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THE WHITE HOUSE
WASHINGTON

DRAFT 1P

January 30, 1976

NLF MR Case No 09-01
Document No 18

Dear Mr. Chairman:

This is in response to your letter of January 22, 1976, requesting that your staff be permitted to see the minutes of a November 6, 1970 National Security Council meeting called to discuss policy options with respect to Chile. Your letter indicates that the Select Committee feels this is essential "to complete its inquiry into U.S. involvement in Chile, and the assassination question."

Unlike the NSC materials previously provided to the Select Committee in these and related areas, the record of the November 6, 1970 meeting -- actually entitled "Memorandum of Conversation - NSC Meeting - Chile (NSSM-97)" -- is in fact a virtually verbatim transcript of a candid discussion of policy options between the President and his closest advisers, including the Vice President, the Secretary of State, the Secretary of Defense, the Assistant to the President for National Security Affairs, the Director of Central Intelligence, the Director of Emergency Preparedness, and others. As such, the Memorandum of Conversation is in that category of materials Constitutionally protected against disclosure to another branch of government. Consequently, I am unable to accede to your request that Select Committee staff be permitted to review the Memorandum of Conversation.

However, recognizing your interest in this matter, and in an effort to accommodate the needs of the Select Committee while at the same time preserve the privileged status of the document in question, I can advise as follows:

- o The Memorandum of Conversation contains no reference whatsoever, directly or indirectly, to the Schneider matter. However, a briefing paper prepared by the Director of Central Intelligence for the meeting

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SECURITY CLASSIFICATION APPEALS PANEL.
E.O. 13526, SECTION 5.3(b)(3)
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reports on the Schneider matter and discusses its ramifications. We are prepared to make this briefing paper available to appropriate Committee staff under the procedures previously agreed to, under which there will be no release or disclosure of the information without our permission.

- o The policy options with respect to Chile discussed in the November 6, 1970 meeting were as follows: (1) seek a modus vivendi with the Allende government; or (2) adopt a posture of overt and frank hostility; or (3) adopt what is in fact a hostile posture but not from an overt stance (that is, move in hostility from a low-key posture). Although there is no formal record of decision, the Memorandum of Conversation indicates that the third option was adopted, with the President stating that "We must be proper on the surface with Allende, but otherwise we will be tough."
- o The Memorandum of Conversation indicates that the Office of Emergency Preparedness was directed to prepare a report on possible sales from the copper stockpile to "hurt Chile and also save on the budget." The Departments of State and Defense were directed to study the impact of copper stockpile sales on other nations, and a direction was given to help other countries build up their production of copper.
- o The Memorandum of Conversation indicates that the Defense Department was directed to provide more assistance to military leaders in other South American nations.
- o The Memorandum of Conversation indicates that a decision was apparently made to provide no further credit guarantees to Chile and to cut back existing guarantees if possible, as part of an overall strategy to "toughen up" on economic relationships with Chile.

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I trust the foregoing will suffice to meet the needs of the Select Committee in this matter.

Very truly yours,

Philip W. Buchen
Counsel to the President

The Honorable Frank Church
Chairman
Select Committee to Study Governmental
Operations With Respect to
Intelligence Activities
United States Senate
Washington, D. C. 20510