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The Breakup of the Colonial Empires
and Its Implications for US Security

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SUMMARY

The growth of nationalism in colonial areas, which has already succeeded in breaking up a large part of the European colonial systems and in creating a series of new, nationalistic states in the Near and Far East, has major implications for US security, particularly in terms of possible world conflict with the USSR.¹ This shift of the dependent areas from the orbit of the colonial powers not only weakens the probable European allies of the US but deprives the US itself of assured access to vital bases and raw materials in these areas in event of war. Should the recently liberated and currently emergent states become oriented toward the USSR, US military and economic security would be seriously threatened.

World War II gave a tremendous impetus to the colonial independence movement. The UK withdrew from India-Pakistan and Burma, while the Dutch and French, exhausted by war, appear unable to suppress the Indonesian and Indochinese nationalists by force, or, despite any temporary compromise solutions, to be able to arrest their eventual achievement of genuine independence. Growing nationalism in French North Africa threatens French hegemony. While the colonial issue in most remaining dependencies is not yet acute, native nationalism in many of these areas too will exert increasing pressure for autonomy or independence.

This marked postwar development of the colonial independence movement has resulted from: (1) the release of bottled-up nationalist activities in the Far East as a result of Japan's defeat of the colonial powers in World War II and its encouragement of local nationalism in occupied areas; (2) the postwar military and economic weakness of the colonial powers, which has made them less able to resist nationalist demands and led them to grant concessions or even independence to their dependencies; (3) the increasing tendency of liberal-socialist elements in the colonial powers to favor voluntary liquidation of restive colonial possessions; (4) widespread support of colonial independence movements by a large group of recently liberated and other sympathetic states, particularly the USSR; and (5) creation of the United Nations, which has provided a forum for agitating the colonial issue and a mechanism for its liquidation.

Because of these factors, further disintegration of the remaining colonial empires appears inevitable. Belated concessions by the colonial powers, at least on the limited

Note: The information in this report is as of 9 August 1948.

The intelligence organizations of the Departments of State, Army, and the Navy have concurred in this report; the Air Intelligence Division, Air Intelligence Directorate, Department of the Air Force, had no comment.

¹ In this paper the term "colonial" is used in a broad sense to denote the relationships between the metropolitan powers and their dependent and semi-dependent areas, whether these be colonies, mandates, protectorates, or treaty relationships. Similarly the phrase "colonial issue" is meant to encompass all differences between the colonial powers and their dependent areas arising from the development of local nationalism.

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scale presently contemplated, do not meet the basic nationalist demand for independence and are unlikely to be more than temporarily effective, except in more backward areas. The colonial powers appear unwilling for the most part to recognize fully the force of nationalism in their remaining dependencies and to take the leadership in guiding these toward genuine independence or self-government.

As a result of the rapid breaking-up of the colonial systems, a new power situation is developing in the former colonial world. No longer can the Western Powers rely on large areas of Asia and Africa as assured sources of raw materials, markets, and military bases. In contrast to the ever closer integration of the Satellites into the Soviet system, there is an increasing fragmentation of the non-Soviet world. This process is already largely completed, with many of the most important colonial and semi-colonial areas, like India, Burma, the Arab states, and the Philippines already independent, and Indonesia and Indochina well on the road. These new states will be free to choose their future alignments, which will be largely conditioned by the attitudes of the Soviet and Western Power blocs toward the colonial issue and their economic demands.

The colonial independence movement, therefore, is no longer purely a domestic issue between the European colonial powers and their dependencies. It has been injected into the larger arena of world politics and has become an element in the broader problems of relations between Orient and Occident, between industrialized and "underdeveloped" nations, and between the Western Powers and the USSR. The newly independent and older nations of the Near and Far East strongly sympathize with the aspirations of still dependent areas, to which they are bound by racial and religious ties. These nations are further bound together in varying degree by two other issues which tend to set them off against the colonial powers and the US: namely, the growing economic nationalism of the "underdeveloped" areas and the underlying racial antagonism between white and native peoples. All intensely nationalistic, the Near and Far Eastern nations tend to unite in opposition to the Western European powers on the colonial issue and to US economic dominance. As a result there has been a tendency toward the formation in the UN and affiliated bodies of a so-called "colonial bloc," whose members have already brought colonial disputes into the UN and will likely take the lead in attempting in this manner to hasten the liberation of further colonial areas. The colonial issue and economic nationalism, therefore, will continue to be a source of friction between the colonial powers and the US on the one hand, and the states of the Near and Far East on the other. The gravest danger to the US is that friction engendered by these issues may drive the so-called colonial bloc into alignment with the USSR.

The USSR is effectively exploiting the colonial issue and the economic nationalism of the underdeveloped areas as a means of dividing the non-Soviet world, weakening the Western Powers, and gaining the good will of colonial and former colonial areas. Ever since World War I the USSR has sought to infiltrate the nationalist parties in dependent areas and, more recently, to play up the colonial issue and the so-called economic imperialism of the Western Powers in the UN. The poverty and underprivileged

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position of the population in these areas, their latent hostility toward the occupying powers—past or present—and the existence of leftist elements within them, make them peculiarly susceptible to Soviet penetration.

Consequently, the good will of the recently liberated and emergent independent nations becomes a vital factor in the future strategic position of the US in the Near and Far East. In addition, the restoration of the economic contribution of their colonies is important to the economic stability of the Western European powers, which the US is endeavoring to create. Short-sighted colonial policies, however, will in the long run cause the colonial powers to lose the very economic and strategic advantages in their dependencies which they are anxious to retain. Unless, therefore, the European colonial powers can be induced to recognize the necessity for satisfying the aspirations of their dependent areas and can devise formulae that will retain their good will as emergent or independent states, both these powers and the US will be placed at a serious disadvantage in the new power situation in the Near and the Far East. Moreover, unless the US itself adopts a more positive and sympathetic attitude toward the national aspirations of these areas and at least partially meets their demands for economic assistance, it will risk their becoming actively antagonistic toward the US.

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THE BREAK-UP OF THE COLONIAL EMPIRES AND ITS IMPLICATIONS FOR US SECURITY

1. DEVELOPMENT OF THE COLONIAL INDEPENDENCE MOVEMENT.

A major trend in the twentieth century world power situation is the development of a strong colonial independence movement which is in process of breaking up the colonial systems and creating a series of new, nationalistic states. The primary cause of the break-up of the European colonial empires is the growth of native nationalism in these areas, simultaneously with the decline in power and prestige of the colonial powers. This striking growth of local nationalism is primarily the result of: (a) the rising level of political, economic, and social development in dependent areas, with resultant growing sensitivity to inequality of treatment; (b) the short-sighted policies of the colonial powers, whose discriminatory treatment of subject populations and exploitation of colonial resources without attendant benefits to these populations have aroused strong resentment; (c) a deep-seated racial hostility of native populations toward their white overlords, due largely to these policies, which has taken the form of a reaction against "white superiority"; (d) the exposure of colonial areas to Western ideas of nationalism and the right to self-determination, which has made them increasingly conscious of their dependent status; and (e) the meteoric rise of Japan, whose defeats of the European powers in the Russo-Japanese War and especially World War II punctured the myth of white superiority. The colonial powers, while exposing their dependencies to the technological advances and democratic ideals of the West, failed to reckon with their aspirations to achieve the same type of national self-expression which the West exemplified.

While nationalism in dependent and quasi-dependent areas first reached significant proportions in the early twentieth century, it was given its greatest impetus by World Wars I and II. These conflicts, particularly the last, greatly weakened the colonial powers, thereby reducing their ability to control their colonial holding by force. At the same time, reliance of these powers on colonial resources and manpower forced them to grant concessions which greatly advanced the nationalist cause. In World War I Great Britain also fanned Arab national aspirations in order to hasten the downfall of the Turks. President Wilson's insistence upon the self-determination of peoples and the creation of the League of Nations gave a powerful stimulus to colonial aspirations for independence.

The period between wars saw further development of nationalism in dependent areas, particularly in the Near East and India. The repercussions of the world depression of the 1930's, which forced the colonial powers to retrench in colonial development, and shattered the world raw material price structure, increased colonial resentment and led to pressure for self-government and a larger share of the proceeds of economic exploitation. Indigenous nationalists, resentful of political, economic, and social discrimination against them, tended to attribute the depressed state of colonial

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economies to the ineptitude of the great powers. States like Iraq and Egypt, which had been under British tutelage, tended to assume a more independent course in their affairs. The US groomed the Philippines for independence, while Britain was forced to make some concessions to the growing pressure of Indian nationalism. The aggressive policies of Japan, whose propaganda stressed the racist doctrine of "Asia for the Asiatics," greatly stimulated the racial hostility of East toward West.

World War II delivered another blow to the declining colonial empires. When the colonial powers proved unable to defend their Southeast Asian possessions against the Japanese onslaught, Japan, capitalizing on local feelings, set itself up as liberator of the Asiatic peoples from white oppression. Although the Japanese actually kept a tight rein on Southeast Asia, they granted a shadowy "independence" to Burma, the Philippines, Indochina, and Indonesia which further stimulated their national ambitions. At the end of the war most Allied Far Eastern dependencies were wholly unwilling to revert to their former status, and the exhausted Allies have been unable to re-establish the *status quo ante*. The UK labor government, no longer willing or able to hold off the violent demands of the Indian nationalists, granted independence to India, Pakistan, and Burma and dominion status to Ceylon. A weakened France was forced to recognize the independence of its Levant mandates, Syria and Lebanon. The US fulfilled its promise of freedom to the Philippines. Korea was freed from Japanese bondage. France and the Netherlands, unwilling to relinquish their rich Southeast Asian possessions to the native nationalists, became embroiled in an uneasy struggle with indigenous regimes established in these areas.

2. CURRENT STATUS OF THE COLONIAL INDEPENDENCE MOVEMENT.

As a result of the stimulation of native nationalism in the chaotic war and postwar periods, the remaining colonial world is in a ferment of nationalist activity. This movement is in varying stages of growth in different areas, depending largely upon the level of local political, economic, and social development, but in most of them the eventual goal is independence. In the more backward areas of Asia and Africa, which are at a relatively early stage of political and economic growth, nationalism is still inchoate. On the other hand, in relatively highly developed areas like Indonesia, Indochina, and French North Africa, it has reached an advanced stage.

The two most critical colonial issues are in Indonesia and Indochina, where the Dutch and French, exhausted by war, have been unable to suppress the local nationalists by force and, despite temporary compromises which may be worked out, are unlikely to be able to arrest the eventual achievement of native independence. The Dutch and the Indonesian Republic are attempting to negotiate a settlement designed to bring the Republic within a Netherlands-dominated United States of Indonesia while allowing it a large degree of autonomy in all but foreign affairs and defense. In Indochina the French have been unable either to suppress the nationalist Viet-Minh Party or to reach mutually acceptable agreement with it. In view of the protracted strain of pacification expenditures on the unstable French economy, it is likely that France eventually will have to make sweeping concessions to the Nationalists. These will constitute but another step along the road to independence.

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While nationalism in French North Africa has not yet reached the fighting stage, the development of militant native independence movements in Algeria, Morocco, and Tunisia is a growing threat to French hegemony. In Tunisia and Morocco, both protectorates, the nationalists have concentrated on restoration of national sovereignty under the existing dynasties. A bureau has been established at Cairo where exiled North African leaders like Abd-el-Krim coordinate the nationalist program. French North African nationalism is stimulated by common Moslem ties with the chauvinistic Arab League, which, while as yet giving little overt support to North African nationalism, may be expected to step up its activity as soon as the more pressing Palestine problem is settled. Mounting nationalism in Libya, particularly among the Cyrenaican Senussi tribes, is complicating the disposal of this former Italian colony.

Although nationalism in other dependent areas has not yet attained critical proportions, there exist well defined movements in several regions which foreshadow similar problems. In most of these areas the demand at present is not so much for immediate independence as for a greater measure of self-government. In Malaya the heterogeneity of the population and the relatively enlightened British colonial administration so far have retarded rapid growth of nationalism, but the success of neighboring areas in achieving self-determination cannot help but stimulate it to some extent. France's suppression of the 1947 rebellion in Madagascar has set back the Malagasy nationalist movement several years, but tension will recur. In the relatively backward Central African colonies the low stage of development has limited the growth of nationalism, and will do so for a long period. The Zik movement in Nigeria and the United Gold Coast Convention, though neither very strong, are examples of rising nationalist movements in this area.

3. THE COLONIAL ISSUE IN WORLD POLITICS.

The colonial independence movement is no longer purely a domestic issue between the individual European colonial powers and their dependencies. It has been injected into the larger arena of world politics and has become an element in the broader problems of the relations between the Orient and Occident, between industrialized and "underdeveloped" nations, and between the Western Powers and the USSR.

a. External Support of Colonial Independence Movements.

The newly liberated and older nations of the Near and Far East strongly sympathize with the aspirations of still dependent areas, to which they are bound by racial and religious ties. All intensely nationalistic, these countries resent the political and economic domination of adjacent areas by European powers. States like India and Egypt have already brought colonial issues into the UN and may be expected increasingly to take the leadership in attempting to hasten in this and other ways the liberation of remaining colonial areas. Moreover, many of these states are exploiting the colonial issue in their own self-interest, with a view to supplanting the Western Powers in certain areas. India and China both have ambitions to dominate Southeast Asia, and the latter also aspires to replace Japan as the major power in the Far

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East. Some of the Eastern states covet portions of the moribund colonial empires: Egypt—the Sudan and Cyrenaica; Ethiopia—the adjacent former Italian colonies; and China—Hong Kong.

The colonial issue, therefore, will be a major source of friction between the Western European powers and the rising nations of the Near and Far East. To the extent that the US supports the European powers on this issue, it too will incur the ill-will of these new, nationalistic states.

b. *Economic Nationalism and the Colonial Issue.*

The nations supporting the colonial independence movement are bound together by another major issue, closely related to the struggle for political independence, which also tends to build up antagonism toward the Western European powers and the US. This is the development, more pronounced since World War II, of economic nationalism in the "underdeveloped" countries. These countries, most of them with a colonial background, find that though they have achieved political independence, their undeveloped economies, producing mostly raw materials and agricultural products, are still tied to those of the industrialized Western nations which provide markets for their goods. They are in essence still semi-colonial areas, for their economic dependence upon the metropolitan economies tends to vitiate their political independence. Therefore native nationalists have not been wholly satisfied by the achievement of political independence; they demand economic independence as well.

The aim of this economic nationalism is to attain greater economic self-sufficiency through development of a diversified economy, usually by industrialization. It has led the underdeveloped countries to favor tariffs, import restrictions, and other trade barriers to protect their infant industries. This attitude has characterized not only the recently liberated countries but many long since independent, like the Latin American nations, which still have semi-colonial economies. It was most clearly displayed at the recent Havana Trade Conference, where the underdeveloped countries strongly opposed multilateral free trade and charged that the US and other industrialized nations were stunting their economic development in order to keep them permanently dependent.

With the largest segments of the colonial systems either already liberated or in the last stages of liberation, this aspect of the colonial problem becomes increasingly important. The economic nationalism of the underdeveloped nations conflicts sharply with US trade objectives and these countries tend to resent US economic dominance. On the other hand, they urgently need external assistance in their economic development, and the US is at present the only nation able to supply it. The desire for US loans and private investment will have some effect in tempering the antagonism of these states toward US policies. However, the underdeveloped countries display an increasing tendency to demand US aid as a natural right, irrespective of any concessions on their part, and to feel that the US will be forced to invest abroad because of insufficient internal demand for its existing capital resources.

c. *The Colonial Issue in the UN.*

Colonial problems have been brought increasingly into the UN, which native nationalists and their supporters have found an ideal forum for agitating the colonial

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issue. There is a pronounced tendency toward the formation in the UN of a colonial "bloc" consisting of formerly dependent states like India and the Arab nations, others like China and Iran with strong racial and religious sympathies toward colonial peoples (also characteristic of the first group), and yet a third group like many Latin American republics and Australia, which sympathize on liberal, humanitarian, and economic grounds. The colonial bloc has consistently sought to broaden the UN trusteeship system. China, India, the USSR, the Philippines, and the Arab states contend that Article 73 of the UN charter, which binds members to promote the progressive development of self-government in their dependencies, implies that the UN should have broad supervisory powers over these dependencies. Critical colonial situations like the Indonesian question and Egypt's demand that Great Britain withdraw her troops have been brought before the Security Council as potential threats to world peace. The underdeveloped countries have insisted on emphasizing their own economic problems in UN economic bodies. Thus, through the UN, the colonial issue has been placed squarely on the world stage and local colonial problems have become matters of global concern. The colonial "bloc" and the USSR may be expected to bring more and more of such problems before the UN and to attempt to use it as a mechanism for liquidating the colonial empires.

d. Soviet Exploitation of the Colonial Issue.

The USSR is effectively exploiting the colonial issue and the allied issues of economic nationalism and racial antagonism in an effort to divide the non-Soviet world, weaken the European allies of the US, and gain the good will of the colonial "bloc." In pursuit of these objectives, the USSR is: (1) giving active support through agitators, propaganda, and local Communist parties to the nationalist movements throughout the colonial world; and (2) consistently injecting colonial and Allied problems into UN and affiliated activities.

The Soviet regime has always looked upon the so-called "depressed areas" as a fertile field for penetration, and since 1918 the Comintern has stressed the importance of stirring up discontent in these areas. As a non-colonial power, the USSR is in the fortunate position of being able to champion the colonial cause unreservedly and thereby bid for the good will of colonial and former colonial areas. Its condemnation of racial discrimination pleases native nationalists and tends to exclude the USSR from the racial animosity of East toward West. The Communists have sought to infiltrate the nationalist parties in dependent and formerly dependent areas and have been, as in Burma, Indonesia, and Indochina, among the most vocal agitators for independence. The Soviet Union has found the World Federation of Trade Unions an effective weapon for penetrating the growing labor movements in Asia and Africa and for turning them against the colonial powers.

At the San Francisco Conference in which the UN Charter was framed the USSR fought for a provision categorically demanding eventual independence for all colonies. Since that time, it has frequently injected the colonial issue into UN discussions and has strenuously supported the colonial "bloc" on all colonial and allied questions brought into the UN. Persistent Soviet support of the colonial "bloc" on

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purely colonial issues may win adherents from the colonial "bloc" for the USSR on other major issues between the USSR and the Western Powers in the UN. Thus the Soviet Union clearly recognizes the potential of the colonial issue for weakening its opponents and has made of it an important element in the power struggle between the Western Powers and the USSR.

4. INEVITABILITY OF FURTHER COLONIAL DISINTEGRATION.

Under these circumstances, some further disintegration of the remaining colonial empires appears inevitable. Native nationalism in these dependencies will increase as the inhabitants, spurred on by the example of the already liberated nations, seek to emulate them. Indonesia and Indochina are apparently already in the final stage before full independence, and crises will arise in other colonial areas as local nationalists clamor increasingly for self-government. The USSR and the colonial "bloc" will lend external support to these groups and utilize the UN as a means of assisting them. The weakened colonial powers, stricken by war and economic crisis, will find it difficult to cope with these insistent nationalist pressures.

The colonial powers, belatedly aware of the threat to their empires, have shown some willingness to liquidate the most troublesome of their possessions and to make concessions in others. The Western European socialist parties, now a major influence in many governments, appear more willing than their conservative predecessors to adopt colonial reforms although their colonial policies to date have shown little change. Some of the colonial powers have adopted more progressive colonial policies, offering concessions to their dependencies in an effort to stave off the demand for independence. The UK in particular, after recognizing that independence for India and Burma was inevitable, is cautiously promoting greater self-government in its remaining colonies and has earmarked large sums for their economic development (although Britain's present economic weakness has prevented full development of these schemes). The Netherlands has granted substantial concessions in Indonesia, although clearly determined to make every effort to keep this rich area under her control. France, too, while making minimal reforms in critical areas, seeks to draw her dependencies closer to the mother country in a French Union.

These concessions, however, at least on the limited scale presently contemplated, appear unlikely to do more than temporarily placate local nationalism and at most delay the demand for liberation. Differences in race, language, and religion, intensified by a strong East-West antagonism, make Dutch and French plans for integration of their colonies into French and Netherlands Unions unlikely to succeed in areas like Indochina, Indonesia, and French North Africa where native nationalism is already well advanced. Moreover, stimulation of colonial economic and social development and granting of greater political autonomy may well promote local nationalism rather than weaken it. As the colonies become more highly developed, they will become more conscious of their dependent status and more insistent upon independence. They also will be better able to create viable economies and to function as independent states. Under these circumstances limited concessions are likely to be effective, in

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the long run, only in relatively small or backward areas which would in any case be likely to remain under a protecting power.

5. EMERGENCE OF A NEW POWER SITUATION IN THE FORMER COLONIAL WORLD.

As the result of the gradual disintegration of the colonial systems and the emergence of young, nationalistic states, a new power situation is in the making in the former colonial world. No longer will the western colonial powers control large areas of Asia and North Africa which are sources of manpower and raw materials and provide assured military bases. The economic and political policies formerly imposed by the colonial powers on their colonies will give way to a welter of conflicting national policies. This process is already largely completed, with many of the most important dependent and semi-dependent areas, such as India, Burma, the Arab states, and the Philippines already independent, and Indonesia and Indochina well on the road. These new and emergent states will be free to determine their own economic policies and future alignments.

For a long period, however, these new states will find it difficult to stand alone. Though actively promoting their own political and economic development, they will remain for some time semi-dependent areas, forced to rely on the great powers for protection and assistance. Their relatively backward stage of political, economic, and social evolution, their lack of developed resources, and the absence of technical skills, and education among the mass of their peoples make them dependent upon outside help in their development. Militarily, they will be unable to withstand any major power. Economically, they will still be undeveloped countries, tied to the larger metropolitan economies. The effect, therefore, of the disintegration of the colonial systems and the withdrawal of the colonial powers is the creation of a power vacuum in the Near and Far East.

There is danger that unless the Western European nations, and with them the US, can secure the good will of these newly liberated and as yet dependent areas, they may become aligned with the USSR. Several factors: friction over the colonial issue, economic nationalism, and the racial antagonism between East and West, may tend to orient these areas away from the US and the Western Powers. The newly liberated states will entertain some hostility toward the former colonial powers, and as these powers belong to the Western bloc supported by the US, this hostility will extend in some degree toward the US also. US support of the colonial powers in the UN also has tended to make the dependent peoples and their supporters suspicious of US motives. In the economic sphere, the new and undeveloped countries tend to resent US economic dominance and to fear that the US and other industrialized nations intend to keep them economically dependent. The USSR, pursuing an assimilative racial policy and able to represent itself to colonial peoples as largely Asiatic, escapes much of the resentment of colored toward white peoples; while US treatment of its Negroes, powerfully played up by Soviet propaganda, embarrasses the US on this issue. Racial restrictions in areas like South Africa and Australia also arouse colonial resentment. Moreover, the poverty and backwardness of the colonial and former colonial world, combined with the restrictive policies of the colonial powers, has en-

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hanced the appeal of radical political philosophies and tended to place leadership of indigenous nationalist groups in the hands of extremists. This tendency is evident in the existence of active pro-Communist parties in such areas as China, Indochina, Burma, and Indonesia. Thus the basic backwardness of these areas, their resentment toward the past or present dominating powers, and the existence of strong leftist elements within them, make them peculiarly susceptible to Soviet penetration. Should the USSR in turn, however, become in the eyes of these areas a threat to their independence, they would actively oppose Soviet domination too.

6. IMPLICATIONS FOR US SECURITY.

The break-up of the colonial systems and the creation of a series of new nationalistic states may adversely affect the present power balance of the US and Western Europe versus the USSR, particularly if these new states become friendly toward the USSR and hostile toward the US and its allies.

a. The loss of their dependencies weakens the colonial powers, which are the chief prospective US allies. These nations rely upon their colonies as sources of raw materials, military manpower, and revenue, and as strategic military bases. France, for example, draws heavily upon its North and West African empire in most of the above respects; and the breaking away of these areas, especially North Africa, would seriously weaken its strategic position. UK withdrawal from India and Burma already has substantially affected its strategic capabilities in the Middle and Far East. The Netherlands would be weakened economically by the defection of its rich Indonesian possessions.

b. The drift of the dependent areas away from the orbit of the colonial powers deprives the US itself of an assured access to bases and raw materials in many of these areas, an increasingly serious loss in view of global US strategic needs and growing dependence on foreign mineral resources. Bases in French North Africa and the Middle East, for example, would be strategically vital in event of conflict. The growing US list of strategic and critical materials—many of which like tin and rubber are available largely in colonial and former colonial areas—illustrates the dependence of the US upon these areas. The US has heretofore been able to count upon the availability of such bases and materials in the colonial dependencies of friendly powers; but the new nations arising in these areas, jealous of their sovereignty, may well be reluctant to lend such assistance to the US.

c. Possible Soviet domination of certain former dependent areas or their orientation toward the USSR would create a major threat to US security. Such a possibility is strongest in Asiatic peripheral areas around the USSR, where the danger of Soviet penetration is acute. Soviet control of areas like Iran, Burma, Indochina, Indonesia, or Korea, whether through occupation, alliance or friendly neutrality, would help complete Soviet control of the Asiatic continent, make the USSR more invulnerable to external attack, assure its access to vital materials like oil, tin, and rubber, and place it astride strategic sea lanes.

d. Colonial antagonism toward the US would hamper the US in its relations with colonial areas should their metropolitan powers fall within the Soviet orbit in event of

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war. While governments-in-exile probably would be formed, they might prove unable to control their dependencies, which might seize this opportunity to further their own nationalist aims by revolt. Were the US forced to occupy these territories for strategic reasons, its task would be much more difficult if they were hostile.

e. The colonial issue also tends to create recurring crises which promote world unrest. Increasing resort to the UN to deal with the swelling chorus of colonial grievances and the pressure in behalf of dependent peoples by a large bloc of sympathetic states tends to magnify these grievances out of all proportion to their local significance. The USSR, seeking to promote any unrest in colonial areas, will quickly exploit its disruptive possibilities.

Consequently, the good will of the recently liberated and emergent independent states becomes a vital factor in the future position of the US in the Near and Far East. The breaking up of the colonial systems and the gradual withdrawing of the colonial powers from these areas has faced the US itself with the problem of filling the gap left by their withdrawal. The US stand on the colonial issue and economic nationalism will have a major effect on the attitudes of these colonial and former colonial areas. Yet the US is currently in an unfortunate position vis-à-vis the USSR with respect to such issues. On the one hand, the US has historically sympathized with the aspirations of dependent peoples for self-government and has pledged itself to this end in the Atlantic Charter and in the United Nations. As a result, the dependent and semi-dependent areas have come to expect and demand US backing in their struggle for independence. To the extent that the US acquiesces in or supports restrictive colonial policies on the part of the Western European nations, it will jeopardize its position in these areas. Such a policy will lay the US open to charges of inconsistency and imperialism and may lead to loss of the voting support of the colonial bloc in the UN. It will allow the USSR, in particular, to pose as champion of the colonial cause and thus gain the good will of the dependent and former dependent areas.

On the other hand, the European colonial powers are the chief prospective US allies in its power struggle with the USSR and it is difficult for the US to oppose these powers on colonial issues. These nations are anxious to retain as much of a hold as possible on their dependencies, partly for economic and strategic reasons, but also for prestige. Should these countries lose the benefits of their colonial empires, it would hamper their economic recovery and possibly threaten the stability of governments friendly to the US.

If, however, the colonial powers do not basically modify their present colonial policies, they will in the long run lose the very strategic and economic advantages in their dependencies and former dependencies that they are seeking to retain. Such restrictive policies will not arrest the development of local nationalism but may in fact so aggravate it as to alienate the local populations and minimize the possibility of retaining any benefits whatsoever. Moreover, attempts at forcible retention of critical colonial areas in the face of growing nationalist pressure may actually weaken rather than strengthen the colonial powers. French and Dutch efforts to suppress local nationalism by force in Indonesia and Indochina, for example, are a drain on funds

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urgently needed for reconstruction and may create such antagonism that no profitable economic development will be feasible for an extended period.

The colonial powers must fully recognize the irresistible force of nationalism in their dependencies and take leadership in guiding these dependencies gradually toward eventual self-government or independence, if they are to retain their favored position in these areas. A policy of far-reaching colonial reforms, designed to foster colonial political, economic, and social development, would do much to neutralize the more violent aspects of native nationalism and to substitute orderly evolution toward the inevitable goal of independence for the violent upheavals characteristic of the present situation. Only through such a new cooperative relationship can the colonial powers in the long run hope to retain their close ties with these areas and the maximum of political and economic advantage. Unless the colonial powers can be induced to recognize this necessity for satisfying the aspirations of their dependencies and can devise formulae which will retain their good will as emergent independent states, both these powers and the US will be placed at a serious disadvantage in the new power situation in the Near and Far East.

In the economic sphere, since the US plays a dominant role in world trade and is the nation currently most capable of supplying the capital needs of the "underdeveloped" countries, the attitude of the US itself toward the efforts of these areas to achieve greater economic self-sufficiency will have a great effect on their goodwill. US failure to adopt a more sympathetic attitude toward the economic nationalism of the underdeveloped countries or at least partially to meet their demands for capital assistance will stimulate the charges, already heard, of US economic imperialism and seriously affect US relations with these areas.

The US, therefore, is faced with a serious dilemma. On the one hand US encouragement of colonial self-determination and economic development may itself incur the charge of US imperialism and run the risk of alienating the colonial powers. On the other hand, the US may be unable to afford to let its policy on colonial issues be swayed by the colonial powers if such support of its allies tends to alienate the dependent peoples and other non-European countries, lay the groundwork for future disruption, and in the long run weaken the power balance of both the US and the Western European nations vis-à-vis the USSR.

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