Republic of China on the other.

On December 19, 1964, Che' Guevara was dispatched to Africa. From Algiers, Che' Guevara and his entourage made tour of seven African countries, i.e., Mali, Guinea, Ghana, Egypt, the now People's Republic
TABLE 10.5
CUBAN SUGAR EXPORTS TO SELECTED NON-SOCIALIST COUNTRIES (IN METRIC TONS) 1960-1971

<table>
<thead>
<tr>
<th>YEAR</th>
<th>EGYPT</th>
<th>%</th>
<th>IRAQ</th>
<th>%</th>
<th>MALAYSIA</th>
<th>%</th>
<th>MOROCCO</th>
<th>%</th>
<th>SYRIA</th>
<th>%</th>
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<tr>
<td>1961</td>
<td>150,160</td>
<td>13.86</td>
<td>34,933</td>
<td>8.15</td>
<td>-0-</td>
<td>-0-</td>
<td>157,287</td>
<td>7.01</td>
<td>a.</td>
<td>-0-</td>
</tr>
<tr>
<td>1962</td>
<td>105,112</td>
<td>9.70</td>
<td>17,991</td>
<td>4.19</td>
<td>-0-</td>
<td>-0-</td>
<td>265,124</td>
<td>11.83</td>
<td>50,478</td>
<td>7.06</td>
</tr>
<tr>
<td>1963</td>
<td>78,115</td>
<td>7.21</td>
<td>36,711</td>
<td>8.56</td>
<td>-0-</td>
<td>-0-</td>
<td>285,028</td>
<td>12.72</td>
<td>20,666</td>
<td>2.89</td>
</tr>
<tr>
<td>1964</td>
<td>95,284</td>
<td>8.79</td>
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<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
<td>323,259</td>
<td>14.42</td>
<td>30,961</td>
<td>4.33</td>
</tr>
<tr>
<td>1965</td>
<td>126,168</td>
<td>11.65</td>
<td>126,313</td>
<td>29.47</td>
<td>-0-</td>
<td>-0-</td>
<td>182,209</td>
<td>8.13</td>
<td>62,167</td>
<td>8.70</td>
</tr>
<tr>
<td>1966</td>
<td>97,038</td>
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<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
<td>-0-</td>
<td>181,327</td>
<td>8.09</td>
<td>53,309</td>
<td>7.46</td>
</tr>
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<td>1967</td>
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<td>10.55</td>
<td>42,095</td>
<td>9.82</td>
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Source: Reconstructed from: International Sugar Council/Organization (1956 ff)

a. Indicated under Egypt.
of Congo, Tanzania, and later to the present Democratic Republic of Zaire. Halperin (1981) notes that Fidel Castro at that time was discouraged with the development in Latin America. For example, Halperin (1981:121) notes that:

Cuban-supported guerrilla operations had thus far been ineffective. In April 1964, the left-leaning Goulart government in Brazil was overthrown by a military coup d'etat. The following August, Castro's socialist friend, Salvador Allende, failed to win the presidential election in Chile. Thus, Castro turned to Africa as an area in which to launch a bold political and military counteroffensive.

Moreover, as later explained by Guevara, from a military point of view, Africa enjoyed an advantage over Latin America "because of its greater distance from the United States and its greater possibilities from logistical support" (James, 1969:159). Africa then became an early target of Cuban diplomacy.⁷

A conversation between President Nasser and Che' Guevara is rather revealing. Haykal (1973:348-349) states: "Guevara returned after ten days, during which time he had been in the Congo (Zaire)... He had been

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⁷The above does not purport to suggest that Fidel Castro abandoned his pledges to aid revolutionary movements in Latin America, or to seek to break Cuba out of her isolation from the rest of Latin American countries. Carmelo Mesa-Lago (1974:108) and Horowitz (1971:105-151) have documented Fidel Castro's aid to Latin American revolutionary movements as well as attempts by Fidel Castro to reestablish both diplomatic and economic relations with Latin America. It should also be noted that in the 1960's, three events induced Fidel Castro to stop sending armed expeditions to Latin American guerrillas and revolutionary movements: "The death of Che' Guevara and concomitant failure of his guerrillas in Bolivia (as well as previous failures in Argentina, Guatemala, Peru and Venezuela); the deterioration of the Cuban economy which forced an inward concentration of all the national resources and efforts; and the reapprochement with the U.S.S.R., which allowed the latter to exert pressure on Cuba to normalize her relations with Latin America."
visiting the forces of two battalions of black Cubans...sent from Cuba to fight for Antoine Gizenga, the man who had tried to inherit Premier Lumumba's mantle." Guevara is said to have informed President Nasser that he was planning to take command of the black Cubans. "I shall go to the Congo (Zaire), because it is the hottest spot in the world now...I think we can hurt the imperialists at the core of their interest in Katanga." According to Haykal, Nasser, astonished, told Guevara, "if you want to become another Tarzan, a white man coming among black men, leading them and protecting them...it can't be done." The significance of Haykal's (1973) revelation is that there has been no confirmation from any other sources that Cubans were already in "the Congo" at the commencement of 1965. In retrospect, one would assume that "the Congo" adventure was Che' Guevara's own longing, but as Halperin (1981:123) remarks, "at the end Fidel decided to take the risk of sending Che' to step up the struggle in the Congo." However, Cuba was not the only one supporting the Gizenga faction. In fact, the People's Republic of China and the Soviet Union were also providing aid to Antoine Gizenga.

Halperin (1981:130) quotes Orlando Castro Hidalgo (1971) who talked with a survivor of Che' Guevara's Zaire expedition as stating that:

Cubans had endured severe privations...they were busy trying to keep the tribes from fighting among themselves... There were angry arguments... Guevara and his Cubans had to flee through the jungles, pursued by enemy troops and their former allies. It took them a month to get to safety...Russians had been against Guevara's African adventure... Fidel Castro had not agreed, and there had been friction between him and the Russians over the matter.
However, as Halperin (1981:130) further notes:

The disaster did not enhance Che's revolutionary stature or Fidel's political judgement, which may explain why, for more than a decade, the presence of Che' and his Cuban detachment in the Congo remained a 'non-event' in the voluminous account of Che's exploits and virtues which emanated from Havana after his death. It was only in January 1977, that a Castro-approved account of Cuba's massive armed intervention in the Angolan civil war (1975-1976) finally mentioned Che's campaign in the Congo. It was a brief, thoroughly sanitized version designed to associate the image of the incorruptible Che' with a military incursion of an entirely different order and, thus, bolster Castro's claim that Cuban involvement in Africa, the writer piously declared, "planted a seed that no one could uproot."

Leogrande (1980, 1982:172) has argued, for example, that Fidel Castro's decision to dispatch "36,000 troops to help the Popular Movement for the Liberation of Angola (MPLA) defeat its rivals and their international allies (Zaire, South Africa, and the United States) was not initiated by the Soviet Union. On the contrary, Leogrande maintains that:

There is considerable evidence to suggest that this involvement was first and foremost a Cuban initiative. It is nevertheless clear that Cuba could not have undertaken such a massive foreign military commitment without the logistical support of the Soviet Union. The joint Cuban-Soviet operation in Angola cemented their bilateral relations and led to substantial increase in Soviet economic and military aid to the island.

Opinions vary among Southern countries' leaders on Fidel Castro's exportation of and support of revolutionary movements in the South. The subsequent Cuba-U.S.S.R. joint venture in Ethiopia in 1978 produced
more concerns among Cuba's growing Southern countries' constituencies.

As Leogrande (1982:173) observes, "for many nonaligned states, Cuba's Ethiopia involvement looked too much like a geopolitical favor done for the Soviet Union."

For example, at the 1978 meeting of the Organization of African States (OAU), the Nigerian head of state, Olusegum Obasanjo, warned Cuba "not to overstay their welcome...lest they run the risk of being dubbed a new imperialist presence" (New York Times, July 20, 1978).

Within the nonaligned movement, Yugoslavian President, Josef B. Tito, "accused Cuba of introducing 'new forms of colonial presence or bloc dependence in Africa,' and Egypt launched a campaign to move the site of the Sixth Nonaligned Summit away from Cuba on the same ground" (Leogrande, 1982:173).

Fidel Castro's perceptions of his own and Cuba's role in Southern countries could not be said to be without consequences to the internal economic and political development in Cuba itself. Whatever the consequences, he (Fidel Castro) has consistently maintained that he and Cuba have a role to play in Southern countries. In enunciating the principle of internationalism, he states:

...in the future we shall not be able to think of...great wealth while there are other peoples that need our help... We must not consider it a deity to provide each one of us with an automobile (a pointed reference to the Soviet Union) before every family in countries far behind us has at least a plough... We must educate our people to have a deep feeling of internationalism...without which nobody can call himself a Marxist-Leninist and without which this first of May, International Labor Day, would have no meaning (Castro, in Halperin, 1981:213).
As Halperin (1981:213) further notes, internationalism "had additional but unvoiced meaning in Fidel's lexicon: converting the scarcity of consumer goods in Cuba from a harsh consequence of the revolution to a noble virtue, striving for Third World leadership to create political leverage against both the U.S. and the U.S.S.R., and gratifying the maximum leaders' inflated ego."

Conclusion

Throughout this chapter, we have attempted to demonstrate that leaders' personalities, beliefs and perceptions determine the national and foreign policy roles of the country. In this chapter, as in the preceding chapter, Fidel Castro has confirmed this proposition.

When Fidel Castro assumed power, Fidel Castro believed that Cuba will follow neither the line of Moscow or Washington in its foreign policy. Fidel Castro maintained at that time that the Cuban (his) revolution was neither capitalism or Communism, but rather Cuban. For example, at the Fourteenth General Assembly of the United Nations on September 24, 1959, Raul Roa, head of the Cuban delegation, declared that Cuba (quoting Castro) rejects both world systems because it refuses to "choose between capitalism under which people starve to death, and Communism which solves economic problems, but suppresses the liberties that are so dear to mankind... We have neither capitalism as it has functioned throughout history nor Communism as in reality it is practiced today" (Roa, in Halperin, 1972:70). And as prophetic as it might have been at that time, Roa went on to declare that: "in the chess game of power politics, you will never find us playing the part of a docile
In reference to the first pronouncement quoted above, it could be inferred that Fidel Castro at that time believed that either (1) he could operate independent of both super powers' influences, or (2) some form of accommodation or reconciliation with the United States was still possible. In 1961, however, with no alternative sources of support for his revolutionary regime, Fidel Castro embraced Marxist-Leninist to his death.

In the second pronouncement, Fidel Castro was keenly aware, we believe, that in the world of super powers, like other Southern countries, Cuba was a pawn. This status was more pronounced to the consternation of Fidel Castro during the 1962 October Missile Crisis. However, Cuba's foreign policy, under Fidel Castro, has by no means been "docile." Because as Roa puts it:

"Cuba today, for the first time in its history, is in fact free, independent, and sovereign; and as a consequence, its foreign policy has been emancipated from every kind of shackle, subordination, and servitude. Formerly, Cuba always voted as it was instructed to by another party. Today, Cuba votes as it alone sees fit (Roa, in Halperin, 1972:72)."

It is possible that Fidel Castro's position further complicated whatever possibilities that still existed for negotiating a settlement of differences with the United States. For on several issues that pertained to Africa, e.g., the Algerian war of independence, Fidel Castro, in keeping with his anticolonialist, liberation, revolutionary promoter, and pro Southern countries' beliefs, strongly supported Algerian struggle for independence. (We will return to Castro support of
Southern countries later.) In that same speech, referring to the "spirit of Camp David" (at the conclusion of the conversations between President Eisenhower and Chairman Krushchev), Roa declared:

...We are not at all favorably impressed by the fact that these conversations were planned and took place without taking into account the opinion of the small nations and particularly, in our case, of those which constitute the Latin American community. This regional community has the right...to expect that it be informed and consulted in matters which affect it directly (Roa, in Halperin, 1972:71).

For the United States, Fidel Castro's position showed less flexibilities in resolving their differences. Thus, to understand Fidel Castro's alignment with the Soviet Union, his deep-rooted beliefs about the nature of politics and political conflict, and his beliefs about the correct strategies he must pursue to deal with both Cuba's internal and external environments, we need to know what were his immediate concerns.

First, Fidel Castro was deeply committed to the liberation of Cuba from foreign or "imperialist" influence and, he is a nationalist. The external threat against his revolutionary regime, e.g., the ill-fated Bay of Pigs invasion by the United States, informed Fidel Castro, we believe, to seek alignment with the Soviet Union, who, in effect, became the new center and a proctor against the perceived threat from the United States. The alignment with the Soviet Union was an essential source of economic, military and technical assistance for the survival of Fidel Castro's regime.
Second, in the aftermath of the 1962 Missile Crisis, the United States (Kennedy) made a promise not to invade Cuba. By implication, we will infer, Fidel Castro obtained an unprecedented tacit agreement from the two super powers not to militarily invade Cuba. In other words, the United States, by virtue of the 1962 agreement cannot invade Cuba for fear of the Soviet Union intervention. Conversely, the Soviet Union has to think twice to invade Cuba for fear of the United States' intervention. For an attack on Fidel Castro from the Soviet Union would be perceived as a threat to the security of the United States. This double agreement has, in effect, given Fidel Castro the latitude "spreading the blessings of the Cuban liberation" or supporting revolutionary movements in Africa, Asia and Latin America.

Third, the size of Cuba raises the question on Fidel Castro's abilities to "export revolutions" to other Southern countries. Logistically, moving Cuban troops to Africa by necessity requires the Soviet Union's assistance. Although it might be said that the Soviet Union is accomplishing its grand design by using Cuba as a proxy, in Fidel Castro's beliefs, we will infer, the Soviet Union is helping Fidel Castro's international strategy as well as its own. Fourth, Fidel Castro seems to have been prepared to normalize relations between Cuba and the United States. He was prepared to "withhold material support from Latin American revolutionaries" on condition that the United States...

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and its allies in Latin America "cease their material support of subversive activity against Cuba" (Castro, in Halperin, 1981:94). Fidel Castro has also proposed that the negotiation for detente with the United States must be based on "mutual nonintervention and acceptance of the standard 'norms' of international conduct" (Castro, in Halperin, 1981:103). The United States' nonresponse could be attributed to (1) the persistence of misperceptions of Fidel Castro by the United States' authoritative decision-makers, and (2) the noise in the systems, i.e., the Vietnam War.

What informed Fidel Castro to seek normalization of relations between Cuba and the United States, we believe, is that normalization of relations with Washington would (1) relieve Cuba's dependence on the Soviet Union, (2) create or establish new sources of import of badly needed commodities, and (3) remove the persistent threat from all corners against his revolutionary regime. This, in turn, would provide savings from his defense spending that could be allocated to other economic and social programs.

The "seriousness" of Fidel Castro's pronouncements on normalizing relations with Washington cannot be assessed or tested on the air waves, but negotiating table (of any geometrical shape). If Washington perceives Fidel Castro as a threat to the stability of the international or global systems, then that threat by implication should be removed, not by brute force or coercion, but through adherence to the "existing international norms." That is, by talking with Fidel Castro.
Part IV

CHAPTER 11

EGYPT AND GAMAL ABDEL NASSER'S INTERNAL DEVELOPMENT STRATEGIES

Introduction

If national foreign policy roles are determined by the beliefs of a regime's authoritative decision-makers (Hermann, 1983), then national roles, that is, internal development strategies, are determined by the beliefs of a regime's authoritative decision-maker.

The present chapter focuses on Gamal Abdel Nasser's beliefs about the correct strategies and tactics to transform Egypt. While the following may appear as a summary of Egypt's economic, political and social policies under Gamal Abdel Nasser, our contention is that leaders in the Third World set the agenda with respect to the internal development of a society, e.g., Gamal Abdel Nasser in this case. The types of policies initiated and/or pursued necessarily reflect the beliefs of a regime's authoritative decision-maker about the correct strategies and tactics for the development of the society. When Gamal Abdel Nasser and the Free Officers assumed power in 1952, they pledged: "(1) an end to imperialism and its agents; (2) an end to feudalism; (3) an end to monopoly and the capitalist control of rule; (4) establishment of a powerful national army; (5) establishment of social justice; and (6) establishment of sound democracy" (Waterbury, 1983:48).
The "establishment of a powerful national army" is discussed in Chapter 12. The remaining five pledges are incorporated in the present analysis.

Thus, to understand the manifestations of Gamal Abdel Nasser's beliefs about "the nature of politics and political conflict, his views regarding the extent to which historical developments can be shaped, and his notions of correct strategies and tactics..." (George, 1969:197) in the development or transformation of Egypt, we propose to proceed as follows:

1. Agrarian Reform. The agrarian reform measures could be inferred as the manifestations of Gamal Abdel Nasser's beliefs in social justice. As noted above, it was Nasser's commitment to destroy the economic and political powers of feudal, cotton-growing landowners or "parasitic industrial bourgeoisie." The beliefs were to create some form of distributive justice in the country. In addition, Nasser believed that he had to liberate Egypt not only from "the corrupt and tyrannical" rule of King Farouk, but also from "imperialist" (e.g., Britain). Britain's evacuation from Egypt and the destruction of the exploitation of landless peasants and sweatshop labor was perceived as necessary. And once these practices were ended, "then Egypt [Nasser] could establish its full economic and political sovereignty through a credible army, the redistribution of wealth to the poor, and the practice of politics free from the bonds of economic exploitation" (Waterbury, 1983:48).

2. Aswan High Dam and the Nationalization of the Suez Canal. The Aswan High Dam, we infer, was perceived by Gamal Abdel Nasser as (1) a project that would "immortalize his name" (Mabro, 1972); (2) increase cultivable land areas, and (3) a mechanism through which to obtain cheap
electricity for (a) industrialization of the country, and (b) electrification of urban and rural areas of the country.

The construction of the Dam at Aswan required a sizeable financial outlay on the part of the regime. Egypt did not possess sufficient funds of its own to build the Dam. Consequently, Nasser sought loans from the International Bank for Reconstruction and Development (IBRD), the United States and Britain's governments. However, when all three creditors forfeited on their pledge to assist Nasser, the latter nationalized the Suez Canal. In Nasser's beliefs, the nationalization was deemed necessary if the Dam at Aswan was to be built with Egypt's own resources.

It is, therefore, in this context that we infer Nasser's beliefs about industrialization (another aspect of the question about leader's definition of development). Indeed, as we have observed in the cases of Zhou Enlai/Mao Zedong and Fidel Castro, and here with Gamal Abdel Nasser, industrialization as a vital element of the developmental or transformation process became synonymous with the regime's prestige as it was perceived to enhance Egypt's status in the international/global system. Thus,

3. The Nationalization Decrees of 1958 and 1961. Nasser's quest for industrialization was one of the major reasons, we infer, which compelled him between 1958 and 1961 to nationalize virtually all financial institutions and heavy industries and, in effect, "to assume part ownership and direct control over external trade and large-scale corporate industries" (Dawisha, 1976:84).
Gamal Abdel Nasser's "answer" with respect to his beliefs in private investments and international/global trade is inferred from (1) his invitation of private investors (both domestic and foreign) to invest or do business in Egypt. The invitation was accompanied with lucrative incentives or offers. The failure of the private sectors of the economy to significantly contribute to the industrial development plan compelled Nasser to take over the private sectors. The "state", therefore, and not the private sectors, should be in charge or in the vanguard of industrialization. Because it is the state -- Nasser by implication -- that has the interests of the country at heart.

Beliefs in international/global trade are inferred from Egypt's extensive trade between the East, the West, and the rest of the Third World. It is interesting to note that although Nasser sought and obtained aid (i.e., financial, technical, and military assistance) from the Soviet Union; and the latter became the major supplier of Egypt's military hardware, a relatively large proportion of Egypt's trade remained with the West. These aspects of Gamal Abdel Nasser's beliefs are examined in Chapter 12.

Beliefs about alignment with the Eastern and Western blocs or with former metropoles are inferred from (1) Nasser's decision to rid the country of the remnants of colonialism or neocolonialism, and (2) his beliefs in nonalignment. Gamal Abdel Nasser was opposed to communism on (a) religious, and (b) nationalistic grounds. Despite Nasser's reliance on the Soviet Union for economic and military assistance, he strongly pursued or professed beliefs in freedom/independence, and nonalignment. He also believed that the East-West conflict could be
manipulated to enhance the Arab Middle East positions in the international and the global systems.

Thus, Gamal Abdel Nasser's "answer" relative to his beliefs to achieve his internal developmental and foreign policy objectives through participation in the international/global system as it exists, is inferred from (1) his speeches relative to his positions in Africa and Asia. For example, in his speech in May 1962, on the National Charter, Gamal Abdel Nasser declared:

"In Bandung our people spoke with those of the other states of Africa and Asia, the same language they spoke before the great powers in the U.N..."

"While our people believe in Arab unity, they also believe in a Pan-African movement and an Afro-Asian solidarity. They believe in a rally for peace... They believe in a close spiritual bond that ties them to the Islamic world. They believe in belonging to the United Nations and in their loyalty to the U.N. Charter, which is the outcome of the suffering of peoples in two world wars, separated only by a period of armed truce (Nasser, Speeches of President Gamal Abdel Nasser, 1962:4, emphasis my own)."

And (2) Nasser's beliefs are also inferred from Egypt's trade relations with the Arab Middle East, Eastern and Western blocs, and with some Third World countries. Again, these aspects of Nasser's beliefs are discussed in Chapter 12.

Gamal Abdel Nasser's beliefs about (1) his abilities to change or alter the existing international/global system or its parts, and (2) about cooperation among developing countries, or developing a bloc of developing countries, are inferred from (1) his position in the Arab Middle East and Africa. As we observed in Chapter 5, Nasser opposed the
military alliance with the West on the basis of his beliefs that such an alliance would perpetuate colonialism. Nasser believed that the Arab Middle East should be free of super power's machinations. However, (2) Nasser believed in cooperation among developing countries and the development of a nonaligned bloc. To some extent, and this is merely a hunch, Nasser's call for "Arab unity" and "Pan-Arabism" might have spun off into the establishment of the Organization of Arab Petroleum Producing Countries. In addition, Nasser also was a strong proponent of African unity; in which he also perceived Egypt to play an important role.

Indeed, while Nasser does not profess beliefs in his abilities to unilaterally alter the existing global system, he nevertheless sought to drastically alter the subsystem of the Arab Middle East and Africa to achieve his objectives in the global system. It was Nasser's beliefs, we infer, that a propitious environment, necessarily Arab in character, was important if Egypt is to play the role of the vanguard which historical circumstances has bestowed upon it in the Arab Middle East and Africa.

4. The National Charter. Nasser's National Charter could be inferred as Nasser's beliefs in establishing "sound democracy" in Egypt. It was conceived as a mechanism through which the Egyptian populace is to participate in the political processes of the country.

5. Ideology. The point we emphasize in this section is that Nasser needed an ideology derived from Islamic beliefs to justify his decision to take over the private sectors of the economy. "Arab socialism," and soon after "Etatism" and "Nasserism," came to explicate
the type of economic system that existed under Gamal Abdel Nasser. It was not until after Anwar Al-Sadat became president that Egypt returned to an "open door policy" in its economy. For example, in The October Paper of April 1974, Sadat stated:

...Whatever the state of resources that we can mobilize locally, we are still in the most urgent need of external resources. The circumstances of the world today render it possible that we obtain these resources in a manner that strengthens our economy and hastens growth. On this basis we have called for an economic opening, and it is a call founded upon the calculation of our economic needs on the one hand, and available external funding on the other.

The Agrarian Reform

Mabro (1974) contends that the Agrarian reforms must be construed first as a political act. That is, to destroy the (power or) influence of the big landowners. The big landowners were perceived as a threat to the new military regime (Mabro, 1974; Vatikiotis, 1978; Mansfield, 1969; Dekmenjian, 1971). But as Mabro (1974:56) further observes:

Political motivations, however dominant, do not rob land reforms of their social and economic significance. In Egypt, the attempt to transform the agrarian system, even if it was criticized for lack of radicalism, was genuine, not a trompe-l'oeil reform (as some in Latin American countries or the later stages of Iran's program) designed to attract U.S. aid or to boost the image of the ruler abroad, but never effectively implemented.

Vatikiotis (1978:206) underscores the social and economic significance of the reform; he adds that "it is the singular achievement of the Nasser-led regime, whose social effects are yet to become completely clear." Vatikiotis attributes the Agrarian Reform to Nasser and the
Free Officers' "commitment since the 1930's to redistribute land to landless peasants." Waterbury (1976:305) maintains, and we concur, that:

Since the inception of the revolution, Egypt's leaders have had no perceptible commitment to any particular economic ideology. What seems to have informed Nasser's economic preferences was a concern with bringing Egyptian resources under Egyptian control, strengthening the Egyptian economy so that it bolstered independence, bringing about a certain degree of distributive justice, and protecting the 'revolution'...from regional or great power machination.

The three elements in Nasser's beliefs with respect to economic and political transformation are: (1) to bring Egyptian "resources under Egyptian" or Nasser's control; (2) "strengthening Egyptian economy so that it bolstered independence" (Waterbury, 1976:306); and (3) bring about social justice. It is in the above context that this observer infers that:

Even though the Nasser regime...clearly enunciated the interrelationship between economics and sovereignty, Nasser and his colleagues were by inclination drawn to other spheres of activity at the expense of developing a coherent economic strategy (Waterbury, 1976:292).

In fact,

The order of their [Nasser and his colleagues] priorities seemed based on the twin assumption that their "revolution" was inherently threatening to the imperialist powers and that no economic experiment could be attempted unless and until Egypt established its primacy in the area. In other words, a propitious environment, necessarily Arab in character, had to be created in order to permit some measure of "Egypt-firstism" (Waterbury, 1976:292).
In sum, then:

This assumption and the perceptions underlying it have, it seems to me, considerable merit. Nonetheless, from 1955 on Egypt's regional and international [or global] policies began superficially to determine economic policy (Waterbury, 1976:292).

We expand on these observations in the present chapter and in Chapter 12.

Thus, the Agrarian Reforms were first and foremost intended to correct the inequitable distribution of landownership. This inequitable distribution of landownership was perceived by Nasser and the Free Officers as "a serious aspect of the more fundamental problems of growing poverty and Malthusian overpopulation in the countryside, and it was conceived as an element of a 'development' package including industrialization and land reclamation" (Mabro, 1974:57). Vatikiotis (1978), however, though singling out the Agrarian Reform as "the singular achievement of the Nasser-led officer regime," argues that:

It was...mainly a negative political act directed more against the destruction of the old ruling class and less at the resolution of Egypt's agricultural problems. Its tangible effects on rural society have not been too great... (Vatikiotis, 1978:206).

The Agrarian Reform was indeed a political act directed against the old landed class who dominated Egyptian politics. Nasser perceived this class as the natural allies in harmony of interest with British as well as the foreign interests. And, in Nasser's perception, the landed aristocrats were to be eliminated (Waterbury, 1976).
(A) The Agrarian Reform Laws

The 1952 Agrarian Reform Laws dramatically changed the patterns of landownership in the countryside. It was conceived as a mechanism through which to remedy the problem of inequality and poverty. As a result, large estates owned by 2,000 landowners which accounted for over a million feddan\(^1\) were no longer in existence. The regime fixed the ceiling on landownership at 200 feddans per individual. In other words, landlords were allowed to keep 200 feddans of their estates. All land above the ceiling was requisitioned by the state to be distributed to the fallahin. Former landowners were compensated in non-negotiable bonds redeemable within 30 years at the annual rate of 3 percent. Requisitioned land was distributed to permanent workers of estates, tenants, farmers with large families, and the poorest members of the village in small lots of 2-5 feddans to the beneficiaries (Mabro, 1974: 64; Dekmejian, 1971:23; and Vatikiotis, 1978). Seemingly, the law provided for the formation of cooperatives (the beneficiaries were compelled to join), workers' union and regulated tenant-landowner relations (Dekmejian, 1971:123).

(B) Implementation of the Reform

When the Agrarian Reform was implemented, the regime had acquired 500,000 feddans of which 430,000 feddans were distributed to 120,000 landless farmers. Compared to the former landowners, the beneficiaries had to pay the Agrarian Reform Authority compensation over a thirty-year period.\(^1\)

\(^1\)One feddan = 1.038 acres = 4,200.8 square meters (see Mabro, 1974).
period with the charges of 15 percent and the annual interest of 3 per-
cent (Mabro, 1974:65). The latter were also required to join coopera-
tives which assumed many of the functions of the displaced landlord,
e.g., "provision of inputs and credit, marketing of the crops, and
maintenance of fixed equipment, mainly irrigation pumps" (Mabro, 1974:63).

It could be said that the Agrarian Reform, "not withstanding the
sequestration and distribution of land," gave the regime the "monopoly
of the wherewithal for agricultural production via the cooperatives"
(Vatikiotis, 1978:207).

Dekmejian (1971:123) further notes:

The second political effect of the agrarian
decree involved the peasantry. In attempting
to raise the social and economic status of
the fallahim through land distribution, the
junta initiated a long-term campaign to bring
this class into the body politics as a source
of potential support.

This political base was important to the regime and especially to
Nasser. However, the former landlords could not be said to have been
completely destroyed. In fact, with the generous compensations from
the regime, they were given "an average income of approximately LE. 6
per feddan;" it is, therefore, "clear that the reform still left some of
them very wealthy" (Mansfield, 1969:82). Nasser hoped that the reformed
landlords would invest their capital in industry. Instead, they in-
vested it in real estate (Mansfield, 1969:82). This class, in effect,
moved from feudal landlords to Egyptian capitalists. However, the under-
lying objectives of Agrarian Reform were not only to eliminate class
conflict, but also to correct the existing inequality within the society.
Thus, the three interrelated elements of the Agrarian Reform as stated by Mabro (1974):

...were supposed (emphasis my own) to divert private capital from the land market to industry; land reclamation was to increase the area available for redistribution and hence, the number of beneficiaries; land reform, reclamation and industrialization were all expected to contribute in different ways to employment, the growth of income, and greater equality (Mabro, 1974:57).

The three interrelated elements of the Agrarian Reform were far from being tenable. For example, the regime's expectation to "divert private capital from the land market to industry," private capitalists actually found their way into real estate.

In order to achieve economic stability given the huge budget deficit he inherited from Farouk's regime, Nasser sought to (1) reduce expenditures, (2) raise taxes, and (3) duties. (Further measures were undertaken in 1952 to reduce the deficit in the balance of payments.) The new regime decided to (1) raise custom duties, and (2) "clamp down on stricter control" (Dekmejian, 1971:124). The most significant measure was the policy to entice foreign investments in Egyptian economy. Under the laws promulgated in 1953 and 1954, the 1957 provisions controlling the transfer of profits and capital were relaxed. The regime granted new concessions which allowed foreign interests to "gain majority control of companies" (Issawi, 1963:50). These measures, as Waterbury (1976) observes, constituted a complete reversal of the regime's policy of Egyptianization, and a relaxation of the regime controls over certain foreign companies (Dekmejian, 1971:124).
What Dekmejian (1971) calls "the second agrarian reform of 1961," is in fact, Nasser's reactions to (1) the changing patterns of conflict in the domestic and regional system, i.e., Syria's secession from the United Arab Republic, and (2) the failure of the private sectors (both domestic and foreign) to contribute significantly to the region's First Five Year Industrial Development Plan.

The agrarian reform laws of 1961 lowered the ceiling on individual land holding to 100 feddans. Again, in 1963, the regime further lowered the ceiling to 50 feddans, and more land was requisitioned by the state. In the same year, foreign and domestic companies were nationalized. The state became almost the owner of all the means of production.

One often repeated argument is that many well-conceived land reforms have not materialized due to delay or defective implementation (Warriner, 1969). In contradistinction to Iran, in Egypt the measures were carried with unprecedented speed. The process was facilitated by the available and well-trained manpower with extensive experience in agriculture and irrigation, in addition to the "well-established legal framework of ownership with registration, cadastre and title deeds" (Mabro, 1974:67). It should also be noted that from its inception, the Agrarian Reform Authority was under competent leadership; thus satisfying the prerequisite of successful implementation (Mabro, 1974:67). This was not necessarily the case in the Cuban experience with Fidel Castro and the Agrarian Reform in the sense that Cuba lacked available and well-trained manpower with extensive experience in agriculture. Second, there were defects in the implementation of the measures with the possible exception of the Sierra Maestra. Third, the
Agrarian Reform was not -- after some time -- under competent leadership. It is probable that the emigration of trained and experienced manpower effectively contributed to the defects in implementation. This is not to suggest that the Agrarian Reform in Egypt was without defects or flaws. In fact, one of the major flaws was that wage stipulation was never enforced. The statistics provided by the regime in 1952 are rather confusing. Furthermore, Fidel Castro's ideas of Agrarian Reform did not emphasize private ownership of land. On the contrary, he believed in collectivity or communal form of landownership.

Agrarian Reform Authority in Egypt concentrated their efforts on (1) requisition, and (2) distribution of land, notwithstanding, the organization of cooperatives. Table 11.1 summarizes the total land distribution for each year.

Cooperatives were established during the implementation stages of the reform and were conceived to perform functions previously performed by landlords; e.g., (1) organization of production, and (2) marketing of crops. Figure 11.1 shows the pyramidal structure which was erected for the purposes of administering agrarian reform. As the figure shows, at the base cooperatives were administered as a single agricultural unit with an agronomist as an appointed official with a staff of 12-15 people. The local cooperatives were, in turn, organized into districts; the districts were placed under a general cooperative society; and the latter under the Ministry of Agrarian Reform in Cairo (Mabro, 1974). This bureaucratic structure became the sole suppliers of fertilizers, seeds, chemical inputs and credit. Farmers and beneficiaries were compelled by law to market their crops through the cooperatives.
TABLE 11.1

LAND REDISTRIBUTION 1952-1970
(In thousand feddans)
one feddan = 1.038 acres

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Area Requisitioned 1952 to end of year</th>
<th>Distribution of Land Reform</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Annual</td>
</tr>
<tr>
<td>1953</td>
<td>211</td>
<td>16</td>
</tr>
<tr>
<td>1954</td>
<td>294</td>
<td>65</td>
</tr>
<tr>
<td>1955</td>
<td>374</td>
<td>67</td>
</tr>
<tr>
<td>1956</td>
<td>434</td>
<td>36</td>
</tr>
<tr>
<td>1957</td>
<td>n/a</td>
<td>52</td>
</tr>
<tr>
<td>1958</td>
<td>544</td>
<td>63</td>
</tr>
<tr>
<td>1959</td>
<td>n/a</td>
<td>6</td>
</tr>
<tr>
<td>1960</td>
<td>n/a</td>
<td>23</td>
</tr>
<tr>
<td>1961</td>
<td>n/a</td>
<td>28</td>
</tr>
<tr>
<td>1962</td>
<td>n/a</td>
<td>106</td>
</tr>
<tr>
<td>1963</td>
<td>n/a</td>
<td>90</td>
</tr>
<tr>
<td>1964</td>
<td>n/a</td>
<td>122</td>
</tr>
<tr>
<td>1965</td>
<td>n/a</td>
<td>26</td>
</tr>
<tr>
<td>1966</td>
<td>875</td>
<td>26</td>
</tr>
<tr>
<td>1967</td>
<td>n/a</td>
<td>58</td>
</tr>
<tr>
<td>1968</td>
<td>n/a</td>
<td>20</td>
</tr>
<tr>
<td>1969</td>
<td>n/a</td>
<td>23</td>
</tr>
<tr>
<td>1970</td>
<td>n/a</td>
<td>20</td>
</tr>
</tbody>
</table>


The data employed were used by Robert Mabro in The Egyptian Economy, Oxford, 1974:68. The table shows the proportion of land distributed each year as well as the total amount distributed from the beginning of the reform to the end of the year. The cumulative figures could be used for comparative purposes, with the projected estimates of the total land area requisitioned under various laws (Mabro, 1974).
Figure 11.1 is an attempt to summarize the pyramidal structure of the Agrarian Land Reform Authority. It could be read from the base to the top. The boxes in #4 denotes collectives as single units with the manager and his/her staff. The boxes in #3 indicate the organization of collectives on the district level. Box #2 denotes the General Cooperative Council which stands above District organization, and Box #1 denotes the designated ministry in the revolutionary government Cairo, who exercises the "final" decision on cooperatives (that is if the ministry is not overruled by the President -- Nasser).

It has been observed that between 1952 and 1970, 342,000 families obtained land from the Agrarian Reform. Mabro (1974), in contrast with Vatikiotis (1978), and Abdel-Malek (1968), states that the land reform "...reached a larger number of families because the first law authorized for a short period sales of surplus land in small plots" (Mabro, 1974:71).
He cites the Central Bank's computation of Gini coefficient which demonstrated a sharp decline in the values of large estates and the decrease in the degree of inequality; but cautions against the validity of the coefficients. However, in line with Malek (1968), Vatikiotis (1978) contends that:

On the whole, their Agrarian Reform was not extensive... Moreover, the vast majority of rural families remained unaffected by the reform. Most of them remained what they always were...simply landless (Vatikiotis, 1978:207).

The structure of landownership of 1952 as compared to 1965 (the latest period for which data is available) is worth noting. Table 11.2 summarizes the structure of land ownership between 1952 through 1965 and the ratio of land to owners. It is interesting to note that the average size of small properties increased from .18 to 1.2 feddans. This is a result of land reform. It is also worth recalling that the net effect of inheritance -- which was not incorporated in the calculation -- was to lower the size of land holdings in this bracket. But one may be led to the belief that sales by big and relatively small landowners, together with the regime's distribution of land, contributed in some degree to the increase. This is due to the fact that the actual number of medium sized properties remained constant between 1952 and 1965, however, the total area as indicated in Table 11.2 increased slightly. In short, as Waterbury (1976) observed, when all three land reforms are considered, about 14% of the cultivable land was redistributed to about 10% of rural families. In other words, 85% of the rural poor did not benefit from this aspect of land reform (Waterbury, 1976:306). This
outcome, however, was inevitable given the scarcity of cultivable land.

TABLE 11.2

STRUCTURE OF LANDOWNERSHIP 1952-1965

<table>
<thead>
<tr>
<th>Area Ratio</th>
<th>Owners</th>
<th>Area Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Feddans)</td>
<td>(Feddans)</td>
<td>(Feddans)</td>
</tr>
<tr>
<td>Owner</td>
<td>Owner</td>
<td>Owner</td>
</tr>
<tr>
<td>0-5</td>
<td>2,642</td>
<td>2,122</td>
</tr>
<tr>
<td>5-10</td>
<td>79</td>
<td>526</td>
</tr>
<tr>
<td>10-20</td>
<td>47</td>
<td>638</td>
</tr>
<tr>
<td>20-50</td>
<td>22</td>
<td>634</td>
</tr>
<tr>
<td>50-100</td>
<td>6</td>
<td>430</td>
</tr>
<tr>
<td>100-200</td>
<td>3</td>
<td>437</td>
</tr>
<tr>
<td>200 and over</td>
<td>2</td>
<td>1,177</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,801</td>
<td>5,984</td>
</tr>
</tbody>
</table>

*Adjusted figure

One Feddan = 1.038 acres

The Aswan High Dam

The Aswan High Dam, like the Agrarian Reform, was aimed at increasing cultivable land area. It was also conceived as a mechanism through which to derive cheap electricity and to overcome obstacles to industrialization. In view of the fact that Egypt was not endowed with abundant natural resources, the "revolutionary regime" needed to prove in a spectacular way their ability to succeed where preceding regimes have failed, and to demonstrate in a visible way its concern for the welfare of the Egyptian masses. More important, Nasser believed that the decision to construct the High Dam would inevitably immortalize his name (Malek, 1968; Mabro, 1974; Waterbury, 1976; and Binder, 1979).
The decision to construct the Aswan High Dam became one of the key factors in Nasser's foreign policy reorientation and the whole project came to be intricately caught up in the interplay of internal, regional and global politics. We shall return to this point on Nasser's foreign policy in Chapter 12. In this chapter, we do not attempt to explicate the linkages at great length -- only where appropriate and necessary to provide some tentative explanations to internal development.

The original ideas of building the dam at Aswan was discovered among the long-term projects in the files of the Ministry of Public Works. The interest that Nasser aroused in the construction of the dam was immense. For example, in 1953, a German firm, Hocktief, was commissioned to prepare a design for the dam. The dam was "expected to serve both agriculture and industry by providing water to one sector and cheap electricity to the other" (Mabro, 1974:83). The secondary functions ranged from controlling floods to improving navigation of the Nile. Politically, the dam was perceived by Nasser as an expression of Egypt's national independence. The cornerstone of which can be found in Nasser's slogan of "dignity and self-respect." This is especially relevant when viewed in the context of the prolonged negotiations between Britain and Nasser over the evacuation of British troops from the Canal Zone. It was not until October 19, 1954, that Britain signed an agreement with Nasser for the gradual withdrawal of British troops from the Canal Zone.

An undertaking of such magnitude by a still developing country requires (1) substantial outlays of the country's foreign reserves; (2) expert engineers both local and foreign; and (3) foreign investments in
terms of sizeable loans. The latter is contingent on the requirements that foreign investors or money lenders insist upon the recipient country. Some of the requirements or conditions are based on the foreign investors' perceptions of (1) the head of state of the recipient country; (2) stability of the political system or the regime; and (3) the stability of the economic system. We maintain that more often than not the perception of a leader that is held by leaders in foreign countries will tend to influence the attitudes and actions directed toward that leader. More concretely, the way in which Nasser was perceived by the British Prime Minister Eden and the United States' Secretary of State Dulles, influenced these leaders' decisions toward Nasser. For example, before Eden, Churchill had said that "if Nasser was going to make Britain lose the Middle East's oil, then Nasser must go." Dulles added that Britain was doing all they could to convince the United States of the dangers of Nasser's policies to the West and its friends (Heykal, 1971:84). In Churchill's, Eden's and Dulles' perceptions, Nasser posed a threat to "Western security" in the region. These perceptions were couched in Nasser's growing influence in the rich oil deposits of the Arab World (Middle East).

Nasser, as Heykal (1971) argues, denounced Communism on two grounds: (1) religion, and (2) nationalism. Nasser and the Free Officers from the outset turned to the West for assistance and a series of events began to unfold. On February 3, 1954, the regime granted oil exploration concessions for the Western Desert to the Coronado Oil Company; this was followed by the formation of Egypt's Iron and Steel Company on February 10, 1954, with the participation of the Bank Misr.,
the Industrial Bank, and the DEMAG of Hamburg; on March 18, experts from Electricité de France were commissioned by the regime to prepare a twenty-five year electrification program for Egypt (Malek, 1968:101-102).

On the financing of the High Dam itself, Nasser and the Free Officers turned to the United States; and on September 24, Nasser requested the International Bank for Reconstruction and Development (IBRD) for a loan to finance the construction of the Dam (Malek, 1968:103).

It is equally important to note that the Aswan High Dam project took place during the heydays of the Cold War between East and West. Nasser, as Joesten (1960) pointed out, was fully prepared to exploit the existing international conditions for his designs. But, in point of fact, as Malek (1968) has noted, Nasser saw the polarization of the international system not advantageous to Egypt in particular and the Middle East in general.

The IBRD placed conditions (requirements) that Nasser was to reject. It set forth two conditions: (1) that Egypt must agree on IBRD assuming control of the budget of Egypt, and (2) that a ban would be placed on any new borrowing by Egypt (Malek, 1968:103). Under the provisional agreement reached in February, the IBRD agreed to lend Egypt 200 million dollars and on the condition that Britain and the United States would each add another 70 million dollars "to pay the hard currency costs of material and technical services;" and Egypt was expected to provide the equivalent of 900 million dollars in the form of local services and materials (Mansfield, 1969:102).

Nasser perceived the conditions set by IBRD as an intrusion on Egypt's affairs. And Nasser himself was later to remark:
There were soon to be snags. The Americans wanted control of our budget and the right to scrutinize our accounts. I was bitterly opposed to this in principle, but in any event, I had the feeling that the Americans had already decided not to go through with the loan (Mansfield, 1969:102).

It is our contention that the series of interrelated events within and without Egypt contributed significantly to Britain, United States and the IBRD's decision to forfeit on Nasser's request for a loan to construct the High Dam.

The decision by Dulles, Eden and the IBRD to forfeit on the pledge of the loan to Nasser, we contend, was based upon two interrelated variables: Nasser's arms deal with Czechoslovakia, and his unequivocal refusal to join and/or align himself with the West under the Baghdad Pact (and his determination to pursue an independent foreign policy).

Rapoport (1960) summarizes the West's perception of Nasser (and Nasser's perceptions of the West) more succinctly, "Controversial issues tend to be polarized not only because commitments have been made, but also because certain perceptions are actively excluded from consciousness if they do not fit the chosen world image" (Rapoport, 1960:258).

John F. Dulles' mission to the Middle East (the Arab World in particular) was aimed at aligning the Arab World to contain the Soviet Union's influence in the region. The climax of this mission was the

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3Ole R. Holsti's study on "The Belief System and National Images: A Case Study" in Journal of Conflict Resolution, VI. 3 (1962), not only shows how Dulles misperceived the Russians, but the model can be applied with respect to Nasser. It should also be noted that when Nasser turned to the Soviet Union for military and economic assistance, he was very much suspicious of the Soviet Union.
formation of the Baghdad Pact, a military security alliance which included Turkey, Iran, Iraq, Pakistan, Britain and the United States as observers. In Nasser's perception, the military alliance would divide the Arab World. He believed that military alliances with the West were nothing more than "submitting to Western influence." The Pact was equally opposed by most, if not all, Arab nationalists. The only countries that remained outside of the Pact were Egypt, Jordan, Saudi Arabia and Syria. Nasser, cognizant of Britain and U.S. strategies, launched a strong propaganda campaign -- on Egypt's press and radio -- throughout the Arab World attacking the Pact.

Nasser's announcement on September 27, 1955, of a conclusion "of trade agreement under whose terms Czechoslovakia committed herself to supply arms according to the needs of the Egyptian army on a purely commercial basis." In the same year, Nasser led the Egyptian delegation to the Afro-Asian Conference at Bandung in Indonesia (the nonaligned states).

4The Baghdad Pact was perceived by Nasser as granting Britain "a comprehensive Middle East defense point that it wanted through the back door." This presumably meant that Britain can exercise complete control of the Canal Zone in case of an attack on Iran. The Pact was also an ingenious mechanism through which Turkey was linked with the North Atlantic Treaty Organization (NATO) and Pakistan was linked to South East Asia Organization (SEATO).

5Nasser did not directly request arms from the Soviet Union. It was during the Afro-Asian Conference in Bandung in April 1955, that Nasser first met Chou En-Lai. It was there that he requested Chou to act as an intermediary in securing arms from the Soviet Union. The Soviet Union in turn responded through Czechoslovakia, in providing necessary arms to Egypt. It should be noted that it was after the Bandung Conference that Nasser began to define his social and economic policies in terms of "socialism." See, for example, Kerr, 1962; Dekmejian, 1971; and Vatikiotis, 1978.
In addition, Britain sharply decreased her purchases of Egyptian cotton. The contraction of the British textile industry was given as reason for the sharp decrease. However, Nasser noted that Britain's purchases of Sudanese cotton was increasing in a linear relationship to the decrease in Egyptian cotton (Mansfield, 1969:101). In retaliation, in May 1956, Nasser recognized the People's Republic of China. These variables, we believe, are strongly related to Britain, the United States, and the IBRD's decision to forfeit on Nasser's request for a loan. It should be noted that Nasser turned to the Soviet Union for assistance to (1) modernize his armed forces and (2) construct the Aswan High Dam after he failed to secure them from the United States.

The Aswan High Dam should not be viewed, we contend, as "one more pet project of Nasser's," as an isolated project, but rather as part of a much larger economic and political package. In other words, "a substantial part of future investments in agriculture and industry will necessarily involve significant linkages with the Dam" (Mabro, 1974:84). Perhaps, and of equal importance, is the fact that it (the Dam) represents the final stages of the irrigation system that was introduced in Egypt in the 1900's.

The historical development of the Aswan High Dam irrigation system in Egypt is well-documented in various literature on Agrarian Reform, especially on the Aswan High Dam which came some sixty years later.

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6On the Aswan High Dam, see for example, Tom Little, High Dam at Aswan (London, 1965); Vatikiotis, 1981; Malek, 1968. On the Agrarian Reform, see for example, Galal Amin, The Modernization of Poverty, A Study in the Political Economy of Growth (London, 1974); Sayaed Marei, Agrarian Reform in Egypt, (Cairo, 1957); Saad Gadallah, Land Reform in Relation to Social Development in Egypt (Columbia, Missouri, 1966); Robert Mabro, The Egyptian Economy (London, 1974).
It constitutes the third stage in the development of an irrigation system in Egypt (Mabro, 1974:86-87). The High Dam project, as we noted earlier, became one of the most intricate issues in the international system.

The failure to obtain financial assistance for the construction of the High Dam presented Nasser with an image problem. The failure to build the over-publicized project would dampen his credibility both in Egypt and in the Arab World. Thus, he instructed his negotiators (in Egypt and in Britain), the Canal Company, of the prospects of renewing the latter's concessions (due to expire in 1986) that "as the Canal was part of the Middle East oil complex, then Egypt should get the same percentage of revenue as the oil producing states" (Heykal, 1973:85). This idea was to increase Egypt's share from a mere 7 percent of the gross profit. The revenues from the use of the Canal were to be used for the building of the Dam.

The Nationalization of the Suez Canal

Nasser's decision to nationalize the Suez Canal was not only to derive maximum profit to be allocated for the construction of the High Dam, but also to remove what he perceived as continuous domination of Egypt by former colonial power. Perhaps, of equal importance, it constituted a response to the withdrawal of Britain's assistance for the construction of the High Dam. Most scholars in Egypt, i.e., Waterbury, 1976; Vatikiotis, 1976; Mansfield, 1969, have argued that Nasser, like a boxer, was more of a "counter-puncher" than a "puncher." In other
words, he tended to react to events\(^7\) in the internal regional and international systems. Thus, in a "black rage" over the "slap-in-the-face manner in which Dulles (and Eden) had done it" (Love, 1969:338), Nasser nationalized the Suez Canal. Blake and Walters (1976) remarked:

Nationalization holds the promise of increased government revenues and foreign exchange earnings in a way that appears to reduce the dependence of a poor state upon rich states and multinational corporations operating from them (Blake and Walters, 1976:173).

This policy proved to have immense domestic and regional political and economic appeal. But as Blake and Walters further noted, in some cases the policy does not result in increased revenue. It is not clear in the case of Egypt whether the policy resulted in increased revenue to permit for the construction of the High Dam. In his speech explaining his decision to nationalize the Suez Canal, Nasser declared:

They are punishing Egypt... because she refused to side with military blocs. Egypt calls for peace and the realization of human rights. Egypt calls for principles which they wrote into the United Nations Charter, but which they have forgotten... For this they punish us by withholding the $70 million which they were going to advance at the rate of $12 million a year... They also declared in their papers that they are doing this so that the Egyptian people will know that Gamal Abdel Nasser has harmed them... they do not know that I am refusing because the Egyptian people do not approve what they are asking... we shall build the High Dam and we shall gain our rights... The Canal Company annually takes

$35 million ($100 million). Why shouldn't we take it ourselves? Therefore, I have signed today and the government has approved a resolution...for the nationalization of the Universal Company of the Suez Maritime Canal (Love, 1969:347, 349-350).

Peter Mansfield (1969) adds that in that speech, Nasser also stated that the Suez Canal "was ours," and with respect to the nationalization: "if the imperialist powers" did not like it, "they could choke in their rage" (Mansfield, 1969:104). The very act of daring the "imperialist powers" by rationalizing the Suez Canal won Nasser wider popularity in the Arab World, as well as "people all over the Third World" (Mansfield, 1969:104).

Nationalization of (foreign) multinational corporations presents serious problems not only to the host countries, but also to the parent corporations. The country that nationalizes a foreign controlled company (or firm) must (1) have capable and trained manpower to assume functions previously exercised by the corporation; (2) be able to "sustain increases in economic returns from the nationalization;" and (3) it must "either continue to cooperate with and participate within the oligopoly controlling international distribution of the mineral resources (Blake and Walters, 1976:175). In the case of Egypt, it had competent manpower to ensure the proper operation of the canal. Indeed the Suez Canal is a vital economic and/or commercial passageway, important not only to the industries of the West, but also to the oil producing countries. Unlike minerals which can be substituted for synthetics, the Canal route is the fastest way in international commerce, and strategically important militarily.
In a statement released by Nasser and read to the press by Aly Sabri, Nasser declared that:

The nationalization of the Company in no way affects Egypt's international obligations...
The freedom of shipping in the Suez Canal will in no way be affected. Furthermore, there is no one more anxious than Egypt to safeguard freedom of passage and the flourishing of traffic in the Canal (Love, 1969:377).

This pronouncement by Nasser relates to the second point made by Blake and Walters (1976) above. Thus, the decision to nationalize the Suez Canal did not entail closure or denial of the Canal to shipping of and passageway for commercial and other ships; except perhaps for Israel's ships. To reiterate, the nationalization was conceived both as a reaction to Britain's and the United States, and as a means of acquiring necessary revenues to construct the High Dam. However, Love (1969) remarks: Britain and France sought from the outset, to "blur the issue as politically and emotionally as possible" (Love, 1969:367). Mansfield (1969:105), for example, has observed that:

It has taken over ten years for the facts to emerge and even now they have not all come to light. But we do know that neither the British nor the French government seriously expected or even wanted the protracted negotiations of the three summer months of 1956 to succeed. They were determined to use force from the beginning (Mansfield, 1969:105).

[Hence, whatever fears France and Britain might have had over Nasser's decision to nationalize the Suez Canal were, we contend, unfounded; except perhaps to ensure the containment of the Soviet Union's influence in the Middle East.] Indeed Nasser's pronouncements threatening to imprison any of the Suez Canal employees who quit their posts was a
tactical mistake (Mansfield, 1969:105). But as Mansfield (1969) re-
marked, it was "the experienced statesmen of Britain and France whose
nervous irritation caused them to commit one blunder after the other, to
the supreme folly of attacking Egypt in collusion with Israel and against
the opposition of nine-tenths of the rest of the world, including the
two super powers, the United States and the Soviet Union" (Mansfield,

The curious facts about the nationalization of the Suez Canal are
that Nasser refused to believe when he saw the first bomb raiding in
Cairo "that Britain could have done anything so stupid" (Mansfield,

Having succeeded with the arms deal on December 27, 1958, Egypt and
the Soviet Union signed an agreement for the construction of the Aswan
High Dam. It is important to note that it was on October 10, 1955, that
the Soviet Ambassador, Solod, announced in Cairo that his government had
decided to:

send economic missions, scientific missions,
agricultural missions, meteorological missions,
and any other kind of mission you can imagine
that will help these countries (Solod, 1955,

However, Nasser, dependent on the Soviet Union for arms, "was
fearful of placing Egypt's economy at the mercy of Moscow" (Love, 1969:
255). The argument that we are attempting to advance in this chapter is
that Nasser would accept foreign aid, i.e., loans, technical assistance,
only insofar as it or they do not compromise Egyptian independence.
This is a critical dilemma faced by the so-called Third World and
especially the countries under examination in this undertaking. It was
precisely for this reason (among others) that Nasser preferred to have the Aswan High Dam financed by the West because it did not involve one country, i.e., Britain and the United States.

Joesten (1960:111), for example, imagined how Nasser might have perceived himself to the growing importance of the Middle East in the Cold War between East and West and the role that he might be able to play, states:

Sitting nicely at the fulcrum as the see-saw tipped now East, now West, Nasser saw himself as the head of a neutralist alliance of Arab states withholding oil, granting oil, dangling the carrot first to one side, then the other, but never on any account abandoning his central position or committing himself irrevocably to the Anglo Americans or the Russians. Finally, perhaps, if he played his cards well, he might emerge as the arbiter between East and West, the colossus to whom all would bow.

It is not clear, however, that given the existing atmosphere in the international system, whether Nasser would have been able to obtain the needed financial and technical assistance to construct the High Dam. Thus, in the absence of first-hand in-depth study of Nasser and the Free Officers' beliefs, the above are our own inferences based upon available literature.

The Nationalization Decrees of July 1961

The nationalization decrees of 1961 inaugurated the "socialist" phase in Egypt and it was to (1) change the social, economic and political structure of the Egyptian society, and (2) to give rise to an ideological justification to changes which were taking place in Egypt. The most significant development of 1960 was the nationalization
of Bank Misr. and the Banque Belge (Dekmejian, 1971:127). The nationalization of these two financial companies paved the way to the eventual nationalization of the remaining financial institutions.

The first series of laws were directed against the commercial sector, and more specifically, to the cotton industry. The law created state monopoly of cotton and "Egyptianized all companies dealing with the cotton trade, and gave the public sector a 50 percent share in cotton export firms" (Mabro, 1974:129). This was followed by the creation of the Egyptian Cotton Authority. The effect of this measure was that it empowered the Central Bank of Egypt to "apply the public deposits of agencies in the public sector to the funds for financing of projects under the Five-Year Plan" (Malek, 1968:152).

The second series of decrees were -- as in the case of Agrarian Reform -- aimed at equalizing income distribution. The measures adopted were: (1) Law No. 111 of July 19, limited or joint-stock companies were required after the mandatory allocation of 5 percent of their profits to purchase government bonds to allocate 25 percent to employees and/or workers, of which 10 percent was to be in cash, 5 percent for housing, and 10 percent for social security; (2) a ceiling of 5,000 per year was placed in compensation payable to companies and agency officers (Law No. 113 of July 19); (3) the board of directors of companies were limited to seven members and were required to include one representative from office employees and one from labor (Law No. 114 of July 19); (4) a "progressive tax was raised to a maximum of 90 percent on income of more than 10,000 per year (Law No. 115 of July 19); (5) persons were prohibited from maintaining more than one position, whether in
government administration, public agencies, corporations or in other enterprises (Law No. 125 of July 21); and finally, (6) an increased graduated tax was placed on buildings and especially on luxury apartment houses (Law No. 129 of July 25) (Malek, 1968:153).

TABLE 11.3
AVERAGE INCOME PER FAMILY, 1972

<table>
<thead>
<tr>
<th>No. of Families</th>
<th>Individuals</th>
<th>Average Income Per Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,000</td>
<td>15,000</td>
<td>33,000</td>
</tr>
<tr>
<td>10,000</td>
<td>81,000</td>
<td>4,340</td>
</tr>
<tr>
<td>400,000</td>
<td>2,226,000</td>
<td>1,318</td>
</tr>
<tr>
<td>5,500,000</td>
<td>28,000,000</td>
<td>350</td>
</tr>
<tr>
<td>1,000,000</td>
<td>5,000,000</td>
<td>61</td>
</tr>
<tr>
<td>91,000</td>
<td>400,000</td>
<td>17</td>
</tr>
</tbody>
</table>


Table 11.3 entries are presumed to be "guestimates." However, the interesting point is that at least 2,000 families are enjoying incomes over the ceiling set by the new "socialist" decrees. Waterbury (1976) has noted that:

The gap between the richest and the poorest members of Egyptian society is enormous, while that between the richest and middle strata, earning 350 per family, is only somewhat less so (Waterbury, 1976:311).

He also estimates that the ratio of the highest annual salaries (1900-2000) to the lowest (60-84) is 26:1. When representational allowances are added in, the ratio becomes 40:1. This estimate is based on the
salaries of persons within the public sectors and government where salaries can be controlled. It is thus difficult, in the case of Egypt, to contribute class consciousness to the upper strata of the society. The origin of this group is too diverse. It should only be pointed out that it ranges from rural and urban petty bourgeoisie to the renaissance elements of the old bourgeoisie that have been allowed to surface prior to 1971 (Waterbury, 1976:312).

The "socialist" decrees of 1961 touched more in the key area of ownership and management of productive enterprises. It was in this area that the regime struck a formidable blow. The first law merged the Abbud's Khedivial Mail Line with the General Steamship Company, to be administered by the Public Transportation and Communications Agency (Law No. 109 of July 9). The second law which was referred to above, transferred ownership of four major cotton-bailing companies to a public agency and their shares were converted into a percent of government bonds (Malek, 1968:153). The decisive blow came on July 20 due to three laws (Nos. 117, 118 and 119) which nationalized all banks and insurance companies, other corporations, and shipping companies as well as other companies operating in the area of heavy and basic industries (Malek, 1968:153).

Subsequent laws covered approximately 83 companies, i.e., light processing and public works. Here the provisions of the law required that 50 percent of their capital be held by a public agency (Malek, 1968:153). The third law affected some 147 medium industrial companies -- textiles -- which belonged to groups or families. Under this law, the state became not only an active member, but also controlled all
the shares held by each stockholder in excess of 10,000 (Malek, 1968: 153).

It is interesting to note that only one domestic company dealing exclusively with foreign trade was totally nationalized because of its monopolistic nature (Malek, 1968:154).

The regime's rationale for the nationalization was stated by Ali Sabry, Minister for the Presidency of the Republic. Speaking for the President he stated that:

> It was necessary to mobilize the nation's savings in a deliberate fashion in order to accomplish the national objective: development. Similarly, this economic mobilization must be carried out in conformance with our basic principles; it must respect the individual's right to existence, his right to creation and growth, and his right to property within the framework of the law... It was on the foundation of these positions that the word 'nationalization' is ownership by the nation in the true literal sense of the word... For us, the public sector is not a method chosen for the liquidation of property, but rather one that should lead to the broadening of its base... (Quoted in Malek, 1968:154).

Mabro (1974) and Malek (1968) concur that the state's success in efficiently operating as well as managing the Suez Canal after its nationalization made the regime, as Heykal was to explain later, in substance -- the major entrepreneur, and a moving force in the field of economic development. "It was reinforced by internal pressures from civil servants always jealous of the private sector and now provided with a new scope for interesting jobs and quicker promotion, greater power for the ambitious and more wealth for the corrupt also by external pressures to employ new graduates and other entrants to the labor force
as well as retired officers and political clients of the regime for whom the government could no longer provide a sufficient number of rewarding jobs" (Mabro, 1974:128).

Malek (1968), Mabro (1974), and Waterbury (1976) concur that the nationalization of 1961 reflects Gamal Abdel Nasser's perceptions that both domestic and foreign private enterprises have failed to contribute or invest in the nation's economic development, notably the First Five-Year Industrial Plan. Thus, failure on the part of these private enterprises to voluntarily invest in state projects resulted in their nationalization and facilitated the regime in participating as partner in some of these corporations and financial institutions.

The First Five-Year Plan required both domestic and foreign assistance. In the absence of voluntary domestic assistance, it was found necessary to "transfer" to "public ownership agricultural and business assets whose revenues would accrue directly to the state and, thus, be available for reinvestment" (Waterbury, 1976:313). This, we suggest, is what took place through the land reform and the socialist decrees of 1961. Thus, through nationalization, the state acquired a total of 258 million of the total capital of the companies that were nationalized. This accounts for two-thirds of all registered capital (Waterbury, 1976:313). The second source of financing was to enlist foreign investments and the Soviet Union was willing to advance credit. Table 11.4 shows the proportion of both domestic and foreign sources in gross investment for the period under examination.
### Table 11.4

**AGGREGATED NATIONAL INVESTMENTS AND SOURCES OF FINANCE 1960-1970**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Investment</th>
<th>Local Savings</th>
<th>Foreign Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Million LE</td>
<td>% of LE NI</td>
<td>Million LE</td>
</tr>
<tr>
<td>1960-61</td>
<td>225.6</td>
<td>15.5</td>
<td>200.0</td>
</tr>
<tr>
<td>1961-62</td>
<td>251.1</td>
<td>16.6</td>
<td>154.7</td>
</tr>
<tr>
<td>1962-63</td>
<td>299.6</td>
<td>17.8</td>
<td>136.7</td>
</tr>
<tr>
<td>1963-64</td>
<td>372.4</td>
<td>19.7</td>
<td>195.6</td>
</tr>
<tr>
<td>1964-65</td>
<td>387.7</td>
<td>17.4</td>
<td>236.8</td>
</tr>
<tr>
<td>1965-66</td>
<td>446.2</td>
<td>18.7</td>
<td>309.6</td>
</tr>
<tr>
<td>1966-67</td>
<td>385.6</td>
<td>15.7</td>
<td>370.7</td>
</tr>
<tr>
<td>1967-68</td>
<td>342.2</td>
<td>13.6</td>
<td>288.2</td>
</tr>
<tr>
<td>1968-69</td>
<td>318.2</td>
<td>12.0</td>
<td>341.0</td>
</tr>
<tr>
<td>1969-70</td>
<td>416.1</td>
<td>14.2</td>
<td>395.0</td>
</tr>
</tbody>
</table>


*The entries for 1968-70 do not include the (about) LE 110 million in subsidies paid to Egypt following the June War by Saudi Arabia, Libya and Kuwait. Second, no reasons or explanations are given for the dramatic drop in foreign investment during 1968-69.

Waterbury (1976) has argued that the First Five-Year Plan was in large measure dependent on foreign sources of finance, especially in the importation of requisite capital goods. At the same time, Egypt's chronic food deficit was being met by the United States' wheat deliveries under Public Law 480. "At the time this was judged an acceptable level of dependency" (Waterbury, 1976:313). The irony of this plan, as Waterbury observed, was that it was able to generate "an admirable and unprecedented rate of capital investment (16-19 percent per annum) and yet failed in the overall respect of generating exports and hard currency.
Malek (1969) again suggests that the effect of the measures -- Egytpianization -- served to bring back private enterprises into the hands of the Egyptian capitalists "who occasionally served as fronts for foreigners who used to pull the strings (Malek, 1968:155). Nevertheless, the decrees struck a formidable blow on the socio-political level. In the broadest sense, it reduced the social and economic influences of rural and urban bourgeoisies; that is, both the landed aristocracies of the industrial and financial sector "allied with the military group during the first two stages and, consequently, with that group's power of decision and political action" (Malek, 1968:157).

The offensive against the old bourgeoisies occurred between October 1961 and February 1962. It took place on two levels of economics and politics. (1) 600 of Egypt's wealthiest families' properties were sequestered by the regime (most of whom were wafdist) and (2) the revolutionary command council -- the cabinet -- was completely re-organized. A new cabinet was formed. Of the 25 ministers, 5 were vice presidents of the republic and 3 vice ministers; of the total of 28 men, 13 were members of the officer corps. It follows, therefore, that the president of the republic and the 5 vice presidents were military men (Malek, 1968:160). Finally, 80 banks and insurance companies were sequestered by the state on the grounds of "emergency sequestration" (Malek, 1968:160).

Dawisha (1976:84) maintains that the "real significance" of Nasser's nationalization measures could be discerned "on the three sectors of the GDP which have a crucial bearing on increasing government's earnings" (Waterbury, 1976:314).
capabilities, namely, industry, finance and transport and communication."

For example, the "public sector's share of total output increased 11 percent in 1953 to 55 percent in 1962" (O'Brien, 1966:154). Nasser's emphasis on "rapid industrialization," is further evident when the provisions of the Five-Year Plan spanning 1959-1960 to 1964-65 are scrutinized. In this respect, the percentage of investment allocated to industry and its infrastructure amounted to half the total investment of the plan (O'Brien, 1966:154). Indeed, "while agricultural income grew by only 17.8 percent during the plan year, industrial income increased by 50 percent" (O'Brien, 1966:154).

It is clear from the above that Nasser's objectives, "and indeed in the entire nationalization program, were to increase its capabilities through achieving self-sufficiency on the one hand, and increasing employment and affecting a more equitable distribution of wealth on the other" (Dawisha, 1976:84).

Compared to Zhou Enlai and Fidel Castro, was Gamal Abdel Nasser successful with respect to his nationalization strategies or policies? The results have been mixed and the assessments of various scholars on Egypt have equally been mixed. Dawisha (1976:85), for example, observes that:

They have certainly achieved (1) a more equitable distribution of wealth among the population. (2) Employment increased by 22.2 percent during the plan year, real per capita income rose from $128 in 1956 to $171 in 1965, and (3) there has occurred a discernable improvement in free public service particularly in the areas of health and education. Consequently, (4) these measures contributed to the regime's capabilities by increasing its support among
the mass public. However, in terms of economic growth and rapid industrialization, the results have not been so spectacular.

Based on the observations of this observer, and those of more qualified students of Egypt’s political economy referred to in this chapter, we conclude that:

Although an observable improvement in industrial output and an increase in industrial diversity were achieved, the Egyptian (and by implication, Nasser’s) economy and its industry remained vulnerable to external forces. This seeming failure of planning was probably the results of two main reasons. In the first place, the rapid increase in population tended to offset the benefits of economic growth. Secondly, the emphasis on rapid industrialization and Egypt’s lack of basic raw materials inevitably led to a steep rise in imports, particularly of capital goods. This resulted in worsening the balance of payments situation, which had been already running at a deficit (Dawisha, 1976:85).

Thus, Nasser believed in private investments insofar as these investments contribute to enhance his resources -- industrialization objectives -- and capabilities.
TABLE 11.5
EGYPT'S TRADE BALANCE 1952-70
(in $ million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports</th>
<th>Imports</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1952</td>
<td>431.1</td>
<td>653.5</td>
<td>-222.4</td>
</tr>
<tr>
<td>1955</td>
<td>419.0</td>
<td>537.6</td>
<td>-118.6</td>
</tr>
<tr>
<td>1958</td>
<td>477.9</td>
<td>689.4</td>
<td>-211.5</td>
</tr>
<tr>
<td>1961</td>
<td>484.7</td>
<td>699.7</td>
<td>-215.0</td>
</tr>
<tr>
<td>1964</td>
<td>539.1</td>
<td>953.1</td>
<td>-414.0</td>
</tr>
<tr>
<td>1967</td>
<td>566.3</td>
<td>792.1</td>
<td>-225.8</td>
</tr>
<tr>
<td>1970</td>
<td>761.8</td>
<td>784.3</td>
<td>-22.5</td>
</tr>
</tbody>
</table>


Note for example, the steep worsening of the balance of payments over the plan years 1961-4 in the above table. Dawisha (1976:85) for example, observes that "...in 1964, many factories were compelled to operate below full capacity because of the scarcity of foreign exchange which led to the unavailability of essential raw materials and vital machine spare parts." Nevertheless, "the industrialization process began to pay dividends in the post 1967 period when the export of semi-finished and finished industrial products contributed to a gradual increase in the value of the U.A.R.'s overall exports. This, plus a conscious effort to control imports, resulted in ameliorating of trade deficit which, by 1970, had been nearly eliminated."

The National Charter

The national charter, according to Malek (1968), was the "authoritarianism" of the military group "resolved to establish an institutional framework into which future leaders would have to be integrated" (Malek, 1968:180). On November 4, 1961, Nasser announced three measures: (1) the creation of the preparatory committee for the national congress of popular forces; (2) Nasser was to submit to it a draft charter of national action which defined the goals of his regime. The NCPF would
debate the draft charter and draw up the charter; and (3) based upon the charter, elections were to be held for the local committees of the national union. "These elected committees would constitute the base of the general congress of the national union, which would be the paramount popular power and as such, would be assigned to formulate the constitution" (Malek, 1968:180).

The national congress was composed of 1,750 members; representing the peasants (24), the workers (29), the professionals (37), the businesses (21), members of the old council of the nation (23), and 57 were unclassified members (Malek, 1968:181). In May 1962, Nasser presented his national charter. This was followed by a series of televised debates in which Nasser discussed various aspects of the draft charter with the Congress. The press took up the discussion and continued in towns and villages all over the country. Mansfield (1969) asserts that "it was the most popular debate the country had ever known. Those who watched Nasser presiding over these marathon discussions could not help but agree that they showed him at his best. He was wise, witty and skillful at explaining complex issues in simple terms" (Mansfield, 1969:170).

Mansfield observed that the discussions demonstrated how difficult it was to create a genuine democracy in Egypt. But Mansfield failed to tell us what constituted "democracy" to the Egyptian people.

It would be inaccurate to state that all the members of the national congress shared Nasser's beliefs. Malek provides an example in Khabed Mohammed Khaled. The one man who pleaded the case of the Left was "persecuted and tortured at the very time when the government was
calling itself "socialist" (Malek, 1968:181). Khaled raised questions which others failed to raise. We do not intend to reproduce his entire arguments. The last point is worth noting for it was as all others, directed at Nasser. "Your adversaries, Mr. President, and we ourselves have only one single argument: Where is the Parliament? Where is the Constitution? Where is the opposition? I think we should answer these points before we do anything else so that we may go forward under your banner to political maturity..." He concluded by saying: "Now that ten years have elapsed since God raised the flag of the revolution, it is our duty to give back to the nation all its freedoms, immediately and without delay" (quoted in Malek, 1968:182-183). There was no response to Khaled's arguments. This was made possible by Nasser.

The entire charter is too long to be discussed here. It is important to note that Nasser believed that:

The real solutions to the problems of our people cannot be imported from the experiences of another. National experience does not assume 'a priori' the falsehood of all previous theories nor does it categorically reject all the solutions reached by others. This would be fanaticism... The will for social change, when it first assumes its responsibilities, passes through a stage akin to intellectual adolescence, during which it needs all the intellectual substance it can get hold of. But it also needs to digest its food and mix with it all the secretions produced by the living cells. (Nasser, quoted in Mansfield, 1969:122).

Thus, in his beliefs, "the type of democracy that was practiced in Egypt after World War I was a shameful force." Because "those who dominated and monopolized the means of livelihood of the workers and
farmers could consequently monopolize their votes and dictate their will" (Mansfield, 1969:122). Thus, in Nasser's beliefs, the essence of the charter is that:

Political democracy cannot be separated from social democracy. No citizen can be regarded as free to vote unless he is given the following three guarantees: (a) he should be free from exploitation in all its forms; (b) he should enjoy an equal opportunity with his fellow citizens to enjoy a fair share of the national wealth; (c) his mind should be free from all anxiety likely to undermine his future security (quoted in Mansfield, 1969: 122).

In Nasser's perception, political democracy entails social democracy. In this equation, no where is there a statement on economics. Instead, economic factors are explicit in his concept of social justice. Hence, the "socialist" decrees of July 1961, are explained in the context of social justice, in the same manner as the Agrarian Reform laws are explained (see Dekmejian, 1971).

The adoption of the national charter (de facto) legitimatized Nasser's "socialist" decrees of July 1961, and of the preceding years. In accordance with the principles quoted above, the charter in effect said the economy should be publicly owned. It also gave a de facto legitimacy to the (new) political structure of Egypt.

The Arab Socialist Union -- a form of a political party that was established -- "had roots in the villages, workshops and factories up to the national executive headed by the President" (Mansfield, 1969: 123). The national assembly constituted a branch of the A.S.U. Parliament with 350 members elected by adult suffrage in 175 constituencies. In accordance with the provisions of the charter, in all elected bodies
of the Arab Socialist Union and the Parliament, at least half of the seats had to be filled by workers and farmers (in this particular case, it means anyone owning less than 25 acres). Through this process, Nasser "hoped to ensure that the underprivileged who have been deprived of political power for so long would take a large share in the government of the state" (Mansfield, 1969:123 and Dekmejian, 1971).

Finally, in November of 1963, Nasser decreed new laws which related to the election of a 350 member national assembly in February 1964. After delaying the general election for a month, on March 10, 1963, the general election took place. More than half of the members of the national assembly were workers and farmers, and eight were women (Mansfield, 1969:140). Given the composition of the national assembly, one is led to inquire whether this body was to be used as a rubber stamp or would it have the authority to legislate. In presenting the constitution to the members of the assembly, Nasser proclaimed "the assembly is the executive power of the state and the constitution describes its power to initiate legislation and control the acts of ministers" (Mansfield, 1969:141). Note that the Assembly has the power to "initiate legislation" and "control acts of ministers," but (1) would the assembly dare to exercise its powers? and (2) no where is it stated to whom the president is accountable. It is perhaps important to examine these issues in the context of the emergent "socialist" ideology of Egypt.
The Socialist Ideology: Nasserism

The basic thesis of this section is predicated on the premise that a leader's beliefs in policies that the nation should pursue to attain given objectives are based on his own personal ideology and that ideology becomes the ideology of the state. These sets of beliefs may or may not be shared by the population at large. But, it nevertheless becomes the mechanism through which policies are justified to the masses. The masses, on the other hand, accept the personal ideology of the leader if and when that ideology is based on the tradition and/or experiences of the population. In other words, if that ideology articulates the value systems of its populace.

Dekmejian (1971) and Binder (1979) found the base of Egyptian "socialism" in the tradition of the Arab people. Dekmejian writes:

In terms of epistemology, one primary source of ideology is tradition. In their attempts to create the historical base for Nasirite socialism, Egyptian ideologues repeatedly invoke the theory of the Islamic state as outlined in the Qur'an and the hadith and the society's practices that flowed from these. It is held that the divine injunction calling on Muslims to help each other wherever possible had been widely practiced under Muhammed and the 'right of the guided' caliphs" (Dekmejian, 1971:132).

On a closer observation, Nasser's position on state monopoly, social justice, property and taxes is justified on the basis of Islam. "Thus, socialism is said to have existed in the Islamic state from the very beginning" (Dekmejian, 1971:132). The socialistic nature of Islamic tradition is traced back to the primitive "communism that existed in the Ummah (community)." Thus, the concepts and principles often used by
Egyptian ideologues relate to:

(1) Equality -- Islam dictates equality among believers;
(2) Social Justice -- This is based on the religious duty to help the poor by paying alms tax (zakat); the Prophet's and Umar's practice of sharing bounties equally and taxing the rich to help the poor are cited;
(3) Prevention of Monopoly -- This is based on the unlawful status of usury in Islam and the opinions given by jurists (fugaha') who condemn the concentrations of money and food in the hands of the few (Dekmejian, 1971:132).

It is from these concepts and principles that all the vital necessities of life, the existing "public utilities" and means of production are to be publicly owned (Dekmejian, 1971:132). This, in effect, explains the fourth point, that is, the limited right to own property -- the right to property is limited by interests of the ummah as outlined in the Qur'an. Particular reference is made to instances of public ownership of land in early Islam" (Dekmejian, 1971:133). The basic tenets of Islamic tradition presented a dilemma to Egyptian leaders and ideologues in attempting to match nationalist ideology with socialism. It is suggested that the Egyptian leaders and ideologues were hesitant in embracing socialism as a creed in attempting to explain internal transformation. This required relating a purely nationalist and exclusive ideology, e.g., Arab nationalism with one that possessed a worldwide appeal: socialism. Thus, beyond labelling Egypt's socialism as "Arab," what needed to be done was "to demonstrate that Arab socialism flowed naturally from the general tenets of Arab nationalism" (Dekmejian, 1971:133). To accomplish this fusion, the Egyptian ideologues -- a very limited circle at that -- turned to history to search
for what was considered as the seeds of socialism in "the Islamic-Arab context."

Thus, Nasirite identification with the 'socialism' of early Islam grants Egyptian socialism historical legitimacy and religious sanctions. Moreover, such an identification neutralized criticism arising from the popular notion equating socialism with atheism and communism" (Dekmejian, 1971:133).

The "Arab Socialism" ideology did not emerge until after the July 1961 decrees, which nationalized 75 companies in Egypt (and 74 in Syria) in addition to all banks (domestic and foreign owned) and insurance companies, and many other enterprises. In Nasser's belief then, if the regime is to succeed in permeating the masses of Egyptian population with its "Arab Socialism," the ideology needed to be rooted in concrete sets of beliefs and experiences perennial to the vast majority of Egyptian population, i.e., Islamic tradition. Concurrently, the press and media were necessarily nationalized to give Nasser the forum needed to propagate his ideology. Kerr (1962) argues that the arguments advanced in the case of the press "were necessarily more far-fetched and doctrinaire, especially since it was common knowledge that the Cairo papers had been the slaves of official policy since 1954 anyway" (Kerr, 1962:132). Contrary to Kerr's belief, it should be noted that the Cairo papers were not the only press and media in Egypt and the regime -- in Nasser's belief -- could not afford a free press that may turn its guns on his policies at that critical moment that Egypt was going through social, economic and political transformation. What Nasser needed at that time was a forum through which (1) the regime could reach that population which supports its policies; (2) a forum through which
controlled discussion and debate can take place, and (3) a medium through which Nasser can disseminate his beliefs about what his policies would accomplish.

The editorial in Al-Jumburiyag in 1960 attests to the fact that:

...in a country building itself up while surrounded by plots and spies, the press cannot be a commercial enterprise undertaken by people seeking to make profits or further their private interests. Our revolutionary press couldn't continue as the profession of individuals subordinate to directives of capital (quoted in Kerr, 1962:132).

The head of the press syndicate in congratulating Nasser's decision to nationalize the press stated, "You have smashed the last link in the chain of capitalist control over the government." These pronouncements could be said to be Nasser's desired responses to what he perceived as an important forum through which support for his policies may be derived. Thus, an ideology needs medium of expression. Al-Ahram already under the regime's control provided a forum for expression.

What we are attempting to suggest is that after the nationalization decrees of July 1961, the regime needed an ideology from which to justify its policies. Secondly, Stalin or Mao/Zhou's brand of socialism was found to be incompatible with Egyptian tradition and experience. Thus, Arab socialism rooted in Islamic tradition and beliefs was more acceptable for the Egyptian people.

Thus, it was only after the nationalization decrees of July 1961, and the consolidation of the nation's communication system that a barrage of speeches and editorials began to announce that "Arab Socialism" had now emerged as a reality, that its principles had acquired a clear and
comprehensive form, and that the resources of the country would now be fully mobilized in the struggle for economic prosperity and social justice (Kerr, 1962:127-128). For Nasser, the "inevitability of the socialist solution" is explicated in the statement that commenced with "economic freedom," the prerequisite of it being "the broadening of the base of the national wealth," in his beliefs, cannot be accomplished through capitalist methods. This is based on the prevailing beliefs that "experiments in development of the capitalist type were carried out in loose collaboration with imperialism." Implicit in this argument is the beliefs that "resources of the colonies were, in fact, used to serve the interest of the centers (advanced economies) (quoted in Malek, 1968: 329). With respect to communism -- as practiced in the Soviet Union -- Nasser states:

"...there are other experiments in progress that have achieved their objectives by intensifying the suffering of the working mass and exploiting it either for the advantage of capital or under the pressure of dogmatic methods that have extended to the complete sacrifice of generations of the living for the benefit of generations that have not yet been born."

For an "underdeveloped country" such as Egypt:

Scientific socialism (however defined) is the sole formula compatible with the discovery of a genuine method of progress. For the gigantic growth of the international monopolies has now left only two possible ways open to national capital in the countries now developing: (a) national capital can no longer meet the competition unless it erects customs barriers for which the people must pay; (b) the only hope of growth for national capital is to harness itself to the movement of the international monopolies, to follow in their
footsteps, to become their appendage, and to lead its country behind it into this dangerous pit (Nasser, quoted in Malek, 1968:329).

What Nasser was advocating and what Kerr (1962) has called "change in slogans" was the establishment of a "democratic, cooperative, socialist society. But the socialist element remained limited in practice to a selective system of state capitalism and was far from doctrinaire in its theoretical exposition" (Kerr, 1962:131). The establishment of a "democratic, cooperative, socialist society" is, in effect, the establishment of etatism (state capitalism). We maintain as we have done throughout this section that the "socialist" ideology was Nasser's personal ideology which justified his policies. This ideology then found its expression among a selected group of intellectual and professionals who expounded upon it.

For example, Heykal (1961) expounding on Nasser's policies, sought to draw distinctions with Stalin and Mao's brand of "socialism." In one of his acclaimed articles entitled, "We and Communism," the essential points were the following:

First, there is the manner in which the problem of social classes is looked at since their existence and the class struggles are conceded. While communism offers the solution of "the dictatorship of the proletariat," which means the suppression of other classes by one class in a complete and definitive fashion; Arab socialism calls for a process of dissolving the contradictions of class in the framework of a national union within revolutionary interaction. The transformation of the society into a single class within which individuals' positions will vary in accordance with their work, totally devoid of any class barrier that might arise to bar any individual's progress or block his road!
The second point relates to how private property is conceived. Thus,

Communism considers every owner an exploiter at the same time. Arab Socialism believes that a distinction should be made between two kinds of property: first, property representing labor and that lies in an area that does not allow the individual to exploit and dominate others...here we are dealing with a right that must be broader to reach the greatest possible number of those who are deprived of it, and second, the property of the exploiter, who must not be killed, but who must be simply stopped of the weapons that enable him to exploit others, and then he will be admitted into the new society.

Then comes the distinction between "expropriation." He continues that Communism believes in "expropriation":

Arab Socialism prefers compensation for nationalized properties. Private property is a right, indeed an objective, provided that it be kept in a framework that prevents exploitation.

With regard to political parties, Heykal asserts that:

Communism believes that the organization of political activity should be kept in the hands of the communist party alone...it would be impossible for any revolution to become legitimate unless the communist party was its master and moving force. (In contrast) Arab Socialism believes that the organization of political activity should extend to the entire nation and that development should take place within the framework of national unity in order to reach the next state, that at which the nation gains its momentum... (quoted in Malek, 1968:292-294).

The problems in Heykal's explications of the Soviet Union's political and economic systems are beyond semantics. The distinction that Heykal (1961) was attempting to draw between the Soviet Union Communist Party and national units is rather clear. The differences are on policies. The Arab Socialist Union since its inception in 1962 has been on the one hand, an extension of government bureaucracy, and on the other hand,
semblance of a political party. However, the structure of the Arab Socialist Union -- the highest level was the Supreme Executive Committee -- with its officer-civilian breakdown (sixteen officers against nine civilians) "indicated the regime's intention to retain a firm organizational hold on the developing party structure" (Dekmejian, 1971: 152). Table 11.6 shows membership composition of the Supreme Executive Committee until March 1962. At the time, there were twelve officers against six civilians.

TABLE 11.6
A.S.U. SUPREME EXECUTIVES (1962-1964)

<table>
<thead>
<tr>
<th>Members</th>
<th>Background</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gamal Abd Al-Nasir, Chairman</td>
<td>OFFICER</td>
</tr>
<tr>
<td>Abd Al-Latif Al-Baghdadi</td>
<td>OFFICER</td>
</tr>
<tr>
<td>Abd Al-Hakim Amir (Mushir)</td>
<td>OFFICER</td>
</tr>
<tr>
<td>Zakariyyaa Mubyi Al-Dim</td>
<td>OFFICER</td>
</tr>
<tr>
<td>Anwar Al-Sadat</td>
<td>OFFICER</td>
</tr>
<tr>
<td>Husayn Al-Shafi'e</td>
<td>OFFICER</td>
</tr>
<tr>
<td>Kamal Al-Din Husayn</td>
<td>OFFICER</td>
</tr>
<tr>
<td>Ali Sabri</td>
<td>OFFICER</td>
</tr>
<tr>
<td>Husain Ibrahim</td>
<td>OFFICER</td>
</tr>
<tr>
<td>Nur al-Dintavraf (Dr.)</td>
<td>CIVILIAN</td>
</tr>
<tr>
<td>Ahmad Abdug al-Sharabasi</td>
<td>CIVILIAN</td>
</tr>
<tr>
<td>Kamal Al-Din Rif'at</td>
<td>OFFICER</td>
</tr>
<tr>
<td>Mahmud Fawzi (Dr.)</td>
<td>CIVILIAN</td>
</tr>
<tr>
<td>Abd al-Mun-im al-Qaysum (Dr.)</td>
<td>CIVILIAN</td>
</tr>
<tr>
<td>Aziz Sidgi (Dr.)</td>
<td>CIVILIAN</td>
</tr>
<tr>
<td>Mustafa Khalil (Dr.)</td>
<td>CIVILIAN</td>
</tr>
<tr>
<td>Abbas Rudwan</td>
<td>OFFICER</td>
</tr>
<tr>
<td>Abd al-Qadir Hafim (Dr.)</td>
<td>OFFICER</td>
</tr>
</tbody>
</table>

This assessment strongly relates to the establishment of the National Congress of Popular Forces which was to study and debate the National Charter. The draft charter, as we have argued, gave de facto legitimacy
to the methodical transformation of Egyptian economy under the "socialist" decrees of July 1961. It could be said that the Arab Socialist Union was an attempt to institutionalize Nasser's personal ideology. We have suggested in the case of the People's Republic of China that an ideology needs to be transmitted to the masses. Nasser made use of the media, especially after the regime took over the press and media. Heykal, already a spokesman for Nasser (as has been observed throughout this section) took up the crusade of (Egypt's) Arab Socialism. The press and media, in short, became organs of the regime and channels through which the leadership ideology was debated. To the extent that the press and the media became the exponents of Arab Socialism, does not necessarily entail that it permeated the Egyptian people. What, in fact, could be said is that it was an attempt to translate a "personal" ideology into a "national" ideology notwithstanding its inherent contradiction. The contradictions are born out of the regime's ambitious economic planning which to Nasser, would avoid the need of repression (i.e., under "socialism") and yet still overcome her poverty (Kerr, 1962:134). Nasser informed an American television interview that "we have a plan to double the national income in 10 years. This means we will increase the national income by an average of 10 percent a year while the population increases by 2 percent or 2.2 percent every year" (quoted in Kerr, 1962:134).

Conclusion

Nasser's own pronouncements⁸ which relate to his decision to take over the country from the hands of corrupt, inept and unjust monarchy,

were among others to do away with the existing inequalities in the country, restore pride and self-respect among the Egyptian people, remove the remnants of colonial domination on Egyptian soil, restore the independence of Egypt, and establish "social justice."

Thus, Nasser's perceptions of development as we have attempted to demonstrate, tended to be influenced by the events in the regional and global systems. From Nasser's own pronouncements and in view of the policies that were initiated to deal with internal development, it is difficult to state precisely what is Nasser's perceptions or beliefs about development. For example, at one point, he articulated the need to establish "social justice," on the other, he seems to emphasize "Arab Socialism" as the path for Egypt's development, and yet in another, he stresses the desirability of Egypt to develop along "the lines of scientific socialism." In either one of these big concepts does Nasser provide us with a handle on how one should assess Egyptian development.

Moreover, the concept of development is nowhere to be found in Nasser's own pronouncements. Except, late in the announcement for "scientific socialism" is where one finds inference to the concept of "development." What seems to emerge is the changing and sometimes conflicting ideas or beliefs about development. It seems that Nasser was taking his beliefs from one point to the other. The Agrarian Reform was explicated in terms of creating "social justice." In the nationalization decrees of July 1961, which actually commenced in the mid 1950's, were justified in terms of moving along the lines of "scientific socialism;" and the emergent ideology that was purported to explicate further the regime's rationale for the nationalization came to be explicated in the
context of "Arab Socialism." None of these concepts, however, adequately explicate precisely what strategies, if any, Nasser had to move the Egyptian society. We will, therefore, conclude that Nasser had some definite beliefs at different points for Egyptian development; and that these beliefs were not consistently followed through during the decade. In other words, Nasser and the Free Officers lacked a cohesive idea about how to develop the country.

However, Mabro (1974) argues that every policy that followed after the Agrarian Reform was intended as a follow-up of the preceding policy. (However, this does not seem to be the pattern that most students of Egypt's economic and political development tend to follow). There is, however, no doubt that the Aswan Dam was aimed at increasing cultivable land and to provide cheap electricity for industries. However, this does not apply to Nasser's decision at first to encourage private investments (domestic, and especially foreign) in the country, and later nationalize these companies in the name of "Arab Socialism" and "scientific socialism." Neither of which concepts helps us to know precisely what Nasser had in mind for Egyptian society. However, we have argued that Nasser and the Free Officers were more inclined to regional and global politics. Heykal (1972), Waterbury (1976), and Rubin (1982) have maintained that Nasser's "highest priorities were strict nonalignment not as an end in itself, but rather as a means of strengthening Egypt and of pursuing its primacy in the Arab World" (Rubin, 1982:75). Thus, in the process of establishing Egypt's primacy in the Arab World, came to inform Nasser of the policies to pursue within Egypt.
In Nasser's perception, the capitalist road to development is exploitative and the Soviet Union and China's brand of socialism is geared to "generations not yet born." That is, it requires more sacrifice from the people's labor without them benefitting from their own labor. Nasser's "scientific socialism" is, in fact, etatism (or state capitalism). It is rather significant to note that Nasser's attempt at generating economic growth in Egypt has not been successful. However, nowhere in Nasser's statements did we find statements that attributed his failures in domestic economic strategies to Britain, France, or the United States.

Rothstein states:

The position I adopt explicitly challenges the contentions of many radical critics that the underdeveloped countries do not have any meaningful choices because they are controlled directly and indirectly by external influences...it is a truism that needs to be strongly reaffirmed for the difficulties and dangers of dealing with domestic problems have made it too easy to blame too much on, and to expect too much from the external world (Rothstein, 1977:9).

Moreover, in his chapter dealing with "Politics and Policy-making," Rothstein argued that developing countries or (LDC) blame the failures of their domestic developmental strategies on external powers. Neither China nor Egyptian leaders have blamed the failures of their domestic developmental strategies on external powers. In the present chapter, as we have thus far observed, Nasser placed the failure of his economic political strategies not on external power, but rather on the regime itself and on Egyptian "capitalists."
CHAPTER 12
GAMAL ABDEL NASSER
AND EGYPT'S EXTERNAL RELATIONS

Introduction

This chapter focuses on Gamal Abdel Nasser and Egypt's external relations. Indeed, while the present discussion may appear as a focus on the "nation-state" as a unit of analysis, our purpose is to infer, as we have done in the preceding chapters, on Gamal Abdel Nasser's beliefs about the nature of politics and political conflict, his view regarding the extent to which historical developments can be shaped, and his notions of correct strategies and tactics... (George, 1969:197). Hence, what follows in this chapter is inferred as the manifestations of Gamal Abdel Nasser's beliefs about what should be his correct strategies and tactics in the regional and the global systems to achieve his objective.

Elsewhere in this study we have pointed out that:

Perceptions are influenced by immediate concerns...as well as by more deeply rooted expectations. A person will perceive and interpret stimuli in terms of what is at the front of his mind. To predict the inferences a person will draw from a bit of evidence, we often need to know what problems concern him and what information he had received recently (Jarvis, 1976:203).

Thus, to understand Gamal Abdel Nasser's beliefs about the external milieus, we propose to proceed as follows:
1. Overview of Egypt's Trade in the Regional and the Global Systems. In this section we provide a rather brief description of Egypt's trade from the time Gamal Abdel Nasser assumed power. International trade, as we noted in the preceding chapters, serves to provide the countries in the Third World with revenues for their import needs, i.e., economic development, modernization of a country's military transportation, communication, etc...

2. Gamal Abdel Nasser's Relations with the United States and the United Kingdom. In these two sections we infer Gamal Abdel Nasser's "answers" relative to his beliefs about (1) the importance of alignment with the Eastern and the Western blocs or with the former metropole; (2) importance of cooperation between and among developing countries, or creating a bloc of developing countries. Our inferences are drawn from (1) his refusal to join in the Baghdad Pact; (2) negotiations with Britain for the evacuation of British troops from Egypt (one of the six pledges Nasser made when he took over the presidency was to remove the last vestige of colonialism from Egypt); and (3) his beliefs in non-alignment. With respect to the second question, we infer Gamal Abdel Nasser's beliefs within the context of (1) his appeal for "Arab unity;" (2) Afro-Asian solidarity and African unity; (3) his attempt in the formation of a United Arab Republic with Syria and Yemen; and (4) his support for the liberation or freedom and independence of African countries.

Gamal Abdel Nasser's refusal to join the proposed military alliance with the Western blocs could be perceived as not fitting in his overall strategies or objectives in the Arab World. He noted, for example:
What is our positive role in this troubled world and in what area will this role manifest itself? ...Can we ignore the existence of an Arab zone which surrounds us, forming a compact unit with us whose history and interest are intimately linked with ours? Can we ignore the presence of an African continent of which destiny has made us a part -- the same destiny which willed that a terrible struggle should be fought for its future -- a struggle of which for good or ill we are bound to feel the repercussions? Can we ignore the presence of an Islamic world to which we are united not only by bonds of religion but also of history? Destiny, I repeat is inexorable (Nasser, 1955:96).

From the above pronouncement, it could be inferred that Nasser believed that he [or Egypt] had (1) "a positive role" to play in (2) the "Arab zone." Because, (3) the "Arab zone history and interest are intimately linked with" that of Egypt. (4) Nasser also believed that Egypt has a role to play in the African Continent "of which destiny has made (Egypt) a part." (5) He believed that "destiny has willed" Egypt to be on the "vanguard" of that "terrible struggle" that "should be fought," and that (6) it is encumbent upon him (Egypt), by virtue of the historical "destiny," to emancipate the "Islamic world."

I had thought that the part of vanguard was our only role... Sometimes when I reread the pages of our history, I feel a tearing grief because of that period...it robbed us of all sense of strength and honor. It left in the depths of our soul a complex which we will have to fight for a long time to come (Nasser, 1955:59, 63).

In another speech, Gamal Abdel Nasser also professed that Egypt has a "mission civilisatrice" to perform in the African Continent. He remarks, for example, that:
We certainly cannot, under any condition, relinquish our responsibility to help to our utmost in spreading the light of knowledge and civilization up to the very depth of the virgin principles of the continent (Nasser, 1955:7).

Gamal Abdel Nasser's beliefs in liberation (articulated in the first paragraph below) and nonalignment (in the second paragraph) are clearly in his reply to Nkrumah's address, stating, in fact, that:

We pledge you, here and now, that the United Arab Republic and the people of the United Arab Republic shall strive...with all determination and firmness for the sake of the liberation of Africa, and for the course of supporting liberty and the peoples who struggle for the liberation of Africa, and the freedom of their countries...

I agree with you, Mr. Prime Minister, that positive neutrality and nonalignment are the policies that will enable us to preserve our independence and to be free and unbound by any foreign policy, free to adopt our policy which aims at laying the foundation of world peace and coexistence in the world. Tying ourselves to the wheels of one of the camps while we are small nations only renders us camp followers with no weight or say in anything, whereas, an independent policy of positive neutrality and nonalignment would make of our countries a great force which would have its say, and which would be entitled to respect since we would not then play second fiddle to anyone (Nasser, June 21, 1958:7).

In Gamal Abdel Nasser's beliefs, nonalignment is important in (1) preserving independence and freedom of actions, and (2) for laying out the foundation for peace and coexistence of nations. These beliefs would also be inferred in the broader context of cooperation among developing countries to achieve these goals or objectives.
It is, therefore, within the context of the above pronouncements that this observer suggests that Gamal Abdel Nasser was from the moment he assumed power (1) a committed nationalist, (2) nonaligned and (3) believed in freedom and independence of actions or policies.

Gamal Abdel Nasser's "answer" with respect to his beliefs to achieve his internal developmental strategies and foreign policy objectives through participation in the international/global system as it exists, is inferred within the context of (1) his request for loans for the construction of the Aswan High Dam from the International Bank for Reconstruction and Development (IBRD), the United States' and the British governments; (2) Egypt's participation in the United Nations Peacekeeping Forces in the Congo (now Zaire); and (3) from his own pronouncement to the effect that:

While our people believe in Arab Unity, they also believe in a Pan-African movement and an Afro-Asian solidarity. They believe in a rally for peace that pools the efforts of those whose interests are associated with it. They believe in a close spiritual bond that ties them to the Islamic world. They believe in belonging to the U.N. and in their loyalty to the U.N. Charter, which is the outcome of the suffering of peoples in the two world wars, separated only by a period of armed truce (Nasser, 1962:4).

Thus, Gamal Abdel Nasser's "answer" with respect to his abilities to unilaterally change or alter the existing global system is inferred from his own definition of, or beliefs about, his country's role, as well as his own strategies in the Arab Middle East. While Gamal Abdel Nasser does not profess beliefs in his abilities to change or unilaterally alter the existing system, he believed, we infer, that
the subsystems of the global system, e.g., Arab Middle East and Africa, could be manipulated to achieve his objectives. We have noted, for example, that Nasser and the Free Officers' order of priorities seemed based on the twin assumption that their 'revolution' was inherently threatening to the imperialistic powers and until Egypt established its primacy in the area. In other words, a propitious environment, necessarily Arab in character, had to be created in order to permit some measure of "Egypt firstism" (Waterbury, 1976:292).

In this conjunction, it is perhaps important to see how Gamal Abdel Nasser perceived the Arab Middle East. He observes:

When I try to analyze the elements of our strength, there are three main courses which should be taken into account. First...a community of neighboring peoples linked by all the material and moral ties possible... Second, ...our land itself... that vital strategic position which comprises that crossroad of the world, the thoroughfare for its merchants and a passageway for its armies. (The) third, (is) oil... (Nasser, quoted by Joesten, 1960:111).

It seems to this observer, that Nasser's beliefs in liberation transcend Egypt and encompass the whole of the Arab world and Africa. Arab solidarity could be inferred to mean nonalignment with the West or the Eastern bloc. The above pronouncement by Nasser clearly shows Nasser's beliefs that if the Arab countries could exercise their freedom and independence, they could significantly alter the balance of power in the global system. The beliefs in leading and protecting the Arab World against the perceived struggle against "imperialism," significantly affected Gamal Abdel Nasser's abilities to transform Egypt.
We, thus, commence this chapter with a brief discussion of Egypt's trade patterns up to the Suez Canal crisis. The basic premise of this section is that the foreign policy activities of countries in the Third World tend to be -- in most cases -- geared toward soliciting aid and technical assistance from the industrialized countries in the North. Gamal Abdel Nasser, for example, in his address to the Opening Meeting of the Second Session of the National Assembly in November 1964, declared:

I want to say that our foreign policy is in the service of our internal policy. Without our foreign policy, we would not be able to build our internal structure (Nasser, 1964).

An Overview of Egypt's Trade Relations

Hansen and Nashashibi (1975:39) summarized Egypt's trade performance during the first year of Gamal Abdel Nasser's presidency thusly:

Between 1952 and 1955, the budget deficit averaged only about LE 3 million and the money supply remained nearly constant. From virtual stagnation in 1952-53, the growth rate of GMP rose to about 3.5 percent in 1955-56. A major reason for the stagnation was the lack of appreciable growth in agricultural production (slightly above 1 percent annually on the average from 1952-53 to 1956-57).

Up until 1952, Egypt had a relatively small deficit in her balance of trade with the so-called sterling area. This, however, seems to have been offset by a surplus generated on "the invisible account." This, as we noted earlier, stemmed from Britain military expenditures in Egypt.
However, after the collapse of the cotton prices in 1952, sales to
Britain (Egypt's largest customer) fell to approximately "fifth of their
average in the years since the end of the war" (Hansen and Nashashibi,
1975:39). What is important to note here, however, is that this marked
the commencement of a downward trend of cotton exports to Western
countries. Survival factors contributed to this trend: (1) the steady
decline of the Lancashire textile industry, (2) the gradual substitution
of synthetic fibers for cotton, and (3) "technological innovations that
permitted the use of medium and coarse counts of cotton in the pro-
duction of fine cloth. Demand shifted away from extra long staple --
the Egyptian specialty -- to long and medium staple, which favored
Sudanese and American varieties" (Hansen and Nashashibi, 1975:39-41).

Consequently, Egypt experienced deficit in her current transactions
with both sterling and nonsterling areas (see, for example, Table 12.1).

**TABLE 12.1**

**EGYPT'S TRADE WITH STERLING AREA**

AND NONSTERLING COUNTRIES 1951-1957

<table>
<thead>
<tr>
<th>YEAR</th>
<th>MERCHANDISE EXPORTS</th>
<th>MERCHANDISE IMPORTS</th>
<th>BALANCE OF CURRENT ACCOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>STERLING AREA</td>
<td>NONSTERLING</td>
<td>STERLING AREA</td>
</tr>
<tr>
<td>1951</td>
<td>74.5</td>
<td>127.4</td>
<td>77.2</td>
</tr>
<tr>
<td>1952</td>
<td>27.7</td>
<td>117.9</td>
<td>52.8</td>
</tr>
<tr>
<td>1953</td>
<td>35.2</td>
<td>100.1</td>
<td>31.4</td>
</tr>
<tr>
<td>1954</td>
<td>36.3</td>
<td>103.5</td>
<td>36.5</td>
</tr>
<tr>
<td>1955</td>
<td>24.3</td>
<td>108.8</td>
<td>40.7</td>
</tr>
<tr>
<td>1956</td>
<td>19.9</td>
<td>110.0</td>
<td>42.9</td>
</tr>
<tr>
<td>1957</td>
<td>8.8</td>
<td>157.2</td>
<td>18.1</td>
</tr>
</tbody>
</table>

Source: Adapted from Hansen and Nashashibi (1975:41).
It is also estimated that by the end of 1952, Egypt's free sterling reserves went down to about LE 6.3 million, and the total free reserves, in addition to gold, was about LE 98 million (Hansen and Nashashibi, 1975:41).

As a result of the shortage of transferable sterling, as well as hard currencies, Egypt concluded bilateral agreements with her trading partners in both Western and Eastern Europe. Thus, between 1952 and 1953, Egypt concluded payments and trade agreements with Italy, Belgium, West Germany, and the Netherlands. Most of these payment agreements were based on Egyptian pounds (as stipulated in the agreements concluded with Eastern Europe), or through various combinations of the two partners' currencies (as stipulated on those concluded with West European countries) (Hansen and Nashashibi, 1975:42). What is interesting to note is that the exchange rates of the two currencies were fixed vis-à-vis U.S. dollars. And, as a precaution, the agreements also guaranteed "adjustment of the outstanding net balances in the event of a change in the exchange rate" (Hansen and Nashashibi, 1975:43). These agreements specified "the manner in which any outstanding balance might be settled (usually in goods) and fixed a debt ceiling" (Hansen and Nashashibi, 1975:43).

It should be emphasized that the bilateral agreements concluded between Egypt and Eastern and Western European countries served to open Egypt's export (cotton) markets. This was particularly important in view of the decline in the demand of Egypt's cotton in Britain and the United States. It also served as a means of generating hard currencies.
Thus, it is not surprising that Egypt's ability to transfer outstanding balances, in effect, enhanced the efficiency of bilateral trade. However, as Hansen and Nashashibi (1975:44) observed, "bilateral agreements usually imply an effective depreciation of one of the two currencies involved vis-a-vis hard currencies." For example, with the addition of bilateral trade, the volume of competitive commodities traded (i.e., with c.i.f. price equal to or lower than the world market price at the official exchange rate) is likely to exceed that which would have been contracted under pure multilateralism. Moreover, its composition is also likely to include goods for which c.i.f. import prices exceed world market prices at the official par rate. This expansion in trade volume can only be achieved by paying relatively more for imports or receiving less for exports (in terms of world market prices, not domestic prices), which amount to some degree of currency depreciation (Karim Nashashibi, 1974:46).

As a result, the implicit implications were brought out explicitly through special arrangements with Switzerland, under what is commonly referred to as the "B-account." It was agreed with Switzerland that "certain transactions should be carried in Swiss francs and others (specified in the form of a list of goods) in Egyptian pounds -- the B-account. Instead of having a fixed exchange rate between Egyptian pound and the Swiss franc, the exchange rate of the Egyptian pound in Switzerland was left to be decided by market conditions" (Hansen and Nashashibi, 1975:44). In this respect, similar arrangements were later incorporated in the agreements with Belgium and the Netherlands.

As Hansen and Nashashibi (1975:44) remarked, that the multiplicity of "rates existing for identical commodities gave rise to lucrative arbitrage transactions." However, Britain in 1955 insisted that "the
entitlement on sterling be dropped and the Egyptian pound be treated at par with sterling" (Hansen and Nashashibi, 1975:44). Egypt, on the other hand, resorted again to a "uniform exchange rate." Moreover, instead of devaluating its currency, "which would have consolidated and generalized the previous partial depreciation," Egypt chose to maintain "the par value of the currency with the imposition of an import surcharge of 7 percent and a premium on cotton exports" (Hansen and Nashashibi, 1975:45). As Hansen and Nashashibi (1975:45) further note:

The 7 percent surcharge applied to all imports except industrial equipment needed for investments and raw materials, which implied the exemption of roughly 50 percent of imports from the surcharge. The premium on cotton exports took the form of a reduction in the export tax (for example, from 300 to 160 plasters per kantar on Karnak) which corresponded to an 8 percent reduction in price. But other exports (in particular, cotton textiles, agricultural products, and leather goods) no longer benefitted from any kind of premiums.

The succeeding arrangements which were arrived at in 1955 in view of the reappearance of large balance of payments deficit shall never be known, for in the Fall of 1956, the British-French-Israeli launched an attack on the Suez Canal (a subject to be dealt with in the present chapter).

It is, however, important to note that the events which surrounded the Suez Canal War of 1956 severely disrupted the flow of trade and, in fact, resulted in the shifting of Egyptian geographical distribution toward Eastern Europe and the Soviet Union (Hansen and Nashashibi, 1975:46). See, for example, Table 12.2.
TABLE 12.2
EGYPT'S TRADE WITH EASTERN EUROPE 1950-1970

<table>
<thead>
<tr>
<th>Year</th>
<th>IMPORTS Mill. LE</th>
<th>% of Total</th>
<th>EXPORTS Mill. LE</th>
<th>% of Total</th>
<th>TRADE BALANCE (Mill. LE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>13.9</td>
<td>6.4</td>
<td>18.8</td>
<td>10.7</td>
<td>+4.9</td>
</tr>
<tr>
<td>1955</td>
<td>13.1</td>
<td>7.0</td>
<td>30.1</td>
<td>20.6</td>
<td>+17.0</td>
</tr>
<tr>
<td>1960</td>
<td>55.8</td>
<td>24.0</td>
<td>83.0</td>
<td>41.9</td>
<td>+27.2</td>
</tr>
<tr>
<td>1965</td>
<td>92.0</td>
<td>22.7</td>
<td>129.1</td>
<td>49.4</td>
<td>+37.1</td>
</tr>
<tr>
<td>1968</td>
<td>116.9</td>
<td>40.4</td>
<td>132.1</td>
<td>48.9</td>
<td>+15.2</td>
</tr>
<tr>
<td>1970</td>
<td>114.8</td>
<td>33.5</td>
<td>201.3</td>
<td>60.7</td>
<td>+86.5</td>
</tr>
</tbody>
</table>


As Table 12.2 indicates, in 1950, trade between Egypt and Eastern Europe (including the Soviet Union) was insignificant, however, in 1955 -- year of the Czechoslovakian arms deal -- exports to Eastern Europe increased substantially while imports remained unchanged. The "export surplus remained characteristic of the trade with communist countries throughout the following period" (Hansen and Nashashibi, 1975:21). This trade pattern seemed to hold in the trade between the People's Republic of China and Eastern Europe. It was precisely when China began trading to non-communist bloc (Western Europe) that she began to experience trade deficits. In 1965, Egypt's imports from Eastern Europe was "about one quarter of total imports, while exports to them were about half of the total" (Hansen and Nashashibi, 1975:21). Moreover, in 1970, at the conclusion of the Six Days (1967) War, imports from Eastern Europe reached one third of total imports, "while exports to that area increased to about 60 percent of the total, with a
trade surplus of no less than LE 86.5 million, obviously related to greatly increased payments for military equipment" (Hansen and Nashashibi, 1975:22). Hence, after the Suez Canal Crisis, Nasser again concluded a number of barter agreements with Western countries in which, according to Hansen and Nashashibi (1975:46), "highly inflated import prices reflected substantial discounts on sale of Egyptian cotton. At the same time, large purchases of cotton by the U.S.S.R. and Czechoslovakia were reexported to the West at discounts reaching 38 percent." Albeit, Egypt's imports continued to reflect heavy reliance on Western sources.

Nashashibi (1970:73), in assessing the future economic development of Egypt, has noted that:

(It) depends primarily on its ability to expand its trade and to find sources of aid. Aid supplements domestic savings as well as increases the country's ability to acquire necessary imports. However, aid in the form of credit also becomes a debt which had to be serviced and repaid, a burden on the balance of payments which the country has to meet eventually by reducing its deficit on current account.

Egypt's current debt service costs amount to about 18.5 percent of its foreign exchange earnings (LE 60 million). This percentage is expected to rise in the period 1970-75 as repayments start for the Aswan High Dam loans and for some of the military equipment received from the Soviet Union after the 1967 war with Israel. Thus, Egypt has no alternative but to fall back on its exports of goods and services to pay for its imports.
Nasser's Relations With the United States

Rubin (1982:75) has suggested that in the perceptions of the United States foreign policy decision-makers, Nasser was "the key force behind political upheaval and anti-Americanism in the Arab World." Why? Because of Nasser's refusal to participate in "anti-Soviet collective security network." As a result, he, Nasser, "became Moscow's ally and tried to overthrow the region's remaining pro-Western regimes" (Rubin, 1982:75).

Ideologically, "Nasser perceived such alliances as renewed manifestations of 'imperialist' forces in the region, the very forces he and his colleagues had promised to eradicate" (Dawisha, 1976:11). In other words, Nasser wanted to keep the Arab World out of any "Western-controlled alliance."

In his beliefs, "strengthening the already existing Arab Collective Security Pact would be the most effective deterrent to any political takeover by indigenous Communist elements" (Childers, 1962:120-121).

Indeed, in Gamal Abdel Nasser's beliefs:

The Soviet Union is more than a thousand miles away and we've never had any trouble with them. They have never attacked us. They have never occupied our territory. They have never had a base here, but the British have been here for seventy years" (Nasser, in Haykal, 1973:40).

And, as Rubin (1982:75) has observed, Nasser's "highest priority was strict nonalignment not as an end in itself, but rather as a means of strengthening Egypt and of pursuing its primacy in the Arab World."

Given Gamal Abdel Nasser's preoccupation with creating a propitious environment he believed, we infer, that the alliance would undermine his
objectives in the region. Moreover, as Rubin (1982) notes, Dulles "offered too few benefits for Egyptian cooperation." For example, "between May 25, 1950, and December 31, 1955, the United States exported only $1.2 million in arms and only $6.1 million in spare parts and aircraft to Egypt (Rubin, 1982:74).

Thus, to counteract Dulles' attempt at politically and strategically isolating Egypt from the region, by directly appealing to other Arab countries to support the defense pact, Nasser embarked on a more active policy toward the rest of the Arab countries. He began to evoke such concepts and/or beliefs about "Arab Unity" and "Arab brotherhood." In July 1953, the "Voice of the Arabs" commenced its radio transmission to the Arab World. Its transmissions trebled in January 1954, and declared that "the Voice of the Arabs speaks for the Arabs, struggles for them, and expresses their unity" (British Broadcasting Corporation, Summary of World Broadcasts, Part IV, the Middle East, London, January 12, 1954:4).

We also infer that this is congruent with Gamal Abdel Nasser's beliefs with respect to cooperation among developing countries. It could be inferred that in Nasser's beliefs or perceptions, (1) the defense of the Arab World should rest on the Arab countries; to do this, (2) Arab countries should unite and, (3) Dulles' proposal for the Western sponsored collective security was aimed at maintaining Arab countries permanently separated. As we have noted in the introduction to this chapter, Gamal Abdel Nasser believed that it was Egypt's role or responsibility to (1) unite, (2) protect, and (3) lead the Arab World. To accomplish these objectives, the Arab World, by necessity, had to be free of the super powers machination.
On January 23, 1954, in a major address, Nasser declared the principle of Egypt foreign policy, stating that:

The aim of the revolutionary government is for the Arabs to become one nation...the weight of the defense of the Arab states falls first and foremost on the Arabs and they are worthy of undertaking it (Nasser, 1954).

When Nasser took over the premiership, the United States' Ambassador to Cairo, Caffery, wrote on March 31, that "Nasser is the only man in Egypt with strength enough and guts enough to put over an agreement with Britain" on the Suez Canal (quoted in Rubin, 1982:80).

Still Nasser was hoping for aid from Washington. In an interview in August 1954, Nasser gave a shrewd assessment of U.S. foreign policy and suggested a basis for U.S.-Egyptian cooperation. He argued that "alignment with the West must proceed slowly. He favored an independent Arab block that could receive Western arms alongside a separate Northern tier pact without any Arab members. In a bow to American sensitivities, he promised not to recognize the Peking regime in the nearest future and to consult with Washington before taking any such step" (Rubin, 1982:81).

In Nasser's perceptions, "too close an alliance would give the Communists the chance to take an ultra nationalist line and to overthrow existing governments. Foreign bases symbolized occupation, foreign occupation causes hatred, and hatred meant non-cooperation." He concluded that:

America's handling of the Cold War helped the U.S.S.R. penetrate countries that only accepted its aid to win independence: Western flexibility could avoid this problem. (He) cautioned against confusing Arab and African nationalist movements with communism... Complained that Americans saw freedom from foreign domination as 'the alienable right of every man, yet balk at
supporting those nations for fear of annoying some colonial power that has refused to move with the times' (Rubin, 1982:81).

In the wake of the successful conclusion of the treaty between Britain and Egypt on the Suez Canal in August of that year, Washington set aside $20 million in economic assistance and an equal amount for military assistance. However, Dulles decided that "aid used as leverage to gain an Anglo-Egyptian treaty might also be used as inducement to an Egyptian-Israel settlement" (Rubin, 1982:82).

The Anglo-Egyptian treaty, in effect, removed what was a buffer of British troops along the Suez Canal zone, which "along with the prospect of Western aid for Egypt," heightened the possibility of an Arab-Israeli confrontation in the Sinai Peninsula" (Rubin, 1982:82). The evacuation of British troops from Egypt (as was noted in the introduction to Chapter 11), fulfilled one of the six pledges made by Gamal Abdel Nasser when he assumed power: the removal of "imperialist" forces from Egypt.

Two conditions were attached to the United States' military aid to Egypt. The first, proposed by Byroade of the Department of State, suggested that "a settlement might be worked out involving an Egyptian denunciation of aggressive intentions against Israel and a detailed Western guarantee for Israel's borders" (Rubin, 1982:82). The second was that under the terms of the Mutual Security Act of 1954, "the recipient countries (were) to accept a U.S. military mission (The Military Assistance Advisory Group -- MAAG)" (Rubin, 1982:82). The stipulation was rejected by Nasser for its "potential domestic opposition and as an affirmation of Egyptian sovereignty." However, Nasser was to accept Soviet military aid with conditions attached. Caffery later complained
that he (Nasser) "wanted military assistance without any conditions."
Although Caffery himself had agreed to an "Egyptian proposal at the end of August 1954, to increase economic aid to free Cairo's funds for military purchase (U.S. Congress, Senate, Committee on Foreign Relations, Hearings, January-February 1957, Part 2:785).

Nasser's refusal to accept the MAAG led Dulles to decide on December 31, 1954, against selling arms to Egypt. With Washington's refusal to sell arms to Egypt, raids against Israel from the Gaza Strip escalated, claiming civilian toll. For example, 50 were killed in 1954, and 192 in 1955 (Rubin, 1982:83). Moreover, the "Laven Affair" in which "Israeli agents sabotaged U.S. installations in Cairo in an effort to damage U.S.-Egyptian relations, the replacement of dovish Moshe Sharett by activist Ben-Gurion as prime minister in February 1955, and Israel's Gaza raids that same month all raised the level of tensions" in the region (Rubin, 1982:83).

In January 1956, President Eisenhower sent Robert Anderson, a former Secretary of the Navy, to visit both Nasser and Ben-Gurion. Despite Anderson and Dulles' optimism, the mission failed. "Nasser could not meet the Israelis, he said, because it might result to his overthrow or assassination. Ben-Gurion, though more positive, insisted on direct talks and balked at making further concessions" (Haykal, 1973; Rubin, 1982:86). However, Nasser wrote to President Eisenhower in February 1956, to the effect that:

The establishment of Israel in Palestine was the gravest imaginable challenge to the peaceful preoccupation of the Egyptian and Arab people. But, despite the sense of injustice evoked by this development, in the interest
of peace, Egypt recognizes the desirability of seeking to eliminate the tension between the Arab states and Israel (Haykal, 1973; Rubin, 1982:86).

To which Eisenhower replied: "I believe that the present time may offer the best opportunity to work out a settlement..."

It was this statement, on the part of Nasser, that prompted Dulles to inform the Senate Foreign Relations Committee that "Arabs worried about Israel, not the Soviet Union. By seeking an Arab-Israeli solution," he explained, "the United States was dealing with the real problem. Covert actions were more effective in responding to possible Communist takeovers, as in Syria, than any direct confrontation with Egypt" (in Rubin, 1983:86).

The Eisenhower administration sought to persuade Congress to support the Aswan Dam. In arguing for the support of the Dam, Treasury Secretary, George Humphrey, told the legislators that "the salient fact remains, if the West does not do it...the Soviet bloc will." But, "Egypt," he added, "preferred the West; if the United States helped Cairo devote its resources to domestic needs, a local war or arms race could be avoided" (Executive Session, 1956:49-56). At the same time, Nasser wanted firmer assurances and better credit terms. However, most members of Congress did not seem eager to assist a country they conceive as "soft" on the Soviet Union, and hostile to Israel. Joseph Cannon, Chairman of the House Appropriations Committee, told Dulles, "I want you to understand, Mr. Secretary, that we will not approve one cent for any dam in Egypt. So please bear that in mind." On the other hand, Senator William Knowland informed Dulles that "it would be hard to get votes
because increased Egyptian cotton production would compete with American growers" (in Rubin, 1983:87).

Dulles further attempted to convince Senator Lyndon B. Johnson, and House Speaker Sam Rayburn that in his perceptions, "the dam would tie Egypt to America for a decade. Despite the arms deal, Egypt was far from being a Soviet tool" (in Rubin, 1982:87).

What is interesting to note is that soon after the Senate amended the annual appropriation bill to ban the use of Mutual Security money for the Aswan Dam, Dulles in his memorandum of March 28, 1956, to President Eisenhower, states that "effort to bring Nasser to conciliate with Israel had failed." Dulles reported:

now the United States must show him (Nasser) that he cannot cooperate as he is doing with the Soviet Union and at the same time enjoy most-favored nation treatment from the United States. We would want for the time being to avoid any open break which would throw Nasser irrevocably into a Soviet satellite status and we would want to leave Nasser a bridge back to good relations with the West if he so desires (Dulles, in Rubin, 1983:88).

This was called Project Omega. Project Omega, among other measures, "denied Egypt arms' export licenses and delayed concluding the Aswan negotiations. The plan also called for the strengthening of Jordan against a pro-Nasser coup, the extension of American support to the Baghdad Pact and its members, the support of pro-Western elements in Lebanon, and the assurance of military aid to Saudi Arabia" (Rubin, 1982:88). However, if these measures did not suffice, Dulles concluded, "more drastic action might be taken, by which he meant the covert operations projected by the plan" (Rubin, 1982:88). London, for
example, concluded that Nasser "was the fountainhead of anti-British activities in the Arab World. Syria, which the Western allies thought was heading toward a Communist takeover, was Britain's main battlefield, but Dulles had to restrain British intelligence from trying to overthrow Nasser as well" (Eveland, 1980:168). In short, Dulles considered Nasser's warning that if Britain and the United States should forfeit on the aid to finance the Dam, Egypt would turn to the Soviet Union as a "bluff." And Moscow's denial of any intention to finance the Aswan Dam apparently reinforced Dulles' perceptions and beliefs about Nasser. However, nobody expected Nasser's bombshell three days later -- nationalization of the Suez Canal and Company.

The American press had shared the State Department's overoptimistic assessment. According to Newsweek, July 30, 1956, Dulles had shown neutrals "that it was not profitable to play the East against the West for economic aid. Despite the startling turn of events, Dulles still sought to avoid war. For Dulles perceived Nasser as "the only Arab leader who could end the Arab-Israeli conflict" (Rubin, 1982; Nutting, 1972).

Dulles' perceptions of Nasser as an "anti-American" were perhaps reinforced by the latter's decision to attend the Bandung Conference of Nonaligned Nations in April of 1955, despite Dulles' attempt to persuade Nasser not to attend. At that conference, Nasser approached Zhou Enlai to intercede for Egypt with the Soviet Union for the former's need for arms.

In July 1955, Dimitri Shepilov arrived in Cairo. It is contended that Egyptian Ambassador told Byroade that Shepilov "offered Mi G's and
other weapons, pressed for approval of $28 million in military equipment" (Rubin, 1982:83). When Dulles heard the news from Byroade, he dispatched Kermit Roosevelt to Cairo to try "to talk Nasser out of it."

The Egyptian Ambassador to Washington, Ahmed Hussein, warned Nasser that "the Americans not long before had organized the overthrow of Arbenz's left-wing government in Guatemala" (in Haykal, 1973:51). When Ahmed Hussein insisted "Guatemala, Mr. President, Guatemala," Gamal Abdel Nasser replied: "To hell with Guatemala" (in Haykal, 1973:51). Nasser, having committed himself was not prepared to rescind his decision.

Upon his arrival to Cairo the same morning, Kermit Roosevelt told Byroade that Dulles "was behaving like an agitated ox and was determined that the deal had to be stopped." Dulles, he said,

wanted Nasser to cancel the deal, and if it was not stopped, then the United States was going to take four measures. It would: (1) stop all aid; (2) stop all trade; (3) break off diplomatic relations; (4) blockade Egypt, preventing any ships arriving with arms (Haykal, 1973:52).

However, in his meeting with Nasser, Roosevelt did not put these four threats to Nasser. Nasser informed him that "it was too late." For in September 1955, "it was announced that Czechoslovakia was trading Egypt $200 million in military equipment for Egyptian cotton. This included 150 to 200 jet fighters and 35 twin engine bombers" (Eveland, 1980:132-133).

This was followed by the recognition of the People's Republic of China. Dulles responded to the deal and the recognition of the People's Republic of China by "authorizing the French to supply the Israelis with more and better types of Mystere fighter planes under the tripartite
agreement between Britain, France, and the United States that was supposed to maintain a balance of arms in the Middle East," (and eventually led to Canada's sale of F-86's to Israel (Haykal, 1973:58).

**Financing the Aswan Dam**

As was noted in Chapter 11, both London and Washington agreed to the importance of financing the Aswan Dam. Eden, then Britain's prime minister, insisted on financing the Aswan Dam and "feared that failure to do so would irreversibly drive Egypt into Moscow's arms" (Rubin, 1983:85). Nasser, on his part, is said to have communicated his enthusiasm about the project to Byroade, stating: "Mr. Ambassador, we're worrying about all these details while all that water is flowing by into the Mediterranean. That's more important" (in Rubin, 1982:85). The negotiation went on to gather pace late in 1955, and Ambassador Hussein upon his return to Washington had "a long and far-ranging talk" with Dulles on October 17, 1955. In his dispatch to Nasser dated October 18, 1955, Hussein reported that:

I explained to Mr. Dulles that it was essential Egypt should have the support of the United States in building the High Dam. I told him that despite the fact the Russian government had offered us better conditions than those offered by the World Bank to finance the project, we still preferred to deal with the World Bank. I told him that a decision could not be delayed much longer because Egypt regarded the Dam as its most important economic project, and that every delay would cause trouble for the Premier and the government with the Egyptian public. And that it is not in the Bank's interest for him (Dulles) to delay his decision to finance the Dam much longer because this would create pressures on the Premier to accept the Russian offer (in Haykal, 1973:59).
However, Dulles did not believe that Moscow was able to undertake such a project. The Anglo-American strategy was to press forward on the financing of the Dam and on "effecting an Egyptian-Israeli peace; believing that the former could be used as a bait to gain the latter" (Rubin, 1982:86).

In the aftermath of the Suez Crisis, the January 1957 "Eisenhower Doctrine" sought to mobilize the Middle East against the perceived Soviet-Egyptian threat in the region. "The United States promised to help nations protect their independence and integrity against overt armed aggression from a Communist or Communist-dominated country" (Rubin, 1982:89). This, in Cairo's perceptions, amounted to a declaration of war. Because although Dulles did not cite any "Communist-dominated" country in the Middle East, "Admiral Radford identified Egypt and Syria as the states in question" (Rubin, 1982:89).

Thus, the wide rift between Egypt and the United States, coupled with Nasser's turn toward Moscow, dramatically changed the Cold War balance of power in the Middle East and "played an important role in the area's turbulent history in the following decades" (Rubin, 1982:89).

One of the questions posed for consideration in this study relate to whether changes have occurred in leader's beliefs during his tenure of office. In the concluding pages of Chapter 11, we argued that Gamal Abdel Nasser's beliefs changed in relationship with the changing conditions or situations in the regional and the global systems. For example, in his speech in May 1962, Gamal Abdel Nasser (1962:5) states:

> The insistence of our people on liquidating the Israeli aggression on a part of the Palestine land is a determination to liquidate one of the
most dangerous pockets of imperialist re-

Our pursuit of the Israeli policy of in-
filtration in Africa is only an attempt to
limit the spread of a destructive imperi-
alist cancer.

It is quite clear that this pronouncement is a dramatic contrast to
Nasser's letter to Eisenhower, promising "in the interest of peace,
Egypt recognizes the desirability of seeking to eliminate the tension
between the Arab states and Israel" (Nasser, in Rubin, 1982:86 and
Haykal, 1973). However, in the speech of May 1962 (quoted above),
Nasser changed to profess beliefs, not for seeking peace, but in the
"liquidation of Israel."

On the one hand, it could be suggested that the basis for co-
operation between Britain, the United States and Nasser were tenuous;
since Nasser, from the start, perceived the state of Israel as an ex-
tension of "imperialism."

On the other hand, it could be suggested that cooperation between
Britain, the United States and Nasser would have been possible if (1)
the former had recognized in fact that (a) Nasser was a force to be
reconciled with in the Arab Middle East, or (b) Britain and the United
States were cognizant that no deal would be consumated which undermined
the primacy of Nasser [Egypt] and of his perceived role in the Arab
Middle East. To this end, Nutting (1972:99) argues that:

Because they...seemed to go on dealing with
the Middle East as if the Egyptian revolu-
tion had never taken place, Britain and
America failed to seize the current
opportunity to dispel Nasser's suspicions
with substantial deliveries of arms. Only
economic aid was to be forthcoming and,
although Nasser continued for another seven
months to hope against hope that Eisenhower's promise would be honored, in the meanwhile he felt it necessary to reinsure by sounding out the Communist powers as the only practical alternative suppliers of the arms...

And finally, (c) if the Western perceptions did not necessarily equate "nonalignment" and "nationalism" or "self-determination" with Communism, cooperation might have been possible. One of the best possible summaries is provided by J. C. Hurewitz (1956:46). He states:

When the historians of the future come to write the history of our times, they may well select the crucial period from July to September 1955, as matching the turning point in the evolution of the Cold War.

Thus, as Dawisha (1976:12) remarks, the Czech's arms deal "in the Arab eyes further endorsed Egypt's proclaimed independence from 'Western influence.'" This event contributed to the enhancement of Egypt and Nasser's prestige in the Arab World. Politically, conscious Arabs saw in the arms deal "an elimination of the Western arms monopoly and an emphatic assertion of Arab independence" (Dawisha, 1972:13).

Gamal Abdel Nasser's Relations With the United Kingdom

In Gamal Abdel Nasser's beliefs, the Egyptian "revolution" was carried out in order to liberate Egyptians from (1) the "illegitimate" and "tyrannical" rule of King Farouk, and (2) Britain's domination. In his beliefs, Egypt was going through:

...two revolutions, not only one revolution. Every people on earth goes through two revolutions: a political revolution by which it wrests the right to govern itself from the hand of tyranny, or from the army stationed its soil against its will... (Nasser, 1955:39).
The "revolution," therefore,

...obliges us to unite in one phalanx and
to forget the past, and on the other hand,
and another revolution which demands that
we restore lost dignity to our moral values
by not forgetting the past (Nasser, 1955:44).

Thus, from the moment Gamal Abdel Nasser assumed power, his relationship
with Britain was, to say the least, discordant. For example, Nasser
(1955:65) recalls:

Once I tried to find out the meaning of a
chant which I had so often shouted in my
childhood whenever I saw an airplane in
the sky: "O, Almighty God, may disaster
take the English..." Later, I came to know
that phrase had come down to us from the
days of the Mamelukes. Our forebears of
that day had not used it against the English,
but they used a similar one against the Turk...
My use of it was but an adaptation of an old
form to express a new feeling. The under­
lying constant continued the same, never
changing. Only the name of the oppressor
was different.

Thus, Gamal Abdel Nasser's relations with Anthony Eden was, as noted
above, discordant. Anthony Eden met Nasser only once. In their first
meeting on February 26, 1955, Eden inquired from Nasser about his
position on the proposed Baghdad Pact. Nasser explained, as he had
done with Dulles, that "he could not enter any defense pact with the
big powers." To which Eden replied: "I am acquainted with all those
arguments" (in Haykal, 1973:74). But Eden wanted to know if he, Nasser,
was against the military alliance, why "impose his thinking on the rest
of the Arab countries?" Nasser replied:

We are not imposing our thinking on them. We
are merely explaining our point of view, and
the support we are getting comes from the fact
that our point of view corresponds with what
Eden thought that Nasser was not only "debatable," but "deja vu." He maintained, paternalistically, that "Britain was in a better position to know the real feelings of the Arab people, and he knew that the people wanted to defend themselves against Communism" (Haykal, 1973:75). Nasser repeated the same argument he had used with Dulles to the effect that the proper defense of Egypt against communism had to come from within the country and not from pacts concluded outside and aimed against the Soviet Union.

Nutting (1972:74) argues that:

As he (Nasser) told me in our talks after we had signed the 1954 treaty, the soldier in him said that such cooperation made excellent sense; but so soon after the struggle with Neguib, he had not achieved a sufficiently strong standing with the people suddenly to reverse the policy of strict neutrality which had been initiated by the Wafd at the end of the Farouk era. He must, therefore, first consolidate his political position and strengthened the Egyptian army with modern weapons. But here again, he looked to Britain as well as the United States, as he showed by the 'shopping list' of arms which he asked me to take home with me.

Nutting (1972:75) maintains that "he (Nasser) genuinely hoped, as he himself put it, that 'another page' in Anglo-Egyptian relations would henceforth be written and that...'a new era of firm friendship and mutual understanding' would begin."

The ascendancy of Eden to the premiership on April 6, 1955, prompted Nasser to set up a committee to study the impact Eden would have on the Anglo-Egyptian relations, as well as with the rest of the Arab countries.
The committee's report suggested that "Egypt was going to have a rough time with Eden and that, therefore, with the new Prime Minister taking such a great interest in the Middle East, it could be advantageous if better relations would be established with Britain" (Haykal, 1973:78).

Nuri of Iraq acquiescence to the Western Alliance added fuel to the "Voice of the Arabs." In its broadcast soon after the Anglo-Egyptian treaty, it called for Arabs everywhere to follow Egypt's example. It proclaimed that:

> Egypt achieved this in only two years. Listen to her when she says there can be no alliance except with the Arabs -- You brother, with the bowed head in Iraq, brother on the outskirts of Palestine, in Jordan and in North Africa, you must remember the past two years... You will then raise you head in pride and dignity. Iraq...will be liberated by the liberation of Egypt. The imperialists will be driven to work for your friendship... Raise your head now, my brother, for victory has been won for you by your Egyptian Arabs (Voice of the Arabs, 1954).

Despite the call to "Arab unity," and the Cairo Conference to try to persuade Iraq's Nuri, on February 24, Iraq and Turkey signed the formal treaty which came to be known as the Baghdad Pact. Britain joined the pact in April followed by Pakistan and Iran later in the year.

Most analysts concur that the Baghdad Pact was "the single most important variable in regional power politics which served to change the entire configuration of forces in the region, thus giving rise to new power alignments and constellations" (Dawisha, 1976:11). This change compelled Nasser to fully enter, participate in, and eventually dominate the Arab Middle East politics.
To counteract the Iraqi-Turkish Treaty, in early March Nasser formed an alliance with Syria and was endorsed by Saudi Arabia and the Yemen. Nasser declared that the alliance was to be the beginning of a wider integration of the Arab World (Vatikiotis, 1962:336). These moves were cemented later in the year when, in the name of "Pan-Arabism," Nasser concluded the Egyptian-Syrian Mutual Defense Pact, which a week later on October 27, was followed by another pact with Saudi Arabia and later joined by the Yemen. Dawisha (1976:12) notes that:

In a sense, these alliances were Egypt's practical answer to Nuri's proclamation that the Arab countries had no other alternative but to rely on the West for their security. These pacts may not have had much military significance, however, their importance lay in their psychological effect on the Arab population by their exhibition of the seeming independence of the Arab states.

The Soviet Union Entry in Egypt

Most scholars on Egypt trace the Soviet Union entry in Egypt to the failure of Britain, France and the United States to provide arms to Egypt, and to finance the Aswan High Dam. The Egyptian-Soviet arms deal also opened the way for the Soviet's further involvement in the Aswan High Dam project.

Indeed, this was a remarkable offer by any standard. Rather than increasing the Soviet influence in the Arab world, it increased Nasser and Egypt's prestige in the region. But, as Nutting (1972:102) notes, Nasser's response was one of caution. "He did not, therefore, need to be told that Moscow's sudden conversion was dictated by opportunism rather than altruism. Nor was he short of advice from his RCC
colleagues to beware of mortgaging Egypt's cotton crop to the Russians who, if it suited them, could use their position as Egypt's virtually sole patron to put pressure on her in the same way as the British had done in the past" (Nutting, 1972:103). Haykal (1973), for example, has also noted that President Tito of Yugoslavia warned Nasser to consider the long-range ramifications in dealing with the Soviet Union on arms and in accepting Soviet assistance for the construction of the Aswan Dam. Tito remarked, for example, that in the long run, the repayment in interest would be higher and with less physical presence of technicians with the West than with the Soviet Union. However, as we have noted in Chapter 11, that both Britain and the United States forfeited on the supply of arms and in the financial assistance for the Aswan High Dam. It is true that Nasser preferred to deal with Britain and the United States. Thus, Nasser's first reaction to Moscow's offer was "to inform the American and British Ambassadors and to warn them that if he could not get the arms he wanted from the West, he would have to accept the Russian proposal" (Nutting, 1972:103).

The enthusiasm over the arms deal by the Arabs was such that it even compelled the pro-Western Nuri al-Said "to pledge his own support of the deal" (Dawisha, 1973:13). But, as Dawisha (1976:13) notes, "the power configuration in the Arab Middle East had become polarized into the pro-Nasser and the anti-Nasser camps. In fact, diplomatic communication had been nearly severed since the creation of the Baghdad Pact, which led to the emergence of propaganda as the major instrument of Egypt's foreign policy in the Arab World." Nasser then used the radio to impose, through pressure or the manipulation of public opinion,
considerable constraints on the governments as well as leaders of other Arab countries. To this end, Gremeans (1963:145) argues that:

Nasser's outpouring of propaganda...and particularly his emphasis upon Pan-Arabism and the importance of Arab solidarity against 'imperialism' and Israel, soon began to effect Arab public opinion, undermining any inclination the Arab leaders in other states might have had to support Iraq.

The above argument is well-illustrated by Jordan's ultimate decision not to join the Baghdad Pact. Another effect of Nasser's diplomacy in the Arab world could be illustrated by reference to the Templer incident. It is important to note that when Gerald Templer, Britain's Chief of Staff, arrived in Amman in December 1955, to discuss Baghdad membership, Egypt unleashed a violent propaganda campaign against the Templer mission and "the country witnessed throughout his visit a wave of strikes, demonstrations and riots which were instrumental in bringing two governments down" (Dawisha, 1976:14). As a result, both Jordan and Lebanon postponed indefinitely joining the Baghdad Pact. Syria, Saudi Arabia and the Yemen were allies, the pro-Western Lebanon and Jordan refused to join the Western sponsored Baghdad Pact, and ironically, Iraq was successfully isolated. In short, the Templer mission failed.

Toward the end of 1955 then, Egypt and Nasser "moved from the periphery to the core of the Middle Eastern international system and as such had become the focus not only of the Arab political situation, but also and perhaps more importantly, of its major ideological manifestation, the 'Arab nationalist movement'" (Dawisha, 1976:14). For the first time in Egypt's history, the first article of the 1954 Egypt's [Nasser's] Constitution declared that "Egypt is a sovereign independent Arab..."
state...and the Egyptian people are an integral part of the Arab nation" (emphasis my own) (Dawisha, 1976:14).

It is interesting to note, however, that Egyptian leaders -- Nasser -- perceived themselves as Egyptian first and Arab second. In contrast to other Arab countries, "the Egyptians' spiritual links are with their own past and their own cultural heritage; links that are so powerful that they have given Egypt a measure of independence from accepted Arab norms of political behavior. It could even be said that an Egyptian identity has far deeper roots in the psyche of the Egyptian mass than an Arab identity" (Dawisha, 1976:46). For example, Gamal Abdel Nasser, "who for the entire generation of the Arab epitomized the moving spirit of Arab nations," once told a Syrian delegation with astonishing frankness that:

The national feeling in Syria has been clear for a long time. In Syria when an infant is born he utters the words, Arab nationalism and Arab unity... Here in Egypt, the feeling emerged only in 1955 or 1956 (Nasser, in Dawisha, 1976:46-7).

Because of Egypt's strategic location and its position in the Arab world and in the African Continent of which it is a part, Gamal Abdel Nasser believed that "destiny had bestowed upon Egypt" the role of enlightening the emerging countries in Africa, protecting, and leading the Arab countries in the perceived struggle against "imperialists."

The Nationalization of the Suez Canal

The nationalization of the Suez Canal Company was Nasser's defiant response to (1) the perceived continuation of "Western influence" in Egypt, (2) as he put it, it was a defiance to the West's attempt "to
punish Egypt" for not cooperating with the Western sponsored military alliance, and (3) his determination to construct the Aswan High Dam at any cost.

Most scholars on the Middle East and Egypt in particular concur that Nasser's calculations of Britain's response were correct (Love, 1969; Nutting, 1972). He estimated that though Eden was itching to use force against him, "Britain's armed strength was so spread about the world that it would take at least two months to mobilize and organize the necessary expedition. He also assumed that "in an election year, the Anthony Eden Government would be extremely loath to take part in any military action to restore the status quo on the Canal" (Nutting, 1972:147). Nasser, however, was incorrect in his estimation of France's reaction. "For he failed completely to foresee that coming on top of the Algerian rebellion, the nationalization of a company in which France held the major shareholding was bound to make Mollet no less keen than Eden to seek a military showdown with Egypt" (Nutting, 1972:147).

On their parts, Britain and France assumed that once Egypt is attacked, the Egyptians will rise en masse against Nasser. Thus, Britain first reacted by blocking the "undrawn residue" of the Egyptian sterling balance amounting to L 130 million, and by reimposing the embargo on arms sales to Egypt and by taking steps to protect the funds held by the Canal Company in London from seizure by the Nasser regime (Nutting, 1972:148-149).^1

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Apart from mobilizing Britain's armed forces from England to bases in Cyprus and Malta, "black" radio broadcast emanating from Cyprus, Aden, Turkey, Iraq and France commenced a campaign aimed at inciting Egyptian people to rise against Nasser. The invasion began with Israel's attack of Sinai on October 29, 1956. The primary objective of the Britain and France invasion was to topple Nasser and restore the international character of the Canal. On November 5, 1956, Britain and French paratroopers were dropped on Port Said (Dawisha, 1976). Instead of the Egyptian people rising against Nasser when the first bomb was dropped in Cairo, they rose in support of Nasser and offered a disorganized resistance to the invaders. In the process, Egypt lost part of its army and air force. Nutting (1972:170) remarked, for example, that:

For all the Russian arms shipments, the Egyptian regular forces were...unprepared to fight a war. Of the 200 new Russian tanks, only about fifty were as yet in service. Of the 100 MIG fighters, only some thirty were operational and of the fifty Ilyushin bombers, only twelve. Most of the pilots and tank crews who were to man these new weapons were still learning how to handle them in training schools in Russia. The new Egyptian air force was, therefore, a sitting target for the British Canberra and of the thirty Ilyushins which managed to escape to Luxor in Upper Egypt, only twelve survived to fly on to safety in Saudi Arabia, the other eighteen being hunted down and destroyed by further British bombing attacks in Upper Egypt.

The Soviet Union, on its part, was not prepared to help Nasser against Britain, France and Israel. Just when Nasser was assessing the damage to his Russian air force, he received a message from Krushchev, in which he bluntly stated that Russia "would not risk getting involved in a third war for the sake of the Suez Canal" (in Nutting, 1972:170).
"If there had to be such a war, the Russians would choose a more appropriate time and place" (in Nutting, 1972:170). Instead, Krushchev advised Nasser "to make her peace as soon as possible" with Britain and France. It is not, however, clear whether Nasser actually expected some form of assistance from the Soviet Union. However, the Soviet Union, together with the United States, was instrumental in calling for a cease-fire in the United Nations. Nevertheless, the message was disturbing to Nasser that he promptly put the telegram in his private safe. This message informed Nasser that the Soviet Union was not, despite her friendship with developing countries, prepared to risk war with Britain, France and the United States over the Middle East.  

Gamal Abdel Nasser's Relations with the Third World

In the course of our assessment of Gamal Abdel Nasser's foreign policy in the global and/or the Third World, it became evident that most, if not all, of his efforts concentrated in the Arab Middle East politics. This is not to deny, however, that he, along with Tito of Yugoslavia and Nheru of India, formed the cornerstone of, and actively pursued the policy of "nonalignment." It is also true that Gamal Abdel Nasser actively supported the aspirations of nationalist movements in Africa in

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2 It is interesting to note that in 1960, when an argument developed, the Syrian members of the combined Cabinet of the UAR who were advocating immediate attack on Israel, Nasser cautioned that such an attack would bring the West on the side of Israel. However, when the Syrians contended that the Soviet Union would come to the aid of the Arabs, Nasser produced Krushchev's telegram from his safe as proof that the Soviet Union would not come on the side of the Arab.
their quest for independence. This is clearly pronounced in his own statement to the effect that:

Today, when we meet as two African countries representing free Africa, we look to the future so that Africa may attain this strong independent personality.

We look forward to the day when this personality will be one of the factors for peace in the world, a factor for peaceful coexistence in the world, and a factor for prosperity in the world (Nasser, 1962:7).

But, on the whole, the political climate in the Arab Middle East consumed most of his efforts and energies.

It should be emphasized that although Gamal Abdel Nasser called for "Arab unity" and "Arab solidarity," or simply cooperation among Arab countries, in his beliefs, Egypt, thus Nasser, was to be the leader. These beliefs in establishing the primacy of Egypt in the Arab significantly affected his abilities to transform Egypt.

Gamal Abdel Nasser believed in the cooperation of and among developing countries. These beliefs, for example, are expressed in his speech on the Seventh Anniversary of the July 23 Revolution\(^3\) to the effect that:

We also declare that by throwing in our lot with the people of Asia and Africa, we were striving to strengthen the independence of all countries which had won their freedom by their own struggle after World War II and that we were supporting every independent movement (Nasser, 1962:9).

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\(^3\)The speech was delivered on July 22, 1959.
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3 The speech was delivered on July 22, 1959.
As in the Arab Middle East, Nasser believed that one way for countries in the Third World to maintain their independence is through cooperation among Third World countries, and adherence to the concept of nonalignment in principles and in fact. Furthermore, as we noted in the introduction to this chapter, Gamal Abdel Nasser believed that "positive neutrality and nonalignment are the policies that will enable" Third World countries "to preserve our independence and to be free and unbound by any foreign policy, free to adopt which aims at laying the foundation of world peace and coexistence in the world" (Nasser, 1962:7).

It could further be inferred that Gamal Abdel Nasser's beliefs about cooperation among developing countries transcends cooperation between Arab countries, and inclusive in these beliefs, are cooperation among Third World countries as a whole. But what is rather interesting is that Gamal Abdel Nasser fails to make references to Latin American countries.

We have suggested at the commencement of this section that Gamal Abdel Nasser's efforts in the global system was concentrated in the Arab Middle East. For this reason, we propose to look further into the manifestations of Gamal Abdel Nasser's beliefs about cooperation among developing countries in the context of Arab Middle East politics.

Two significant developments contributed to enhance Gamal Abdel Nasser's prestige in the Arab Middle East. First was the successful arms deal with Czechoslovakia. And second, victory over the invading forces of Britain, France and Israel. Love (1969), for example, remarked that the Suez Canal, in fact, gave Gamal Abdel Nasser "almost unlimited credit in his own country and throughout the Arab World." And Dawisha
(1976:15) adds that the victory "bestowed upon him [Nasser] the aura of a hero who dared to defy the might of the tripartite powers and win."

These developments significantly affected the perceptions of other Arab leaders towards Nasser and Egypt. One by one the Arab leaders condemned Britain, France, and Israel's invasion of Egypt. So overwhelming was the support that the pro-British Iraqi government was compelled through pressure of public opinion to condemn the Anglo-French invasion as a "flagrant collusion with Israel. Consequently, Iraq refused to sit with Britain in a Baghdad Pact meeting. This was followed by the severing of diplomatic relations with France. Syria and Saudi Arabia broke diplomatic relations with both countries, and finally, the Jordanian Arab Legion seized some of the British army stores in Amman. As Dawisha (1976:16) remarks, "at the end of a crisis designed to affect his demise from the Arab political scene, Nasser emerged as the prime manipulator of Arab politics."

As an example of Gamal Abdel Nasser's beliefs about cooperation among developing countries and in the formation of a bloc of developing countries, Jordan, on October 21, 1956, elected a nationalist government headed by Suleiman Nabulsi, and joined Egypt and Syria in the formation of a military alliance which placed Jordanian and Syrian forces under an Egyptian Commander-in-Chief. Then, in January 1957, the "Treaty of Arab Solidarity" was concluded between Egypt, Syria, Saudi Arabia, and Jordan for a ten-year period (Dawisha, 1976:16). Owing to Nasser's popularity in the Arab world, Dawisha (1976:16) further notes that:

In order to make this leading role credible, an Arab orientation began to replace the domestically oriented policies of the
pre-1955 period. This new orientation was gradually utilized as the paramount reason for explaining actions of, and decisions taken by, the Egyptian leadership. Even the coup of 1952 was now being explained in terms of Arab nationalism.

Albeit, the full emergence of "Arab nationalism" to Nasser's policies and constant use of radio propaganda in appealing to the Arab people's sentiments over the heads of their governments eventually forced the hands of his allies who had become suspicious of his popularity and of his revolutionary use of the concept of "Arab nationalism" might do to their own positions in their own respective countries. Indeed, what seems to have precipitated the break was the sustained "American initiative, epitomized by the Eisenhower Doctrine announced in January 1957, which pledged American assistance including the dispatch of armed forces to nations requesting American help 'against overt armed aggression from any nation controlled by international communism'" (Dawisha, 1976:16 and Zinner, 1958:201).

For example, in that same month, Saud of Saudi Arabia visited Washington. According to Childers (1962:313), the visit was arranged by ARAMCO in the hope that Saud would be made into "the rallying figure-head for anti-Nasser and anti-neutralist forces." Consequently, upon his return to Saudi Arabia, Saud changed his pro-Nasser stance. This must be regarded as a vital coup for Washington. As Dawisha (1976:17) put it, "...it must be remembered that throughout the intra-Arab conflict over the Baghdad Pact, the debate over the Czech arms deal, and the crisis of Suez, Saudi Arabia was Egypt's staunchest ally." So much so, that "its Arab policy followed that of Egypt so closely that, according
to one observer, Saudi Arabia seemed to be 'on the way of becoming Egypt's most valuable colony.'"

Thus, during 1957, Saudi Arabia was gradually shifting its policies away from Nasser's line. This change became apparent when Saud sent troops to help Hussein (his old enemy) against the pro-Nasser Nabulsi, leading eventually to the March 5, 1958 disclosure by Nasser that Saud had attempted to assassinate him as a way to stop the union between Egypt and Syria.

Although the popular nationalist policies of Nabulsi were approved by King Hussein of Jordan, and both leaders were eulogized by Cairo as "the heroes of Arab nationalism," Hussein perceived Nabulsi's popularity as an indicator of Egypt's penetration and attempt to dominate Jordan. He, Hussein, therefore, dismissed Nabulsi on April 10 and subsequently requested military assistance from Iraq and Saudi Arabia. This was followed by massive disturbances and it was alleged that Hussein survived two military "coups" from Nabulsi's followers. Radio Cairo wasted no time to urge the rioters and accused the "imperialist forces" within the palace of attempting to ally Jordan with the Baghdad Pact. Hence, on April 23, Dulles, in his statements to the press, made a blunt invitation to Hussein to request for U.S. help. This was followed by King Hussein's accusation of Egypt at a press conference the next day of being behind the riots as well as the two abortive coups. As a result, martial law was declared, followed by a mass arrest of pro-Nabulsi elements. Washington buttressed these actions with military and economic aid at the tune of $70 million (Kirk, 1961:110-120). In retaliation, Nasser unleashed a propaganda campaign against Hussein. This violent
campaign eventually led to the severing of diplomatic relations with Egypt.

Thus, by the summer of 1957, Nasser had only one ally left: Syria. As Dawisha (1976:17) pointed out:

In six short months, he had witnessed the gradual disintegration of the alliance system he had built around him. Saudi Arabia no longer towed the Egyptian line; Jordan had severed her diplomatic relations with Egypt; the Lebanese Prime Minister, Camil le Chamoun, had publicly accepted the Eisenhower Doctrine; and Iraq was counteracting Cairo's propaganda with a corresponding propaganda campaign of her own. Thus, although Nasser was still the most influential Arab leader... (his popular image had, by the summer of 1957, been thoroughly eroded).

UNION WITH SYRIA: ATTEMPT AT INTEGRATION

In this subsection we will attempt to add additional perspectives to this attempt at international integration. It is, therefore, our contention that the Eisenhower Doctrine necessarily played a role in this process of international integration.

Three series of events were probably more plausible in attempting to explicate Nasser's attempt at regional integration. The first was Khalid al-Azm, Syria's Defense Minister's successful meeting in Moscow, where a major agreement for military and economic assistance was concluded in August 1957. Upon his return, he replaced the Syrian Chief of Staff with an officer of "perceived communist sympathies" (Dawisha, 1976:18). But in August of 1957, Turkey began massing troops on their southern borders, claiming that it was being menaced by Syria, "egged on by Russia" (Nutting, 1972:202). Concurrently, Iraq and Lebanon made
similar accusations against Syria. These reports convinced Washington of an impending Communist takeover. The Soviet Union, for their part, accused the Turks "of preparing the way for an American intervention in Syria" (In Nutting, 1976:203). Thus, on August 24, Loy Henderson, Deputy Under-Secretary of State for Administration, was dispatched to Anbara and Beirut to confer with allies and members of the Baghdad Pact. After discussing the situation with the leaders of Iraq, Jordan, Turkey and Lebanon, the emerging consensus was that "the present regime in Syria had to go, otherwise, the takeover by the Communists would soon be complete" (Eisenhower, in Dawisha, 1976:18). In September of that year, the Turkish troops moved along the Syrian borders and the Turkish government hinted that it may take action if the Communists came to power in Syria. Whereupon Moscow and Damascus let fly with renewed accusations that "the Western powers were plotting to subvert democratic government in Syria and to install a puppet regime." Eisenhower responded "with a warning that he would use whatever powers were necessary to protect" pro-Western governments in the Middle East (Nutting, 1976:203).

Tensions ensued. Nasser unleashed a barrage of propaganda against the United States and its "stooges" in the Arab World. In a manner similar to the Soviet Union and the Syrians, "it accused the Eisenhower administration of plotting against Syria and alleged that the United States was inciting Syria's neighbors against her in the hope that this would facilitate the invocation of the Eisenhower Doctrine" (Dawisha, 1976:18). As Dawisha (1976:18) further notes:

This propaganda was instrumental in increasing the hostility of many Arabs against American policy in the Middle East, which in turn,
exerted immense pressure on those Arab leaders sympathetic to the United States. Thus, far from increasing their capabilities, those leaders found that their identification with the Eisenhower Doctrine, by virtue of its extreme unpopularity with their public, was proving to be a substantial constraint on their actions.

It, thus, became clear during the first week of September that any interference in Syrian affairs by any Arab country would result in considerable unrest and domestic upheaval in that country. Consequently, those leaders who previously favored taking some kind of action against Syria began to disengage. The Jordanian Foreign Minister declared that his country had no intention of intervening in Syria's domestic affairs; Iraq's Premier announced "complete understanding with the Syrian President" (Seale, 1970:236); and King Saud sent not only a message to Eisenhower urging moderation towards Syria (Dawisha, 1976:18), but also quickly "assured both Cairo and Damascus that he would support Syria against any aggression" (Nutting, 1976:203). Furthermore, Crown Prince Feisal went in person to Beirut and Damascus "to patch things up between Chamoun and his Syrian neighbors, and to proclaim to the Syrian people on the spot his condemnation of Turkey's threat against their country" (Nutting, 1976:203).

This gesture received a warm welcome from the anxious Syrians who, in the previous weeks, had felt themselves hemmed in on all sides by hostile armies. This, however, was not so enthusiastically received in Cairo. In Nasser's beliefs or perceptions, "Saud's purpose was not so much to support the Syrians as to wrest the initiative in the Arab world from Egypt" (Nutting, 1976:204). To counterbalance Saudis' initiative,
in less than three weeks, Nasser dispatched Egyptian troops to the Syrian port of Latakia in a token of Egypt's determination to support Syria against the Turks and Americans. Nasser's gesture effectively under mined the Saudi's attempt to oust Egypt's influence in Syria. What was even more significant was that when Turkey shortly withdrew its troops from the Syrian's frontier, "it put paid to any remaining hopes for the acceptability of the Eisenhower Doctrine. "Taken though it might be, it served well enough to show that contrary to what Washington would have the Arabs believe, when their security was threatened, they could count on Egypt, and Russia to support them" (Nutting, 1972:204).

Moreover, what is germane is summarized by Nutting (1972:204) thusly:

"...For many Syrians there was more than just a sense of relief at the arrival of these Egyptian reinforcements which, in any case, would have hardly been sufficient in numbers or in fighting efficiency to withstand a Turkish invasion. For what mattered was what they represented, for more than what they might not do in the firing line. And what they represented was what an increasing number of Syrian army officers and politicians had come to regard as their country's best, if not only, salvation -- union with Nasser's Egypt.

Since the alliance was hammered out between Egypt and Syria in 1955, the pro-unionist forces inside Syria led by Khaled el-Azm, a prominent Syrian landowner, had been hoping for some closer link with Nasser as the new champion of Arab aspirations. When Khaled el-Azm became Syria's Foreign Minister after the fall of the pro-Iraqi, Fares el-Khoury went to Cairo to impress upon Nasser the need for union between their two countries. However, Nasser was very hesitant and the Egyptian
had not been at all willing to commit themselves to anything more than economic cooperation. More significantly, Khaled el-Azm "was not exactly the best choice for the mission..." A descendant of the Azm dynasty which had helped the Turks to govern Syria over many long unhappy years (Nutting, 1972:205). In Nasser's perceptions or beliefs (he immediately disliked el-Azm), Khaled el-Azm was "a fake socialist who was at heart the feudal lord" (Nutting, 1972:205). In all, el-Azm was the last Syrian leader with whom Nasser would have been able to deal with any feeling of confidence and trust.

Nevertheless, there were many Syrians who unlike Azm, genuinely felt the need of Nasser's personality and strength. Soon after the crisis subsided, the pro-unionist forces inside Syria embarked upon a concerted effort of campaigning for unity with Egypt. Not surprising, at the head of these forces was the pan-Arab Baath Party, which by 1957, had become a significantly important political force in Syria. Michael Aflg and Salah Bitar, the two intellectuals, and the politician, Akram Houram, dominated and commanded considerable support among the urban professional classes and intelligentsia. As Dawisha (1976:19) observed, "they had many sympathizers within the army ranks and they possessed a pivotal role in the Syrian Cabinet with the Ministries of Economic and Foreign Affairs."

The main theme of the Baath agitation was the call for unity of all Arab people. But as Stephens (1971:157) observed:

"the Baath perception of Arab Unity was different from that envisaged by Nasser. While Nasser sought the establishment of a common front among the Arab states in the face of perceived foreign interference, the Baath conceived of
unity as the urgently needed liberation of an already existing Arab Nation from political interference and pseudonational divisions imposed on it by foreign interest."

The above perceptual difference did not surface until after unity had taken place.

The ensuing negotiations on the union between Egypt and Syria, the logistical problems, the reactions of other Arab leaders to the union, and events leading to the demise of the union do not warrant discussion. In this subsection, our aim was merely to describe conditions which paved the way. It is doubtful whether any other attempt at regional integration would be contemplated or go behind contemplation by leaders of Southern countries. In the perspectives of this observer, any attempt at regional integration should be initiated by leaders in the periphery who are perceived as less threatening to the interests (however defined) of center countries. That is to say, an attempt at regional integration by any leader in Southern countries must necessarily have the blessings of center countries.

**Nasser and Yemen: A Prelude to Involvement**

Nasser's decision to enter the Yemen crisis in September 1962, would probably be explained, in part, as a reaction to perceived isolation of, and the perceived threat to the centrality of Egypt in the Arab world in the aftermath of the Syrian secession; and the growing "conservatism" in the Arab world. For example, Nasser attributed the Syrian secession to "reactionary" forces in Syria. A closer observation shows that most of the leaders of the Syrian army coup were generally (1) of "conservative background," and (2) in alliance with the civilian politicians
associated with the wealthy business class. This (second) group was against Nasser's socialist decrees of July 1961; and perceived these measures as threatening their privileged positions in Syria (i.e., in particular, the nationalization measures of June and July 1961. Nasser also believed that this group had penetrated the Egyptian "capitalists." Thus, internal assault on Egyptian "capitalists" was launched and resulted in the arrests and the sequestration of scores of Egyptian "capitalist" funds (see Chapter 11).

To add to Nasser's chagrin, the Iman Ahmad of the Yemen, who had rejoiced at Syria's secession, and who no longer needed an association with Nasser, broadcast a poem in which he ridiculed Nasser's socialism as incompatible with Islam. As Dawisha (1976:36) puts it, on his part, Nasser seized on the Iman's attacks on Egyptian socialism and in December 1961, retaliated by announcing Egypt's unilateral dissolution of the Federation of Arab States (Dawisha, 1976:36).

Thus, the beginning of the year 1962 coincided with Egypt's growing radicalism and/or militancy against "reactionary" forces in the Arab world. For example, Nasser broke diplomatic relations with Jordan, continuously attacked what he perceived as corrupt and backward social and political structure of Saudi Arabia, and even refused to recognize the new regime in Syria (Dawisha, 1976:35). As Dawisha (1976:35 further puts it, "this intransigence against 'reactionary' necessitated an ideological reappraisal of the nature and meaning of Arab unity." Thus, in a speech on February 22, 1962, Nasser reaffirmed his faith in Arab unity, which was an "irreversible process of nature." But "since reactionary monarchs and leaders acting for foreign interests persisted
in undermining and sabotaging this process, no actual unity could be achieved in the present situation" (Dawisha, 1976:36).

The Arab monarchs reacted bitterly to Nasser's renewed activism. Jordan's King Hussein and Saudi Arabia's King Saud intensified their own campaign against Nasser's socialism and went even further in undermining Egypt's centrality in the Arab world. For example, in concert with Iraq, Syria, Tunisia and Yemen demanded that Egypt should cease to be the permanent headquarters of the Arab League (Dawisha, 1976:36, Nutting, 1972). What we are in fact suggesting here is that the year 1962 witnessed a bitter interaction between Egypt and Saudi Arabia in which radio propaganda was most effectively utilized. The Saudi's went further by using the holy shrines of Mecca as an instrument of their foreign policy. For example, they demanded that "Egyptian pilgrims (to Mecca) pay in hard currency of which Egypt, as they well knew, was very short; and, they refused to accept the Kiswa (the cover for the holy Ka'abu) which Egypt had traditionally provided during the annual pilgrimages," arguing that it was poor in quality (Dawisha, 1976:37).

The military coup that took place in Sana' on September 26, 1962, and gave birth to the Yemen Republic was to place Egypt back on the center stage of Arab politics. The army officers immediately requested help from Nasser and he responded by committing the Egyptian army "to a war that was to last for five inconclusive years and which was to effect a severe strain on Egypt's structurally fragile economy" (Dawisha, 1976:38).
Nutting (1972:338) has for example observed:

Had Nasser been able to gain the quick and
decisive victory in Yemen that his advisers
had led him to expect, he might well have
been able to recover the leadership of the
Arab world for more than just a fleeting
moment.

Nasser himself was later to admit that the Yemen venture was "a mis-
calculation" (Nasser, 1968). In this context, Nasser and his associates
did not adequately assess the geographical, political, social and
military situation in Yemen. For example, the Yemen population was
divided between the urban Shafei plainsmen and the predominantly tribal
Zaidis who lived in the northern mountains and the Western deserts
(Dawisha, 1976:38). The tribal Zaidis were the more warlike of the two
and the new Imam clans (Imam Ahmad having died shortly after the coup)
enjoyed the allegiance of the Zaidis; and the mountain terrain the Zaidi
tribespeople inhabited made it extremely difficult for an enemy to
defeat them. In short, "it needed much more than the limited assistance
the Egyptians thought was adequate to defeat the Imam and his tribes"
(Dawisha, 1976:38).

It is also our beliefs that Nasser and the Egyptian leadership
grossly underestimated the extent of Saudi Arabia assistance, and the
military capability of the Imam's force. Perhaps Nasser's own suspicion
of the fact that King Saud would not remain out of the conflict was
confirmed by the defection of three Saudi pilots to Egypt with a plane
loaded with arms destined for Imam and his supporters. On September 30,
Nasser and his associates decided to dispatch trainers, military
advisers and equipment to aid the army officers. When it became apparent
that they had underestimated the military capability of the Imam forces, Nasser increased Egypt's involvement in the Yemen civil war. Dawisha (1976:38) contends, for example, that:

Within two months the number of Egyptian troops increased from 100 to an estimated 8,000; and soon became evident that the main brunt of the war would have to be borne by the Egyptian army. In 1963, the number of Egyptian troops in Yemen rose to 20,000; then it increased to 40,000 in 1964 and reached a staggering 70,000 in 1965.

It should, however, be noted that the Yemen was the first Arab country "in whose domestic affairs the Egyptian leadership had militarily intervened" (Dawisha, 1976:39). In explaining why Nasser quickly committed Egyptian forces in the Yemen civil war, Holden (1967:99) offers a plausible explanation. He states:

It was a foregone conclusion that he (Nasser) would agree to help them, not only because his agents and his propaganda had openly encouraged them beforehand, thereby morally committing Nasser to their cause, but also because he simply dare not leave them at the mercy of King Saud. To have done so would have betrayed the vague hopes of social justice that Nasser had aroused among the Arabs, and would have seriously diminished his stature as an Arab leader.

To conclude the above section, it could be argued that Gamal Abdel Nasser's beliefs in (1) nonalignment, and in (2) liberating, protecting, and leading the Arab world could best be discerned, we believe, from Egypt's defense expenditure between 1958 through 1970. Table 12.3 provides a comparative military expenditure of Iraq, Syria, and Jordan.
### TABLE 12.4
DEFENSE EXPENDITURE OF SELECTED ARAB COUNTRIES

1958-1970 (in $ million)

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<tbody>
<tr>
<td>Iraq</td>
<td>83.5</td>
<td>103.5</td>
<td>125.0</td>
<td>170.3</td>
<td>237.9</td>
<td>253.9</td>
<td>399.4</td>
</tr>
<tr>
<td>Syria</td>
<td>65.0*</td>
<td>66.5</td>
<td>73.0</td>
<td>91.1</td>
<td>82.6</td>
<td>101.3</td>
<td>161.4</td>
</tr>
<tr>
<td>Jordan</td>
<td>38.0</td>
<td>60.0</td>
<td>53.0</td>
<td>59.8</td>
<td>60.5</td>
<td>106.9</td>
<td>104.8</td>
</tr>
<tr>
<td>Total</td>
<td>186.5</td>
<td>230.0</td>
<td>251.0</td>
<td>321.2</td>
<td>381.0</td>
<td>462.1</td>
<td>665.6</td>
</tr>
<tr>
<td>Egypt</td>
<td>211.0</td>
<td>280.0</td>
<td>314.0</td>
<td>267.1</td>
<td>425.5</td>
<td>506.9</td>
<td>568.3</td>
</tr>
</tbody>
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*Estimated by Dawisha (1976:87)


Indeed, Egypt's higher expenditure on her defense affected the perceptions of other Arab countries who generally accepted Egypt military leadership in the Arab World. It should be emphasized here that:

until the disastrous defeat of June 1967, the Egyptian army was not perceived to have suffered any serious defeat. The 1956 encounter with the Israelis had been skillfully presented by the Egyptian propagandists as a triumph for Nasser's strategic thinking. They insistently argued that Israel would not have scored her successes loud... Nasser not ordered his troops to withdraw from Sinai in order to defend the mainland against the Anglo-French attack. It was generally accepted in the Arab Middle East that the 1956 'setback' was merely a tactical move to achieve the overall strategic objective of 'complete victory' over the tripartite attack. Later on, faced with a hostile environment and a mountainous terrain not conducive to conventional military warfare, the performance of the Egyptian army in Yemen was more than credible. Consequently, it was agreed that
any engagement with the Israeli armed forces would be practically suicidal if undertaken without Egypt's active participation. This high evaluation of the Egyptian armed forces acted as a positive reinforcement for the Egyptian decision-makers who made every effort to maintain the primacy of Egypt's military position in the area (Dawisha, 1976:88).

It is perhaps fitting at this junction to raise the question: What were the consequences of Gamal Abdel Nasser's beliefs or perceptions about (1) nonalignment, and (2) being the vanguard for the liberation, protection of the Arab Middle East, on Egypt's internal developmental strategies? This question is best answered by Gamal Abdel Nasser's own proud remarks to King Hussein to the effect that:

The power of the U.A.R. army has reached a stage which will satisfy the hopes of every Arab. If your majesty remembers that the U.A.R.'s defense budget at present amounts to $299 million, you will understand the sacrifices of the people of this republic. This fact underlines the determination of this people to undertake their responsibility towards the common enemy of the Arab nation (Nasser, quoted in Dawisha, 1976:88).

It could be argued that Nasser's beliefs and perceived role of Egypt to liberate, protect, defend and lead the Arab countries necessary sacrificed Egyptian internal development. As was noted in the preceding pages, the Yemen crisis came at the time when the "conservative" forces were gathering strength in the Arab world since Syria's secession from the Union. It is, thus, in this context, that one needs to view Nasser's perception that the defense of the Yemen constituted a defense of Egypt. Nasser (1962:260) rhetorically inquired:

Shall we keep quiet and watch while reactionism destroys the revolution in the Yemen, and after that reactionism would turn toward us and decide
to transfer the battle against socialism and progress and against the people of Cairo.

Prelude to the Six Days War

Following his ascendency into the Arab politics, four Saudi princes and seven air force pilots followed by the Jordanian air force Commander-in-Chief and two of his officers defected to Cairo (Dawisha, 1976:40). This was followed by two military coups in 1963 in Baghdad and Damascus. The new leaders in both countries sought some form of "tripartite" unity with Nasser's Egypt. Discussions which commenced on March 14 and despite Iraq and Syria's offer to Nasser to act as Chairman of the proposed federation, Nasser remained unconvinced. For one thing, suspicious of Syrians, remained the dominant obstacle to any constructive move towards unity. As a result, a hollow declaration was announced on April 17 proclaiming "a transitory period of two years of loose unity and close cooperation at the end of which a federal constitution would be promulgated and elections held" (Dawisha, 1976:42).

Immediately the differences between the parties began to surface. Between May and June, Syria methodically purged the pro-Nasser elements from the army and the political leadership of the country. It was followed by a move toward closer relations between Syria and Iraq. On July 18, a pro-Nasser coup was crushed and the twenty-seven plotters were executed. Thus, leading to the final break. In a speech on July 22, Nasser declared that Egypt was no longer "bound to the present fascist regime in Syria by any common aim (because the Syrian regime was) built on fraud and treachery, (was) non-unionist and non-socialist, (and because it was) secessionist, inhuman and immoral" (Nasser, 1963:}
In short, from that period, Egypt once again was involved in inter-Arab conflict conducted in a number of fronts.

**The June War and After**

On June 8, 1967, after four days of fighting, Egypt suffered a more crushing military defeat in modern history. Nasser admitted that after four days of fighting his armed forces -- the perceived "guardian of the Arab nation" -- had lost 10,000 men and 1,500 officers, in addition to the 5,000 men and 500 officers taken prisoner by the Israeli (Dawisha, 1976:50). Haykal (1967) attributed Israel's victory to:

Three fundamental and indisputable facts. Fact one is that we are facing an enemy in receipt of exceptional aid. Fact two is that this enemy has utilized the resources he received with exceptional skill. Fact three is that in tackling him with our own resources -- which were not inconsiderable -- we acted with exceptional ineptitude.

Accepting the responsibility for the defeat on June 9, 1967, in a moving television and radio message, Nasser "announced that he had resigned his official posts and that he had asked Zakariya Mohyddin to take over the presidency of the republic" (Dawisha, 1976:50). It is often stated by observers in Cairo at that time that the spontaneous emotional response of the people of Cairo immediately filled the streets in support of their fallen leader, demanding that he withdraw his resignation. Dawisha (1976:50) summarizes the Egyptian people's feelings towards Nasser thusly:

To most Egyptians it had become inconceivable that the country could function, let alone survive its present predicament, without the towering figure of 'al-Lais'. A decade of charismatic authority had established Nasser
as an intrinsic part of the social fabric of the country. He had come to be perceived as the embodiment of Egypt's national dignity, the symbol of its regional leadership, and the essence of its international prestige.

Thus, in the context of inter-Arab relations, the Arab leaders reached two important decisions. In the first decision, Saudi Arabia, Kuwait and Libya agreed to extend to Egypt annual grants of $280 million, and $100 million to Jordan "to compensate them for the loss of land and revenue as a result of the June war. Secondly, an agreement was reached between Nasser and King Faisal of Saudi Arabia to disengage from the Yemen conflict with the date for complete Egyptian evacuation set for December 1967" (Dawisha, 1976:53).

It is interesting to note that after the Khartoum Conference, Nasser readopted the objective of "Arab solidarity" within the Arab core of the Middle East. "Nasser no longer possessed the capability or the motivation to pursue a revolutionary policy in the Arab world. Massive domestic problems, preoccupation with Israel, and economic dependence on other Arab states necessarily relegated Egypt's revolutionary ambitions in the Arab world to a secondary role within the overall policy priorities. Nasser's major regional objectives became 'the eradication of the consequences of defeat,' and all activities, including intra-Arab activities were made completely dependent upon the achievement of this overriding objective" (Dawisha, 1976:53-54).
Part V

CHAPTER 13

CONCLUSION AND ASSESSMENT

In the preceding case studies, we have attempted to infer "a political leader's beliefs about the nature of politics and political conflict, his views regarding the extent to which historical development can be shaped, and his notions of correct strategies and tactics" (George, 1969:197). For the purpose of this study, leader's operational code is examined within the context of the issue area of development. Therefore, in this study, we set out to discern Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser's beliefs about development, and their beliefs about the correct strategies and tactics by which to develop or transform their respective societies. Developmental strategies and tactics (i.e., policies, types or patterns of development) are determined, we believe, by the beliefs of the authoritative decision-makers of the society. Our contention, in this study, is that developmental strategies and tactics impact on the leaders' foreign policies.

Thus, we wanted Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser's "answers" to the six (6) questions around which this study is organized. Seven (7) concepts (see Chapter 6) derived from the policy statements of the leaders relative to their definitions or beliefs about development are: (1) Man; (2) humanist; (3) self-reliance; (4) social justice; (5) liberator; (6) freedom/independence; and (7) interdependence. As
was observed earlier, the concept of interdependence is our own. From these concepts, we attempted to infer leaders' beliefs in the types of policy decisions undertaken to respond to (a) the internal, and (b) the external environments. The question before us at this junction is: How successful are or were the leaders under examination in responding to their respective internal and external environments?

In attempting to assess the successes or failures of these leaders, we are reminded of Charles Anderson's (1967:4) remarks to the effect that:

Government, after all, has a finite quantity of resources at its disposal. Its capacity to affect change(s) cannot be greater than the resources available to the society of which it is a part.

Six questions around which this study is organized can now be outlined in assessing the successes and failures of the leaders in this study, in achieving their objectives and/or goals. In most cases, we have inferred these questions in the context of leader's operational code. That is, "leader's operational code is seen as setting the boundaries within which the leader will act" (M. Hermann, 1977:81).

In some cases, the questions were rephrased and placed within the context of the leader's operational code. It is hoped that in the process, we did not arbitrarily lose or change the meanings of the questions. It should also be pointed out that (1) the following questions are by no means intended to be exhaustive. On the contrary, they only suggest the possible ranges of questions which a given researcher could build upon in analyzing political leadership in the
Third World. And (2) the leaders' beliefs or definitions of development were examined first. It is our beliefs that the ways in which a leader defines or conceives the issue of development determines the patterns of development, or the types of policies that are initiated to respond to the perceived needs of the society.

Indeed, while the "answers" to questions that follow "will produce a picture of the leader's beliefs and perceptions, an assumption of enduring stability to these answers is unwarranted" (Johnson, 1977:85). Instead we suggest that both changes in the internal and/or the external environments, or changes in a country's relations with a particular center may precipitate changes in the beliefs of the leader; and thus, changes in the internal developmental strategies and in the foreign policy orientation of the leader (or country), e.g., Zhou Enlai and the Soviet Union, Zhou Enlai and the United States, Fidel Castro and the United States, and finally, Gamal Abdel Nasser and Britain, France, and the United States.

As Johnson (1977:89) remarks, "in place of a set of beliefs held steady and consistently in a unidimensional, stable amalgam of time and space," we would, in fact, "envision a more dynamic, multidimensional relationship. It may, in fact, be the case "that little change [took] place in a leader's code."

Thus, placing the leaders at the proper location along each of the continua is based on this observer's best judgement. We now turn to the comparison of Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser on the questions posed, and other issues dealt with in this study.
1. Beliefs about Development. In Chapters 3, 4, and 5, we presented Zhou Enlai, Fidel Castro and Gamal Abdel Nasser's beliefs about development. Figure 13.1 illustrates not only how leaders believed development to be, but also the future society they had in mind. As the figure indicates, and as outlined in the above chapters, all three leaders believed that the process of development entails the establishment of social justice. However, Zhou Enlai believed that to develop or transform a society, one should first "transform human motives," or as Roots (1978) puts it, "re motivate man" and "society." To Zhou Enlai, development cannot take place unless man is first developed. Neither Castro nor Nasser set the preconditions for transforming the society to the extent that Zhou Enlai and Mao Zedong have done. However, Bray and Harding (1974:638-39) note that when Fidel Castro made his dramatic declaration that he was a Marxist-Leninist:

> It was extraordinary that so many Cubans including revolutionaries with deep anti-Communist sentiments made the transition to socialism so easily. Many explained their own changeover to these writers in such terms as "before, we had no idea what communism was except that everyone said it was bad. Later, when we found out that what we had built was socialism, we knew it was good."

This, we believe, however, is the Cubans' acceptance of Fidel Castro's personal ideology. When Fidel Castro assumed power, we have maintained, he did not have a clear idea of what kind of society he wanted Cuba to become. However, on the beliefs about development, Fidel Castro has remarked that it is "doing what needs to be done" to respond to the (biological) needs of the people. In the process, then, Fidel Castro's
FIGURE 13.1
RANKING LEADERS' BELIEFS
ABOUT DEVELOPMENT

<table>
<thead>
<tr>
<th>Core Beliefs</th>
<th>Zhou Enlai</th>
<th>Fidel Castro</th>
<th>Gamal Abdel Nasser</th>
</tr>
</thead>
<tbody>
<tr>
<td>Man</td>
<td>X</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Self-Reliance</td>
<td>X</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Social Justice</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Core</td>
<td>Humanist</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Beliefs</td>
<td>Liberator</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Freedom/</td>
<td>Independence</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Future Society</td>
<td>Ideal</td>
<td>True</td>
<td>Arab Socialist Society</td>
</tr>
<tr>
<td></td>
<td>Chinese</td>
<td>Communist</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Communist</td>
<td>Society</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Society</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(X) denotes High, and (-) denotes Low

NOTE: All three leaders have been successful in establishing social justice. Nasser was successful with respect to the agrarian reforms and in achieving equitable distribution of income among the lower groups in Egypt. But as was observed in Chapter 11, the gap in income between the upper, middle, and lower classes remained (Waterbury, 1983). Dawisha (1976) believes that after the nationalization of 1961, an equitable distribution of income was achieved. (Thus, "social justice" was achieved.) Fidel Castro has made it clear that not everyone in Cuba will receive equal salaries. This is due to the amount of training, e.g., education and level of responsibilities. It is, therefore, China and Zhou Enlai that are credited by scholars of the South in achieving equitable distribution of income. Of the three leaders, Gamal Abdel Nasser ranks highest in freedom/independence and nonalignment.
beliefs changed, as we have inferred, to the establishment of social justice, during and after the Campaign for the Ten Million Tons of Sugar. Fidel Castro sought to develop Cubans and Cuba to an ideal Communist society.

Zhou Enlai/Mao believed that "man is the most precious thing. Of all the things in the world, people are the most precious. As long as there are people, every kind of miracle can be performed under the leadership of the Communist Party" (Mao Zedong, 1961:454). In explicating these beliefs, Eckstein (1981:34) notes that what is meant is that "man is potentially most precious, or more specifically, that man being maleable, he can be energized and committed and his potential mobilized provided that he is properly organized and indoctrinated by the Chinese Communist Party..." To develop an ideal Communist society, Zhou Enlai and Mao believed in developing an ideal communist man; that is, "his capacity for total self-denial" or self-abnegation (Eckstein, 1981:34).

The preoccupation of Zhou Enlai and Mao was to eradicate not only corruption, but to instill in the minds of the top leadership, the idea of "selfless" in order for them to be able to transmit it to the cadres, and they in turn, to transmit it in its "correct" or "pure" form to the masses (Roots, 1978). Deutscher (1966) points out that, unlike the Russians, Zhou Enlai, Mao and the Chinese leadership were able to experiment with their theories or beliefs of transforming human nature and test them out long before they came to power. We have, in fact, argued that leaders are cognizant of the resources and capabilities available to them when choosing alternatives, or initiating policies. Thus, Deutscher (1966:113) points out, as was observed in Chapter 4:
Although the material resources of the Chinese Revolution were so much poorer than those of the Russians...its moral resources were larger; and in revolution as in war the Napoleonic rule holds good that the moral factions are to the material as three is to one.

We, therefore infer, that Zhou Enlai believed that in order to develop and/or transform a society, human nature needed to be changed. Thus, among the kinds and types of qualities that were perceived, believed and expected as essential ingredients of an ideal Chinese Communist man were: (1) initiative and inventiveness, (2) his willingness to experiment, to innovate, and (3) to try out new things. All of these qualities in the beliefs of Zhou Enlai/Mao were imperative in order to realize the "vision of a powerful, industrial China that is beginning to catch up in terms of economic progress and growing material power with the Soviet Union and other countries of the West" (Eckstein, 1981:36).

To train, remotivate, organize and indoctrinate "man," an ideology or a world view -- Chinese Communist world view -- was believed important. Thus, the adoption of Marxist-Leninist and Maoist, giving it an authentically Chinese personality as an ideology.

In contrast to Fidel Castro and Gamal Nasser, to Zhou Enlai, a properly indoctrinated man had to be imbued with an ideology that conveys a sense of history which is organic, present-oriented, and placing current history in a much broader conceptual framework. Concurrently -- as we have observed in Chapter 7 -- because the ideology is present-oriented, it had the effect of linking cognitive and evaluative perceptions of a person's social condition, and thus, leading the people
to a "program of collective action for the maintenance, alteration, or transformation of society" (Seymour, 1976:42). In Zhou Enlai's beliefs, a properly indoctrinated person, imbued with certain values means, we will infer, ideology being internalized through a socialization process, "so that it becomes part of the matrix of attitudes and motivations underlying standards of behaviors" (Seymour, 1976:42). In the process then, ideology legitimizes certain types of behaviors and delegitimizes incongruent behaviors.

In contrast with Fidel Castro and Nasser, what makes Zhou Enlai successful in these areas is that when Zhou Enlai/Mao came to power they faced the tough struggle of pulling together the broken parts into unity, and in attempting to transform what was perceived as a backward society into a modern industrialized country they made use of the tools of ideology and organization (Schurmann, 1968:17). Thus, Zhou Enlai/Mao and the Communist Party "through a consistent yet changing ideology created a web of organization which covered the whole of the Chinese society and penetrated deep into its fabric" (Schurmann, 1968:18). Ideology then, is a "manner of thinking characteristic of a class or an individual" (Schurmann, 1968:18). In brief then, we will concur with Schurman (1968:20), characterization of the Chinese Communist Party's ideology as "one of the great organizational ideologies in the modern world."

In contrast to Gamal Abdel Nasser, socialism for Zhou Enlai/Mao is the road to development and industrialization. Wheelwright and McFarlane (1970:16), for example, note that for Zhou Enlai/Mao:
Socialism is not merely an engine of industrialization -- a means to an end; it is the end itself -- a society with high moral standards and a certain style of collective living. Much of contemporary Chinese development can be seen as an attempt to avoid the elite spirit that has characterized other communist regimes, and an attempt also to avoid the mediocrity of a centralized and bureaucratic power system. In a sense, China is trying to give an answer opposite to that of the Soviet Union, especially in the sphere of technological administration incentives and mass participation.

Fidel Castro, on the other hand, as was noted above, has defined development as "doing what needs to be done" to respond to the basic biological needs of the Cuban populace. "Humanist," then, in Fidel Castro's beliefs, was development. Together with the humanitarian beliefs, Fidel Castro also believed in social justice and in liberating the Cuban populace from want.

The agrarian reform for rural and seasonal farm workers, and other laws adopted to respond to the needs of urban workers, e.g., reducing rent, electricity, telephone, etc., were in part, we infer, to create an equitable distribution of resources, which we have interpreted to mean, social justice.

Concurrent with the other two leaders, the concept of liberation, in Fidel Castro's beliefs, we believe, also means liberating the Cuban populace from want, ignorance, and from political and economic oppressions. Fidel Castro has been successful, we infer, in establishing an honest government for the Cuban populace. This concept is also carried out in his external relations.

In contrast to Zhou Enlai, Castro's ideological commitment to Marxist-Leninist, as we have stated in Chapter 9, was more a necessity
rather than by conviction. After the economic boycott by the United States, Fidel Castro had to, we believe, realign himself and his country with the Soviet Union in order to secure (1) his revolutionary regime, and (2) needed resources (both human and nonhuman) to maximize his developmental objectives. Thus, adhering himself to Marxist-Leninist ideology was perceived as necessary. In time, however, socialism was perceived as the best approach in transforming the Cuban society (see for example, O'Connor, 1970).

Gamel Abdel Nasser conceived development in terms of social justice. What is important to note, however, is that Nasser does not provide a single "answer" or definition to development. In fact, we were not able to discern the concept of development in Nasser's pronouncements. In other words, Nasser does not use the term "development." Instead, what we are able to discern are references to (1) "social justice," (2) "scientific socialism," (3) "Arab socialism," and (4) what Kerr (1962), Dekmejian (1971), Hussein (1973), Waterbury (1976), and Binder (1979) have referred to as "etatism." However, the most recurring concept in Nasser's pronouncements is "Arab socialism." As in the case of Fidel Castro, Nasser found it necessary to base his personal ideology -- "Arab socialism" -- in historical context, which in turn, accorded the ideology of a "moral and humanistic character" (Dekmejian, 1971:133).

Both Fidel Castro and Gamal Abdel Nasser consistently explained the Agrarian Reforms and the subsequent nationalizations of private (domestic and foreign) enterprises on "moral and humanistic" grounds. As with Fidel Castro, "Arab socialism" ideology emerged after the
July 1961 nationalization of 75 companies in Egypt (and 74 in Syria) in addition to all banks and insurance companies. In Chapter 11, we maintained that in Nasser's beliefs, if the regime was to succeed in permeating the Egyptian populace with its "Arab socialism," the ideology needed, we believe, to be rooted in concrete sets of beliefs and experiences perennial to the vast majority of the Egyptian population, i.e., Islamic tradition.

In contradistinction to Zhou Enlai, Nasserism (as "Arab socialism" came to be termed), and Fidel Castro's "socialism" were not universal, but personal ideologies or world view. They were attempts at explicating policy decisions for the nationalization of private (both domestic and foreign) enterprises.

Similarly, as with Zhou Enlai and Fidel Castro, Gamal Abdel Nasser strongly believed in the liberation of the Egyptian populace from oppressive internal regime and foreign influences, intimidations, and humiliations. Thus, in Gamal Abdel Nasser's beliefs and perceptions, as with Zhou Enlai and Fidel Castro, agrarian reform measures were believed as necessary for equalizing income among rural peoples and/or for establishing "social justice." However, because of Nasser's preoccupation with regional (international) and global issues, internal development was subordinated to the pursuit of external policies. Our conclusion, therefore, is that the agrarian reform was the singular achievement of Nasser with respect to internal development (Vatikiotis, 1978).

2. Importance of Alignment with the East and West or Former Metropoles. Among the leaders able to maintain themselves and their
countries nonaligned are Tito of Yugoslavia, Zhou Enlai of the People's Republic of China, Nehru of India, and Nasser of Egypt. For most leaders in southern countries, safeguarding their countries' independence has been an important preoccupation. They are equally concerned about what they perceive as their countries' economic problems and need to obtain foreign assistance for their developmental objectives. Thus, the most perennial and painful dilemma: How to utilize foreign resources without compromising independence. "Should leaders permit the country to become dependent on foreign capital, or must independence be guarded even at the sacrifice of such resources" (Weinstein, 1976:20)?

Leaders' "answers" with respect to the above question should be viewed within the context of leaders' images of the opponents and allies. As early as 1924, Zhou Enlai conceived the Soviet Union as a "friend" or an ally and Britain, France, Germany, Japan, and the United States as "opponents" or enemies. This was due, in part, to the nature of politics and political conflicts in China, the region and the global systems. In a heated argument with a member of the Young Soldiers Association, Zhou Enlai argued that:

You've just returned from Russia yourself. You've talked with the revolutionary leaders in Russia and you know that they are our friends. Who among all the powers gave us guns and ammunitions? Only the Russians, and by the shipload... The British sent arms to the Cantonese merchants to fight us. The French, the Germans, and the Americans continued to extort our money, rights and investments through the Northern warlords... You of all people should know that the
international situation requires us to collaborate with Russia. Otherwise, our revolution would be doomed (Zhou in Hsu, 1969:48).

Politically and economically, as we have outlined in Chapters 7 and 8, Zhou Enlai/Mao were heavily dependent and aligned with the Soviet Union from the inception of the People's Republic of China. The geographic proximities of the People's Republic of China to the Soviet Union further buttressed this dependency relationship, but most importantly, Zhou Enlai was keenly aware of the fact that China was a developing society, and as such, needed both economic and military assistance from the Soviet Union. These factors are evident in (1) Sino-Soviet mutual assistance agreements, (2) Sino-Soviet friendship treaty, and (3) Sino-Soviet economic and technical assistance agreements. As we have further observed in Chapters 7 and 8, Zhou Enlai/Mao believed that what China needed was (1) security from attack by the United States and its allies as well as from the Soviet Union itself; thus, the Mutual Assistance Agreement. (2) Reliable source of manufactured goods and technology from an industrial country for its own development. And (3) political alignment in which Zhou Enlai perceived the People's Republic of China as an equal.

In the East-West confrontation, Zhou Enlai/Mao aligned with the Soviet Union. This is witnessed by Mao's speech to the effect that the "East wind prevails over the West wind." Zhou Enlai perceived the People's Republic of China as belonging to that community of socialist countries. Zhou Enlai moved from Western domination to alignment with and dependency on the Soviet Union and to an
independent position. It is virtually impossible, and in fact meaningless, to argue that Gamal Abdel Nasser was politically aligned with the Soviet Union. Economically, however, all three leaders sought assistance from the Soviet Union in varying amounts and degrees.

Our concern, of course, is first with Zhou Enlai. It seems clear from our analysis that Zhou Enlai is the only leader in this study who has been able to go from Western domination to a Soviet satellite and to an independent position. During and after the Sino-Soviet polemics, Zhou Enlai sought to (1) maintain China's independence from the Soviet Union, and in the process (2) reestablish China's legitimate status in the international (regional) and the global systems. Zhou Enlai, though accepting the Soviet aid, refused to join the COMECON on the grounds that it "perpetuated the vertical division of labor."

The Sino-Soviet polemics, in fact, demonstrated Zhou Enlai's dissatisfaction with the alliance. In Zhou Enlai's beliefs, the alliance failed to (1) support and/or foster China's national, international and global objectives. In fact, Zhou Enlai believed, we infer, that China's interests were being subordinated to the Soviet Union's interests. And (2), the alliance failed to support China's confrontation with India.

What seemed to inform Zhou Enlai that China could go it alone, was the steady decline in Sino-Soviet trade which shrunk to about one-fourth of the peak 1959. And "as more and more countries
relaxed their restrictions on trade with China, total trade with the free world recovered to its former absolute level by 1957. By 1963, the downward trend in foreign trade was reversed under the impact of domestic recovery. This reversal was accompanied by a gradual rise in trade with non-Communist world -- so much so that it reached record levels in 1962" (Eckstein, 1966:99). Increased trade with Western countries fits very well with Zhou Enlai's "modernization" plans in agriculture, defense, industry, and science and technology. In Zhou Enlai's beliefs, if China is to advance to the front rank of the world economy, China needs to "learn" from scientifically and technologically advanced countries of the West. This is best appreciated in the debate over self-reliance and the determination to overcome scientific and technological gaps.

Barnett (1981) has remarked, China's dependency or alignment with the Soviet Union resulted in the most comprehensive transfer of technology from the Soviet Union to a developing country. But perhaps, it was on security matters, we believe, that Zhou Enlai perceived the alliance or alignment as perpetuating asymmetrical relationship. Thus, the reaffirmation of self-reliance and, by implication, independence from the Soviet Union (see for example, Chapter 8).

Nowhere is Zhou Enlai's beliefs in self-reliance more pronounced than in internal development and during and after the Bandung Conference. In virtually every one of his remarks in Africa and Asia, Zhou Enlai maintained that the Afro-Asian countries should resist and oppose both Americans (and its allies) and the Russians' "imperialists." And finally, that Afro-Asian countries should follow the "self-reliant"
experiences of the Chinese people and above all, remain nonaligned.

In contrast to Zhou Enlai, Fidel Castro moved from alignment with the United States to alignment with the Soviet Union. The realignment or changing of centers, we infer, was not by choice, but by necessity for the survival of Fidel Castro's revolutionary regime. The United States' economic boycott and the severing of diplomatic relations deprived Fidel Castro of options. The alternative then was to align himself with the Soviet Union against what he perceived and believed as the "American imperialist" threat to his regime's promises of changes. The realignment with the Soviet Union was believed essential to (1) guarantee the survival of his revolutionary regime, and (2) maximize his developmental strategies. It was argued in Chapters 1, 6, 9, and 10 that all three leaders faced the dilemma faced by virtually all leaders in southern countries: economic and military dependency on new and former metropoles. Weinstein (1972:268) in his study of Indonesia's foreign policy has argued, for example, that:

...leaders are sharply aware that their country lacks the capacity to finance its own economic development. Few would claim that development can advance without foreign aid. Thus, it becomes a task of foreign policy to secure the funds for development from abroad.

For most southern countries' leaders, alignment with the former metropoles has meant maintaining favorable terms of trade and securing badly needed foreign military and economic aid to finance developmental strategies. By implication, however, this has meant following or acquiescing to the foreign policy objectives of the new or former centers. Fidel Castro was cognizant that (1) the survival of his
revolutionary regime, and (2) economic, political and social transformation of Cuba required realignment with the Soviet Union. Thus, to ensure that foreign economic, military, and technical assistance were forthcoming, Fidel Castro embraced Marxist-Leninist (Soviet) ideology, endorsed the Soviet Union's invasion of Czechoslovakia, and joined the COMECON, the Soviet's equivalent of the Marshall Plan.

Fidel Castro, as we have observed in Chapter 10, as early as 1961, made it clear that [he] Cuba does not intend to be a "docile pawn" in the power politics in the global system. This is clearly demonstrated in Chapter 10, that although Fidel Castro is heavily dependent -- economically and militarily -- on the Soviet Union, he has been a contender in the international and the global systems. In other words, dependency or alignment with the Soviet Union has not meant subordination of Fidel Castro's perceived role in the international and the global systems. In short, this dependency or realignment has greatly enhanced Fidel Castro's role and position in the global system. Will a serious rift between Moscow and Havana actually take place, as in the Sino-Soviet polemics? Will Fidel Castro seek out rapprochement with the United States and abandon the Soviet Union as an ally? Katz (1983: 88) maintains, and this student concurs, that:

Soviet economic and military assistance to Cuba is so great that Castro would be unlikely to give it up so easily. It is doubtful that Cuba could obtain from the West the same level of economic assistance on as favorable terms as it now receives from the U.S.S.R. In addition, Soviet military assistance to little Cuba allows it to play a relatively big role in international affairs; the United States is not likely to give Cuba the same level of
military assistance to allow it to continue playing this role. Finally, as Soviet-Cuban relations have been relatively smooth for some time, it does not appear that Castro has much incentive to break relations with the U.S.S.R. in exchange for friendship with the U.S.

Gamal Abdel Nasser, from the time he assumed power, was opposed to communism on religious and nationalistic grounds. It becomes quite apparent, from our observations in Chapter 12, that he opposed any collective security agreements with either the East and the West. On the contrary, he believed that the defense of the Arab world should be left up to the Arab countries themselves. Zhou Enlai/Mao believed that the Eastern bloc -- of which it was a part -- should collectively confront the West. Fidel Castro, as described in Chapter 10, believes that the Soviet Union should use its nuclear capabilities in the defense of "fraternal states" against the perceived American "imperialism." However, Gamal Abdel Nasser believed that the defense of "fraternal" Arab countries is the responsibility of the Arab countries and, by implication, the responsibility of Egypt and/or Nasser.

Nasser's beliefs about Egypt's role in the Arab world is best appreciated in the context of regional and global politics. During the first half of the 1950's, the superpowers, i.e., Soviet Union and the United States, were more concerned with their own problems. In other words, the ideological and strategic conflict between the two blocs during that period was directed more to the European and East Asian countries. Thus, keeping both superpowers away from the Middle East. Moreover, the United States had no reasons to be concerned with the Middle East by virtue of its allies' continued
presence in the region. But it was the United States' "irresolute
attempted involvement in Middle Eastern politics, such as the United
States' support for a Middle Eastern Defense Organization in 1951 which
drew an immediate verbal response from the Soviet Union, and the visit
by Secretary of State, Dulles, to the Middle East in 1953, direct and
active participation by the superpowers in Middle Eastern affairs began"
(Dawisha, 1976:70).

Nasser correctly perceived, we believe, the competitive nature of
the bipolar global system. He and the Egyptian leadership in 1955
commenced, as stated in Chapter 12, to advocate the policy of "positive
neutralism which upheld the necessity of avoiding regional alignments
with the great powers by manipulating the conflict between the two
blocs to the Arab's advantage" (Gremeans, 1963:144-45).

This policy posed a direct threat to the status quo interests of
Britain, France, and by implication, the United States, "especially as
the latter two had been instrumental in the establishment of the
recently announced Iraqi-Turkish pact in February 1955" (Dawisha, 1976:
71).

In Nasser's beliefs, the Iraqi-Turkish pact and/or the Middle
East defense alliance directed against the Soviet Union, if successful,
would isolate the "independently-minded" leaders of Egypt politically
and strategically from the region. Nasser then believed in nonalignment
with either the Eastern or the Western blocs, and by implication, non-
alignment with the former metropoles. His position, in terms of his
beliefs, was strict nationalism and nonalignment.
The Czechoslovakian arms deal of September 1955 "was the first direct threat to the hitherto monopolistic influence of the Western bloc in the Middle Eastern sub-system." Thus,

The United States' response was delayed until the Suez expedition convinced the United States' leaders that they could no longer depend on their bloc allies, Britain and France, to safeguard the region from the increasing Soviet influence. Consequently, in January 1957, the United States made her entry in Middle Eastern politics with the enunciation of the Eisenhower Doctrine, which pledged the assistance of the United States, including the dispatch of armed forces, to nations requesting American help against overt armed 'aggressions from any nation controlled by international communism' (Dawisha, 1976:72).

Egyptian leaders -- Nasser -- perceived themselves as Egyptian first and Arab second. In contrast to other Arab countries, "the Egyptians' spiritual links are with their own past and their own past and their own cultural heritage; links that are so powerful that they have given Egypt a measure of independence from accepted Arab norms of political behavior. It could even be said that an Egyptian "identity," as was observed in Chapter 12, "has far deeper roots in the psyche of the Egyptian mass than an Arab identity" (Dawisha, 1976:46).

However, Gamal Abdel Nasser's beliefs about the commonalities of his country's religions with the rest of the Arab world, its historical and strategic location in the Arab world, makes Egypt, in Gamal Abdel Nasser's beliefs, the legitimate protector and vanguard of the Arab world. It is this observer's belief that Nasser's [Egypt's] conceived role in the region conflicted with the aims of center countries, thus,
contributing to a perpetual state of hostilities between Nasser, Britain, France, and the United States.

3. and 3b. Beliefs About Private Investments, International Trade and Achievement of Developmental Objectives Through Participation in International and/or Global Systems as They Exist.

Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser's positions with respect to the above questions can be viewed in the context of the role of international trade in the socioeconomic development of Third World countries. International trade refers to:

A Nation's annual net trade surplus or deficit, based on the difference in the value of its total imports and exports. The balance of trade is to be distinguished from the balance of payments; and trade balance is only one part of the many debits and credits that comprise a nation's balance of payments (Plano, Greenberg, Olton, and Riggs, 1973:26).

From the perspective of this observer, Zhou Enlai, Fidel Castro and Gamal Abdel Nasser believed in (1) international trade, and (2) in achieving their developmental objectives through participation in the international and/or the global systems as they existed. Thus, question 4: Whether the leaders believe that they can, individually that is, change or alter the existing international (global) system or its parts can also be addressed here. With respect to this additional element, our judgement is that Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser believed that (1) singularly, they could not change or alter the existing international and/or global systems.
However, all three leaders believed that the sub-systems could be manipulated to maximize their perceived interests within the sub-systems. Moreover, as described in the introductions to Chapters 3, 4, 5 and 6, all three leaders believed that if they are to transform their respective societies, the global trade patterns needed to be changed and be made more equitable, and by implication, the existing asymmetrical patterns of interstate interaction in the global system (i.e., the New International Economic Order).

From the preceding chapters on internal development and external relations, we infer, that for developing countries such as the People's Republic of China, Cuba and Egypt, the quest for industrialization carries political implications which, in most cases, overshadows its economic rationale (Dawisha, 1976). One of the major constraints on Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser has been the inadequate industrialization of their respective countries, and their subsequent dependence on foreign or external capital. Cognizant of the importance of these constraints on their developmental objectives and policies, Zhou Enlai, Fidel Castro, and Gamal Abdel Nasser, as most leaders in southern countries, have placed heavy stress on industrialization to the extent that in some cases, if not most, it tended to acquire greater significance than its economic implications would warrant (Dawisha, 1976:84). In some cases, industrialization has become an end in itself "meant to symbolize," if nothing more, "the nation's ultimate independence from a colonial past" (Dawisha, 1976:84).

Indeed, as with Zhou Enlai and the great leap forward, Fidel Castro's attempts at industrialization, with Nasser, "industrialization
as a vital element of the 'modernization process,' became synonymous with the regime's prestige as it was perceived to enhance the country's status in the international' and the global systems (Dawisha, 1976:84). Consequently, Gamal Abdel Nasser's quest for industrialization was one of the major reasons which compelled him between 1958 and 1961 to nationalize virtually all financial institutions and heavy industry and, in effect, "to assume part ownership and direct control over external trade and large-scale corporate industry" (Dawisha, 1976:84). This was referred to in Chapter 11 as "etatism."

It should also be noted that Nasser first invited private investments into Egypt, as noted in Chapter 11, with lucrative offers. However, in Nasser's beliefs, the private investments or sectors (domestic and foreign) failed to contribute significantly to the industrialization of Egypt. It was Nasser's beliefs, we infer, that the "state" should be in charge or in the vanguard of industrializing the country; because it is the state and not the private sectors that has the interest of the country at heart. Private investors tend to invest in those areas which are believed to derive greater dividends from the investments. These areas or sectors may not necessarily coincide with the areas or sectors which are perceived or believed to be significant to the objectives of the leader of the country.

Dawisha (1976:64) maintains that the "real significance" of Nasser's nationalization measures could be discerned "on the three sectors of the GDP which have a crucial bearing on increasing government's capabilities, namely industry, finance, and transport and communication. For example, the "public sector's share of total output
increased from 11 percent in 1953 to 55 percent in 1962" (O'Brien, 1966:154). Nasser's emphasis on "rapid industrialization" is further evident when the provisions of the five-year plan spanning 1959-60 to 1964-5 are scrutinized. In this respect, the percentage of investment allocated to industry and its infrastructure amounted to half the total investment of the plan (O'Brien, 1966:154). Indeed, as we have observed in Chapter 11, "while agricultural income grew by only 17.8 percent during the plan years, industrial income increased by 50 percent."

It is clear that Nasser's objectives here, "and indeed in the entire nationalization program, were to increase its capabilities through achieving self-sufficiency, on the one hand, and increasing employment and affecting a more equitable distribution of wealth on the other" (Dawisha, 1976:84).

The question before us, however, is: Was Gamal Abdel Nasser successful with respect to his nationalization policies? The results have been mixed and the assessment of various scholars on Egypt have equally been mixed.

They have certainly achieved (1) a more equitable distribution of wealth among the population. (2) Employment increased by 22.2 percent during the plan years, real per capita income rose from $128 in 1956 to $171 in 1965, and (3) there has occurred a discernable improvement in free public service particularly in the areas of health and education. Consequently, (4) these measures contributed to the regime's capabilities by increasing its support among the mass public. However, in terms of economic growth and rapid industrialization, the results have not been so spectacular (Dawisha, 1976:85).

Based on our own observations and those of more qualified students of Egypt's political economy referred to throughout this study, we
could conclude that:

Although an observable improvement in industrial output and an increase in industrial diversity were achieved, the Egyptian (and by implication, Nasser's) economy and its industry remained vulnerable to external forces. This seeming failure of planning was probably the results of two main reasons. In the first place, the rapid increase in population tended to offset the benefits of economic growth. Secondly, the emphasis on rapid industrialization and Egypt's lack of basic raw materials inevitably led to a steep rise in imports, particularly of capital goods. This resulted in worsening the balance of payments situation, which had been already running at a deficit (Dawisha, 1976:85).

Thus, Nasser believed in private investment in so far as these investments contributed to enhance his resources -- industrialization objectives -- and capabilities.

A final point needs to be made here with respect to industrialization. All three leaders attempted to industrialize their respective societies. Zhou Enlai, after the failure of the Great Leap Forward, changed his strategies and the emphasis was placed on agriculture. Thus, China's medium industries were to serve agriculture. Fidel Castro also changed his strategies and placed agricultural production -- sugar -- at the center of Cuba's economy. These beliefs are manifested in his campaign for Ten Million Tons Sugar Harvest. Gamal Abdel Nasser's First Five-Year Industrial Plan results are -- as we have noted in Chapter II -- mixed. Ecological factors have not permitted Nasser to contemplate a full-scale agriculture policy. Egypt still imports its food.

Nasser also believed in achieving his developmental objectives through participation in the global system. In toto, Nasser and Castro
believed in international trade and participation in the international system. However, Zhou Enlai believed in international/global trade and, from the position of this observer, in achieving development through participation in the global system.

Gamal Abdel Nasser believed that regional conflicts should be left up to member countries in the region(s) to solve their own problems. Secondly, he believed that superpowers' conflicts should not be carried into the South. However, Nasser sought to exploit or manipulate the superpower conflicts to maximize his position within Egypt and within the Arab Middle East.

Indeed, like Zhou Enlai and Fidel Castro, Nasser believed that alone he could not change the existing configuration of power in the global system, however, he sought to change or alter and, in fact, dominated politics in the Middle East. Finally, he believed that he/Egypt should be the "vanguard" in the Arab Middle East, not the Eastern or the Western blocs.

Fidel Castro and Zhou Enlai also believed in achieving their developmental objectives through participation in the international and/or global systems as they exist (see Chapters 7, 8, 9 and 10). However, both leaders also sought to change "parts" of the global system to maximize their perceived roles. Zhou Enlai, as manifested in his beliefs in nonalignment, believed that if China was to regain its legitimate status in the global system as well as in its region, countries in the South as well as in his region have to behave independently of their former colonial powers.
Consequently, Zhou Enlai, Fidel Castro and Gamal Abdel Nasser do not profess the beliefs that alone they could change the global system. For example, Zhou Enlai was aligned with the Soviet Union. However, when it became evident that the Soviet Union was not prepared to risk nuclear warfare with the United States in order to foster China's national and global objectives, Zhou Enlai withdrew China from the alignment with the Soviet Union. Fidel Castro, on the other hand, cognizant of his country's lack of resources, has sought the assistance from the Soviet Union to buttress his beliefs in "liberation" with respect to Africa, Asia and Latin America. And to transform the country, Fidel Castro needed to realign himself with the Soviet Union in order to obtain needed resources to meet his internal and external objectives.

However, it is important to note that Fidel Castro called for a Latin American Common Market (Matthews, 1969). Matthews (1969) suggests that the Alliance for Progress was derived from Fidel Castro's call for a Latin American Common Market. Moreover, Fidel Castro, like Zhou Enlai and Gamal Abdel Nasser, nationalized all private investments. In other words, they perceived private investments as tantamount to perpetuating the privileged positions of the few; and, we might infer, it might have been perceived as a stumbling block to creating social justice.

5. Beliefs About Cooperation Among Developing Countries or Developing a Bloc of Developing Countries. As we have observed in the preceding pages, Zhou Enlai, Fidel Castro and Gamal Abdel Nasser called for a New International Economic Order. In
addition, all three leaders are members of the Organization of Raw Material Producing Countries. Finally, all three leaders believed in nonalignment.

What seems to be more pronounced in these leaders' beliefs, we infer, is the beliefs in a regional bloc. An economic bloc, by implication, in our view, entails political bloc. Fidel Castro, for example, has called for a Latin American Common Market, as we have suggested in the preceding pages. In response to his call, John F. Kennedy established Alliance for Progress which, in turn, barred Fidel Castro from participating. It could be inferred that in Fidel Castro's beliefs, a Latin American Common Market would give these countries economic as well as political leverage in the global system.

On the question of alignment, we inferred that Gamal Abdel Nasser, unlike Fidel Castro, strongly believed in nonalignment. These beliefs could also be inferred in the context of cooperation between and among African and Asian countries. He believed that Arab countries, given the commonalities of their Islamic beliefs and, to some extent, historical experiences, should cooperate economically, politically and militarily. Thus, to be nonaligned, in Gamal Abdel Nasser's beliefs, "will enable us [Afro-Asian countries] to preserve our [freedom] independence to be free and unbound by any foreign policy, free to adopt our policy which aims at laying the foundation of world peace" (Nasser, 1962:8).
Gamal Abdel Nasser's beliefs in cooperation among and between Afro-Asian countries are manifested in his strong articulation of and support for the Organization of African Unity, Arab unity, and Afro-Asian solidarity. Gamal Abdel Nasser (1962:4), for example, noted that "...our people believe in Arab unity, they also believe in Pan-African movement and an Afro-Asian solidarity... They also believe in a close spiritual bond that ties them to the Islamic world." Nowhere are Gamal Abdel Nasser's beliefs in cooperation more pronounced than in the Arab Middle East politics. He believed that if Arab countries are to affect changes in the global and/or international arenas, they have to practice the principles of nonalignment. Alignment with the Eastern or the Western blocs, Gamal Abdel Nasser believed, would subordinate the interests of Arab countries to those of Eastern or Western countries, and it [alignment with the East or West] would legitimize the perpetuation of neo-colonialism by other means. In Gamal Abdel Nasser's beliefs, therefore, to be free and independent is to be nonaligned.

It is suggested by students of the Arab Middle East that Gamal Abdel Nasser's call for Pan-Arabism was instrumental in the creation of the Organization of Arab Petroleum Producing Countries, and which later found its expression in the Organization of Petroleum Exporting Countries.

This question brings us at the core of the global economic and political structures. Felix Houphouët-Boigny, president of the Ivory Coast, is often quoted with his remarks to the effect that there is nothing that can be derived from cooperation with the "Third World" countries, "except sharing" of our "poverty." It became clear to this
student during my stay in Geneva, that there were two competing concepts in the global economic and political arena: "self-reliant" and "interdependence." The three leaders in this study have shown that indeed the global economic system is interdependent; although, nowhere is this concept articulated. That these leaders and countries are dependent on foreign capitals to finance their developmental objectives is a fact. From the perspective of this student, and by implications of the leaders in this study, the question is how to make the global economic system, in fact, interdependent?

Only Zhou Enlai, from the perspective of this observer, attempted to establish a bridge between these two competing concepts. In Zhou Enlai's beliefs, if China is to advance in the front ranks of the world economy, it needs to overcome the scientific and technological gaps in agriculture, industry, defense, science and technology. In other words, make "things foreign work for China" without losing China's independence and/or beliefs in "self-reliance." Zhou Enlai recognized that the world is "interdependent." And from where the developing countries found themselves the question is: How to transform a society without losing the value systems of the society? The chapters (7 and 8) on Zhou Enlai clearly show the depth of his beliefs. Again the question here is if China has to "learn" about the new discoveries in science and technology from the advanced countries of the East (U.S.S.R.) and the West (the United States and its allies) to scientifically and technologically transform (1) agriculture, (2) industry, (3) defense, (4) science and technology, where should China's priorities be? Our beliefs are that, given Zhou Enlai's beliefs in "man," the first area
would be agriculture. However, "imports" of new discoveries in science and technology means "financing" these imports.

The basis of our argument is that Zhou Enlai's beliefs about overcoming scientific and technological gaps with the East and the West do not necessarily mean overcoming the dilemma of dependence. But rather, it is one way of getting between the horns of the dilemma and/or of the two competing concepts articulated above. That is, "making things foreign work for China."

Gamal Abdel Nasser and Fidel Castro's trades are with the industrialized countries of the East and West. The values and amounts of trade between these leaders in the study and countries in the south are meaningless. For example, although Nasser was militarily dependent on the Soviet Union — as well as in his bid to construct the Aswan High Dam — a high proportion of his trade was with France, Britain, and the United States. Fidel Castro's trade is monopolized by the Soviet Union. Only Zhou Enlai found it necessary to diversify trade.

Indeed, the closest we have come to a genuine cooperation between southern countries is OPEC. For the first time in living memory, countries in the South brought a global economy to the verge of collapse. The effects are still being felt.

6. Conclusion. The leaders' Operation Code was employed here in the context of the issue-area of development. It was also employed to attempt to explicate the impact of internal developmental strategies on the foreign policy orientations of the three leaders under examination. In addition, we
believe that the model also explicates the positions of the leaders under examination relative to changes in beliefs during their tenure of office. The model contends that (1) leaders' beliefs about (2) the correct strategies and tactics by which to transform their respective societies, impact or determine (3) the foreign policy of the leaders and their respective societies.

The model fails to explicate or link Gamal Abdel Nasser's internal developmental strategies and tactics to his foreign policy orientation. It was pointed out in Chapters 11-12, that Gamal Abdel Nasser was more preoccupied with events in the external environments (e.g., regional and global), than to a systematic transformation of the socio-economic and political systems of Egypt. It has also been argued that external events came to determine the types of internal developmental strategies to be pursued in Egypt. Our conclusion, therefore, is that there were no discernable changes in the beliefs of Gamal Abdel Nasser during his tenure of office. He remained nonaligned to his death.

Zhou Enlai moved from complete dependence on the Soviet Union to the reaffirmation of "self-reliance" and/or to an independent position. These changes in Zhou Enlai's beliefs led him to seek rapprochement with the United States in order to reduce tensions and/or hostilities between the two countries. It is also possible, we believe, that given Zhou Enlai's beliefs in reducing the scientific and technological gap between China and the East (U.S.S.R.) and the West (the United States and its allies), that this change was necessary in order to obtain needed resources -- scientific and technological -- from the West for the internal transformation and/or development of the People's Republic of
China. For a relatively short period of time, Sino-Soviet relations were rather cool. However, relations between the Soviet Union and the People's Republic of China are based on different footing than they were in 1957.

Zhou Enlai also believed that leaders in the South should adopt the concept of "self-reliance" in their developmental strategies; and that they should resist "imperialists" (both American and Soviet Union) from interference in their internal and external policies. Though the rhetorics have changed, the substance of the beliefs has remained. It was also observed in the preceding pages that Zhou Enlai first perceived the United States and its allies as "enemies." However, it should be made clear that Zhou Enlai has consistently drawn a distinction between the government of the United States and the peoples of the United States whom he perceived as "friends." This can be attributed to his long association and friendship with some American people with whom he had come into contact. It is further interesting to note that in seeking rapprochement with the United States, Zhou Enlai chose the "people to people diplomacy." It could, therefore, be inferred that at the end Zhou Enlai changed his perceptions of the United States' government.

Fidel Castro, as has been observed, moved from his country's complete dependence on the United States to a dependence on a new center: the Soviet Union. We have referred to this as changing centers without altering the basic asymmetrical and/or vertical division of labor. This change, as we have observed was deemed necessary for the continual existence of Fidel Castro's revolutionary regime which was threatened by the United States. However, as was observed in the case
of Zhou Enlai, Fidel Castro sought twice to bring about rapprochement with the United States, and in recent years, with respect to El Salvador and Nicaragua, Fidel Castro has expressed his willingness to "discuss" the matters. However, his efforts have been rebuked on the grounds that "he is not serious. It could suggest that we do not know how serious Fidel Castro is until we sit and discuss the matters and/or the issues at hand.

In this study we have advanced seven (7) categories or concepts of development or transformation: (1) a "man" or people; (2) humanist; (3) social justice; (4) self-reliance; (5) liberator; (6) freedom/independence; and (7) interdependence. These concepts, derived and inferred from the pronouncements or speeches of leaders, are by no means exhaustive. These concepts are suggestive of the possible concepts that could be employed or expanded upon for future research in and among Third World students.

Thus, a better understanding of the needs of Third World leaders with respect to, or in relationship to their beliefs about the correct strategies and tactics for the transformation of their respective societies, we believe, is important if we are to avoid misunderstanding, conflicts, or war between countries, i.e., peoples.

Zhou Enlai's, Fidel Castro's and Gamal Abdel Nasser's beliefs about the internal, regional as well as the global environments seem to bear out the socio-economic and political matrix that man -- and countries -- react not to the objective reality of the world, but to their own images of that reality (or realities). It is, therefore, these leaders' perceptions of what the world is like that determine their responses to
the internal, regional and global situations, and provide a comprehen-
sive and unifying frame of reference for the conceptualization and
execution of internal and external policies during their tenure of
office (Ole Hosti, 1969, 1972; George, 1969; M. Hermann, 1972a, 1972b;

Similarly, leaders in the Third World, by implication, need to be
cognizant of the constraints inherent in the structures of policy making
decision processes in Northern (industrialized) countries.
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