OUTGOING MESSAGE

SECRET

STAFF CONF: LA/8 INFO: FILE

DIRECTOR DISSEM BY: 38

TO: INFO

SANTIAGO

VNUMBER MH/SPAUN

REF: SANTIAGO 30673 | IN 404604 | BEING RELAYED ADDRESSEEES

1. REF BEING RELAYED ADDRESSEES IS REPORT 31 OCT ANNOUNCEMENT BY GENERAL PINOCHET DECLARING FREEDOM OF PRESS IN CHILE. SUGGEST RATHER THAN REPLAYING EL MERCURIO ARTICLE TRANSCRIBED IN REF YOU USE THAT MERELY AS BASIS FOR EDITORIAL COMMENT. PINOCHET’S STATEMENT PUTS EMPHASIS ON CONTENTION THAT PRESS CENSORSHIP HAS NOT EXISTED IN CHILE UNDER JUNTA NOR DOES IT NOW. THAT ARGUMENT UNFORTUNATELY WILL HAVE LITTLE CREDIBILITY OUTSIDE CHILE SO RECOMMEND EDITORIAL COMMENT EMPHASIZE THESE POINTS:

A. CHILEAN PRESIDENT HAS DECLARED THERE WILL BE NO PRIOR CENSORSHIP IN CHILE.

B. PINOCHET DECLARED THAT JUNTA IS WAIVING PRIOR CENSORSHIP OF PRESS DESPITE FACT THAT STATE OF EMERGENCY CONTINUES IN CHILE.

C. JUNTA ACTION APPEARS REFLECT CONFIDENCE IN ITS ABILITY TO MAINTAIN STABILITY OF POLITICAL SITUATION.

DATE: ORIG: UNIT: EXP:

Pych: 31.10.80

COORDINATING OFFICER

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STAFF
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DIRECTOR
6/80

MESSAGE REFERENCE NUMBER

OUTSIDE: Ref: CONTRACEPTIVE CEMENT-THIS GESTURE OF CONFIDENCE WITH

2. CAN HTTHRIFTY-1 ARRANGE PICK UP FOR

y

3. SUGGEST YOU HAVE PJVANDYKE-1 OR
PUNETWORK-1 TIME THEIR COMMENTS TO COINCIDE WITH OAS MEETING. Y

4. FILE: 200-120-356. E-2 IMPDET-A

DATE: 6 NOVEMBER 1974
ORIG: C/LA/CAM
UNIT: C/LA/CAM
EXT: 1553
SECRET

OUTGOING MESSAGE

TO: SANTIAGO

RE: STAFF

CONFIDENTIAL

203622Z

SANTIAGO

DIRECTOR

1. YOUR OBSERVATIONS CONFIRM THOSE COS. GIVEN NO NEED MAKE
RADICAL CHANGE IN CURRENT POLICY AND PRACTICE SUGGEST GOC BE
INFLUENCED TO ISSUE PUBLIC STATEMENT DECLARING THAT JUNTA HAS
RESTORED CONDITIONS OF POLITICAL STABILITY TO EXTENT THAT PRIOR CENSORSHIP OF PRESS NO LONGER DEEMED NECESSARY. TO GUIDE THE WARY AT
HOME SPEAKER MIGHT ADD LAWS GOVERNING CRIMINAL LIBEL WILL CONTINUE
TO BE ENFORCED.

2. FOR FULL IMPACT, OF COURSE, IT WOULD BE IDLE FOR GOC TO
ARGUE THAT UP TO THIS POINT THERE HAS BEEN NO PRIOR CENSORSHIP. FEEL
STATUS QUO ANTE SHOULD BE IGNORED AND EMPHASIS PLACED ON FACT THAT
CONDITIONS NUN SUCH THAT CONSTITUTIONALLY RECOGNIZED CONDITION OF
PRESS FREEDOM CAN OBTAIN.

3. FILE: 200-120-356

21 OCT 74

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CL 01485457
OUTGOING MESSAGE

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TO: PRIORITY INFO SANTIAGO Y
RYBAT MHS PWN REDLEG Y

REF: 54017 IN 390115 Y

1. ACCORDING AP RELEASE DATED IN MOSCOW 17 OCTOBER, SOVIETS HAVE DENIED VALIDITY OF STORY THAT RED CROSS EMPLOYEE IN CHILE TO NEGOTIATE PRISONER EXCHANGE. WISH USE THIS DENIAL AS PEG REVIEW PREVIOUS SOVIET PRISONER EXCHANGES (ABBEL COMES TO MIND) WHICH ALSO HAVE BEEN CARRIED OUT IN STRICT SECRECY AND TO SPECULATE ON WHAT CORVALAN AND OTHERS KNOW THAT WOULD MAKE THEM SO IMPORTANT TO SOVIET GOVERNMENT. BELIEVE IF HE STILL HAS ACCESS TO MEDIA, WOULD BE GOOD CHOICE WRITE SUCH ARTICLE BECAUSE OF HIS KNOWLEDGE OF CHILE AND ABILITY USE HIS BACKGROUND FOR SPECULATION ON KINDS OF INFORMATION CORVALAN HAS THAT COULD EMBARRASS SOVIETS. CAN MENTION SOVIET CLANDESTINE FUNDING ALLENDE'S ELECTIONS, TACTICAL PCCH ALLIANCE WITH SOCIALISTS, CUBAN AND SOVIET AID TO ARMED PCCH UNIONS, LONG-RANGE PLANS FOR EVENTUAL PCCH PUTCH TO OVERTHROW ALLENDE. Y A. [IN SPANISH] REPORTED 17 OCT THAT RED CROSS ENVOY DE DENIS FELDMEYER AND THAT HE CARRIED TO CHILE SOVIET

DATE: 15-126-3

CL BY:

SECRET
UNION'S ACCEPTANCE OF CONDITIONS IMPOSED BY JUNTA WHEREBY THE SOVIET UNION MUST FREE AN EQUAL NUMBER OF POLITICAL PRISONERS AS FREED BY CHILE. WHEN BRUNO DOPPLER, INTERNATIONAL RED CROSS REPRESENTATIVE IN CHILE WAS QUESTIONED ABOUT FELDMAYER'S MISSION, HE DENIED THAT HE WAS ON THAT TYPE OF MISSION. BUT LATER WHEN ASKED WHETHER IT WAS TRUE THAT FELDMAYER CARRIED WITH HIM THE SOVIET ACCEPTANCE, HE ANSWERED, "THERE IS NO CONFIRMATION. IT IS CONFIDENTIAL INFORMATION. THE CHILEAN AUTHORITIES ARE THE ONES TO CONFIRM IT." V

B. AP, MOSCOW 17 OCTOBER: "THE SOVIET GOVERNMENT DENOUNCED AS A FORGERY A CHILEAN NEWSPAPER REPORT THAT THE SOVIET UNION IS APPARENTLY WILLING TO RELEASE SOME POLITICAL PRISONERS IN RETURN FOR RELEASE OF IMPRISONED LEFTISTS IN CHILE." V

"SERGEI BULANTSEV, A COMMENTATOR FOR THE OFFICIAL NEWS AGENCY TASS, SAID THURSDAY THE LA SEGUNDA STORY HAD BEEN 'CONCOCTED' BY FASCIST-MINDED GENERALS WHO SEEK TO DIVERT WORLD ATTENTION FROM THE ATROCITIES AND ARBITRARINESS THERE." V

"GEN. AUGUSTO PINOCHET, CHIEF OF STATE OF CHILE, SAID CHILE WOULD LIBERATE RELEASE ALL ITS PRISONERS IF THE SOVIET UNION AND CUBA..."
AGREED TO LIBERATE AN EQUAL NUMBER OF THEIR PRISONERS.

"DESPITE DOCUMENTED CHARGES BY INTERNATIONAL GROUPS AND DISSIDENTS WITHIN THE SOVIET UNION THAT PERSONS ARE PROSECUTED HERE FOR THEIR POLITICAL BELIEFS, MOSCOW INSISTS THAT THERE ARE NO POLITICAL PRISONERS IN THE SOVIET UNION." Y

2. PLS CABLE TEXT ARTICLE TO HQS FOR REPLAY. Y

4. FILE: DEFER. E-2 IMPDET-H
SECRET 1715372 OCT 74 OCT 74 STAFF

CITE 54017

TO: DIRECTOR, INFO SANTIAGO,

RYBAT MHS PAM PHASE 1 REDLEG

REF A, DIRECTOR 604965

B. DIRECTO 629942

1. THE EUCLID STORY DATE LINED SANTIAGO ON 17 OCTOBER IS HEADLINED "RUSSIA RESPONDING TO CHILE CALL TO FREE PRISONERS."

HIGHLIGHTS AS FOLLOWS:

"THE SOVIET UNION IS PREPARING TO RELEASE A LIMITED NUMBER OF TOP POLITICAL PRISONERS IN RESPONSE TO A CHALLENGE BY THE CHILEAN MILITARY JUNTA," INFORMED SOURCES SAID TODAY.

"A RED CROSS EMISSARY WAS DUE TO ARRIVE HERE TONIGHT FROM GENEVA WITH A LIST OF 100 CHILEAN PRISONERS THE RUSSIANS WANT RELEASED IN EXCHANGE FOR THE FREEDOM GIVEN TO ITS OWN DETAINES, THE SOURCES SAID. THERE WAS NO OFFICIAL CONFIRMATION OR DENIAL OF THE REPORT FROM EITHER GOVERNMENT OR RED CROSS OFFICIALS."

ARTICLE ACCOUNTS PINOCHET CHALLENGE TO MOSCOW AND HAVANA AND
POINTS OUT CHILE HAS SINCE FREED MORE THAN 300 DETAINNEES
WITH "UNTIL NOW, NO APPARENT RESPONSE," ALSO ADJS LUIS CORVALAN
LEADS THE KREMLIN LIST.

2. APART FROM NEW DIMENSION ADDED TO REF PROPOSALS BY
ABOVE, WE DO NOT BELIEVE AMNESTY INTERNATIONAL (AI) COULD BE
INDUCED TO TAKE UP ISSUE, AS NOTED REF AI WAS VERY PRESCRIBED
APPROACHES AND TECHNIQUES WHICH IT USES TO HANDLE, VIA A CHAIN
OF INDIVIDUAL SPONSORS, INDIVIDUAL CASES, WHILE THEY MAY
OCCASIONALLY USE PUBLICITY IF ALL ELSE FAILS THEY BASICALLY REGARD
IT AS A DISTINCT INHIBITION TO THE SUCCESS OF THEIR BEHIND THE
SCENES PERSON TO PERSON TECHNIQUE. AI'S POSITION ON THE CHILEAN
CHALLENGE WOULD PROBABLY ALSO BE NEGATIVELY INFLUENCED BY ITS
HAVING ONLY VERY RECENTLY ACCEPTED A MOSCOW CHARTER DESPITE THE
STRONG OBJECTIONS OF SOME OF ITS KEY LEADERS.

3.
AI EXECUTIVE COMMITTEE HAS RECENTLY VOTED IN NEW AND TO SOME EXTENT UNTRIED MEMBERSHIP. ALTHOUGH NEW COMPOSITION COMMITTEE MAY IN LONG RUN BE LESS INCLINED TO AVOID ACTION WHICH PUTS PRESSURE ON SOVIETS, SUCH ISSUES PRESENTLY ALL THE MORE CONTROVERSIAL WITHIN AI IN VIEW NEWNESS COMMITTEE AND NOT LIKELY RECEIVE CONSTRUCTIVE ATTENTION UNTIL COMMITTEE SHAKES DOWN, WILL ADVISE DEVELOPMENTS.

4. FILE DEFERM E2 IMPOET
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TO: INFO SANTIAGO, Y

RYBAT MHSPAWN REDLEG Y

REF: DIRECTOR L049685 Y

2. GIVEN PERISHABILITY REF IDEAS, REQUEST YOUR COMMENT ON FEASIBILITY OF APPROACHES TO DEFLOW AND AMNESTY INTERNATIONAL AS OUTLINED. WELCOME ANY OTHER SUGGESTIONS ON MEANS LIMIT FURTHER ANTI-BKHERALD PROPAGANDA IN RELATION TO CHILE AND ANTI-JUNTA PROPAGANDA IN RELATION TO TREATMENT OF POLITICAL PRISONERS. Y

2. FILE DEFER. E-2 IMPDET..
1. The International Criticism of Chilean Junta and more recently of
BKHERALD HAVE BEEN ORCHESTRATED TO DRAMATIC PROPORTIONS. HIS BELIEVES
EFFECTIVE EXPLOITATION OF GENERAL PINOCHET’S OFFER TO EXCHANGE A
NUMBER OF POLITICAL PRISONERS FOR AN EQUAL NUMBER OF SOVIET AND/OR
CUBAN PRISONERS IS OPPORTUNITY TO BLUNT HOSTILE PROPAGANDA. IF THE
USSR AND CHILE CAN BE LUMPED TOGETHER IN POPULAR MIND AS EACH HAVING
POLITICAL PRISONERS, THE SITUATION CAN BE EXPLOITED TO DIVERT SOME OF
ATTENTION FROM JUNTA’S SUPPOSED MISDEEDS TO SOVIET HANDLING OF
POLITICAL PRISONERS. A REPORT FROM A SENSITIVE SOURCE INDICATES THAT
THE SOVIETS AND CUBANS ARE CONCERNED OVER THE PRESSURES THAT COULD
DEVELOP FROM THE OFFER.

2. The Exchange Offer has aspects that would be attractive to
numerous groups in Europe but there has been little reaction,
probably because of Chile’s extreme unpopularity and the lack of both
a neutral sponsor and sufficient publicity. European Communists
should be interested in the offer to release important Chilean

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COMMUNIST AND SOCIALIST LEADERS, HOWEVER THEIR PROBLEMS WITH THE OTHER HALF OF THE EXCHANGE. LEFTISTS OF NUMEROUS SHADES INCLUDING THE BERTRAND RUSSELL GROUPS SHOULD ALSO FAVOR THE RELEASE OF THESE PRISONERS, YET BE LESS TROUBLED BY THE DISCOMFITURE OF THE SOVIETS AND CUBANS. SECOND, THE OFFER IS AN OPPORTUNITY FOR GROUPS LIKE AMNESTY INTERNATIONAL TO BRING DIRECT PRESSURE ON THE USSR TO RELEASE SOME PROMINENT INTELLECTUAL PRISONERS. FINALLY, THE OFFER SHOULD ATTRACT SOME HUMANITARIAN SUPPORT FROM THOSE WHO FAVOR RELEASE OF ALL POLITICAL PRISONERS ON PRINCIPLE. IN FACT, PROPERLY DEVELOPED, THE EXCHANGE IS POTENTIALLY ATTRACTIVE TO ALMOST THE ENTIRE POLITICAL SPECTRUM.

3. SUGGEST APPROACH DEFLUER TO SEE WHETHER HE CAN GET HIS GROUP INTERESTED IN TAKING PRACTICAL STEPS TO GET PRISONERS RELEASED ON EXCHANGE BASIS, FROM CHILEAN JUNTA. PERHAPS IF HE CAN PICTURE HIMSELF AS SAVING THE PRISONERS (COMMUNIST AND SOCIALIST LEADERS IN CHILE AND IMPORTANT INTELLECTUALS IN THE USSR) FROM A BFASCIST REGIME ON THE ONE HAND AND FROM A STALINIST COUNTRY ON THE OTHER, HE CAN BECOME SUFICIENTLY INTERESTED IN PURSUING THE EXCHANGE. OBJECTIVE WOULD BE HAVE
SECRET

DEVELOP MAXIMUM EUROPEAN INTEREST IN THE POSSIBILITIES THAT THE EXCHANGE OFFERS AND MAXIMUM PUBLICITY OF HIS EFFORTS. Y

4. FOR REQUEST STATION

5. FILED DEFER. E-2 IMPDET A
OUTGOING MESSAGE

TO: SANTIAGO INFO
RYGAT VNUMBEK Y

REF: 25159 [IN 36578A] Y

1. RECOMMEND YOU CONSIDER ENLISTING SUITABLE VNUMBEK ASSET TO PERSUADE JUNTA TO RELAX ITS RESTRICTIONS ON FREE PRESS. OBJECTIVES OF SUCH MOVE WOULD BE THESE:

A. DEMONSTRATE TO WORLD THAT PINOCHET GOVT FIRMLY IN POWER IN CHILE AND THAT IT FUNCTIONS NOW WITH AT LEAST TACIT CONSENT OF MAJORITY OF CHILEANS.

B. GIVE SUBSTANTIAL DEMONSTRATION OF JUNTA'S COMMITMENT TO DEMOCRATIC PROCESS AND THEREBY DEFUSE ONE OF MORE EXPLOSIVE GRIEVANCES OF WORLD PRESS AGAINST CHILE REGIME.

2. TO AVOID APPEARING TO CAPITULATE TO PRESS FROM CUBANS PER REF, SUGGEST CHILEAN MOVE IN RESPONSE TO THIS INFLUENCE SHOULD NOT FOLLOW UPON CRITICAL EXAMINING FROM CUBAN DOMINATED JOURNALISTS CONFERENCE IN CARACAS. GESTURE, IF ADDRESSED TO ANYONE, SHOULD BE MADE TO CONFERANCE TO ENHANCE INTERNATIONAL PRESTIGE THAT DEFENDS ORGANIZATION AND THEREBY TO REINFORCE ITS SUPPORT FROM HOSTILE
SECRET

STAFF

CONF: INFO: FILE

DIRECTOR

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REGIMES, WHERE FREE PRESS REMAINS PROSCRIBED. Y

3. REQUEST STATION COMMENTS C-2 INPDEST A

DATE: 16 OCTOBER 1974

ORIG: C/LA/CS

UNIT: 1553

EXT:

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STAFF

CONF: 298
INFO: FILE

OPS/INT

TO:

PSYCH Y

REF: DIRECTOR LOS601 Y

BOOK CABLE Y

1. FOLLOWING IS ANOTHER APPARENTLY WELL-RESEARCHED

ARTICLE BY DAVID F. BELNAP ON EROSION OF DEMOCRACY IN CHILE

UNDER ALLENDE WHICH APPEARED IN LOS ANGELES TIMES ON 27 SEPT

74. SUGGEST YOU PASS FOLLOWING EXCERPTS TO LIAISON AND AGENCATS

OF INFLUENCE FOR BACKGROUND. NOTE FIRST FIVE PARAGRAPHS ARE

MERELY REHASH ALLEGED CIA COVERT FINANCIAL SUPPORT TO PRESS

AND PARTIES IN OPPOSITION TO ALLENDE REGIME. THEIR

REITERATION NOT PARTICULARLY WORTHWHILE IN THIS CONTEXT.

WOULD APPRECIATE YOUR ASSESSMENT REACTION THIS DATE WHEN

USED. Y

ABRIDGED TEXT FOLLOWS:

A NO SER POR EL EXAGERADO VOLUMEN DEL VERBAL QUE

CARACTERIZO LA ACTUACION DE LOS DOS BANDOS EN EL LARGO Y ENCONADO

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CL BY:
ENFRENTAMIENTO CHILENO. LOS ATAQUES LANZADOS POR LA UNIDAD POPULAR CONTRA SUS ENEMIGOS EN LA POLÍTICA Y EN LOS MEDIOS DE DIFUSIÓN RARAS VEZES SE LLEVÓ A CABO FRONTAL O ABIERTAMENTE. CASI SIEMPRE FUERON DE CARÁCTER ECONÓMICO. Y EN LO TOCANTE A LOS MEDIOS INFORMATIVOS, CASI NUNCA SE LLEGO, POR EJEMPLO, AL EXTREMO DE LA CENSURA DIRECTA. Y LA PRENSA OPOSICIONISTA PUDO ESCRIBIR Y DECIR LO QUE LE PARECIÓ DURANTE LOS CASI TRES AÑOS QUE EL ALLENISMO SE MANTUVO EN EL PODER. LA DUDA SIEMPRE FUE SI DICHOS MEDIOS LOGRARÍAN O NO SOSTENER ECONÓMICAMENTE Y SEGUIR MANIFESTANDO SU CRITERIO. Y SOLO TRES MESES DESPUÉS DE HABER ASUMIDO ALLENDE LA PRESIDENCIA, LA PRENSA ESCRITA OBTUVO UN PRESAGIO DE LO QUE PODRÍA SUCEDERLE AL MONOPOLIZAR EL GOBIERNO LA IMPRESIÓN DE REVISTAS Y LIBROS EN EL PAÍS. ESTO SE CONSUMÓ MEDIANTE LA ADQUISICIÓN DE UNA FIRMA EDITORIAL QUE HABÍA SIDO DEBILITADA PREVIAMENTE POR UNA PROLONGADA HUELGA DIRIGIDA POR LOS COMUNISTAS, Y POR UN ARBITRAJE EN EL QUE ACTUÓ COMO MEDIADOR OTRO COMUNISTA, CUYO FALLO COLOCO A LA EMPRESA AL BORDE DE LA QUIEBRA. Y ASÍMISMO, LAS ESTACIONES DE RADIO, QUE SIEMPRE HAN SIDO UN
INSTRUMENTO POLITICO IMPORTANTE EN CHILE, TUVIERON UN INDICIO DE BLO QUE LES AGUARDABA, INCLUSO ANTES DE LA TOMA DE POSESION DEL NUEVO PRESIDENTE. LOS PERITOS EN COMUNICACIONES DEL PARTIDO COMUNISTA LES INDICARON QUE EFECTUARAN REBAJAS EN SU PERSONAL INFORMATIVO PARA DARLES CABIDA A LOS PERIODISTAS MARXISTAS DESIGNADOS POR EL PARTIDO, SO PENA DE PERDER MAS TARDE SUS LICENCIAS PARA TRANSMITIR. Y

EL GOBIERNO, ANUNCIABA QUE EL BLO BAJO LA FERULA ALLENDISTA, LAS ENTIDADES ESTATALES—Y LAS INDUSTRIAS PRIVADAS, A MEDIDA QUE IRAN CAYENDO EN MANOS DEL GOBIERNO—LE DABAN PUBLICIDAD UNICAMENTE A AQUELLOS MEDIOS INFORMATIVOS QUE PERTENECIAN A LA UNIDAD POPULAR BO QUE APOYABAN AL REGIMEN. ENTRE ESTOS FIGURABAN EN EL MOMENTO DE DESPLOMARSE EL ALLENDISMO, APROXIMADAMENTE LA MITAD DE LAS RADICEMISORAS DEL PAIS (UNA DE LAS CUALES, LA MAYOR, ERA PROPIEDAD DE SALVADOR ALLENDE) Y CINCO DE LOS ONCE PERIODICOS DIARIOS QUE SE PUBLICABAN EN ESTA CAPITAL. Y

LA TELEVISION COMERCIAL CHILEÑA ESTA TOTALMENTE SOSTENIDA POR EL ESTADO O POR EL SECTOR UNIVERSITARIO, DE MODO QUE NO DEPENDE POR COMPLETO DE LA PUBLICIDAD PARA SUBSISTIR. POR ANADIDURA, DURANTE UNA
Gran parte de la gestión presidencial de Allende casi toda la televisión de Chile estaba controlada por los marxistas o por sus simpatizantes. Esta situación cambió solo cuando la Universidad Católica de Santiago le arrancó el dominio de su canal de TV a los alendistas y se unió a la Universidad Católica de Valparaíso en un esfuerzo por llevarle una programación no-marxista a toda la ciudadanía, utilizando estaciones de relevo de microonda de elaboración casera. Trasfaron, en este empeño en una medida asombrosa, mientras salvagán los obstáculos de todo tipo, aun físicos, que el régimen les interponía para impedirselo. Y el Mercurio, el periódico más grande del país, había perdido el sesenta por ciento de su volumen publicitario normal a mediados de 1971, y cualquier estación radial corriente, no afiliada a la unidad popular, promediaba un ochenta por ciento de pérdidas semejantes. Y esta erosión publicitaria continuó haciendo estragos a medida que las pequeñas empresas independientes fueron suspendiendo sus anuncios al irse agotando sus existencias de mercancías o al sobrepasar por mucho la demanda a los abastecimientos disponibles.
Y A LO LARGO DE TODO ESTE PERIODO ELEVABANSE CONJUNTAMENTE LOS COSTOS
DE PUBLICACION Y TRANSMISION, IMPULSOS POR LA INFLACION DE DOS
CIFRAS QUE ARRASABA AL PAIS Y QUE ASCENDIO A TRES A PARTIR DE 1972. Y
LAS AUTORIDADES GUBERNAMENTALES NEGABAN ENTRENTANTO TODAS LAS
SOLICITUDES DE LICENCIA PARA IMPORTAR PIEZAS DE REPUESTO Y EQUIPOS
DE REEMPLAZO PARA LAS PLANTAS QUE SE DETERIORABAN, Y EN EL CASO DE LAS.
RADIOEMISORAS, DE ELEMENTOS TAN ESENCIALES COMO SON LAS UNIDADES
GRABADORAS Y LAS CINTAS MAGNETOFONICAS. Y

EN CUANTO A EL MERCURIO Y A MUCHAS ESTACIONES DE RADIO, LOS
SINDICATOS MANEJADOS POR LA UNIDAD POPULAR TRABAJAN DE INVENTAR
PRETEXTOS PARA QUE EL GOBIERNO PROCEDIERA A ADUENARSE DE SUS EMPRESAS
RECTORAS. LA DE EL MERCURO, QUE PUBLICA TRES ROTATIVOS DIARIOS EN
ESTA CAPITAL Y OTROS CINCO EN DISTINTAS PARTES DE LA NACION, FUE
OBJETO DE INVESTIGACIONES FISCALES, DE ACUSACIONES DE NEGOCIAR
ILEGALMENTE EN DIVISAS Y DE INSULTOS PERSONALMENTE LANZADOS CONTRA
ELLA POR ALLENDE. Y

PERO EL ESFUERZO MAS VIGOROSO QUE REALIZARÁ EL REGIMEN PARA
TRATAR DE MANIPULAR A LA PRENSA ESCRITA OPOSICIONISTA FUE LAS
INCESANTES TENTATIVAS DE APoderarse DE LA UNICA ENTIDAD PAPELERA INDEPENDIENTE, PROVEEDORA DE PAPEL PERIODICO PARA TODAS LAS PUBLICACIONES NO PERTENECIENTES A LA UNIDAD POPULAR, ASI COMO TAMBIEN PARA LAS QUE SEGUIAN LOS DICTAMENES DE LA COALICION GOBERNANTE. Y

EL GOBIERNO TRATO PRIMERO DE ADQUIRIR LA MAYORIA DE LAS ACCIONES DE LA EMPRESA, COMPRANDOSELAS A SUS 16,000 ACCIONISTAS. LUEGO INTENTO PERSUADIR AL CONGRESO PARA QUE ESTABLECiera UN MONOPOLIO ESTATAL SOBRE EL PAPEL PERIODICO, Y FINALMENTE ENSAYO LA ELABORACION DE UN PRETEXTO PARA DECRETAR LA EXPROPIACION DE LA COMPAÑIA, TACTICA QUE HABIA FUNCIONADO CON OTRAS ININDUSTRIAS. Y

UNA VEZ FRACASADAS TODAS ESTAS INICIATIVAS, EMPRENDESE LA DEL ASECHO ECONOMICO. NO SE MITIGARON LOS CONTROLES DE PRECIOS IMPUESTOS A LOS ARTICULOS DE PAPEL PARA MANTENER EL EQUILIBRIO ALTERADO POR EL ALZA DE LOS COSTOS DE PRODUCCION. ELLO Hizo QUE LA FIRMA PAPELERa DECLARA UNA PERDIDA DE 9,100,000 DOLARES DURANTE LOS DOCE MESES QUE FINALIZARON EL 30 DE JUNIO DE 1972, PERDIDAS QUE AUMENTARON A UN RITMO DE 120,000 DOLARES DIARIOS MAS TARDE EN ESE MISMO AÑO. Y SEGUN MANIFIESTARON LOS SINDICATOS DE LA PROPIA EMPRESA, LA
AUTORIZACION PARA SUBIR LOS PRECIOS CONCEDIDA POR EL REGIMEN EN OCTUBRE DE 1972 PROPORCIONÓ MENOS DE LA MITAD DEL ALIVIO ECONOMICO QUE SE NECESITADA. Y

POR OTRA PARTE, AL COMENZAR EL AÑO 1972, LA SITUACION DE LAS ESTACIONES DE RADIO NO-ALLENDESTAS ERA DESPERADA. DOS VECES DURANTE ESE AÑO EL CONGRESO APROBO UN IMPUESTO ESPECIAL PARA AYUDAR A COSTEAR TODAS LAS EMISORAS, VETANDO AMBAS INICIATIVAS EL PRESIDENTE DE LA REPUBLICA. Y


SALVARONSE IGUALMENTE LA EMPRESA PAPELERA INDEPENDIENTE Y EL MERCURIO. TAMBIEN ESCAPARON CON VIDA EL DIARIO LA PRENSA.
ADQUIRIDO POR INTERESES DEMOCRACRISTIANOS DESPUÉS DE LA ELECCIÓN DE ALLENDE, PERO ANTES DE SU TOMA DE POSESIÓN, Y EL ROTATIVO TRIBUNA, FUNDADO POR EL PARTIDO NACIONAL EN LOS COMIENZOS DE LA PRESIDENCIA ALLENISTA, ES DE PRESUbirSE QUE AMBOS ORGANOS OBTUVIERON RESPALDO ECONOMICO DE SUS PARTIDOS RESPECTIVOS O A TRAVES DE ELLOS, YA QUE NINGUNO DE LOS DOS PUBLICABA MUCHOS ANUNCIOS. (TANTO LA PRENSA COMO TRIBUNA FUERON CLAUSURADOS POR LA JUNTA QUE DESALOJO DEL PODER A ALLENDE, COMO PARTE DE SU DECISIÓN DE DECLARAR EN "RECESO" A LA POLÍTICA.) Y

LA UNIDAD POPULAR EMPLEÓ TAMBIÉN LAS TECNICAS DE HOSTIGAMIENTO ECONÓMICO Y DE DIVIDIR PARA CONQUISTAR CONTRA LOS PARTIDOS POLITICOS DE OPOSICIÓN, DÍEZMANDO CON ESTA ÚLTIMA TECNICA AL TRADICIONAL PARTIDO RÁDICAL CHILENO, Y ESFORZANDOSE POR HACER ZOZOBRAZAR AL PARTIDO NACIONAL, DE TENDENCIA DERECHISTA, DESTRUYENDO EL PODERIO ECONOMICO DE SUS ELEMENTOS PRINCIPALES. Y

COMO EN CHILE LA LEY NO EXIGE QUE SE DE CUENTA DEL APOYO ECONÓMICO DESTINADO A LA POLÍTICA, RESULTA DIFÍCIL AVERIGUAR COMO SE DESENVOLVIERON ECONÓMICAMENTE BAJO EL ALLENISMO LOS PARTIDOS EN SI...
EN LA ESFERA POLÍTICA, EL OBJETIVO PRIMORDIAL DE LA UNIDAD POPULAR ERA EL PARTIDO DOMOCRATAS-CRISTIANOS, EL MAS GRANDE DE TODOS LOS PARTIDOS POLÍTICOS DE LA NACIÓN. DE LAS SEIS AGRUPACIONES INTEGRANTES DE LA UNIDAD POPULAR, LOS CUMUNISTAS SOBRE TODO SE PERCATARON DE LO ESPECIAL QUE RESULTABA PARA ESTABILIZAR AL GOBIERNO MINORITARIO DE ESA COALICIÓN GANARSE EL APOYO DE LA DEMOCRACIA CRISTIANA, O SI NO DIVIDIRLA. Y

PERO A NO SER POR LA PEQUEÑA FRAGMENTACIÓN OCURRIDA POCOS DIAS DESPUÉS DE LAS ELECCIONES PRESIDENCIALES DE 1970, LOS DEMOCRATAS-CRISTIANOS MANTUVIERON INTACTA SU UNIDAD, EVOLUCIONANDO GRADUALMENTE DE UNA POSICIÓN DE ADVERSARIOS LÍNEALES DEL GOBIERNO A OTRA DE OPOSICIÓN IRREDUCTIBLE. Y

TRATANDO DE RESCATAR A BALLENDE, CUYO PROPIO PARTIDO SOCIALISTA, DE FILIACIÓN MARXISTA, REPRESENTABA EL MAS NUTRIDO DE LOS ELEMENTOS IRRACIONALES QUE CONFORMABAN LA UNIDAD POPULAR, LOS COMUNISTAS LLEGARON INCLUSO A PEDIRLE AYUDA A LA IGLESIA CATÓLICA, ROGANDOLE QUE MEDIARA CON LA DEMOCRACIA CRISTIANA PARA CONTRIBUIR A APUNTALAR AL RÉGIMEN CUANDO ESTE SE VENIA ABAJO. Y
MAS ERA YA DEMASIADO TARDE. HACÍA MUCHO TIEMPO QUE SALVADOR ALLENDE HABÍA SEGUIDO SU SUERTE CON LOS DEMOCRATA-CRISTIANOS, AL FALTAR SISTEMÁTICAMENTE A TODAS LAS PROMESAS QUE LES HICIERA A CAMBIO DE LOS VOTOS QUE NECESITABA PARA QUE EL CONGRESO DETERMINARA SU ELECCIÓN A LA PRIMERA MAGISTRATURA, Y AL CONFESARLE CÍNICAMENTE AL INTELECTUAL SOCIALISTA FRANCES REGIS DEBRAY EN UNA ENTREVISTA QUE HABÍA FORMULADO ESAS PROMESAS EXCLUSIVAMENTE PARA ASEGURAR SU NOMBRA MIENTO COMO PRESIDENTE, Y

2. NO FILE. E-25 IMPDET.

DATE: 10 OCTOBER 1974
ORIG: C/LA/CA
UNIT: 0003
EXT: C/LA/CA

SECRET
OUTGOING MESSAGE

70-7

SECRET

CLASSIFICATION

STAFF

CONF: SSS INFO: FILE 102125Z

DIRECTOR

DISSENY BY: 29

TO: SAIGON

BONN, BONN BASE, BERLIN

HAMBURG

BOOK CABLE 4

GRPEG 069 4

1. "WATERGATE" A COMMON PHENOMENON IN USSR. ("NY TIMES,

9 OCTOBER). SOVIET HISTORIAN AND POLITICAL DISSIDENT ROY MEDVEDEV

HAS CHARGED SOVIET PRESS WITH SUPPRESSING NEWS ABOUT WATSON GATE

"BECAUSE REGIME FEARS REVEALING TO SOVIET PUBLIC HOW INDEPENDENT

JUDICIARY, FREE PRESS AND ELECTED LEGISLATIVE BODIES CAN RESTRAIN

EXECUTIVE POWER...WATERGATE-TYPE ABUSES ARE COMMON IN USSR, BUT

SOVIET ESTABLISHMENT IS SECURELY SHIELDED NOT ONLY FROM FALSE CHARGES

BUT ALSO FROM LEGITIMATE INVESTIGATION OF REAL ABUSES OF POWER...FOR

EXAMPLE...ABORTIVE ATTEMPT BY PROSECUTOR IN GEORGIAN REPUBLIC TO GET

PERMISSION TO SEARCH APARTMENT AND INTERROGATE FAMILY OF REPUBLIC'S

DATE: 10 OCTOBER 1974

ORIG: CAG/PSB

DC/WH/C

EXT: 1254

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CONFIDENTIALITY INDICATOR

1. Former leader Nzhvanadze, who was toppled in September 1972 amid charges of wholesale corruption and graft that characterized his rule...although there was more than enough evidence to warrant this type of investigation, higher party officials would not permit it.

2. East Germans reaffirm separation from West on 25th anniversary. John Goshko writes in "Washington Post" of 6 October that East Germany's "new sense of assertiveness" was demonstrated on 7 October anniversary of founding of state by largest parade ever staged by East German people's army: "Thousands of jack-booted troopers made streets of East Berlin echo to thud of traditional Prussian goose step...seemingly endless wave of soldiers in rigidly disciplined ranks...holding of parade in East Berlin constituted defiance of four-power responsibility for all of Berlin...in protest, 12 NATO nations which recognize East Germany, refused to send representatives to celebrations in East Berlin...East German standard of living is still thirty percent below that of West Germany...despite living standards East Germany is one of most closed societies in Soviet bloc -- more regimented in

DATE:

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MANY WAYS THAN SOVIET UNION ITSELF... EAST GERMAN GOVERNMENT OWES ITS PRESENT SUCCESS TO BERLIN WALL AND CONTINUED MAINTENANCE OF WALL ALONG ITS 260-MILE BORDER WITH WEST GERMANY. Y

3. EGYPT CANCELS ORDER FOR SOVIET PLANES. CAIRO, 29 SEPTEMBER. WEEKLY NEWSPAPER "AKHEBAR AL-YOM REPORTS THAT EGYPT HAS DECIDED TO CANCEL ITS ORDER FOR EIGHT RUSSIAN-BUILT TU-154 JET AIRLINERS, CITING "NUMEROUS AND MAJOR DEFECTS" IN AIRCRAFT'S PERFORMANCE THAT JEOPARDIZE SAFETY OF PASSENGERS. ONE OF PLANES CRASHED IN FLAMES DURING TRAINING FLIGHT 10 JULY, KILLING TWO EGYPTIANS AND FOUR SOVIET CREWMEM. EXACT CAUSE OF ACCIDENT HAS NOT BEEN ESTABLISHED AND OTHER PLANES OF THIS TYPE HAVE BEEN GROUNDED. NEWSPAPER SAID EGYPTIAN AVIATION ORGANIZATION WOULD FILE CLAIMS WITH THE SOVIET EXPORT FIRM, "FAVIA", FOR REIMBURSEMENT OF $17.5 MILLION ALREADY PAID ON THE $47.5 MILLION DEAL. Y

4. NO CUBAN/SOVIET RESPONSE ON SETTING PRISONERS FREE. NEUE ZUERCHER ZEITUNG CARRIED AFP REPORT FROM SANTIAGO, 24 SEPTEMBER, THAT GENERAL PINOCHET, CHIEF OF CHILEAN JUNTA, HAD SAID NEITHER CUBA NOR SOVIET UNION HAD RESPONDED TO CHILEAN CHALLENGE OF 311 SEPTEMBER TO
RELEASE SAME NUMBER OF PRISONERS AS CHILE WAS RELEASING," PINOCHET ALSO SAID FOREIGN MINISTRY AND CHILEAN EMBASSIES ARE RECEIVING HUNDREDS OF LETTERS DAILY FROM RELATIVES OF SOVIET PRISONERS, AND THAT THESE LETTERS WERE BEING FORWARDED TO INTERNATIONAL RED CROSS. HE ALSO REVEALED HE WOULD RECEIVE DELEGATION FROM BUENOS AIRES OF UKRAINIANS-IN-EXILE WHO WOULD GIVE CHILEAN OFFICIALS INFORMATION ON SOME FIFTY UKRAINIANS WHO ARE POLITICAL PRISONERS IN USSR-V

S. EDITORIAL IN MEXICO CITY INDEPENDENT DAILY, "LA PRENSA," 25 SEPTEMBER, ACCUSED KGB OF SPYING AND INTERVENING IN LATIN AMERICAN AFFAIRS. COMMENTING ON PERUVIAN FOREIGN MINISTER'S STATEMENT AGAINST CIA ACTIVITIES IN LATIN AMERICA, EDITORIALIST WROTE THAT THE KGB SHOULD GET OUT OF LATIN AMERICA. "...THAT SINISTER RED POLITICAL ORGANIZATION WHICH HAS COMMITTED SO MANY DASTARDLY CRIMES IN OUR COUNTRY SUCH AS THE ASSASSINATION OF TROTSKY. KGB HAS ESTABLISHED BOOK PUBLISHERS USED BY THE FASCIST LEFTISTS TO INFILTRATE PARTIES, MEETINGS AND LITERARY GATHERINGS. KGB USED THE PRESS AND GROUPS OF ARTISTS, INTELLECTUALS, WRITERS AND JOURNALISTS TO SING THE PRAISES OF A RED DICTATORSHIP; ...THE KGB SHOULD GET OUT WITH ITS THOUSANDS
OF SPIES SPREAD THROUGHOUT OUR HEMISPHERE..."  

6. IPU COUNCIL RECOGNIZES SOUTH VIETNAM. TOKYO NEWSPAPERS OF 2 OCTOBER REPORT EXTENSIVELY ON OPENING OF INTER-PARLIAMENTARY COUNCIL MEETING AND SAID HEATED DEBATE TOOK PLACE IN FIRST SESSION OVER SEATING OF SOUTH VIETNAMESE DELEGATION. "MAINICHI" STORY SAID SOVIETS AND ROMANIANS IMMEDIATELY CHALLENGED "QUALIFICATIONS" OF SOUTH VIETNAMESE AND DEMANDED THAT LATTER BE EXPELLED FROM CONFERENCE AND THAT PROVISIONAL REVOLUTIONARY GOVERNMENT (PRG) BE SEATED IN THEIR PLACE. "MAINICHI" SAID THAT ROLL CALL VOTE WAS HELD, AND SOUTH VIETNAMESE DELEGATION WAS SELECTED "BY OVERWHELMING MAJORITY" TO PARTICIPATE IN THE CONFERENCE. EDITORIAL IN "ASAI" SAID THAT BITTER CONTROVERSIES WOULD ARISE AT THIS SESSION OF IPU, WHICH HAS MORE THAN SIXTY NATIONS PARTICIPATING, INCLUDING BOTH NORTH AND SOUTH KOREA. BUT THAT "IT IS...SIGNIFICANT IN ITSELF THAT PARLIAMENTARIANS OF WORLD EXCHANGE UNRESERVED OPINIONS ON CURRENT INTERNATIONAL PROBLEMS."

7. CAMBODIAN MOSLEMS APPEAL FOR HELP AGAINST COMMUNIST ATROCITIES. PHNOM PENH, 27 SEPTEMBER (SAIGON POST): "TWO MOSLEM ORGANIZATIONS IN CAMBODIA, SPEAKING FOR ALMOST A MILLION KHMER MOSLEMS, HAVE
APPEALED TO ALL ISLAMIC COMMUNITIES TO SEND DELEGATIONS TO CAMBODIA FOR FIRSTHAND VIEW OF THE 'INFERNO' CREATED BY INDOCHINESE COMMUNISTS. ACCORDING TO THESE ORGANIZATIONS, WHENEVER COMMUNISTS CAPTURED A VILLAGE, MEN, WOMEN AND CHILDREN OF MOSLEM FAITH WERE MARCHED TO A CONCENTRATION CAMP AND THEIR HOMES WERE BURNED TO THE GROUND. THE OLD AND WEAK WERE KILLED; THE HEALTHY WERE FORCED TO GIVE UP THEIR RELIGION AND WORK FOR THE COMMUNISTS. TO HELP DEFEND THEIR RELIGION AND THEIR ADOPTED COUNTRY AGAINST COMMUNIST DEPRE-
DATIONS, KHMER MOSLEMS ORGANIZED A BRIGADE, NOW PART OF THE CAMBODIAN ARMED FORCES, AND MANY MOSLEMS HAVE GIVEN THEIR LIVES ON THE BATTLE FIELD. IN THEIR APPEAL, CAMBODIAN MOSLEMS BEGGED FELLOW MOSLEMS ALL OVER WORLD TO UNITE IN EFFORT TO COMPEL NORTH VIETNAMESE AND OTHER INDOCHINESE COMMUNISTS TO CEASE BLOODSHED IN INDOCHINA.*

B. IRAN INCENSED BY NORTH KOREAN BEHAVIOR. TEHRAN, 9-12 SEPTEMBER (TEHRAN JOURNAL AND KAYHAN INTERNATIONAL): TWO OF TEHRAN'S LEADING NEWSPAPERS CARRIED REPORTS ON HOW NORTH KOREAN ROWDYISM HAD MARRIED ASIAN GAMES, AND CRITICIZED THEIR BEHAVIOR. ONE REPORT CARRIED HEADLINE, "WHENEVER THERE'S TROUBLE, THERE'S A NORTH KOREAN." AFTER
NORTH KOREAN OLYMPIC SILVER MEDALIST BOXER LOST BOUT. NORTH KOREAN COACHES, MANAGER AND NEWSMEN ATTACKED INDONESIAN REFEREE. THEN ENGAGED IN BATTLE WITH POLICE AT MOHAMMED REZA SHAH STADIUM. RULES COMMITTEE UPHOLD DECISION ON BOUT. THEN CENSURED NORTH KOREAN PROTESTERS FOR PUNCHING JUDGES AND BREAKING FURNITURE. SIX TRUCK-LOADS OF POLICE WERE NEEDED TO RESTORE ORDER. NORTH KOREAN FENCING AND SOCCER TEAMS REFUSED TO COMPETE AGAINST ISRAELIS, AND BOTH MEN'S AND WOMEN'S BASKETBALL TEAMS REFUSED TO PLAY SOUTH KOREANS. WHEN NORTH KOREA'S VOLLEYBALL PLAYERS DID CONSENT TO TAKE ON SOUTH KOREAN TEAM, NEWSMEN CONCLUDED NORTH KOREANS HAD AGREED ONLY BECAUSE THERE WAS TO BE A NET BETWEEN THEM. MOST SENSATIONAL PRESS COVERAGE CONCERNED NORTH KOREAN WEIGHTLIFTER WHO, STRIPPED OF HIS THREE AWARDS WHEN DRUG TESTS PROVED POSITIVE, OBJECTED VIOLENTLY AND REFUSED TO RETURN GOLD MEDALS. E2 IMPDET-A
OUTGOING MESSAGE

SECRET

STAFF 102215Z DIRECTOR L0811

TO: INFO SANTIAGO Y

RYBAT VYNUMBER Y

REF: A 24797 [IN 367247] B DIRECTOR L04965 Y

1. FOLLOWING FOR YOUR BACKGROUND USE IN BRIEFING PURIFIYONE RE:
PRISONER EXCHANGE PROPOSAL: IS TEXT SANTIAGO E CABLE 10049 Z

OCT: Y

1. RECENT PUBLIC LETTER TO CARDINAL RAUL SILVA REQUESTED HIS
ASSISTANCE IN OBTAINING RELEASE OF JURI GRIGORIEVICH PRONIN, CURRENTLY
DETAINED IN USSR. LETTER FROM DETAINEE'S WIFE, A CHILEAN CITIZEN
NAMED MARIA ELIANA E. DE PRONIN, WAS GIVEN PROMINENT LOCAL PRESS
COVERAGE SEPT 26. TEXT OF LETTER WAS WRITTEN IN SOMETIMES IRONICAL
TONE, APPEALING TO CARDINAL'S "NOBLE CHRISTIAN HEART TOWARDS CHILEAN
POLITICAL DETAINES." CONTINUING, DETAINEE'S WIFE SAID SHE BELIEVES
AN AUTHORITY SUCH AS THE CARDINAL, "WHO HAS SO MANY TIMES DEFENDED
THE DETAINES OF THE LEFT," COULD INFLUENCE SOVIET AUTHORITIES TO
RELEASE HER HUSBAND, SAID MARRIED PRONIN IN JANUARY 1968, AND
HUSBAND SINCE AUGUST 1968 DETAINED IN UJTA CAMP FOR HAVING TRIED TO

DATE: ORIG: UNIT: EXT:

[Signature]

SECRET

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LEAVE USSR ILLEGALLY. Y

"2. CARDINAL RESPONDED PUBLIC (OCT 1) IN FORM OF LETTER TO
CONSERVATIVE "EL MERCURIO," REITERATING HIS INTENTION TO USE ALL HIS
STRENGTH TO HELP THOSE WHO SUFFER," REGARDLESS OF OTHER
CONSIDERATIONS." IN RESPONSE, CARDINAL ASSURED WIFE AND PUBLIC THAT
HE WOULD DO ALL POSSIBLE ON DETAINEE'S BEHALF, ALTHOUGH HE HAS NO
RELATIONS WITH USSR AND IS NOT OPTIMISTIC. Y

"3. COMMENT. PRESS COVERAGE OF LETTER EXCHANGE, AND PERHAPS
REQUEST ITSELF, IS OBDVIOUS CONTINUATION OF PRESS HARASSMENT OF
CARDINAL FOR HIS CRITICISM OF GOC HUMAN RIGHTS STANCE, AND FOR HIS
SILENCE DURING CHILEAN HUE AND CRY OVER HUMAN RIGHTS SITUATION IN
USSR AND CUBA. IN HIS RESPONSE, CARDINAL SOFTLY REBUKED CRITICS AND
GOC BY STATING, "MOREOVER I BELIEVE IT IS CLEAR TO YOU (EL MERCURIO)
THAT THE CARDINAL'S REQUESTS TO AUTHORITIES, EVEN THOSE WITH MORE
INTIMATE TIES TO HIM, ARE NOT ALWAYS WELL RECEIVED." Y

4. NO FILE. E-2 IMPDET.

DATE: 9 OCTOBER 1974
ORIG: C/LA/C
UNIT: C/LA/C
EXT: 1553

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SECRET 1715442 SEP 74 STAFF

CITE SANTIAGO 32338

TO: PRIORITY DIRECTOR.

RYHAT

REF: SANTIAGO 32318 (43:91362)

1. IN FEATURED EDITORIAL CAPTIONS "KENNEDY ON THE ANTI-
CHILEAN CAMPAIGN" EL MERCURIO OF 16 SEPTEMBER DESCRIBES
REPRESENTATIVE HARRINGTON AS SECOND (LUGARTEÑE) OF
SENATOR KENNEDY. EL MERCURIO OUTLINES OBJECTIVES OF
HARRINGTON REVELATIONS AS: A) TO GIVE AMMUNITION TO THE
POLITICAL INTERESTS OF (SENATOR) KENNEDY; B) TO CONTINUE THE
ANTI-CHILEAN CAMPAIGN WHICH INTERNATIONAL COMMUNISM HEADS
AND HAS GREATLY INFILTRATED THE ACADEMIC AND POLITICAL
CIRCLES SUPPORTING KENNEDY; C) DIRECT FIRE AT THE CHILEAN DAILY
WHOSE PUBLICATIONS AND OPINIONS SEEM TO HAVE THE STRONGEST
IMPACT INTERNATIONALLY.

2. EL MERCURIO FURTHER COMMENTS THAT HARRINGTON ATTACK IS
AN ATTEMPT TO IMPEDE THE ECONOMIC DEVELOPMENT OF CHILE (SIC)
AND DIRECTLY CONNECTS THE WORLDWIDE SOVIET CAMPAIGN "TO STRANGLE
OUR GOVERNMENT EVEN AT THE COST OF (CAUSING) HUNGER FOR
3. After touching several other bases, El Mercurio concludes
by denying that there has ever been any "unconfessable"
income in its history. El Mercurio's books were subject to most
thorough and hostile scrutiny during the Marxist regime. Without
anyone being able to specify irregularities. Therefore, El
Mercurio rejects "with legitimate disdain the irresponsible
charges made by a close collaborator of Mr. Kennedy and
feels authorized to conjecture that the attack is the fruit
of journalistic irresponsibility or of the animosity of the
advisors of a presidential candidate who is stopped since
several years ago in his ambitions by the moral examination

of his actions to which he has been subjected in his country."

4. President Ford's statements on Chile from his 16 September
news conference were carried in full by "El Mercurio" under front
page headlining "Ford: U.S. had nothing to do with fall of Allende."
There was no editorial comment in "El Mercurio" and no news or
editorial coverage of the President's statement in "La Tercera".
MRS. ALLENDE'S ATTACK AGAINST SECRETARY KISSINGER WAS CARRIED IN
"LA TERCERA" BUT NOT IN "EL MERCURIO".

5. IN TAKING THE EXAGGERATED POSITION IT HAS ON THE REVEL-
TIONS, EL MERCURIO HAS LEFT ITSELF VULNERABLE TO BEING EMBARRASSED
AND CONTRADICTED BY STATEMENTS (SUCH AS THE PRESIDENT'S) THAT ARE
MORE ACCURATE PRESENTATIONS OF WHAT WENT ON IN CHILE PRE-COUP.
EL MERCURIO MAY WELL HAVE TAKEN THIS POSITION BECAUSE, BESIDES
THEIR RIGHT-WING VIEWS, THE CURRENT MANAGEMENT IS GENUINELY
IGNORANT OF THE FUNDING THAT TOOK PLACE WHEN FUEBIG-2 WAS RUNNING
THE SHOW. FUEBIG-2 WHO SCHEDULED [REDACTED]
HAS TOLD COS THAT NO ONE CURRENTLY AT EL MERCURIO KNOWS OF FUND-
ING. EVEN CURRENT MINISTER OF ECONOMY LENIZ DOES NOT KNOW DETAILS
BUT HAD SUSPICION ABOUT INFUSION OF FUNDS THAT TOOK PLACE IN U.P.
ERA. WE WILL ATTEMPT TO MONITOR INTERNAL EL MERCURIO REACTION
THROUGH FUEBIG-2.

6. FILE: DEFER. EZ IMPDET

SECRET
SECRET 1615102 SEP 74 STAFF
CITE SANTIAGO 30318
TO: DIRECTOR,

RYBAT

REFS:
A. SANTIAGO 30293 (P 355699)
B. SANTIAGO EMBASSY 5628 (R#41039)

1. "EL MERCURO" OF 14 SEPTEMBER 1974 DEVOTED ENTIRE PAGE 29 TO HARRINGTON REVELATIONS ABOUT CIA FUNDING IN CHILE UNDER HEADLINE "KENNEDY PLAN AGAINST EL MERCURIO". COVERAGE INCLUDED COMPLETE TEXT OF HARRINGTON LETTER TO MR. THOMAS MORGAN AND REPRINTS OF SEYMOUR HERSCH ARTICLE FROM "NEW YORK TIMES" AND AP DISPATCH FROM "WASHINGTON STAR", LATTER IDENTIFYING "EL MERCURIO" AS CHILEAN NEWSPAPER ALLEGEDLY RECEIVING FUNDS FROM CIA. ALSO INCLUDED A 13 SEPTEMBER AP ITEM DATE LINED WASHINGTON QUOTING DIRECTOR COLBY THAT "CIA WAS NOT INVOLVED IN THE MILITARY COUP".

2. DO NOT KNOW REASONS THAT MOTIVATED "EL MERCURIO" TO PUBLISH EXTENSIVE COVERAGE OF HARRINGTON REVELATIONS. SPECULATE THEY DECIDED TO TAKE OFFENSIVE TO ATTEMPT TO MITIGATE DAMAGING NATURE OF THE MATERIAL AGAINST "EL
MERCURY ITSELF, THE HEADLINE AND A SHORT EDITORIAL COMMENT INTRODUCING ABOVE COVERAGE DESCRIBES THESE DEVELOPMENTS AS "NEW AND GROTESQUE EPISODE IN THE ANTI-CHILEAN CAMPAIGN" AND ATTEMPTS TO TIE REPRESENTATIVE HARRINGTON CLOSELY TO SENATOR EDWARD KENNEDY (WHO HAS SINCE THE COUP BEEN UNDER STEADY ATTACK HERE FOR HIS CRITICISM OF THE MILITARY INTERVENTION AND SUBSEQUENT EVENTS IN CHILE). "EL MERCURIO" MAKES CONNECTION WITH RECENT REVELATIONS BE REP. HARRINGTON BY "EL MERCURIO" OF AN ARTICLE FROM "NO CALLS" WHICH DEALT WITH CHAPPAQUIDICK IN A MANNER UNFAVORABLE TO SENATOR KENNEDY.

3. "EL MERCURIO" RESPONSE, HOWEVER, WILL HAVE NOT EFFECT OF RAISING MORE QUESTIONS HERE THAN IT ANSWERS. THIS INCREASED PUBLICITY WILL INCREASE PRESSURE ON AND POSSIBLY SCRUTINY OF STATION ASSETS INVOLVED AND MAY AFFECT THOSE NOT DIRECTLY INVOLVED. ON 13 SEPTEMBER, FUPOCKET-1 WAS QUESTIONED BY NEWSWEEK REPORTER HERE ABOUT HIS KNOWLEDGE OF FUNDING. FUPOCKET-1 DENIED ALL KNOWLEDGE OF ANY FUNDING FROM FOREIGN SOURCES. DETAILS FOLL SEPARATE CABLE.

4. REQUEST WCS KEEP STATION UP-TO-DATE ON ANY PLANS OR CONCRETE ACTIONS TO CONTINUE INVESTIGATION OF REVELATIONS.
SECRET 121711Z SEP 74 STAFF

CITE SANTIAGO 30253

TO: DIRECTOR,

SAYBAT

REFS: A. DIRECTOR 595482

B. SANTIAGO 30253 (354910)

1. FOLLOWING STATION AGENTS WERE CONTACTED, PERIOD 8-10 SEPTEMBER. IN CONNECTION WITH REFERENCE REVELATIONS, THEIR COMMENTS AND REACTIONS FOLLOW.

2. FUERMINE-1 CONCERNED BUT RELIEVED THAT NO NAMES WERE MENTIONED, COMMENTED THAT TIMING WAS EXCEPTIONALLY BAD SINCE IT COINCIDED EXACTLY WITH EDUARDO FREI'S ARRIVAL IN THE U.S. AND WE WONDERED WHETHER THIS HAD BEEN DELIBERATE. FUERMINE-1 ASKED WHETHER WE BELIEVED THERE WOULD BE FURTHER INVESTIGATION OR MEDIA PLAY IN THE U.S. REPLIED THAT WE DID NOT KNOW BUT WOULD KEEP HIM INFORMED. HE IS TRAVELING TO GERMANY ON 22 SEPTEMBER AT INVITATION OF INTERNATIONAL COOPERATION INSTITUTE (WEST GERMAN CHRISTIAN DEMOCRATS). DURING HIS TRIP HE WILL

IN VIEW OF REF DEVELOPMENTS, WE

SECRET

RECORD COPY

15-126-3

12 Sep 74
DOES NOT PLAN TO RETURNING CHILE VIA NEW YORK AND CHICAGO AND PLANS TO MEET WITH FREI 15 OCTOBER IN NEW YORK. FUERMINE-1 EXPRESSED THE OPINION THAT THE JUNTA WILL NEITHER RAISE THE MATTER WITH EMBASSY NOR PURSUE FURTHER SINCE IT IS NOT IN THEIR INTEREST TO DO SO.

2. FUBRIG-2 RECEIVED NEWS CALMLY BUT WAS MOST CONCERNED ABOUT IMPLICATIONS OF EFFECTS OF THE REVELATIONS AND EXPRESSED OPINION THAT SYSTEM IN WASHINGTON SHOULD BE CHANGED TO PREVENT SUCH LEAKS. HE WAS RELIEVED THAT EL MURCURIO WAS NOT MENTIONED BY NAME (BUT WE ARE SKEPTICAL THAT IT WILL NOT BE EASILY IDENTIFIED IN ANY SUBSEQUENT COMMENTARY). FUBRIG-1 THOUGHT IT QUITE POSSIBLE JUNTA MAY WONDER IF USG STILL NOT IN SOME WAY SUPPORTING PDC, WHICH OF COURSE JUNTA WOULD FIND MOST UNACCEPTABLE.

4. FUERMINE-5 ALSO TOOK THE NEWS CALMLY ABOUT REVELATION OF $9,000 ITEM FOR TRAVEL OF PDC LEADERS, WHILE SHAKING HIS HEAD ABOUT THE LEAKING OF SUCH MATTERS, HE BELIEVES THAT THE REVELATION, UNLESS IT IS MADE MUCH MORE SPECIFIC BY SUBSEQUENT INVESTIGATIONS AND PUBLICITY, WILL NOT CAUSE HIM A PROBLEM.
CONSIDERS THE FAILURE TO IDENTIFY THE DELEGATION AS BEING PDC AND (INCORRECTLY) AS MAKING A TOUR OF LATIN AMERICAN RATHER THAN EUROPEAN CAPITALS WILL LEAD AWAY FROM PROPER IDENTIFICATION, SINCE THE FUNDS THAT PASSED THROUGH HIS HANDS WERE APPROXIMATELY $4,000 AT THE THEN LOCAL FREE MARKET RATE (AS OPPOSED TO STATION SPENDING RATE), HE FEELS THAT THIS WILL ALSO HELP HIDE PROPER IDENTIFICATION EVEN WITHIN THE PDC OF THIS FUNDING.

5. FUPOCKET-1 WAS INFORMED OF DISCLOSURE OF $25,000 FOR PURCHASE OF RADIO STATION ON 8 SEPTEMBER, WAS VISIBLY DISTURBED UPON HEARING NEWS AND COMMENTED "YOU PEOPLE NEED TO CHANGE YOUR SYSTEM SO THAT SUCH NEWS DOES NOT GET OUT." STATED THAT NO ONE WITHIN HIS GROUP KNEW THAT HE GAVE MONEY ON THE SIDE TO PURCHASE THIS RADIO STATION AND THAT NO RECORDS WERE MADE OF HIS PART IN THE DEAL. HE REMARKED THAT THE FORMER OWNER OF THE STATION IS A SOCIALIST AND UNLIKELY TO DISCUSS THE TERMS OF THE SALE SINCE ILLEGAL MONEY TRANSACTION INVOLVED. FUPOCKET-1 PROMISED TO KEEP US ADVISED OF ANY BLOW-BACK.

6. ON 10 SEPTEMBER FUBARGAIN-1 SAID THAT GENERAL PINOCHET...
DID NOT SEEM VERY UPSET BUT COMMENTED IN FUBARGAIN-1'S
PRESENCE THAT THE DISCLOSURE "SEEMED TO BE A DUMB THING TO
DO." FOR THE FIRST TIME IN OUR RELATIONSHIP WITH FUBARGAIN-1,
HE SHOWED HIS UNHAPPINESS AT WHAT HE FEELS IS GROWING EVIDENCE
OF U.S. INCOMPREHENSION OF GOC. SAID HE
AND OTHER SENIOR OFFICERS WHO HAVE TRAVELED TO STATES
AND ARE MORE FAMILIAR WITH THE WAY U.S. ACTIONS COULD PARTIALLY
UNDERSTAND CURRENT U.S.G. ATTITUDES AND ACTIONS. SAID MOST
JUNIOR OFFICERS, HOWEVER, ARE INCREASINGLY UPSET AND
CONCERNED ABOUT WHAT THEY FEEL IS U.S.
FAILURE TO BE A "GOOD FRIEND" OF CHILE DESPITE THE IMPORTANT
SACRIFICES THAT HAVE BEEN MADE HERE IN THE WORLD WIDE
COMMUNIST STRUGGLE.

7. ACCORDING TO FUBARGAIN-1, MOST CHILEAN OFFICERS VIEW THE
REVELATIONS AND THEIR TIMING AS A DELIBERATE ATTEMPT BY A
SECTOR OF U.S.G. (ALBEIT THE LEGISLATIVE BRANCH)
TO DELIBERATELY DAMAGE JUNTA AND FALSELY CAST DOUBT
ON THEIR INDEPENDENCE AND ROLE IN BRINGING DOWN ALLENDE. OFFICERS
HAVE ADDED THIS LATEST BLOW TO WHAT THEY CONSIDER TO BE U.S. FOOT-
DRAGGING ON SUPPLYING CHILE ARMS URGENTLY NEEDED FOR DEFENSE.
AGAINST PERU AND U.S. FAILURE NOT ONLY TO ASSIST, BUT ACTUALLY TO CONTRIBUTE TOWARDS, PROBLEMS OF CHILEAN IMAGE ABROAD. SUM IS THAT CHILEAN OFFICER CORPS BECOMING INCREASINGLY BAFFLED AND RESENTFUL ABOUT U.S. ACCORDING TO THIS SOURCE.

8. FILEI DEFER. E2 IMPDET
Since President Allende's electoral victory in 1970, the Government propaganda apparatus has mounted a coordinated campaign against the opposition communications media focusing on the prestigious El Mercurio newspaper chain and key opposition radios. The long-range goal is to create conditions that will insure Government control over the media so that an emasculated opposition will operate intuitively and through self-censorship within an approved framework.

The opposition radio stations bear the brunt of an array of legal and illegal devices designed to intimidate them. These devices include the threat of violence, favoritism in the distribution of essential Government advertising revenue, temporary closures, and Government-forested strikes.

Chile's national television -- the only country-wide channel -- has become an important propaganda instrument for the Government. But it is being challenged by a Catholic University channel which is attempting to expand its service beyond the Santiago area.

A major confrontation between the Government and the opposition, lasting more than a year, has taken place at the Papelera, Chile's only important private newsprint producer, with the company supported by the opposition media stymying repeated Government efforts to take over the firm. The paper company claims that Government price policies have brought it close to bankruptcy.

Despite officially-sanctioned harassment, the opposition media have continued to function, taking advantage of the fluid political situation currently prevailing in Chile, and have become increasingly effective in exploiting the Government's economic failures and the growing dissension within the ruling Marxist coalition.

Nevertheless, the opposition's economic base that sustains its media is being slowly undermined as the Government expands its control over the Chilean economy. Many opposition media are reportedly already in difficult financial straits. The Chilean Communist Party, seeking to strengthen its voice in the March 1973 Congressional elections, has already purchased five beleaguered radio stations (one a former opposition station) in southern Chile.
III. THE ALLENDE PROCESS - HOW THE MEDIA ARE TREATED

Allende's treatment of the opposition media and his utilization of the pro-Government media offer revealing insights into the unique claim that Chile will carry out a Socialist revolution within the framework of traditional bourgeois and democratic institutions without social cost.

Any Chilean government possesses wide powers that can be employed to control and intimidate media opponents given sufficient will power and cynicism to do so, despite the fact that media freedoms in Chile are twice-guaranteed, both in the 1925 constitution and in a statute of constitutional guarantees agreed to by Allende's Popular Unity coalition and the Christian Democrats (PDC) as a condition for PDC support for Allende in the congressional run-off held subsequent to the Presidential election in September 1970.

What are some of these powers? Any Chilean executive under provisions of the State Internal Security Law may establish emergency zones by decree headed by military commanders empowering the State to enforce news censorship and to restrict access to newsprint supplies. A law on publicity abuses empowers the government to petition the courts to suspend access to news and information. (Laws on the books that pose potential threats to freedom of radio information are more severe and more frequently utilized. See Section III, B, Radin.) Furthermore, through the judicious parceling out of advertising from State and autonomous State firms any government can discriminate against opposition media by denying or restricting this key source of revenue.

Unlike predecessor governments which utilized existing laws and accepted practices to reward political associates and benefit business partners, the Allende Government has consistently and frequently applied these measures to harass, to intimidate, and to undermine the morale of political and class opponents in the media. These tactics are applied throughout the country.
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A basic organizational technique for the UP coalition has been the establishment of UP committees (CUP -- Comité de Unidad Popular) composed of newsmen who are militant members of parties belonging to the Government coalition or independent supporters of UP policies in newspapers, radios, magazines, and in journalistic bodies. The CUP's have been most active at the union level: demanding exorbitant wage increases, insisting that UP employees be given the right to express their opinion on editorial pages, disrupting legitimate union meetings, forming rump unions, and leaking internal company data to the leftist press and to the Government.

The goal of certain Unidad Popular militants regarding freedom of the press was most explicitly and revealingly stated by the organizing committee for a conference of leftist journalists which was held in Santiago in April 1971. The committee issued the following statement prior to the conference:

...we believe that we must fight for true freedom of the press, which will only be possible when there is true economic independence. We maintain that Chile will have true freedom of the press only when the means of mass communication are part of the area of social property, that is, when they belong to all Chileans. The press, radio, television, and the theater must be tools at the service of liberation and culture of our people and not a private business, an ideological battering ram of the national and foreign minority (the capitalists) as is presently the case. 7 (underlining added)

Another statement said "the mission of journalists is to support and defend the People's Government (the UP) together with all the workers." The declaration also underlined the support of UP newsmen for "Viet-Nam, Cuba, and all the people that are building Socialism," and threw a bouquet at Cuba's Prensa Latina agency for its "objective" reporting of the Chilean phenomenon. Allende himself lent legitimacy to the mission of UP journalists in a speech kicking off the conference when he stated that "committed" newsmen must act as the "vanguard" of the revolution by "elevating the political level of the people."

Reiterating a theme expressed on many other occasions, Allende asserted that his Government would respect freedom of information while at the same time he lamented his Government's "excessive tolerance" for the opposition media.

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A. Press

In the key Santiago metropolitan area, there are five major opposition daily newspapers and one important neutral daily, La Tercera de la Hora.

<table>
<thead>
<tr>
<th>Title</th>
<th>Estimated Circulation</th>
<th>Political Orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>El Mercurio</td>
<td>160,000</td>
<td>Independent, conservative</td>
</tr>
<tr>
<td>Las Noticias Ultimas</td>
<td>120,000</td>
<td>Part of the Mercurio chain</td>
</tr>
<tr>
<td>La Prensa</td>
<td>25,000</td>
<td>Christian Democratic (PDC)</td>
</tr>
<tr>
<td>La Segunda</td>
<td>60,000</td>
<td>Part of the Mercurio chain</td>
</tr>
<tr>
<td>La Tribuna</td>
<td>25,000</td>
<td>National Party (PRT) interests</td>
</tr>
<tr>
<td>La Tercera de la Hora</td>
<td>190,000</td>
<td>Independent</td>
</tr>
</tbody>
</table>

A favorite target of the Government and its propaganda apparatus has been the conservative, independent daily El Mercurio, dean of the Chilean press and chief representative of the largest and most influential newspaper chain in the country. Tarred regularly as "pro-U.S," and as a "gringo newspaper written in Spanish" -- potent accusations in Chile -- El Mercurio has borne the brunt of every conceivable kind of pressure short of outright seizure.

On numerous occasions the paper has been implicated along with other opposition media in alleged seditious plots carried out in concert with foreign (i.e., U.S.) interests to overthrow the Government. Advertisers have been "requested" not to do business with the Mercurio chain, which has been accused of foreign exchange irregularities by tax authorities, by Government supporters on the paper's own staff, and by Allende himself at public rallies. Allende, too, periodically reacts to critical Mercurio editorials with charges that Chile and the Presidential office have been "insulted," that the Mercurio chain indulges in "libertinism unprecedented in Chilean journalistic history."

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and that the chain is "faithful to its tradition of infamy." The Government propaganda apparatus follows suit.

The PDC organ La Prensa and the National Party tabloid La Tribuna are secondary targets for the UP propaganda apparatus because their circulation is limited. Pressures employed against these dailies are aimed generally at the political parties behind them in contrast to the Mercurio chain where pressures are intended as a warning signal to the "free" media as an institution.

Independent La Tercera receives distinct treatment. The Government exerts minimal pressures on the paper in return for favorable editorial treatment of Allende policies (see Section VI.

A. The Opposition Media Reaction). This tactic has paid dividends for Allende and for Tercera's owner, Germán Pico Canas. Allende obtains favorable publicity in a mass-circulation paper that maintains comparative objectivity in its news columns, thus lending credence to Allende's claims that he will respect traditional Chilean freedoms while making the transition to Socialism. Freed from the need for the strident partisanship so characteristic of the rest of the press, Tercera steadily builds its circulation with a public seeking some relief from the verbal civil war. As a result Pico, who has been head of the Chilean newspaper association, has defended the Allende Government's press policies in international forums. The understanding with the Government, however, is an uneasy one; Tercera is not sufficiently malleable for the Socialist Party, the principal party in the Government coalition.

B. Radio

Radio continues to be the most important medium of communication in Chile. The latest available figures compiled by the World Radio-TV Handbook give Chile a total of 137 stations, including 29 in the capital city, Santiago (See Table 3). The number of receivers is estimated at 3 million, or one for every third person. In a country 2,600 miles long radio's strategic importance is understood by both Government and opposition. The Government has resorted to a variety of devices designed to intimidate opposition radio stations: requests by Allende advisers that opposition stations hire designated leftist commentators; threats of violence; favoritism in the distribution of needed government advertising revenues; temporary closures; and strikes fomented by CUP committees.
TABLE 3. IMPORTANT RADIO STATIONS

<table>
<thead>
<tr>
<th>Station</th>
<th>Political Orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radio Agricultura</td>
<td>National Party (PN)</td>
</tr>
<tr>
<td>Radio Balinceda</td>
<td>Christian Democratic (PDC)</td>
</tr>
<tr>
<td>Radio Cooperativa</td>
<td>PDC with PN elements</td>
</tr>
<tr>
<td>Radio Corporación</td>
<td>Socialist Party</td>
</tr>
<tr>
<td>Radio IEM</td>
<td>University of Chile station</td>
</tr>
<tr>
<td></td>
<td>controlled by Marxists</td>
</tr>
<tr>
<td>Radio Luis Recabarren</td>
<td>Chilean labor federation (CUT) station; Communist-controlled</td>
</tr>
<tr>
<td></td>
<td>(See Note No. 10)</td>
</tr>
<tr>
<td>Radio Magallanes</td>
<td>Communist Party</td>
</tr>
<tr>
<td>Radio Minera</td>
<td>Independent with PDC and PN elements</td>
</tr>
<tr>
<td>Radio Pacifico</td>
<td>Radical Party (UP)</td>
</tr>
<tr>
<td>Radio Portales</td>
<td>Socialist Party</td>
</tr>
<tr>
<td>Radio Santiago</td>
<td>Catholic Church interests</td>
</tr>
<tr>
<td>Radio UTE</td>
<td>State Technical University station</td>
</tr>
<tr>
<td></td>
<td>controlled by Communists</td>
</tr>
</tbody>
</table>

Partial blame for leftist infiltration of Chilean stations must rest with "bourgeois" radio owners. Long before Allende became president, the Chilean businessmen and politicians who owned radio stations made it a practice to hire leftist commentators because they believed that leftists were superior professionals and helped to increase listenership. When the UP came to power it tapped an existing source of manpower.

In addition, the Government frequently utilized existing regulations to gain its ends. Radio concessions are granted by a Government entity (Servicios Electricos) attached to the Interior Ministry. The same entity can cancel or transfer such concessions. Regulations promulgated during World War II state that "In case of internal disturbance, catastrophe or war radio stations are subject to the rules, control, and censorship that the Government may adopt." Under this type of emergency regulation, all radio stations were placed under an obligatory Government network -- not an unusual practice for the Allende Government -- when a modified martial law was decreed in 21 of Chile's 25 provinces during the October-
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November 1972 truck drivers strike (See Note No. 16). Another regulation decrees that stations must interrupt their transmissions whenever the Interior Minister judges it to be necessary in the interest of the internal security of the State. Still another regulation authorizes the Central Bank to control the importation of equipment and spare parts for radio, television, and the press.

The Government moved quickly after the 1970 presidential election to obtain control of key stations. The Socialist Party gained control of Radio Portales, Chile's most popular station, and purchased Radio Corporación from El Mercurio (Portales has subsequently slipped in popularity). The Communist Party purchased Magallanes, an important Santiago station. The Communist Party recently also purchased Radio Simón Bolívar (formerly pro-opposition) in Concepción (as well as four other stations in southern Chile in preparation for the Congressional elections in March 1973). The rightist National Party daily La Tribuna quoted the former owner as saying that "the age of privately-owned mass media (in Chile) is over" with only the Government, strong economic consortiums, and the most powerful political parties capable of sustaining media operations. La Tribuna says the Communist Party is now the most powerful (single) broadcaster in southern Chile.

PDC-oriented Radios Balmaceda and Cooperativa, however, have to date successfully resisted Government enticements and pressures (see Section VI. A. The Opposition-Media Reaction). Balmaceda -- a radio station which over the years had earned a reputation for objective newscasts -- has been the number one target of the UP in the radio field. It has suffered more temporary closures than any radio facility. The station was shut down, for example, 17 hours in June 1971 for broadcasting an alleged "alarmist" report during the State of Emergency decreed after the assassination of Perez Zujovic, a former interior minister in the Frei Government. At the same time a UP station, Portales, received nothing more than an admonition for transmitting "alarmist" news more acceptable to UP propagandists. During the August-September 1971 period Radio Balmaceda was shut down on three separate occasions under similar pretexts (see Note No. 16).
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In radio as in the press the Government has used CIP committees to formulate exaggerated wage demands, to foment strikes, and to form rump unions. CIP unions at Radio Pacifico, for example, forced the owner to sell out to a cooperative formed by employees when wage demands could not be met. The radio station subsequently was purchased by the Radical Party -- a member of the UP coalition.

The principal Government weapon, however, is its control over public service advertising, which traditionally has provided the bulk of revenues for Chilean radio stations. The Government has dangled the prospect of advertisements in return for favorable news treatment, but the bait has not been picked up by the major opposition radios which recognize that their independence is at stake. The economic squeeze makes the future of Chilean independent radios appear bleak.

C. Television

Since its inception in Chile in 1962, television has made great strides, but the medium still lags behind radio, especially in the provinces where technical conditions for viewing are poor. According to the best estimates available, there are 350,000 sets in Santiago and a total of 500,000 sets in the country. Chile is served by the following television channels: 1) A national network with some 21 outlets throughout the country; 2) the Catholic University channel in Santiago; 3) a separate Catholic University channel in Valparaiso; and 4) the University of Chile channel in Santiago.

The Government clearly recognizes television's importance as a propaganda vehicle, and under the direction of an Allende confidante, newspaper Augusto Olivares (Socialist and a suspected member of the ultra-left MIR -- Movement of the Revolutionary Left), it has transformed Chile's only nationwide television channel into an outright political instrument of the Government coalition. Slanted commentaries favoring UP policies, character assassinations intended to smear political and class opponents, and a steady drumfire of Socialist propaganda in news and cultural programming became standard fare.

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At the same time network authorities made it difficult under a variety of pretexts for opposition spokesmen to air their views in contravention of the State television statute. For example, the authorities frequently obliged all television channels and radio to carry official statements and denied opposition spokesmen equal time, resorting to the legal fiction that the official statements were transmitted voluntarily.

A popular political chat show "A Tres Paredes," in which opposition representatives freely debated UP representatives (the only such show carried nationally), was cancelled in August 1972 after two years of UP agitation against it. The Government defended the step by alleging that the program had poor listenership and by pointing to a ruling granting all political parties equal time to express their views on twice-weekly 20-minute slots. The original chat show format provided several hours of open-ended and frequent face-to-face confrontation, usually embarrassing to the Government.

The University of Chile station has consistently asserted the Marxist line since its inception, but the two remaining university channels have successfully fought Government control to date (See Section VI. C. University Confrontation and Television Freedoms). None of the university channels, however, is national in scope.

D. Magazines and Book Publishing

Early in 1971 the Government purchased the plant and equipment of the PDC-controlled Zig-Zag publishing empire -- one of the most modern in Latin America. The GOC announced the purchase after prolonged negotiations, provoked originally by the excessive demands of a Communist-led union. Under the terms of the accord the Government purchased Zig-Zag's plant and equipment, the company's national line of comics, and several magazines while Zig-Zag retained several mass-circulation magazines (Ercilla and Yca being the most important) under a two-year contract with the Chilean Treasury. The Zig-Zag infrastructure formed the basis for the newly-established Government-owned Qumantu National Publishing Enterprise. The accord with Zig-Zag has been scrupulously observed to date.
Quimantu quickly began turning out magazines, comic books, and textbooks pushing UP policies. Comic books like *Firme* were designed for mass consumption and aimed at adults with low cultural levels, while others like *Ramona* were aimed at the teen-age market. *Cabezuela*, another comic book, was geared to pre-teens. The format of some Quimantu products closely resembled competing *Zig-Zag* products. The weekly *Ahora*, for example, was designed to compete with *Ercilla*. After eight months *Ahora* collapsed, rejected in the market place by Chileans who were turned off by heavy-handed political propaganda.

E. Films

The Government's film production company, Chile Films, became the UP's principal propaganda arm in the film field. Rival Chilean private producers went out of business, squeezed by rising production costs and discriminatory tax and exchange rate treatment that denied them needed equipment and spare parts from abroad. Chile Films signed a comprehensive exchange accord in March 1971 with the Cuban Cinematographic Institute (ICAIC) (See Section V. C. Exchange of Persons, Visitors, and Exchange Agreements).

Chile Films also initiated agreements with the experimental film institute (leftist) at the University of Chile, the film institute at the Communist-dominated State Technical University (UTE), the Government information office, the film department of the Communist-dominated CUT (Central Única de Trabajadores -- the major labor organization), the national television network, and the University of Chile television station. The stated purpose of the accords was to "develop the new Chilean film industry."

Its products are intended to glorify the roles of workers, peasants, and students in the march to Chilean-style Socialism, romanticize the proletarian role of the Chilean Communist and Socialist Parties, and attack the "bourgeoisie" and their "imperialist" allies. Despite an intense publicity buildup, however, few films actually appeared in the 1970-72 period. Most of the films that were produced appeared to be pieced together from newsreel film taken during the Allende presidential campaign or from post-election political rallies.
The Government's delay in making public the results of June 1972 elections for top posts in the Communist-dominated CNT labor federation also damaged Government credibility. The opposition media scored heavily in a barrage of charges of irregularities and vote fraud with a public that takes justified pride in clean elections.

B. The Papelera Confrontation

The Compañía Manufacturera de Papeles Y Cartones (known as the Papelera), Chile's major private producer of newsprint, became another propaganda battleground cast by the opposition in terms of "freedom versus Marxist totalitarianism."

In October 1971, the Government, carrying out a long-standing pledge, announced that CORFO (the Government Development Corporation) had opened negotiations to buy out the Papelera through the purchase of its stock. The opposition media immediately launched a campaign to warn the public that the free press would be crippled if newsprint distribution were placed at the mercy of Government suppliers. At the same time, the opposition media pleaded with private shareholders to refuse to sell to the Government. In addition, a "freedom fund" was created enabling private persons to buy up Papelera shares to prevent the company from falling into Government hands.

For several months pro- and anti-Government media carried out daily an intensive propaganda battle in advertisements, news stories, and editorials. Both sides resorted to the familiar numbers game; the pro-Allende media claimed that the Government was besieged by willing shareholders eager to sell out; the opposition asserted that shareholders were resisting temptation. Government propagandists argued that newsprint production was essential to the State and must be controlled by the State; the opposition said Papelera must remain in private hands as a patriotic duty.

Thwarted to date in its attempt to buy out Papelera shareholders, the Government has not hesitated to use other measures—price controls, labor-induced production shortages, and strong-arm tactics—to prevent the delivery of raw material to the plant. The Government press also circulated rumors that Jorge Alessandri (former President...
of Chile and a leading shareholder and board chairman of the Papelera had made a deal with Allende to give the Government control over the Papelera to weaken the will of private shareholders and their supporters. That the Papelera still withstands these combined pressures a year later is a tribute to a determined defense of the firm by an opposition Congress, to the loyalty of the bulk of the Papelera employees, and to an aroused and alerted opposition media.

The battle for control of the Papelera will continue and the odds are not good for the company. Repeated requests for price increases sufficient to absorb cost increases -- forced on the firm in part by Government economic policies -- were not met, and the firm declared in September 1972 that it could not meet loan payments due to the Inter-American Development Bank (IADB). Finally, in December 1972 the Government authorized new price increases averaging 45 per cent, which were, however, inapplicable to the price of newsprint. The Papelera gains some breathing space but Government pressures on the company are certain to continue. The price increase itself may be viewed as a form of pressure.

The battle has spilled over into the halls of the Chilean Congress. Partly to protect the Papelera's independent status, the PDC sponsored a "three areas" constitutional amendment designed to give Congress some control over which businesses can be incorporated as social property by the Government. (The Papelera is one of the firms appearing on the Government's original list of 91 firms to be absorbed by the Government as social property.) The amendment -- still a bitter bone of contention between the Government and the opposition -- would, among other points, declare null and void CORFO's attempted purchase of Papelera stock in the absence of Congressional approval.13

C. University Confrontation and Television Freedoms

Growing opposition confidence fed by an election victory at the University of Chile in April 1972 and by stiffening opposition attitudes at Santiago's Catholic University had important spill-over effects in television programming at two channels run by Catholic University. Increasing opposition effectiveness even raised the possibility that the Marxist-controlled University of Chile channel for the first time in its existence might be obliged to inject some objectivity into its output.
Incumbent University of Chile Rector Edgardo Boeninguer, an independent with Christian Democratic sympathies, gained 21.9 per cent of the vote for rector in April against three other contenders representing the UP coalition and leftist splinter groups, including the MIR. An independent-PDC state also gained control of the previously Marxist-controlled Superior-Nominate Council. The victory was billed by the opposition media as another victory for democracy and pluralism over Marxist totalitarianism. In the process Rector Boeninguer became a hero of the opposition media and a symbol of "democratic" defiance of Government efforts to impose its will on an independent university. The opposition's rallying cry became "Defend a democratic and pluralistic university." Translated into media terms it became "We want a democratic and pluralistic university TV channel."

Rallying behind that slogan, opposition supporters at the two Catholic Universities (Santiago and Valparaiso) began to ease out leftist influence in the news departments of the two university channels. UP supporters, however, remain at the technician level at the Santiago channel and can be expected to create problems for their opponents. Opposition authorities who now control the channel are proceeding cautiously against them.

A more significant indication of UP long-range attitudes toward television freedoms has been the Government's persistent refusal to permit university television stations to extend their networks throughout Chile. In September 1972, President Allende blocked the opposition's most recent attempt to obtain legislative sanction for such an extension by vetoing selected items in a PDC-introduced bill. The Government claimed that its own bill -- pending before Congress and allowing universities to establish stations only within the territory in which the seat of each university is located -- would create a national network for all recognized universities on an "equal and non-discriminatory" basis. What the Government did not say was that the bill if passed would preserve the State Network's position as the only single channel that can be viewed by a national television audience. Presumably the Government bill also would permit the Communist-dominated State Technical University to operate a television station in Santiago in competition with Santiago's Catholic University channel which, according to available public opinion surveys, is viewed by approximately 69 per cent of the capital's audience.  

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Demonstrators Protest President Allende's Veto of Bill Permitting University (Santiago) to Extend Its Television (Channel 13) Throughout Chile.

In subsequent developments the Catholic University at Santiago as nevertheless extended its television service to the Concepción metropolitan area, third most important in Chile, via a television repeater in Talcahuano. The Government has ordered that the repeater cease operation as the University lacks a concession under 1953 law to function in that area. The University has refused to comply, claiming that the 1970 National Television Act, which authorizes the universities to operate television channels, is the over-riding statute and that it needs no additional concession to operate in any part of Chile. Meanwhile the repeater is still operating (as of February 15, 1973) while the legal (and political) debate continues.
Allende in Retrospect

By Paul E. Sigmund

World attention has moved away from Santiago since the bloody overthrow of Salvador Allende last September. The questions that were raised at that time still need answering. Where should the primary responsibility be placed for the tragic events that followed after September 11, 1973? Was it, as the Left contends, the result of a fascist counterrevolution aided and abetted by the forces of imperialism? Was it, as the Right asserts, the only available response to Allende's attempt to establish the dictatorship of the proletariat by a mixture of guile and force? Did it mark the "death of a dream" of the establishment of socialism by democratic means, and was it thereby one more indication that Marxism must use force to accomplish its goals? Were there internal and external political and economic factors which made it impossible for Allende's experiment to succeed, or was the downfall of the Unidad Popular (Popular Unity) coalition government the consequence of a series of ideologically-influenced alliances and mistaken policy choices which, if they had been different, might have produced another result? A review of the course of the Allende government with the aid of the considerable new material that has become available in recent months may help to answer these questions.

Allende's opponents never tire of pointing out that he was elected with only 36 percent of the vote in a three-way race. 1 What they do not mention is that in the congressional run-off between the two front-running candidates he was elected president by a lopsided majority vote of 135-35. He received the support of the centrist Christian Democratic Party (PDC) in the run-off in return for his agreement to the adoption of a constitutional statute of Democratic Guarantees protecting freedoms of expression, education and religion, and guaranteeing the independence of the military from political control. The text of the statute, which was added to the Chilean Constitution shortly after Allende's election, reflected the fears of non-Marxist groups that the new Marxist President would use the considerable power of the Chilean executive to unscathed and eventually destroy all opposition to a Marxist takeover.

Political and Economic Strategy

When he took office, Allende promised that he would follow a "second model" of Marxism—the via Chilena to socialism, "with meat pies and red wine." To prove that this model was "anticipated by the classics of Marxism," he quoted from Friedrich Engels on the possibility of

... a peaceful evolution from the old society to the new in countries where the representatives of the

1 Allende's opponents in the Popular Unity coalition consisted of his own Socialist Party (Partido Socialista—PS), the Communist Party (Partido Comunista—PCI), the main body of the Radical Party (Partido Radical—PR), the leftist Catholic "Movement of Popular Unity" (Movimiento de Acción Popular Unida—MAPU), and two other smaller groups. The largest opposition groups were the centrist Christian Democratic Party (Partido Demócrata Cristano—PDC) and the rightist National Party (Partido Nacional—PN).

In retrospect, it is ironic that the Chilean Senate never acted on a constitutional amendment proposed early in 1970 to establish a second-round popular election, which would have provided the President thus elected (probably the right-wing candidate, Jorge Alessandri) with a clear popular mandate.
Allende in Retrospect

"people have all power and in accord with the constitution can do what they desire when they have the majority of the nation behind them."

Yet it was precisely the question of majority support that was Allende's central problem in his design to carry out a peaceful transition to "socialism with democracy, pluralism and liberty." The parties in his coalition were in a distinct minority in the Congress, and although there was no doubt about the legitimacy of his election by that body, his victory had only been possible because of the conditional support of the Christian Democrats. The PDC, it should be noted, included both Radomiro Tomic, the party's 1970 presidential candidate, who had gone to Allende's house to congratulate him the day after the popular election, clearly inferring his future support, and conservatives like Senator Juan de Dios Carmona, who had fought within the party to prevent it from voting for Allende in the runoff. In the immediate aftermath of the election the PDC was controlled by the Tomic forces, who claimed to be in favor of "communitarian" socialism, nationalization of copper, acceleration of agrarian reform, and reduction of Chile's dependencia on the United States. One way, then, for Allende to achieve his acknowledged goal of majority support for the transition to socialism would have been to try to arrive at an understanding with the Christian Democrats on the points in his program with which they were in agreement. This might have provoked the secession of some of the rightist members of the PDC, but if an accord had been reached with the party's leaders, it would likely have given Allende a majority in the Congress for at least part of his program.

Flushed with victory and unwilling to come to terms with the party which he had termed "the new face of reaction" during the campaign, Allende chose an alternative strategy. The next congressional elections were not scheduled to take place until March 1973, but the Chilean Constitution provided that in the event of a conflict with the Congress over the text of a constitutional amendment, the President could call a national plebiscite. The strategic course adopted by Allende was to attempt to expand popular support for his coalition and then propose a constitutional amendment which, in accordance with the Popular Unity electoral program, would replace the existing bicameral legislature with a unicameral

Salvador Allende speaks of his plans for Chile at the 23rd Congress of the Socialist Party, held in January 1971, three months after his election as President of Chile.

Photo by Santi Visalli for Photoreporter.

house, to be elected immediately following the approval of the amendment. The Congress would be certain to reject the amendment, but if Allende had the support of a majority in the country, he could win the plebiscite and secure control of the unicameral legislature that would then be established.

Allende's strategy for the expansion of electoral support was an economic one which drew as much from John Maynard Keynes as it did from Karl Marx. The Chilean economy, already operating below capacity, had gone into a profound recession as a result of Allende's election. The response of Pedro Vuskovic, Allende's Minister of Economics, was to "prime the pump" by adopting a deficit budget, increasing public expenditures, and redistributing income by skewing the annual wage readjustment for the preceding year's inflation (35 percent in 1970) in favor of the low-income sector of the population (the lowest income groups received a 40-percent increase). The utilization of unused industrial capacity, combined with strict enforcement of price controls, more stringent collection of taxes, and refusal to devalue the Chilean escudo in relation to the dollar, were expected to contain possible inflationary pressures which might result. (The Allende government also had a cushion of nearly $400 million in foreign reserves left to it by the Frei government as a result of high international prices for copper, Chile's principal export.)

The strategy also contained a Marxist element—

*El Mercurio (Santiago), Nov. 6, 1970, p. 23.
accentuation of the class struggle. At the same time
that appeals were made to the pocketbooks of the
lower-class Chileans, there was also to be an effort
to increase their consciousness (conciencia) through government publications and the
use of the media to remove the elements of "false
consciousness" instilled by "bourgeois" propaganda.
Expressing the diametric opposite of a claim often
voiced by his predecessor, Eduardo Frei, Allende
said in a press conference just after his installation,
"I am not president of all Chileans." And in his first
"State of the Nation" message to the Congress he
asserted:

... the People's Government (Gobierno Popular) is
inspired in its policy by a premise that is artificially
denied by some—the existence of classes and social
sectors with antagonistic and opposing interests.¹

Allende's economic advisors anticipated an addi
tional source of revenue for the government from
the "exploitative" profits of the industries that were
to be nationalized by the new government. The par
tially American-owned copper mines were to be
taken over by a constitutional amendment—both to
lay to rest any legal doubts about the reversal of
the Frei-Chileanization agreements of 1967 and
1969, and because a general consensus in Chile
favored nationalization.² Other companies were to
be nationalized after a controlling interest was gained
through the purchase of shares on the open market
by the government development agency. The latter
course seemed facilitated by the fact that the price
of shares had been depressed since the elections,
and further economic pressures could be created
by allowing wage increases but forbidding any rise
in prices. The legal adviser to the government,
Eduardo Novoa, also outlined other "legal loopholes"
in existing Chilean law which could be used for
"temporary" takeovers of companies, including
"intervention" because of labor disputes and "requisi
tion" because of a "breakdown in supply of an
article of prime necessity."³

¹ Salvador Allende, "The Chilean Way to Socialism," in Paul E.
² Frei's Chileanization program had involved the purchase by the
Chilean state of a controlling interest in the large copper mines
owned by the Kennecott and Anaconda companies. The agreements
had also provided that Chile's payments to the American companies
were to be invested in the expansion of copper production and
refining in Chile, earning the country additional revenue in the
1970s to pay back the loans contracted to finance the purchase.

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A Chilean peasant guards the gate of a farm south
of Santiago which was seized from its owners on the
pretext that it was "operated unproductively" (mal
exploitado).

—Photo by Megai Castello.

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Allende in Retrospect

In these, Debray declared that "in the last analysis and until further notice, political power comes out of the end of a gun," and Allende repeatedly stated that his differences with apostles of violence like Ché Guevara were only "tactical," because the Chilean situation required that he observe legality "for the time being." Allende himself organized an armed personal bodyguard, the so-called GAP (Grupo de Amenazas Personales), and—we now know—as early as December 1971 received reports on the illegal importation and distribution of arms to the MIR and to his bodyguards. While there were thus intermittent hints of revolutionary alternatives, Allende’s basic economic strategy was "socialist consumerism," combined with a rapid expansion of state control in industry, trade and agriculture, and his basic political strategy was to portray the transition to socialism as peaceful in character was not assisted by the publication of his conversations with French revolutionary theorist Régis Debray in early 1971.

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**For "socialist consumerism" see Paul E. Sigmund, "Two Years of Popular Unity: Programs of Communism (Washington, DC), November-December 1972, pp. 38-31.

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A Santiago rally in November 1970 celebrates the first anniversary of the Allende presidency—in the foreground, a picture of Latin revolutionary Ché Guevara.

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*Photo by Claus Mayer for Black Rep.*
was an expansion of the electoral base of the Allende coalition by an appeal to the material interests and the class consciousness of the lower classes. It was the interaction of the various elements of this political and economic strategy that finally produced the breakdown of Chilean constitutionalism and the intervention of the armed forces that the extreme left of the Allende coalition had been predicting all along.

Initial Success

At the outset, the new economic policy was astonishingly successful, although it had within it the seeds of future disaster. Income redistribution stimulated demand, while price controls and an artificially low exchange rate rate kept prices down. As a consequence, a mini-boom ensued. By March 1971 the Sociedad de Formento Fabril (Association for the Development of Manufacturing), representing Chilean business and industry, admitted that production had increased by 6.3 percent over the figure of 12 months before, and by May that figure had reached 13.5 percent. The Institute of Economics of the University of Chile later reported that unemployment in the Santiago area dropped from 8.3 percent in December 1970 to 5.2 percent in June 1971 and declined further to an unusually low 3.8 percent by the end of the year. The Consumer Price Index stopped climbing entirely in December 1970 and had only increased by 6 percent by the time of the municipal elections of April 1971—its lowest rise in many years. At the same time, salaries and wages increased by 27 percent in real terms.

This wave of economic prosperity—combined with the absence of the political repression that some rightists had predicted would result from a victory by the Marxists—led many, particularly in low income groups, to vote for the candidates of the Popular Unity coalition in the April municipal elections. Allende’s own Socialist Party bettered its electoral showing in the 1969 congressional elections by nearly 100 percent (a jump from 12 percent to 22 percent of the total), and the candidates of all the parties supporting Allende received about 50 percent of the vote, as compared with the 36 percent which the President himself had received only seven months before. Yet, gratifying as the results were, the coalition was still a few votes short of the absolute majority that Allende required to win a plebiscite on a constitutional amendment. He was later criticized for not calling the plebiscite at the time when the regime’s popularity was at its highest point, but in retrospect it does not appear at all certain that he would have won—particularly since by the time that the constitutional prerequisites for such a vote had been fulfilled, the economic and political situation would have been much less favorable.

The period after the municipal elections now appears to have been crucial for the long-term survival of the regime. The Right was still in disarray, the Christian Democrats had elected a compromise leadership which was not committed to either of the party’s wings, and the short-run economic and political indicators were favorable. Yet, instead of taking action on the economic front to stem the loss of foreign reserves and to dampen inflationary pressures—and on the political front to prevent the movement of the Christian Democrats into an alliance with the right-wing opposition parties—the regime continued its previous policies, confidently assuming that in the long run “the people” would support it and ignoring the warnings of “bourgeois” economists that the loss of foreign reserves, the expansion of demand, and the sharp decline in investment would produce disastrous consequences in the following year.

Political Polarization

The hardening of the Christian Democratic position began in mid-1971. It was accelerated in June by the assassination of the former Christian Democratic Interior Minister, Edmundo Perez Zuñiga, by extremists, at least one of whom had been released from prison by Allende upon his accession to power. A month later in a by-election in Valparaiso, the victorious Christian Democratic candidate received the support of the Right. The tacit alliance with the Right led to the secession from the PDC of eight deputies and a number of other party leaders to form the pro-Allende Izquierda Cristiana (Christian Left). This was counterbalanced however, by a split in the other direction within the Allende coalition. Five of the seven Radical senators (including two former presidential candidates) and 7 of the 19 deputies left the Radical Party (PR), and formed the Partido de la Izquierda Radical (Party of the Radical Left—PIR) in protest against the Marxist orientation of a
PR policy resolution which the dissidents described as "completely removed from the characteristic and distinctive ideology of our party" and opposed to "the interest of the middle social strata" whom the party had always represented. For a time, the PIR continued to support the Allende government, but within a year it had entered the ranks of the opposition.

In July 1971, the Christian Democrats had voted in favor of the constitutional amendment nationalizing the copper mines, but from that point forward, the pattern was one of polarization of Chilean politics and society into two opposing blocks. The Allende forces controlled the executive and pursued an increasingly vigorous ideological purge of those who were not entirely sympathetic to the government. The opposition controlled the legislature, and in October 1971 the Christian Democrats and the rightist parties attempted to assert legislative control over the expansion of the public sector by voting in favor of a constitutional amendment limiting the use of the intervention and requisition procedures and requiring that all transfers of private enterprises to the "social" or mixed sectors be carried out in accordance with specific legislation adopted by the Congress. This legislative act, referred to as an amendment on the "Three Areas of Property," became the focus of a continuing deadlock between the President and Congress that lasted until Allende's overthrow in September 1973.

Allende's refusal to accept the amendment or to call a plebiscite to resolve his differences with the Congress appeared to the congressional opposition to be a decisive indication of his determination to bypass the legislature in carrying out the Popular Unity program, and from the time of the adoption of the amendment onward, the Christian Democrats began to cooperate with the rightist parties in opposing the executive. One method was to impeach ministers for violation or (more often) nonenforcement of the law. The first of many such impeachments took place in January 1972. Another method was to present a united electoral front against the government. Informal cooperation between the rightist parties and the Christian Democrats led to striking victories in two by-elections in January 1972, and a month later these groups formed the Democratic Confederation (Confederación Democrática—CODE) to prepare joint lists for the 1973 congressional elections. A third area of cooperation was in marches and demonstrations against the government, the most famous of which was the March of Empty Pots in December 1971, in which thousands of housewives, mostly of middle-class background, marched, carrying pots to protest food shortages.

Those shortages had developed because the predicted economic difficulties resulting from the Vuskovic policy began to emerge in late 1971. The balance-of-payments surplus had been depleted at such an alarming rate (in 1971 there was a deficit of $315 million, while in 1970 there had been a surplus of $91 million) that in November 1971 the Allende government called a moratorium on payment of its foreign debts. Chile had already experienced difficulties in securing loans from the Inter-American Development Bank, the World Bank and the Export-Import Bank as a result of its failure to compensate the Anaconda and Kennecott copper companies for the nationalization of their major mines. The debt moratorium was bound to make it considerably more difficult for Chile to secure foreign credits, particularly for the short term. In December 1971, the Chilean government finally permitted a partial devaluation of the Chilean escudo so as to decrease the distortions created by its overvaluation, but this created pressure on prices of goods manufactured with imported components. Shortages of certain food items—especially cooking oil, detergents, sugar, toothpaste, and cigarettes—were described by the government to upper-class hoarding and to increased consumption by low-income groups; however, the dislocations in the countryside associated with the very rapid expansion of the agrarian reform (Allende took over almost as much land in his first year in office as Frei had in six years) clearly had something to do with the problem as well, and the situation could be expected to get worse with the harvest in early 1972. A 100-per-cent increase in the money supply as a result of the government's deficit spending was also beginning to produce inflationary pressures now that the unused capacity of Chilean industry had been taken up by the 1971 expansion. Most important, a sharp drop in investment (Allende said it had declined by 7.7 per cent, but opposition economists claimed it had fallen by 24.2 per cent) meant that the spectacular growth rate achieved in 1971 would be sharply reduced in 1972.

Yet the degree of the incipient crisis was not...
Workers occupying a plant outside Santiago proclaim their intention to hold it to the death. The initials of the Unidad Popular (Popular Unity) are painted on the wall by the gate.

Photo by Maggi Castellon.

Immediately evident from the figures for 1971, industrial growth had reached 8.3 percent, agrarian production (based on plantings before Allende's accession to power) had increased by 5.3 percent, and unemployment had dropped to record lows. The Communist Party in a report to a Popular Unity "conclave" in early 1972 warned that "very strong inflationary pressures could make our situation acute," but the government took no action to deal with the problem. The continuing optimism of government policymakers at this time was expressed at a Round Table in Santiago sponsored by the University of Sussex and the Chilean Planning Office in March 1972. In the course of discussion Raúl起草 Tomich, the defeated Christian Democratic presidential candidate, asserted that the Allende government had committed a "fateful political error" in failing to establish an "institutional majority" in the Congress through a "far-reaching agreement between socialists inspired by Christianity and those inspired by Marxism—that is, between the Christian Democrats and Popular Unity—in the period following the 1970 presidential election." Allende's representatives confidently replied that "with a gradual heightening of the political consciousness of the proletariat, there seemed to be no obstacles in the internal logic of the Chilean bourgeois state to prevent the workers' winning sufficient strength to gain control of the legislature as well as the executive."

On the political front, there were individuals and groups on both sides who attempted to stem the movement toward polarization, which they correctly forewarned would lead to the breakdown of Chilean institutions. Two important efforts to arrive at a compromise on the issue of the constitutional amendment on the "Three Areas of Property" were made in the first part of 1972. In April the Left Radicals, who had entered the Allende government in January, carried on lengthy negotiations with the Christian Democrats to hammer out a satisfactory agreement on this issue, only to have it rejected by the top command of the Popular Unity coalition parties. The Left Radicals responded by leaving the government and joining the opposition, a move Allende described as "a stab in the back." A second set of negotiations in June between the head of the Christian Democratic Party and Allende's Minister of Justice broke down when the time limit set by the Christian Democrats expired and the PDC leadership refused to extend it.

The two sets of negotiations seem to have collapsed for related reasons. In April the left wing of the Popular Unity coalition was unwilling to accept a compromise which would slow down or stop the forward movement of the government nationalization program, while in June the right wing of the Christian Democrats could point to an impending by-election in mid-July as a reason for discontinuing discussions. Both cases illustrated a general problem posed by the Chilean multiparty system. Once political conflict became polarized, the extremes held the rest of the opposing coalitions hostage and prevented what could have been a convergence of views in the center.

The negotiations were interspersed with a series of demonstrations and counterdemonstrations by the government and the opposition which always stopped just short of open violence. Several observers, including the American Ambassador to
Allende in Retrospect

Chile, Nathaniel Davis, remarked on the pattern of “brinkmanship” that the Chileans exhibited.” Social and political tensions increased—but as long as economic deterioration was not reflected in runaway inflation, the Chilean political system seemed able to contain them.

The Turning Point

The strains in the system only became unmanageable in mid-1972, when the lid blew off the fragile Chilean economy and let loose the pressures that had been building up for at least a year. As the deficit in government spending, rose, particularly because of its subsidies to the “social area,” its foreign reserves dropped nearly to zero, and the growth of industrial output slowed down. Allende replaced Economics Minister Vuskovic with Carlos Matus and appointed Orlando Millas as Finance Minister. The Matus-Millas team sought to “find stability at another level,” ordering a drastic currency devaluation, raising prices in the nationalized sector, and permitting limited agricultural price increases. The result was a sharp jump in the cost-of-living index, which climbed from 27.5 percent at the end of June to 99.8 percent at the end of September.

A wage readjustment to compensate for the increase in the cost of living only accelerated the inflation, so that by the end of the year the official consumer price index had reached 163 percent (see Table 1). In September, industrial output began to drop in absolute terms (i.e., not merely in terms of the rate of increase)—a drop that continued every month thereafter until the September 1973 coup. Agricultural production (excluding livestock) also commenced to decline, and mineral production registered precipitous drops, although copper production rose by 1.3 percent for 1972 owing to the fact that a number of new mines came into operation. (On other elements of the worsening economic situation, see Table 2.)

Chile’s economic problems were paralleled in the

Table 1: Monthly Fluctuations in Consumer Prices and Industrial Output under Allende

<table>
<thead>
<tr>
<th>Month</th>
<th>Consumer Price Index</th>
<th>Industrial Output</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>Oct. 35.6</td>
<td>-8.0</td>
</tr>
<tr>
<td></td>
<td>Nov. 35.2</td>
<td>4.3</td>
</tr>
<tr>
<td></td>
<td>Dec. 34.9</td>
<td>-9.3</td>
</tr>
<tr>
<td>1971</td>
<td>Jan. 28.1</td>
<td>-4.5</td>
</tr>
<tr>
<td></td>
<td>Feb. 28.8</td>
<td>-7.3</td>
</tr>
<tr>
<td></td>
<td>March 20.1</td>
<td>6.3</td>
</tr>
<tr>
<td></td>
<td>April 20.2</td>
<td>1.6</td>
</tr>
<tr>
<td></td>
<td>May 21.0</td>
<td>13.5</td>
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<tr>
<td></td>
<td>June 21.1</td>
<td>10.7</td>
</tr>
<tr>
<td></td>
<td>July 19.1</td>
<td>6.7</td>
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<tr>
<td></td>
<td>Aug. 17.4</td>
<td>10.7</td>
</tr>
<tr>
<td></td>
<td>Sept. 15.6</td>
<td>25.5</td>
</tr>
<tr>
<td></td>
<td>Oct. 16.5</td>
<td>22.6</td>
</tr>
<tr>
<td></td>
<td>Nov. 18.8</td>
<td>22.1</td>
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<td></td>
<td>Dec. 22.1</td>
<td>19.5</td>
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<tr>
<td>1972</td>
<td>Jan. 24.0</td>
<td>18.5</td>
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<tr>
<td></td>
<td>Feb. 32.0</td>
<td>11.9</td>
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<tr>
<td></td>
<td>March 34.0</td>
<td>10.2</td>
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<td>April 38.1</td>
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<td>July 45.9</td>
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<td></td>
<td>Aug. 77.2</td>
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<td>Sept. 114.3</td>
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<td>Oct. 142.9</td>
<td>-7.7</td>
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<td></td>
<td>Nov. 149.9</td>
<td>-8.1</td>
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<td></td>
<td>Dec. 163.4</td>
<td>-11.1</td>
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<td>1973</td>
<td>Jan. 180.3</td>
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<td>Feb. 174.1</td>
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<td>March 183.3</td>
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<td>Sept. 286.0</td>
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<tr>
<td></td>
<td>Oct. 528.4</td>
<td>18.0</td>
</tr>
<tr>
<td></td>
<td>Nov. 528.9</td>
<td>15.1</td>
</tr>
</tbody>
</table>

*Percentage of change from the same month of the previous year.

Source: Instituto Nacional de Estadísticas (National Institute of Statistics), Santiago. Secured as Fernando Fabián (Association for the Development of Manufacturing), Santiago.
Table 2: Some Indices of the Chilean Economy, 1970-72

<table>
<thead>
<tr>
<th></th>
<th>1970</th>
<th>1971</th>
<th>1972</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross domestic product (% change)</td>
<td>3.7</td>
<td>8.3</td>
<td>1.4</td>
</tr>
<tr>
<td>Investment (% change)</td>
<td>8.6</td>
<td>-24.2</td>
<td>-8.3</td>
</tr>
<tr>
<td>Real wages and salaries (% change)</td>
<td>13.0</td>
<td>30.0</td>
<td>-9.0</td>
</tr>
<tr>
<td>Exports ($ million)</td>
<td>1179</td>
<td>1045</td>
<td>853</td>
</tr>
<tr>
<td>Imports ($ million)</td>
<td>1029</td>
<td>1124</td>
<td>1287</td>
</tr>
</tbody>
</table>

SOURCE: Department of Economics, University of Chile.

had been forbidden to inspect. The judiciary joined in the conflict, protesting the failure of the Ministry of Justice to carry out court orders, while the government demonstrated denounced the viejos de mierda—"filthy old men"—in the Supreme Court. As it became apparent that there was no real possibility of resolving their differences, the two sides turned to the armed forces as impartial arbiters, and the national holidays in mid-September 1972 were marked by rival efforts of the Congress and the President to ingratiate themselves with the military.

The political involvement of the military was accelerated by the next step in the Chilean tragedy—the October 1972 strike. Respectively termed the "employers' lockout" and "the national strike" by pro- and anti-Allende forces, it began far from Santiago, in the remote southern province of Aysén, with a strike by small truckers. (Referring to by the government press as the "truck-owners," the membership of the truckers' gremio—guild—was almost entirely composed of owners of one or two trucks who feared an announced plan to establish a state trucking agency which would have had priority access to new trucks and spare parts.) The strike quickly spread across the nation, as the truckers were joined by bus and taxi drivers, shopkeepers, doctors, nurses, dentists, airline pilots, engineers and part of the peasantry. The Christian Democrats and the rightist parties supported the strikers, and the work stoppage dragged on for over a month resulting in an estimated loss of $150-200 million in production. Agriculture was particularly hard hit because the strike took place in the midst of the planting season; indeed, there is no doubt that part, though not all, of the 25 percent drop in the 1973 harvest was the consequence of the strike. Industry was not as adversely affected, since workers attempted to keep factories going despite management's efforts to cease production—and the October strike saw the emergence of "industrial Britts" (Cordonales) and "Communal Commands," which seemed to embody the type of spontaneous "popular power" that leftist theorists had spoken of as the basis of a genuine revolutionary class consciousness to replace the materialistic "economism" that had characterized Chilean workers until this time. When workers seized closed factories, the plants were usually "intervened" by the government, so that an important result of the October strike was a considerable expansion of the government-controlled sector of industry and trade.

The most important outcome of the strike, however, was the direct involvement of the military in the Allende cabinet. A condition of the settlement of the strike was that the military take over key cabinet posts. This resulted most notably in the assignment of the Ministry of the Interior to the Commander-in-Chief of the Army, General Carics Prats, so as to assure that the congressional elections scheduled for March 1973 would be carried out freely and impartially.

The involvement of the military and the preparations for the March elections brought about a lull in the escalation of political conflict in Chile. Inev-

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14 The Cordones were more or less spontaneously organized committees of workers from closed factories which coordinated production and distribution in a given industrial area. The Communal Commands (Comandos Comunales) were organized by the Cordones to mobilize the local population in the surrounding area. They included representatives of neighborhood committees (comités de vecindad), workers' groups (comités de trabajadores), and participated in the persistence of workers' movements. See A. James Petras, Chile: Nationalization, Socioeconomic Change, and Popular Participation, Studies in Comparative International Development (Beverly Hills, Calif., Spring 1973, p. 246), and in James Petras, ed., Latin America: From Dependence to Revolution, New York, W.iley, 1973, Chap. 2.

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Symptomatic of leftist attacks on Chilean institutions, a Santiago wall poster denounces the country's Supreme Court as "Protectors of Fascist Sedition."

—— Photo by Juan de Silva for The New York Times.

ably, however, it also produced political divisions within the military itself, which had hitherto been relatively aloof from the process of polarization. It was soon apparent, for instance, that General Prats was willing to give the government the benefit of the doubt in nearly every instance that its decisions or actions were challenged. Conversely, the Navy was noticeably less enthusiastic, and in January Admiral Ismael Huerta resigned from the cabinet over plans for the initiation of what he took to be a food-rationing system. It is now also known that the first plans for a possible coup were made by intermediate-level officers at the end of 1972.1

Food distribution became a critical issue as the black market continued to expand, with much of Chile's agricultural production going into illegal channels because of the government's refusal to increase the official prices paid for agricultural produce. The result was, in effect, two separate price systems—a subsidized, state-owned distribution system oriented primarily toward the low-income groups and a flourishing black market aimed at middle- and upper-income groups. The expansion of the powers of government-appointed Supply and Distribution Committees (JAPS) to deal with the black-market problem led the opposition to charge political manipulation of food distribution; nonetheless, the government seemed powerless to combat black-market operations.

The March 1973 Elections

The congressional elections in March did not resolve anything. Chile's right-wing parties had hoped that food shortages and economic difficulties would produce a two-thirds majority against the government, which might in turn permit the impeachment of the President, but the results, while showing an anti-government majority of 56 percent, gave the Allende regime 44 percent—a larger vote than most observers had predicted. The opposition pointed out that the vote of the pro-government forces had declined from the 50 percent they had registered in the 1971 municipal elections, while the government compared its 44 percent with the 25 percent that Allende had received in 1970. In fact, the only proper basis for comparison was the

1969 congressional elections. On that basis, the leftist parties had suffered a slight loss in votes but had achieved a slight gain in seats. Certain oppositionists later argued that the Left would have suffered much greater losses had it not been for a government-assisted electoral fraud involving some 700,000-300,000 votes, but the statistics presented in support of the argument are unconvincing.²

While the government's interpretation of the elections as proof that it was expanding its popular support was not accurate, the election results indicated that at least it had not lost popularity as rapidly as previous governments faced with similar economic crises. Despite a wage readjustment in October, real wages had declined 7 percent in 1972, and rising inflation continued to consume the wage increase. In early 1973. However, the combination of discriminatory distribution of government-produced goods and appeals to class consciousness seemed to have stemmed the erosion of support, at least among the masses of the poor.

Unfortunately for the government's longer-range interests, the deliberate accentuation of class consciousness had an opposite effect on the middle class, driving middle-class areas to organize themselves into "Neighborhood Committees" to defend themselves. It also, for the first time, led many to arm themselves for a possible confrontation, which seemed more likely now that the safety valve of an impending election was no longer present. A government proposal to limit full wage readjustments to those making less than three times the minimum wage did nothing to reassure the hostile middle-income groups.

Before the elections, it had been rumored that there might be another attempt in March at an accommodation between the regime and the opposition forces, possibly under the auspices of the military. Any possible accord of this type was quickly prevented by the publication, two days after the elections, of a government decree calling for the initiation in June of a single national unified school system, which would follow a common curriculum including compulsory courses in socialism and work...
periods in factories. The ensuing uproar involved the Catholic Church for the first time in formal opposition to the government and mobilized thousands of secondary school students in violent demonstrations in downtown Santiago. Stories of fierce arguments over the school proprieties among the top military officers (the military had left the cabinet after the elections) filtered into the national press, and a military delegation held a formal meeting with the Education Ministry to express their opposition. The controversy subsided only when the government announced that the proposal had been postponed, pending further discussion.

Within the government, the debate continued on whether to “consolidate in order to advance” (the Communist position) or to “advance without compromise” (the Socialist stance). One indication of how the debate was resolved was the decision by the government to use a constitutionally-authorized “degree of insurrection” allowing the cabinet to override the rulings of the Controller General of Chile, Héctor Hunzeker, who had disallowed the requisitioning of some of the factories taken over during the October 1972 strike. Conflicts also continued with the judiciary over the executive’s refusal to obey court orders to return seized properties. On May 26, the Supreme Court sent a public letter to the President denouncing

...the illegal attitude of the administration...[its] open and continual rebellion against judicial orders...which signifies a crisis of the rule of law...[and] the imminent breakdown of the juridical structure of the country."14

The stalemate between the executive and the Congress over the constitutional amendment on the “Three Areas of Property” was compounded when the Constitutional Tribunal refused to take jurisdiction over the disputed question of whether, in the absence of a plebiscite, the Congress could override the President’s veto by a majority or by a two-thirds vote.15 A second constitutional conflict along the same lines developed when the opposition majority in Congress voted in favor of an amendment to give farms under 40 hectares (about 100 acres) in size an absolute guarantee against expropriation and to compel the distribution of land in the “reformed” sector to the peasantry after a transitional period of two years. (The government had once again used a loophole in the 1967 law to postpone indefinitely the distribution of expropriated land by individual title.)

In May the official price index jumped 20 percent, indicating that the inflation was moving into a new hyperinflationary stage. The one effort that the government made to hold the line—its refusal to grant a full cost-of-living wage increase to the El Teniente copper miners on the grounds that under their contract they had already received partial cost-of-living increases—led to a building two-and-a-half month strike, which included a miners’ march on Santiago, mass rallies, and simultaneous one-day general strikes for and against the government in mid-June. By that time, Allende was once more ready to resort to military involvement in the cabinet to restore social peace.

Last Stage—Decline and Fall

On June 29, the last act of the Chilean tragedy began with an abortive revolt by the Second Armored Regiment in Santiago. Apparently, several army units had been in contact with Patria y Libertad, a right-wing political organization, and had planned to seize President Allende at his residence and to occupy the presidential palace. The revolt was canceled one day before it was to occur, but when one of the officers of the Second Armored Regiment was arrested and held in the Defense Ministry, the Regiment decided to free him and in the process to seize the presidential palace as originally planned. General Prats, the Army Commander, used the other military units in Santiago to put down the revolt in a few hours—most of which were spent in negotiation rather than shooting—but not before President Allende had gone on the air to urge “the people” to take over all industries and enterprises as a response to the uprising of “a small group of rebellious military men.” The Central Labor Federation also urged the workers to occupy the factories, and in one day the number of companies taken over by the government rose from 282 to 526. The “industrial belts” that had sprung up at the time of the October strike now achieved new importance. The spread of “people’s power (poder popular)” had been seen by Allende as a deterrent to a possible future coup, but it created many additional problems for the

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14 Libro Blanco, p. 215.
15 The term “two-thirds” reflects the fact that the Chilean president, unlike his US counterpart, can veto or even override individual sections of proposed laws.

_—Wide World Photos_

Government. Production declined sharply after the revolts, the opposition got fresh fuel for its claim that the expansion of state control of industry was being carried out through extralegal channels, and “deterioration”—as expressed in the worker occupations—appeared to some extent to pose a possible threat to an alternative to the power of the central government.

After the June 29 revolt, Allende made new efforts to secure military involvement in the government, but his negotiations with the armed forces were unsuccessful. Instead, they embarked on a policy of vigorous enforcement of the Arms Control Law, a measure which had been adopted in October 1972 but only sporadically enforced thereafter. This law authorized any military or police commanders to carry out arms searches if there was a presumption of the clandestine existence of illegal firearms. The right-wing Patria y Libertad organization had announced publicly that it was going under-

ground in an attempt to overthrow the government by force, and military intelligence was also aware of the initiation of arms training by all the government parties, even the centrist Radicals. In the course of their crackdown, the military found arms caches in factories in Santiago and Concepción, and the killing of a worker in one such arms raid provoked protests from the leftist parties.

At this point, the Chilean Communist Party and the Christian Democrats both concluded independently that the only solution to the impasse in Chile was one more attempt at an agreement between the Allende government parties and the Christian Democrats. The Communists initiated a campaign against civil war almost simultaneously with a statement by the Chilean hierarchy calling for a renewal of dialogue. Probably in response to these pressures on both sides, two lengthy discussions took place on July 21 between UP and PDC representatives. Both Allende and the Christian Democrats agreed on the necessity of enforcement of the Arms Control Law, but disagreement continued on the constitutional reform. Allende offered to sign the amendment on the “Three Areas of Property” in return for a constitutional amendment specifying that the Congress could not override presidential vetoes of constitutional amendments by a two-thirds vote. He also proposed the establishment of joint committees to work out further agreements. However, the Christian Democrats denounced these proposals as “dilatory” and broke off the negotiations.

A few days before the dialogue was initiated, the truckers began another strike, which was to last from July 26 until the coup on September 11. As the October, the truckers were joined by the other workers. Coming at a time when the 12-month inflation rate, fueled by massive government budget deficits and subsidies to the nationalized industries and agriculture, had reached 323 percent—and in a situation where inventories had not yet been built up from the October strike—the truckers’ action created much more serious problems for the government than the earlier strike. This new crisis once again raised the question of military participation in the cabinet, and General Prats persuaded his fellow commanders that it was their patriotic duty to re-enter the cabinet in order to settle the strike.
Allende in Retrospect

Trucks stand idle outside Valparaiso, Chili on September 8, 1973, the 44th day of a paralyzing transportation strike.

On August 8 Allende swore in what he called a "national security cabinet," with General Prats as Defense Minister, Air Force Commander Cesar Ruiz as Minister of Transport (the ministry which would deal with the striking truckers), and the heads of the Navy and of the National Police in other cabinet posts.

Almost coincidental with the entrance of the military into the cabinet, the naval establishment became involved in a serious conflict with the left wing of the Allende coalition. On August 7, the naval intelligence arm announced the discovery of a plot to carry out an enlisted men's revolt on August 11 in Valparaiso and Concepcion. The announcement accused PS Secretary General Carlos Altamirano, MAPU leader Oscar Garretón, and Miguel Enríquez, head of the MIR, of being the "intellectual authors" of the revolt and demanded the lifting of the congressional immunity of the first two, who sat respectively in the Senate and the Chamber of Deputies. Two days before the September coup, Altamirano admitted that he had encouraged navy men to resist their coup-minded (gopista) officers.

This attempt to subvert the hierarchy of a service command from below was combined with maneuvers by Allende to replace officers unsympathetic to him. When General Ruiz resigned his cabinet post on August 17 in protest against his loss of sufficient power to settle the strike, Allende compelled him to add that his departure from the cabinet "implicitly" carried with it his retirement as Air Force Commander. This was correctly seen as an Allende tactic to remove an officer opposed to him, and it met serious resistance from within the Air Force, provoking a series of actions which ultimately led directly to the September 11 coup.

On August 20, top Air Force officers met to decide whether to resist Allende's action. By evening, Ruiz had persuaded them to accept it on the condition that Allende appoint the second-ranking officer, General Gustavo Leigh, as Air Force Commander and name another Air Force general to the cabinet (so that Allende could not replace the same maneuver with Leigh). The next night the wives of high-ranking military officers, including those of six generals, gathered in front of General Prats' house to present a letter asking for his resignation. When the demonstration was broken up by police tear gas, it provoked such dissension in the armed forces that on the following day General Prats decided to resign both as Defense Minister and Army Commander. He was joined by two other generals who, with Prats, had led the military forces that had quelled the tank-regiment revolt in June.

The resignation of what appeared to be the last defenders of Allende in the army now meant that all three services were opposed to the President. It coincided with the adoption on the same day of a "sense of the house" (acuerdo) resolution by the Chamber of Deputies directed at the President and the military ministers, drawing their attention to "the serious breakdown of the constitutional and legal order."** The resolution criticized the Allende government for repeatedly bypassing the legislature through the use of legal loopholes and for refusing to promulgate the constitutional reforms voted by the Congress. It accused Allende of ignoring judicial orders, encouraging illegal seizure of property, persecuting opposition labor groups, and supporting illegal paramilitary organizations. In conclusion, it stated that the listed actions constituted a "serious breakdown of the constitutional and legal order of the Republic" and urged the military ministers to "put an end to the de facto situations listed above which violate the Constitution and the law" or be

**It was an indication of the continuing press freedom in Chili that existences in downtown Chili at this time contained a left-wing publication headed, "Soldiers, Destroy Your Officers," and a magazine of the extreme Right with the headlines, "The Right of Rebellion," "Rebellion and its Goals," and "Resistance to the Tyrant."

**Libro Blanco, pp. 219-222.

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guilty of "compromising the national and professional character of the armed forces."

In its original form, the resolution had declared the Allende government to be illegitimate, but the acuerdo had later been softened in order to secure the support of the Christian Democrats. Yet its effect was still to give a congressional green light to the military, and Allende immediately so interpreted it. He replied to the motion by accusing the Congress of "promoting a coup d'état by asking the military forces to make governmental judgments independently of the authority and direction of the President"; he also pointed out that according to the Constitution the only way that the Congress could decide on the legality of the President's conduct of his office was through impeachment by a two-thirds vote.¹⁴

The congressional vote was echoed by several professional associations. The Medical Association called on their "colleague" Allende to resign—a request that was echoed by the Federation of Professionals (CUPROCH)—and resignation petitions were circulated in Santiago. The Lawyers' Association issued a declaration which—"without attributing a malevolent intention" to the President—asserted an "incompatibility between the institutional framework within which he is supposed to exercise his office and the actions which he feels obliged to carry out in his program." Arguing that Allende "would appear to be incapacitated (impedido) in the exercise of his functions as he understands them," the statement suggested that he could be removed from office under Article 43 of the Constitution, which authorizes the Congress to declare presidential incapacity.¹⁵

The Coup

Exactly when the decision to carry out the coup was made is not yet certain, but it evidently was reached in the days following Prats' resignation. The armed forces had contingency plans for the control of vital points throughout the country in case of any emergency, and it only required a signal to put them into operation, hence the actual seizure of control required little preparation.

After the resignations of the third week of August, Allende restructured his cabinet without the top military commanders but still retained representatives of the armed forces in ministerial posts. Over the opposition of other PS leaders, he appointed as Minister of the Interior his Socialist colleague Carlos Briñes, who was known to be interested in another attempt at accommodation with the Christian Democrats. The president also canceled a projected trip to the Conference of Non-Aligned Nations in Algiers. The government and the opposition again staged rival demonstrations in connection with the third anniversary of the 1970 presidential elections.

On the weekend before the coup, the Christian Democrats called all provincial party leaders to a meeting at which a proposal was adopted for the simultaneous resignation of the Congress and the President and for new elections to resolve the con-

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¹⁴ The Mercury (International Edition) Aug. 20, 1973, p. 5. The New York Times quoted Julie Gralton in a story that Allende had warned the U.S. Ambassador "not to publicize his intention to resign, as it would put him in a bad light at a time when foreign relations were strained by the political and economic crisis." The president's reference to the coup as an "institutional breakdown" was a reference to the coup, said the New York Times, "on the largest scale in Chile's political history." The Mercury, Aug. 27, 1973, p. 12.


Gen. Carlos Prats, then Commander-in-Chief of the Chilean Army and Minister of Defense, leaves the President Palace on August 15, 1973, after a conference on the transport crisis.
Salvador Allende hurries through the corridors of the Presidential Palace with his personal bodyguard on the morning of September 11, 1973, shortly before taking his own life during the military coup d'état.

-Photo by The New York Times.

Conflict between the executive and legislative branches. During the same weekend, Allende met with the leaders of his Popular Unity coalition and called for the holding of a plebiscite on his conduct of office. Although this step was reportedly opposed by the Socialists, Briones subsequently asserted that Allende planned to announce the plebiscite in a radio address at noon on the day of the coup.

Meantime, after a stormy session with Allende on September 7, the military commanders proceeded on Sunday, September 9, to draft the text of the *pronunciamiento* issued on September 11. They did not secure the agreement of the National Police until early on the morning of the coup itself, and only after the fourth-ranking officer in seniority had taken over the position of police commander.\(^6\)

On September 10, Navy units set sail from Valparaiso for previously scheduled maneuvers, but that evening they returned to port and by early morning of the 11th had seized control of that city. Concepción, the third-ranking city in Chile and a known center of leftist activism, was taken over without a hitch. Santiago required a few hours longer.

To justify their action, the military commanders broadcast a communiqué to the nation, while admitting that the Allende government had initially come to power by legal means, they announced that it had "fallen into flagrant illegitimacy" by violating fundamental rights, by "artificially fomenting the class struggle," by refusing to implement the decisions of the Congress, the judiciary and the Controller-General, by causing a critical decline in agricultural, commercial and industrial activity in the country, and by bringing about a state of inflation and anarchy which "threaten the internal and external security of the country." The coup leaders concluded:

*These reasons are sufficient in the light of classical doctrine . . . to justify our intervention to depose a government which is illegitimate, immoral, and unrepresentative of the overwhelming sentiment of the nation.*\(^7\)

At 9:30 a.m., when it was apparent that no one but the GAP, his personal bodyguard, was ready to defend him, Allende broadcast his last message to

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\(^8\) Libro Blanco, pp. 248-49.
the Chilean people over the single p.m. Allende radio station that had not yet been shut down by the military. He began:

"This is surely the last time that I will be able to speak to you. . . My words are not spoken in bitterness but disappointment. In the face of these events I can only say to the workers, "I am not going to resign." At this historic juncture I will pay with my life for the loyalty of the people.

Blaming "foreign capital, imperialism, and reaction" for persuading the armed forces to break with their tradition, he said:

"History will judge them. . . . My voice will no longer come to you, but it does not matter. You will continue to hear it; it will always be among you. At the least, you will remember me as an honorable man who was loyal to the revolution." 89

At 11:00 a.m., the coup leaders permitted those who wished to do so to leave the building, and—except for his personal secretary—all the women, including Allende's pregnant daughter, left. The military also offered the President and his family safe conduct out of the country if he would surrender. Allende rejected the offer. The Air Force then sent in Hawker Hunter bombers, which repeatedly hit the palace with rockets and set fire to large portions of it. Finally, shortly after 1:30 p.m., Allende decided to discontinue the resistance, and the members who had been with him left the building in single file, led by the secretary carrying a white flag. Allende stayed behind and, sitting on a sofa in a reception room on the second floor, put two bullets into his head. The automatic rifle that he used was a gift from Fidel Castro. 90

Conclusions

Since the coup, comments in the world press representing widely divergent political postures have cited the Chilean case as proof that the hope of achieving Marxist socialism through democratic means is a vain one. Yet most people have failed to note two fundamental errors of the Allende policy, neither of which was essentially related to the attempt to establish democratic socialism:

1) As noted at the outset, the very quotation from Engels that Allende cited at the beginning of his administration to justify "the support of the majority of the people." Allende acted as if he had that support; but even at the highest point of his popularity in the April 1971 elections, he never achieved it. Moreover, his policy of deliberate class polarization, aimed at expanding his electoral base, was more successful in splitting professional and middle-class groups against him than in widening his support among workers, peasants and low-income groups.

2) Marxist economists and policymakers have always placed primary emphasis on investment and the expansion of the productive capacity of the economy. By contrast, the Allende policymakers emphasized increases in consumption and combined this with a headlong rush to take over industry and agriculture—a course far removed from the "two steps forward, one step back" of Lenin. The consequences of these policies after their deceptive initial success were massive government deficits, runaway inflation, and a near-breakdown of the economy. (The argument that Allende's economic problems were the result of a shortage of foreign credit does not really hold water, since they were caused by policies initiated before the foreign squeeze; and since, in any event, Allende's regime managed to secure enough foreign credits from Latin American, European, Soviet and Chinese sources to increase the Chilean foreign debt from $2.6 billion to $3.4 billion in less than three years. Much of the new indebtedness was to Western Europe and other Latin American countries. Surprisingly, Chile's debt to the USSR, China and Eastern Europe increased only from $9 million to $40 million between 1970 and 1973.)

Department of State

[Translated from the transcript of the tape recording of the speech published in La Razón, BOLETÍN DE LA ALCANCE (The Last Day of Allende, Santiago: Estacion de Radio, 1973, p. 53).]

49 On Allende's speech, see the report in El Mercurio (International Edition), Oct. 29-Nov. 4, 1973, p. 9. The eyewitness testimony of one of the President's personal physicians, who entered the room immediately thereafter, is published in El Mercurio, Jan. 18, 1974, pp. 10-13. Allende's widow has asserted that witnesses told her they had seen bullet wounds in his chest and stomach. A supposed account by a personal bodyguard circulated in Mexico and elsewhere describing his murder contains numerous factual errors and describes events which could not have taken place because of the physical design of the building. On this and many other myths of Left and Right concerning the overthrow of Allende, see Paul E. Sigmund, Allende through the Myths:...
Allende in Retrospect

Specific aspects of the Chilean system also made the Allende experiment a particularly difficult one. He was able to come to power in the first place because of Chile's deeply rooted commitment to the democratic system and because the Marxist parties were able to mobilize a part of the proletariat and the peasantry, and he had at his disposal many instruments for state control of the economy which had been developed by previous administrations since the 1930's. However, he was required to operate within an institutional system which included frequent and staggered elections, proportional representation, and a multiparty system which made majority rule very difficult and often gave veto powers to the extremes of Right and Left. The economy had been characterized for nearly a century by a chronic tendency to inflation, and successive governments had consistently ignored agriculture in the interest of securing urban electoral support. The most important systemic constraint of all, of course, was the existence of a professionalized and institutionally-loyal military which was unresponsive to the ideological blandishments of the Left.  

The immediate causes of the military intervention are apparent from the preceding account. In the last part of 1972, the military were drawn into Chilean politics by both sides and became as polarized as the rest of Chilean society—with the overwhelming majority joining the opposition to Allende. The conflict over education in March-April 1973 heightened that polarization just at the time the military were attempting to extricate themselves from political involvement. Then the expansion of arms searches in mid-1973 revealed the extent to which Chile was becoming an armed camp on the verge of civil war. Finally, the efforts to subvert the existing military hierarchy by a combination of leftist activity among enlisted men and presidential maneuvering with promotions and retirements provided the classic scenario for a coup d'état.

One can also relate Allende's difficulties to the inherent contradictions in the Marxist theory to which he appealed. At the same time that he proclaimed his faith in a democratic, pluralist and libertarian transition to socialism, many of his Marxist supporters spoke and acted on the basis of a belief in the inevitability of armed confrontation. With his knowledge, they armed themselves and—what was worse—talked incessantly about revolution. The repeated statements of Régis Debray and others that the observance of the rules of "bourgeois" legality was only a tactic until the balance of forces had improved was hardly likely to persuade doubters of the sincerity of Allende's commitment to democracy. When the importation and distribution of arms was combined with efforts to reorganize education along ideological lines, to subvert military discipline, and to rearrange the hierarchy of command, it is not altogether surprising that the military finally took action.

A positive evaluation of the Allende years would certainly credit him with a sincere effort to raise the living standards of low-income groups and to involve them actively in the determination of their own future. It would likewise stress the continued existence of freedom of expression for all points of view in Chile right up to the coup. A more negative assessment would ask whether the low-income groups in Chile genuinely benefited from an economic policy which after the first half of 1972 produced hyperinflation, a continuous drop in agricultural and industrial production, and a reduction in the real value of wages and salaries. Even more critically, one could inquire who has suffered the most in economic and in human terms as a result of the breakdown of the Chilean system—the Marxist politicians, many of whom were able to escape or go into exile, or the workers, peasants and slum-dwellers they claimed to represent, who are now paying the price of the Allende regime's mistakes in the form of the hardships imposed by sharply reduced consumption and the structures of draconian military rule.

\*\*The Socialists always believed that they could convert the military to their outlook. This is strikingly revealed in Socialist Party documents published in the Libro Blanco, pp. 126-30.
Kremlin's Hand in Allende's Chile

by James Theoharis

Why did Salvador Allende's revolutionary government end in a bloodbath despite Soviet support and the plaudits of the world's left-wing extremists, who saw in Chile a new path for Socialism's march to power?

James Theoharis, who is Director of the Latin American Department for Strategy in Society, shows how Moscow, the "big brother", through eager to exploit this opening in Latin America to the full, disagreed with Allende's headlong methods, and while warning him of the growing economic chaos denied him enough financial aid.

In 1935, Moscow dispatched Evstorgiavitch, a brilliant Peruvian Communist organizer, to Chile to implement the "united front" and "anti-fascist popular front" strategy that had replaced the ultra-left strategy of the Comintern. Since that time the Chilean Communist party generally has followed a strategy of broad alliance and limited aims, although the Cuban revolution led to a radicalization of party strategy.

The Chilean Communist party, one of the most loyal pro-Soviet parties in Latin America, gave unqualified support to the Soviet bid for invasion of Czechoslovakia in 1968. While its fortunes have shifted through the years as a result of domestic and international developments, it unswervingly supported the Soviet and turned its foreign policy and repeated Moscow's themes of anti-imperialism and class warfare.

The party, at least prior to the military intervention of September, 1973, was the best organized and strongest in Latin America. Between 1956 and 1969 it formed an uneasy alliance with the Socialist Party, its more militant Marxist rival on the Left. But in 1969 the Communists declared that a much more broadly based alliance of leftist forces was necessary for the transformation of the country into a socialist state and they played a key role in the founding of the Popular Unity coalition (coalition of six leftist parties) at the end of that year. After the 1970 electoral victory of the Popular Unity Front under Salvador Allende the Communists became the party's most influential force within the coalition.

The ultimate aim of the party did not waver throughout the Allende period. The Communists hoped to be able to take advantage of the weakness of the democratic institutions to install a "dictatorship of the proletariat" under their direction. Their Secretary-General, Eduardo Latarre, made this clear in his Carta al Hueso (Santiago, Editorial Quinta, 1972), in which he declared: "For us, the path from capitalism to Socialism necessarily requires that the proletariat be converted into the leading class, into the determining social force."

The Communist strategy, shared by Salvador Allende and the "moderate" wing of the Socialist Party, was to overthrow the bourgeois state and constitution, using the legal device of the plebiscite. In an interview with Regis Debray in 1971 Allende said: "As for the bourgeois state at the present moment, we are seeking to overcome it. To overthrow it!" (Regis Debray, The Chilean Revolution, Conversations with Allende, New York, Random House, 1971 p.82).

Mass mobilization, infiltration of Chilean institutions and tactical alliances with the opposition were to be employed to generate sufficient support. Congress was to be replaced by a "popular assembly" and the existing legal system by "popular tribunals." President Allende pledged to uphold the "pact of guarantees" (designed to commit his government to preserve Chile's democratic freedoms and institutions in exchange for Congressional support) was simply a "tactical necessity" to gain power, as he explained later.

The Chilean Communists and their allies in Moscow were uneasy about the ideological implications of the via Chilena as advocated by Salvador Allende (Debray, p.119). The Communist party refused to endorse the via Chilena as a uniquely Chilean path to socialism, which implied that it might not necessarily assume the leading role after complete power was gained by the Popular Unity coalition. The Chilean party supported Moscow's doctrine of the via pacifica, which accepted free elections and pluralism as a short-term tactical device under Chilean conditions but aimed in the long run at installing a Soviet-style Communist dictatorship. The via pacifica was not as "pacifica" as the slogan implied, it embraced all forms of class conflict and violence short of armed insurrection and civil war in the process of establishing the "dictatorship of the proletariat."

Misleading Image

The via Chilena proclaimed by Allende soon after his election was widely misunderstood in the West. The image that was officially propagated was that of a uniquely Chilean path to a new type of Marxist-humanist socialism, where basic liberties, economic pluralism and free elections were respected. Western liberals were led to believe that the Allende government was constructing a new Western-European type of democratic socialism in Chile. This image clashed with the reality of Salvador Allende's revolutionary ambition to use Chile's pluralist democracy to destroy it. He seemed to have abandoned the via Chilena formula during the last year of his government. Not only did he rarely
employ it in his speeches but the importance of preserving "democracy, pluralism and liberty" was conspicuously absent.

The government's policy was very much to Moscow's liking; security of US investments, the expurgation of the doctrine of "ideological pluralism" (relations with all states regardless of ideology and internal political character), closer relations with the socialist camp, and the fostering of an "anti-imperialist (anti-US)" front in Latin America.

Under the Allende regime, foreign policy was reordered, and the previously close ties with the United States were replaced by strong political, economic and scientific ties with the "socialist countries," above all with Cuba and the USSR. The first trip of the Foreign Minister, Clodomiro Almeyda, outside of Latin America was to the USSR and Eastern Europe, in May-June, 1971. President Allende visited Moscow in December 1972. Strong ideological and personal ties linked the Chilean Communist party leaders with the Soviet party leadership and Salvador Allende with Fidel Castro.

President Allende's description of the USSR as Chile's "big brother" (hermano mayor) was no mere figure of speech but reflected the expectation of his government that the USSR would become the most important socialist ally of the revolution and the main economic bulwark of the regime. Moscow did, in fact, become the most important source of socialist help economic aid and credits to the Popular Unity government, totalling $220.0 million ($156.5 million in short-term bank credits and $63.5 million in project aid and supplier credits) in the 1971-73 period. The USSR authorized $260.5 million in credits ($98.5 million in short-term credit and $162.0 million in economic aid) to the Allende regime. Most of which was never utilised. This was far from the lack of help Allende needed. But Moscow was under no illusion that its economic cooperation would decisively influence the immediate prospects for radical social and economic transformation, although it no doubt helped reduce Chile's dependence on the United States.

Soviet influence expanded rapidly as a result of the Chilean Communist party's loyalty to the USSR and the expansion of Soviet-Chilean economic, technical, scientific, cultural, and fisheries cooperation made possible by the victory of the Communist-Socialist regime. But Moscow became increasingly alarmed at the deterioration of the economic situation, the violent clashes of the ultra-left and the ultra-right, and the growing organisation of opposition forces, particularly after the Popular Unity government failed in the March, 1973, elections to obtain the majority electoral support required to transform the political and economic structure by peaceful, constitutional means.

Nevertheless, Moscow was not willing to provide the massive short-term commodity assistance (such as foodstuffs) or untied convertible currency credits which the regime needed to finance the import of food, state parts, and machinery to alleviate local shortages. Moscow's $59.5 million in short-term bank credits was no doubt helpful but paled into insignificance before the need to finance Chile's import requirements, which, for food alone, were running at the rate of about $700 million a year when the Allende regime collapsed. The Soviet leadership told Chilean Communist and Popular Unity officials that the main effort to improve the economic situation would have to be made by the Allende government. Moscow repeatedly stressed that the Popular Unity government must reverse the calamitous decline in production and productivity to have a chance of winning over a majority of the Chileans to the cause of socialism.

Refusing to give Allende the hard currency credits he needed to improve his worsening chances for survival, Moscow contented itself with organising solidarity meetings at home and abroad in the hope that those demonstrations would "reach the ears of the Chilean people" (Moscow Radio 13 August 1973). Allende's loyalty and "big brother" was willing to sell Soviet machinery and equipment to him—that is, expand Soviet exports financed by long-term credits—but denied him the short-term hard currency credits he desperately needed.

A combination of circumstances—Moscow's costly entanglement in Cuba, economic difficulties at home, shortages of grain and foreign exchange—led the USSR to eschew massive short-term aid to Chile and to counsel a policy of self-help by the Allende regime—a theme repeated frequently by the Chilean Communist party leadership when referring to Soviet assistance. In the final analysis Moscow watched critically while the vía pacífica was destroyed by the disastrous economic policies, the circumvention of the laws, and the tacit encouragement of the ultra-left by President Allende and the Popular Unity government.

Moscow pursued a dual strategy in Chile. At the level of state-to-state relations it acted cautiously, adopted a non-interventionist posture, and encouraged anti-Americanism and independence from the United States. Since it realised that the internal balance of forces did not favour the armed struggle, the Popular Unity leadership was urged to maintain internal unity, reject the "revolutionary and adventurous" overtures of the ultra-left, avoid actions that might provoke a civil war or military intervention, adopt a more rational economic policy, and consolidate the initial gains of the revolution.

At the same time, Moscow did nothing to restrain direct Cuban involvement in the Chilean revolution. Protected by a friendly, Marxist-dominated government and its Marxist President, Cuba transported large quantities of Soviet and Czechoslovak-supplied weapons to the radical left in Chile on the Cuban airline and merchant ships.
It also established a guerrilla training base and coordinating centre in Chile. The large intelligence team in the Cuban Embassy in Santiago maintained liaison with the formation movement in Argentina, Bolivia and Uruguay. Cuba’s Soviet-controlled intelligence service, Dirección General de Inteligencia (DGI), also had close ties with the Chilean underground and other revolutionary exile groups, providing them with training, arms and funds for the armed struggle in Chile and other Latin American countries.

**Revolutionaries Trained**

Soviet army personnel were directly involved in the training of workers and revolutionaries for urban guerrilla warfare. This occurred during 1972-73 at El Belluto, near Valparaíso, where the USSR had installed a factory for the manufacture of primitive weapons (the factory’s personnel were evidently non-communist, possibly members of the Russian Communist Party). The factory’s operation was maintained by a constant surveillance by the Chilean navy. On the morning of 11 September 1973, naval intelligence arrested the Russians and three days later expelled them from the country.

This clandestine involvement in training guerrillas in Chile was an example to Moscow’s official line of giving full support to the legal and peaceful path to socialism. But the Soviet leadership operated on the principle that since every eventuality cannot be foreseen it is better to take advance measures which might “contradict” the official line than to be sorry later. In Chile there were some advantages in having some armed revolutionaries under its direct Soviet control: Moscow was able to retain some measure of influence over the ultra-left, particularly important in an event that this faction was able to seize power. As it turned out, Russia’s “united front” tactics failed, and the armed struggle was aborted by the Chilean military.

**Soviet Industrial Espionage**

The Soviet Union made every effort to extract the maximum advantage from its technical assistance programme. It assigned technicians to the nationalised copper industry to help raise productivity, all of whom were engaged in industrial espionage. They were far more interested in gaining full access to the operation of advanced US mining equipment and methods than in assisting Chilean development, and were mainly occupied in gathering information on mine techniques and organisation, and collecting data on costs and productivity.

Moscow was also especially interested in fisheries and fishery-related (oceanographic, hydrographic and marine biological research) assistance to Chile. Fisheries aid gave the Russians access to Chilean ports for its fishing, oceanographic and other vessels. The growing presence in Chilean waters, around the Cape and in sub-Antarctic waters, provided a cover for gathering intelligence and oceanographic data of use to the Soviet navy.

The Soviet Union offered to supply $300 million in military equipment to Allende in 1912, but the military refused the offer and decided to continue to obtain arms from the United States and other Western suppliers. The anti-Communist military were disturbed by the deepening economic and political violence under the Popular Unity government, and were anxious not to weaken their military ties with the United States and Western Europe by turning to the Soviet Union for arms. Moscow had hoped to establish an important precedent for supplying arms to non-Communist countries in Latin America and further weaken Washington’s already strained relations with the Latin American military. Despite the coolness of official US-Chilean relations, the United States continued to maintain friendly relations with the Chilean military.

The Kremlin was very much aware of the weakness of the Allende regime, not only was it a minority government (in 1970, 23% of the electorate supported the Popular Unity coalition) but the armed forces and powerful national police were strongly anti-Communist. Since the “democratic forces” lacked full political and economic power, Moscow favoured a gradual take-over by the Communists and avoidance of civil war or military confrontation at all costs. Both the ultra-left and ultra-right opposition of Allende were attacked regularly in the Soviet press. But the Movement of the Revolutionary Left (MIR), an ultra-left group that pursued a radical path and hoped to defeat the opposition forces in a violent confrontation, was singled out for particularly caustic criticism. It was charged with “revolutionary adventurism”, contributing to political instability and harming the prospects of survival of the Popular Unity government.

From mid-1972 onwards, Moscow realised that the opposition to the Allende government was growing and widespread. It was only the shrewd and dictatorial personality of Allende—skilled in maintaining a balance between the disruptive forces within his own government—that held together the disintegrating fabric of society. There seemed to be no question of the imminent economic collapse, declining agricultural and industrial production, accelerating inflation, and the worsening balance of payments.

Soviet observers advised a slower take-over of the economy, nationalising the large firms first but leaving the smaller and medium-sized firms alone for some time being. In the last months before the military coup they saw the handwriting on the wall and urged a consolidation of the economic gains already achieved, collaboration with the opposition, political parties (especially the Christian Democrats), and avoidance of armed conflict.

*Extracts (Salvador). 10-16 October 1973, and author’s interview with the Chilean military high command, Dec.*
Collapse of Socialist "Model"

The Soviet policy vis-a-vis Chile emphasized cooperation in the political field, the fostering of an anti-US front with Chile, Peru and Cuba, and expansion of trade and aid relations while retaining from polemics and interfering in Chile's internal affairs (mainly through its influence over the Chilean Communist Party). The Chilean Communists were given moral and material support for widening the base of support for the regime, but it made no difference to the final outcome. The weakness of the Allende regime, its false internal contradictions, official connivance in the arming and violence of the ultra-left, the West's intervention and involvement, the growing political polarization, and violence, and the faithful elitization of the armed forces were the decisive conditions that triggered the coup d'etat that led to Allende's downfall and replacement by a military junta on 11 September, 1973.

Moscow was deeply disturbed but not especially surprised. TASS admitted on 20 September 1973 that the "Chilean experience was bitter and dramatic," and Fidel Castro declared that he was "very upset by events in Chile." The new military junta had immediately broken off relations with Havana. Moscow severed diplomatic relations with Santiago and withdrew its ambassador and embassy staff because of alleged persecution of Soviet officials by the junta. After less than a weeks in power, Chile's new military government began to feel the full brunt of Soviet disapproval and frustration, expressed in a well-orchestrated and sustained propaganda campaign directed at isolating and discrediting the regime.

The Soviet media accused the junta of "persecuting left-wingers with unparalleled cruelty" (Moscow Radio, 18 September 1973). There were reports in Pravda on 26 September that "the streets of Santiago were flowing with blood," and the radio spoke of "thousands of Chilean democrats" killed. Salvador Allende was alternatively reported to have been "molested in cold blood" or to have died a hero's death, resisting the rebels to the very end. Allende's residence was alleged to have been "torn off the face of the earth." The junta was suspected of a massacre of women and children. In an attempt to intimidate the people, on 29 October TASS indignantly blamed the CIA, Chilean "reaction," and "American monopolies" for organizing the military coup, and according to a Moscow broadcast even Leonid Brezhnev, not known for his devotion to Western democracy, expressed horror at the "monstrous, completely open violation of a country's constitution, the unprecedented fouling of the democratic traditions of an entire nation."

The overthrow of the Allende government was a bitter but not entirely unexpected setback for Moscow's united front tactics in Latin America, and had adverse repercussions for Marxist parties elsewhere in the West. Communists and Socialists in France and Italy who had earlier pointed to Chile as a model of the peaceful transition to socialism moved to disengage themselves from the Allende disaster. Instead of leading to socialism, united front tactics in Chile ushered in a period of unparalleled political violence, enormous suffering for Chile's workers and middle class, and the worst economic crisis in its history.

Soviet designs for Chile to serve as the vanguard of the anti-US front in Latin America ended in a disastrousiasco and left a deep impression on the Chilean Communist political parties and the armed forces in the region. It reminded them of the grave risks of entering into an alliance with totalitarian parties. Despite protestations to the contrary, Marxist governments are driven inexorably to violate pledges to uphold the constitution, to destroy the private sector of the economy, and ultimately to install a totalitarian dictatorship.

WASHINGTON POST
28 August 1974

Argentine Manager Murdered

BUENOS AIRES-Government men killed the labor relations manager of a French-owned auto plant in Cordoba yesterday, and President Maria Estela Peron spoke out against the recent "cowardly and bloody assassinations" in Argentina.

The extreme leftist Peronist Armed Forces claimed responsibility for the death of HU Renault affliate Ricardo Goya, 55, saying it was "the Peronist workers' answer to the enemies of our class."

A two-month slowdown at the Renault plant climaxd Monday with a burst of leftist leaders of the auto union. Workers battled police last night on the streets of Cordoba.

Mrs. Peron, in her first speech from the palace balcony that her late husband, President Juan D. Peron, often used as a rostrum, declared:

"Many people think that because I am a woman I cannot rule ... but with this fragil appearance I have an iron will."

The assassination of the political leader came in a week earlier with provincial governors.

NEW YORK TIMES
28 August 1974

SPARSE AUDIENCE HEARS MRS. PERON

Only a few thousand attended her first public rally.

By JONATHAN RANDALL

BUENOS AIRES, Aug. 28-The crowd of several thousand that only a few thousand people had been in the center of a lifetime around today to hear Mrs. Peron. President Juan D. Peron, in his first public rally since he was 77 years old, followed a speech that the Peronista's victory had been a "historic" event where for the first time men, women and children had
Baltimore Sun
28 August 1974

Forecast is cloudy for
Bolivia’s Banzer

in Panama announced immediately other government leaders of the current administration, including the president and vice president. As the situation is complex and volatile, it is difficult to predict the outcome.

The Washington Post
Wednesday, Aug 21, 1974

Argentine Left Clings to Hold On University

By Joseph Novak

The Argentine government is facing a crisis as the country's leftist movement continues to gain strength. The police have been called in to maintain order, but the situation is tense and unclear.

Meetings* hang from the high ceilings to the floor. Corners and columns are cluttered with posters that urge the defense of the revolution or quote Gen. Juan Peron, the Argentine populist leader who died in office as president on July 1.

Twelve people ate without warning to enter the building. But inside, behind the power bars, the young people who believe Peron's return to power in Argentina last year meant a giant step to end socialism are trying to add strength to their last stronghold, the university.

The university has been a militant political battleground for more than a year. But now, with the current student movement, some hope for a peaceful resolution.

*The students have hung their meeting rooms from the ceiling to prevent police from entering.
The university, an urban campus with old and modern buildings scattered throughout the city, is organized along European lines: Eleven separate faculties, like separate colleges, educate lawyers, doctors, agronomists and liberal professionals. Each gives two years of basic college education. Seven years ago, after a violent university purge by Argentina's military government, many parts of the separate curricula were shared with American models.

When the Peronists returned to power last May, young leftist leaders loyal to Peron were given the university as their share of the new government. It changed almost overnight.

Entrance examinations were abolished and all high school graduates were offered admission. One year later, 1,000 new students had entered and the enrollment had doubled. "There are so many people now, it seems that even the rats from the basement take exams," said a fourth-year philosophy student.

Professors with connections to the military government or who had been dismissed. Fourteen were fired from the faculty of economics alone. The university broke off assistance and exchange agreements with the Ford Foundation, the University of California and Rutgers, and opened new programs with universities in Peru, Nigeria and Mexico.

Courses of study were changed. Traditional philosophy courses were replaced, in part, by studies of South American politicians and Peron's doctrine. In an introductory architecture course, a slide show alternated with a new Salvador allende lecture on the life and thought of the country's champion and was followed by a discussion of American imperialism in Argentina.

Meanwhile, a majority faction in the Peronist youth movement backed by two urban guerrilla groups that had fought the military government under Peron's banner, had made the university into their power base. They proclaimed a government program that smacked of Marx-Leninism and, in effect, challenged Peron for leadership of his movement.

"Look, these people are anything but Peronist," Gen. Peron said last February, when he first began trying to separate his movement's youth wing from the leaders both of the guerrilla movement who call themselves Montoneros.

"Before thinking about getting organized, we've got to think how it can be a true organization and not a sack full of cats who will start showing their claws pretty soon," Peron told leaders of the youth wing. He asked them to recognize themselves and expel the Marxists. "That's why this purification is necessary," he said.

The purification Peron wanted has been thwarted, in part, by government reluctance to drive the whole youth wing into open revolt and in part by students from the University of Buenos Aires. Twice, since April, they have marched into the streets to protest the appointment of new deans and have forced the government to back down.

A week ago they took over 10 of the 14 faculties in a move that has the temperature up. University rector, Paul Laureano, a professor of pharmacy who is loyal to the Montoneros, and inside the university, it often seems as if one is inside Peron's "sack of cats."

At the medical faculty recently, students who still profess loyalty to Peron started playing the Peronist marching song on a loudspeaker system. A faction that stands further to the left put on the Internationale, the Communist hymn, and turned up the volume on their own sound system.

The Peronists turned up their volume, and so it went, to ear-shattering levels. "It isn't hard once you get above the second floor," a professor of neurobiology said.

Slowly, the university crisis seems to be heading for some kind of resolution. A week ago, President Maria Estela Peron named a new minister of education. He is expected to name a new rector. Student street demonstrations have been quickly and sharply put down by police. The same demonstrations were tolerated by her late husband.

There have been some hints that the government will try to disturb the crisis by unraveling Peronist politics and the quarrel with the Montoneros from university policies.

"We're waiting to see who the new rector will be," said a young professor. "That should clear up something. In the meantime, if you're thinking of building a house in Argentina, get an old architect."
Allende & the Myth Makers

Political Realism & Revolutionary Romance

REPUBLIC  AS IT MAY SEEM TO SAY SO WHEN THE BLOODRED OF THE CHILEAN COUP OF 1973 IS STILL SO LOCALLY REMEMBERED AND THE GENERALS WHO MADE IT ARE RIDING UNPOPULARLY HIGH, THE FACT REMAINS THAT SALVADOR ALLENDE DIED A LUCKY MAN. IN THE was a failure. Both his policies and his country were shattered long before the end. But in death he achieved success beyond his dreams. Instantly canonised as the Western world's 'honest left-wing martyr', he became overnight the most potent political cult-figure since his old friend, Che Guevara.

On some extent, of course, the congregation had already been prepared for this posthumous elevation. In the three years of Allende's administration the 'Chilean experiment' and the 'Chilean road to socialism' had become favourite topics of discussion among left-wing groups in Europe, where Chile's supposed romance to Italy or France had encouraged the belief that Europe might, for once, follow Latin America's footsteps instead of the other way about. Many aspiring revolutionaries from Europe and the United States had actually joined their Latin American counterparts in Chile in search of the same spirit as their drop-out contemporaries who hitch-hiked to Nepal hoping for a glimpse of Paradise in action. By the time of the September coup the military junta claimed there were as many as 15,000 foreigners of all kinds in Chile, actively supporting - sometimes with violence - the 'socialist revolution.'

NEW TIMES

These specially interested groups or individuals obviously provided a ready network for international propaganda in the aftermath of Allende's death. But the shock and, at times, almost hysterical reaction to the coup went far beyond such committed parties to embrace many of the West's ordinary liberals and social democrats. For them, as much as for the self-styled revolutionaries, it seemed, a bright light of world-wide hope had been extinguished in Santiago; and from Washington to Rome, via Paris, Bonn and London, anguished cries of 'Foul!' rent the air.

Revolt Against the Ballot Box; for which the Chilean armed forces could offer no excuse (The Guardian, 12/9/73); as a 'Disaster in Chile' that would 'set back the cause of socialism and democracy everywhere' (New Statesman, 14/9/73); and as 'The Death of a Hope' comparable, even, to the Russian invasion of Czechoslovakia that ended Alexander Dubcek's regime in 1968 (The Observer, 16/9/73).

Within 24 hours of the fact, bare news of the coup the General Secretary of the British Labour Party, Mr. Ken Haywood, was writing officially to one of Allende's former colleagues to say that it was difficult to express the sense of horror and anger felt by the British Labour movement as the aspirations of the working people of Chile - shared by so many others around the world - are destroyed at the hands of a few arrogant and ignorant officers acting at the behest of those who believe their right to rule is unchallengeable (The Times, 13/9/73).

Mr. Len Murray, General Secretary of the Trades Union Council, expressed his shock and abhorrence with equal speed and vigour. And Mrs. Judith Hart, speaking as a member of the Labour Party's National Executive, unleashed a torrent of assertions so passionate as to suggest that her mind had come close to being overwhelmed by Allende's government. They ranged from the declaration that 'the democratic will of the people of Chile had been defeated by capitalist \'collusion\' (The Guardian, 17/9/73) to 'For Socialists of this generation Chile is our Spain' and 'This is the most vicious fascism we have seen in generations' (The Guardian, 19/9/73).

When the Labour Party Conference met at Blackpool three weeks later these instant reactions had hardened into established orthodoxy. The former Chilean Ambassador in London was given a standing ovation when he became the first non-delegate to address a Party Conference since two Spanish Republicans were allowed to do so in the 1930s. Resolutions were then carried utterly condemning the military coup and the precipitate action of the British Government in recognising the military junta; demanding the recall of the British Ambassador from Santiago and the withholding from the military regime of all aid, loans, and credits; and calling on the Labour Movement to campaign for the restoration of democracy in Chile and to offer financial and other assistance to the Popular Unity (Allende's) movement (The Times, 3/10/73). My thanks.
the reasons for this force reaction would repay study. Probably they included a large share of which. Nevertheless, one of the most fashionable reasons Western political protest had passed into history or been shadowed by disillusionment in the year or two before Allende's downfall from Viet Nam and Greece to Black Power and the Student Movement. Allende's downfall supplied a new cause just when it was wanted. Familiar double standards were certainly involved. Nobody at the Labour Party Conference, for example, thought it necessary to ask why such a royal welcome should be offered to the representative of a government which had included one of the very few Communist parties outside Eastern Europe to support the Russian invasion of Czechoslovakia. A Pavlovian response to the very idea of "revolution" was also clearly in evidence—and made all the more eager, it seemed, by the fact that this particular revolution had been taking place at such a safe distance in such sublimely foreign parts. There was, perhaps, a characteristic love of worldly failure, too—for it was difficult to read some of the more extravagant expressions of grief at Allende's death without sensing a touch of gratification at the thought that Good had more succumbed to Evil and so delivered another martyr unto Heavens before he could be corrupted by the practical demands of life on Earth. But most of all, perhaps, the response seemed to stem from ignorance and wishful thinking—always the two most powerful sources of political romanticism—which left the facts of life in Allende's Chile either unknown or ignored and the field wide open, therefore, to the creation of instant myths. Hence the composite picture, now accepted throughout a wide spectrum of Western liberal and left-wing opinion, of Allende as a genuine social democrat of impeccable constitutional propriety who met his end at the hands of a fascist conspiracy on behalf of a minority "ruling class" aided andabetted by the United States of America.

To replace this romantic vision with something approaching reality may already be impossible, for myths undoubtedly possess a life of their own immune to rational challenge. To attempt to do so also may entail some risk of abuse, for it seems to be a common assumption nowadays that anyone who seeks a rational explanation of a military coup d'état (unless it happens to represent a left-wing interest) is necessarily a fascist beast.

I SHOULD MAKE IT PLAIN, therefore, that I am concerned here with Allende's Chile and not with what has taken its place. I hold no brief for military juntas, nor for the summary executions, mass imprisonments, censorship or whatever that the Chilean junta may have implied or tolerated during its early months of power. Indeed, because I happen to know and like Chile as a country and count a number of Chileans among my friends I feel some personal sadness at the country's present plight. But I am afraid, much more than shock. Military men will be military men, the world over; and in any case Chile was left in such a mess by Allende that some vindictiveness, alas, was only to be expected when he fell.

Nor am I concerned with Chilean might-have-beens. I accept that the country needed genuine social reform and I believe that it could have been achieved without violence by a democratic government that was ready to work pragmatically within the constitution and with a proper respect for what the economic and political fabric of Chile would stand.

But that is not the point any more. What I am concerned about is how the country came to its present pass. And without wishing to speak ill of the dead, it seems to me to be quite right for the sake of the living that the Chilean coup was largely Allende's own fault and that the myths with which it has been surrounded on the Left are not merely a falsification of Chile's history but a potential danger to the future of liberal and social democratic politics in the Western world as well. Indeed, what is most disturbing to me about the fashionable Western reactions to events in Chile is their revelation of the degree to which revolutionary romanticism has combined with left-wing cynicism in recent years to corrupt our own politics. It is certainly "no accident" that, for example, the British Labour Party which so uncritically adopts Allende's cause is also the party which has permitted its self-appointed Marxists and utopian socialists to gain factional position of unprecedented power.

I will leave others to pursue that theme, however. All I want to do is to try to set some of the Chilean record straight—or at any rate, straighter—by looking in some detail at three of the main myths that now surround the end of Allende and his famous experiment.

1. The American Intervention Myth

THIS FOUND its most virulent expression in the equation of Allende's downfall with that of Deubek. Yet in the absence of any American armed assault to compare with the Soviet invasion of Czechoslovakia—let alone the fact that whereas Deubek's Parliament supported him against the Russians, a majority of Allende's Congress invited him to resign—there were only stereotype suppositions to sustain it.

In general, the American intervention myth seemed to derive from that characteristic Latin American and left-wing conspiratorial complex which insists that the Yanks are responsible for everything (except, of course, anything good). Garnished with historical fact (Guatemala, the Bay of Pigs, etc) this is frequently transmuted in Latin American affairs into a plausible anti-American smear; and the state of Washington politics in 1973 was, of course, guaranteed to give such a news extra credence this time. The New Statesman offered a fine example. "The likelihood is that the trail will lead back to the Pentagon", it assured its readers, "if a proper investigation ever be mounted. But in default of this it does seem possible to say that Nixon and his allies were already too heavily implicated in the
but even if he had, it might not have worked.
To support Castro's Cuba is believed to have
cost Moscow the equivalent of about $1 million
every day for many years. To support a similar regime
in Chile would probably have cost even more.
There was never the slightest sign that Mr.
Rirezhou, or anyone else in the Kremlin, was
ready to accept such a burden.

To sum up, then, it seems to me that the idea of
a Chilean conspiracy to overthrow Allende is
both unproven and unnecessary to explain his
downfall. I am not saying, of course, that
Washington was not relieved to see him go;
although I think some American officials would
have preferred to see him stumble as sometimes
longer in the hope that growing disillusionment
would infect even his stoutest supporters and
accordingly diminish the chances of his being
made a martyr when opposition finally overtook
him. But in general the American attitude seems
to have been a predictably cautious one:
These shall not kill, but need not strive.
Officially to keep alive.

A realistic Chilean government embarked on its
road to socialism" would surely have bargained
for that much, and (on a truly Marxian analysis
such as Allende professed) it should have expected
much more—than America would move in for the
kill as soon as possible. Yet while adopting a
deliberately provocative stance, Allende took no
steps to protect himself against possible American
reprisals, declined to compromise for the sake
of other Western help, and failed to provide
grounds even for his supposed Marxist friends
to help him.

It was magnificent, perhaps, but it was not
politics. At the very least, Allende must be
convicted here of a lack of realism which would
probably have been fatal to any statesman any-
where.

2. The Ruling Class Conspiracy Myth

The picture of Allende being overthrown
by what has been variously described as a
"revolution of the privileged," a series of "bosses' strikes" or a "conspiracy of the traditional ruling
class" contains so many misconceptions that it is
hard to know where to begin to sort them out.
One idea, however, seems basic to them all:
that Allende and his Popular Unity coalition
were somehow the uniquely legitimate
representatives of "the People's Will." That such an
odd belief should have gained any currency
whatever outside purely propagandist circles is a
mark of the confusion that surrounds the
Chilean experience in the minds of many non-
Chileans. To judge from published comments,
such as those referring to the "defeat of the
democratic will," some of Allende's sympathizers
abroad seem even to believe that he not merely
enjoyed a massive popular majority of the vote
but was also the first President of his country to
do so.

Yet the facts are beyond dispute. Chile was
and had been for many years a functioning
democracy with a constitution which vested
executive power in the President and legislative
power in Congress. Both in theory and in practice,
no doubt, there were serious weaknesses—as
revealed, for instance, in the inability of previous

government to press through social reforms as
swiftly as many Chileans would have wished.

But by 1970, even without the system was the best
and most visible in Latin America and it had
enabled Allende himself to contest the Presidency
three times before he finally won it in his fourth attempt in 1970. There was no
doubt of the legitimacy of that victory. But
unfortunately for those who saw it as a unique
expression of the people's will, it was gained
only through a narrow plurality in which Allende
obtained just over 50% of the poll. His nearest
rival, only a couple of percentage points behind,
was the candidate of the conservative National
Party, whose members in Congress opposed
Allende from the start. Another 28% went to the
third candidate, a radical reformist from the
Christian Democrat party, many of whose
members in Congress at first gave Allende the
benefit of the doubt, hoping he would modify
his avowed Marxism in practice to a kind of
reformism compatible with their own ideas and
the existing constitution.

In the mid-term Congressional elections of
March 1973, the Popular Unity coalition raised
its share of the vote to 57% (although this time
the "legitimacy" was suspect owing to opposition
allegations of substantial electoral fraud). But
the opposition parties retained a large majority
in Congress where, by that time, most of the
Christian Democrats had joined the Nationalists
in outright antagonism to the President. On these
facts it seems plain that, so far from representing
"the People's Will," Allende never actually rep
resented more than a substantial minority
interest. Only if "the People" are identified as
being those who voted for Allende, while the rest
— the majority—are relegated to the status of
"non-people" can any other interpretation hold
sustained. But that, of course, is just what is
implied by the myth of the "ruling class
conspiracy."
potatoes, a few chickens, or even a side of beef, could make a living on the black market, even if his official wages remained stationary while inflation soared abroad. The factory worker who was entitled to buy a proportion of his factory’s output at official fixed prices could (and did) sell at six to ten times what he had paid as soon as he left the factory gate. But miners could hardly find ready buyers for a stolen truck-load of copper ore.

Thus the copper-miners were thrust, in effect, into the same position as the barbacoas, the shopkeepers, and virtually all of Chile’s radical professional men and women: they were left more or less defenceless against the most vicious inflation the country had ever experienced.

Some apologists for Allende have maintained that the degree of inflation was exaggerated or, at any rate, little worse than was customary in Chile and elsewhere in Latin America. The truth is that it was far beyond anything normally endured. In that continuum, as little as nine months after Allende came to power, when I first visited Chile, the escudo had already fallen from 20 to 40 against the U.S. dollar on the free, or black, market. Eighteen months later, on my second visit, the Government’s own figures put the rate of inflation at 130% in a year, the money supply was going up by 10%; a month and the escudo had fallen to about 150 to the black U.S. dollar. By August 1973, the official inflation rate was 242% and rising fast, and the escudo was worth only 2,000 to the dollar—an effective depreciation in less than three years of 10,000%.

Nor is it enough to attribute these catastrophic rates to such adventurous or malicious factors as—again I refer to published arguments—falling world copper prices, the normal difficulties of maintaining industrial and farm output in a time of radical political change, or deliberate American intervention.

On the last of these three I have already said enough, I hope, to show that it was far from decisive and that it was, anyway, largely self-inflicted. As to falling copper prices, the fact is that after a fall in the first year of Allende’s Government, prices recovered until by the time of his overthrow they were 80% above the level at the time of his election. Had they not risen so steeply he would almost certainly have fallen sooner and probably would not have secured his relative, short-lived success in the mid-term elections of March 1973. The difficulties of maintaining output in a time of change, however, were real—unfortunately, far more so than Allende ever seemed to realise.

To take just two examples: copper and milk. Expropriations of the copper mines from their American owners would, no doubt, have led in itself to the withdrawal of American technicians as well as of American management with some consequent risk of losing production temporarily, at least. But this might have been overcome by the promotion of trained Chilean managers and technicians, of whom there was no shortage.

Alas, for Chile’s national income, Allende not merely nationalised but deliberately politicised the mines as well. Jobs for the party boys were handed out in thousands while trained Chileans emigrated so that, after three years of Popular Unity Government, mining productivity and output was only just about the same amount.

I take milk as the second example because it was specifically mentioned in Popular Unity’s election promises, which contained the “Every Childful Child to Have milk Daily.” Here again, the government’s promises of land reform, intended to break the power of Chile’s remaining haciendas and open the way to cooperative or state farming, might have been expected to result in some shortfall in dairy production for a year or two while the tillage problems were sorted out. In fact, however, milk production dropped as if someone had simply punched a hole in the bottom of every churn in the land. At one large cooperative dairy in Temuco, one of the main milk-producing areas of Chile, the average daily winter intake of milk was about 30,000 gallons in 1970. By 1973 it was down to 7,000. Not was this surprising. Apart from the fact that legal land reform had been accompanied by widespread and uncontrolled illegal land seizures so that the farms were in the hands of people utterly untrained in how to make the milk would fetch less than half the price of one egg. Inevitably, nobody was interested in producing milk and cows were slaughtered wholesale for beef—legally or illegally—or driven over the mountains to Argentina while Allende was forced to the world for dried milk imports that, thanks to his policy in the copper mines, he no longer had foreign currency to pay for.

Such failures were repeated everywhere as the romantic pictures of self-styled revolution were replaced by the facts of life. While overall production in both agriculture and industry fell disastrously, Allende simultaneously attempted to redistribute the national wealth by giving Chile’s poorer classes more money to spend. They were his constituency and they were properly grateful; for many of them certainly had never had much before. But you can’t redistribute what you have already thrown away, and as output vanished, so domestic prices grew longer, foreign debts piled up, and the budget deficit expanded like a hydrogen balloon. A year before the final collapse, I asked one of Allende’s chief economic advisers what they were going to do to control a situation that was already looking critical. He replied, with commendable candour, that he really didn’t know. “I know,” he said, “what we ought to do—we should impose an austerity regime tomorrow, freeze wages, and ration essential supplies. But how can we? We would destroy our own political base.”

Precisely. In the end, rather than do that they plunged on down the primrose path of promoting and illusions and practically destroyed the country. The “ruling class conspiracy” was the gloss that they and their supporters put upon the reality of their own miscalculations.

3. The Myth of the Constitutional Revolutionary

Here we come to the crux of Allende’s policies and character about which, finally,
all the other arguments resolve. Was he a genuine constitutionalist? Was he a true revolutionist? Was he—could he ever have been—both?

Allende himself, of course, admitted no doubt. Repeatedly, he insisted that he was a revolutionary and a Marxist, and that he intended to establish at least the preconditions for what he called “just, rational, and scientific Marxist socialization.” And repeatedly, he proclaimed his faith that he could achieve this end by constitutional means, through the ballot box and all it implied. That was, after all, to be the distinctive “Chilean road to socialism” of which so many people outside Chile had dreamed such high hopes.

But no hindsight is required to see that both theory and practice were riddled with contradictions. Revolutions are born of, or generate, sectional conflict—a fact of political life that Allende acknowledged many times when he spoke of “overthrowing” what he called the “bourgeois” state. But a democratic constitution rests upon consensus—a basic acceptance of the fact that the State represents more than merely sectional interests. The second premise holds, but the first denies it; and there is no way of reconciling the two.

Allende’s practical difficulties followed from this simple distinction. Taken seriously, his constitutionalism meant that his program could only succeed if his majority would actually vote for it. But, elected as he was with only just over a third of the popular vote and with a large majority of Congress against him, Allende had neither a democratic nor an administratively effective mandate for his revolution. Indeed, in a parliamentary rather than a presidential democracy, he would probably never have been able to begin.

If he was to succeed within his six-year term of office even in opening the door to revolution, let alone establishing it as a respectable fact, he had to transform his minority into a majority. But how to do it? For, if words meant anything, Allende’s had to mean that he intended to replace the existing, reformable constitution of Chile with another that would be, of its Marxist nature, irreversible. In other words, a system that was admittedly anathematized was to be used to build another that would be effectively dictatorial. This was asking the majority to hang itself from its own gallows; and, not surprisingly, it declined.

Allende’s attempts to overcome this basic illegitimacy in his position were precisely what ensured his ultimate downfall. Refusing to abandon either his revolutionary rhetoric or his professed constitutionalism, he was forced to rely more and more upon political Realism. His sight-of-hand was often remarkable, as he sought to oust the opposition majority in Congress by exploiting the letter of the constitution, using every legal loophole to force upon them measures they did not want. But in the process, inevitably, he destroyed the constitution’s spirit, so that his opponents became as ruthless as he was. At the start he was a considerable opposition support in Congress for needed changes like the nationalization of the copper mines, land reform, and the state’s takeover of banks and major industries—evidence that the democratic consensus could and would work within the existing constitution. But, at the end, not a single member of the opposition majority would cast a vote in his support. They voted unanimously to condemn his “illegal illegitimates” and were even joined by the Supreme Court in accusing him of disregarding the rule of law. He had cut away the middle ground of Chilean politics, wrecked the democratic consensus, and befouled the reality of counter-revolution through his own addition to revolutionary slogans.

Equally inevitable was the economic breakdown, which came from Allende’s attempts to enlarge his popular base outside the political institutions. Here his plan was twofold: to buy political support among “the People” through massive wage increases and other benefits and at the same time to squeeze the middle class into submission, or even flight from the country, through wholesale nationalization of their interests and the appointment of his own men to all significant civil-service jobs. The two simply canceled each other out; for while the first part of the plan raised vast new expectations and demands, the second diminished the country’s capacity to meet them. The whirling spiral of inflation followed as a necessary result of Allende’s political confusions.

These basic contradictions were compounded by the fragmented nature of Allende’s support. His Popular Unity coalition was far from united. Its majority element was Allende’s own Socialist Party—a body that bore little resemblance beyond its name to most of the democratic socialist parties of Europe which so enthusiastically espoused its cause. It was, in fact, a revolutionary Marxist party that began as a splinter of the more bucolic and Stalinist Chilean Communist Party in the 1920s, and in recent years had acquired a fairly “New Left” wing as well. Several of its leaders, like Senator Altamirano, and many of its rank and file, constantly urged Allende to “speed up the revolution” without much regard for constitutional niceties. The smallest element of the coalition was the Christian radicals of various persuasions, some of whom hoped to offer a bridge to the centre of Chilean politics by cooperating with the left wing of the Christian Democratics, but none of whom ever attained positions of real influence. The coalition’s chief anchor was the Communist Party, which, as business and administration slipped into chaos, became increasingly important as a source of discipline and strategic thinking.

I would have been hard enough to drive this train anyway without either overstepping the constitutional limits of government or antagonizing one or other of its elements and thereby jeopardizing the only “democratic” base of the revolution had. But Allende had also to contend with the still more militant left outside the coalition, led by the Movement of the Revolutionary Left (MIR), which insisted on revolution now, and by violence if necessary—as, in MIR’s view, it was.

Here Allende’s professed constitutionalism was...
revealed as, at best, equivocal. He officially rejected MIR's violence, yet he never permitted the Army to root out their para-military groups. When they summarised his land-reform programme as "inadequate" and seized hundreds of farms at gunpoint he rebuked them in occasional speeches but did nothing to reverse their actions.

When they hijacked lorry-loads of valuable manufactures, to raise funds by selling them on the black market, he merely tried to repress the crime. The Left said this was because the MIR truly represented "the People" against whom Allende dared not act. But the truth, I fear, was more squalid. For one thing, the MIR had close friends in the Socialist Party and in Allende's own entourage whom the President did not want to offend. For another, as long as their activities did not actually split the Popular Unity coalition, it was often convenient to see them pushing along the revolution by unconstitutional means while Allende denounced them in his role as a constitutionalist.

It was not as if Allende was unable to deal with the MIR when he had to. For example, when a Mutins force blockaded the Philips television factory in Santiago in 1973 after an unsuccessful attempt to hijack a lorry-load of TV sets, they were allowed by the Government to remain un molested for ten days, although a police post was just across the road. Yet when diplomatic representations were made by the Dutch chargé d'affaires with the hint that his country's financial aid might have to be reconsidered if this harassment of a Dutch enterprise continued, the Mutins were hustled away without a shot in 24 hours.

A SHIPLEY EQUIVOCATION was evident in Allende's adoption of a personal armed bodyguard—the first in memory to accompany a Chilean President. It is true that the extreme Right in Chile was quick to threaten violence as a response to Allende's proclaimed revolution, and Allende himself always maintained that he needed protection. But right-wing para-military groups were never as big or as highly organised as those on the Left; and, in any case, the proper reaction of a constitutionally-minded President would surely have been to call upon his state security forces to protect him.

Instead, Allende formed a personal unit, known as the "Group of Friends of the President." Trained, armed, and partly manned by Cubans, it was led by known revolutionaries, sympathetic to the MIR, including Allende's son-in-law. The existence of such a group at the very centre of the State was not merely a provocation to the established security forces and an affront to Chilean tradition; it was also an implied rejection of the principle of constitutional rule.

Downs about the real depth of Allende's constitutionalism were raised also by his personal history and his language, both of which suggested...
FILE TITLE/NUMBER/VOLUME: \[ \text{FILE NUMBER/REVIEWERS NAME HERE}\] 

INCLUSIVE DATES: \[\text{SEPT. 1973 - MAY 1974}\]

CUSTODIAL UNIT/LOCATION: 

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NO DOCUMENTS MAY BE COPIED OR REMOVED FROM THIS FILE
Santiago, Chile

Information for Requesters:

Completion of Item 1 through 12:
Item 1 - All file titles must be typed and will show on the file cover and on machine files.
Item 2 - All wording must be typewritten.
Item 3 and 4 - Use typewritten, double spaced, 3x5 inch cards for field station and file identification. Enter items according to classified numeric code.

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File title: Specific Subject / Projects Limited to 72 Spaces.

Fuemen

Action Required:

6. ANALYSIS ACTION
   OPEN FILE
   MAKE RESEARCH DISCLOSURES
   DETAIL
   DISTINCTION MODIFICATION
   THIRD PARTY

7. INTERESTED STATIONS (PROJECTS OR LISTS)
   HCS

8. INTERESTED HEADQUARTERS DESK LIST ACTION (IF NOT BLANK)
   015

Files Action:

HOLD IN CS FILES
RESTRICTED
X UNRESTRICTED
PREPARE FILE AND SEND TO REQUESTER
CHARGE PERMANENTLY TO RQTR & DISTR

10. COMMENTS INCLUDE SPECIAL HEADQUARTERS ROUTING INSTRUCTIONS

11. ENDORSEMENT
    SIGNATURE OF OFFICER / RQTR

12. COORDINATION
    SIGNATURE OF ORGANIZATION RQTR. WHEN APPLICABLE

13. END APPROVAL
    SIGNATURE OF ORGANIZATION RQTR. WHEN APPLICABLE

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ACTION UNIT

REF FILE VN

ACTION #

T 375103 E14916 PAGE 01-31

TORI2816202 AUG 74

IN 365816-

HAMBU 25462

SECRET 281612 AUG 74 STAFF

CITE HAMBURG 25462

TO: DIRECTOR INFO BONN, BONN BASE.

MICRUNCH FUDOMEN REDLEG

REF: EGGA-6103, 12 AUG 74

1. ARTICLE BY PROF. JAMES TEBEGERE, PUBLISHED IN
SOVIET ANALYST, VOL. 3, NO. 17, 15 AUG, ENTITLED: "KREMLIN'S
HAND IN ALLENDE'S CHILE" IS IDEAL FOR PURPOSES OUTLINED IN REF.
SUGGEST NO INCLUDE ARTICLE

IN PRESS COMMENTS.

2. FILE DEFER, E2 IMPDET.
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Allendes misstag


— Folkfrontens program hade fyra naturtillgångar, framst koppeln, mellan teknologi, ett politiskt förstånd av de som delar 90 procent av stamfamiljen, som Freis "koloniserings" av koppeln visade sig starka och andas mest som det för det amerikanska företaget. Koppar framställades genom ett tillag på grundlagen 1971. Fågen var ersättning till de stora amerikanska ligan hans verk till att behålla de stora - och customers men - andra Allende och hans regering ansåg att de inte hade råd att betala konsumtionsgivning i dollar.

— Fruktansvärda avtals, för minsta och mest enfaldet av avsättningen, varierade med minst i de stora Latinamerikanska och andra utanländska. Flera produktionsgrupper ansågs för Allende en gång dem 1967 då man bestämde att alla produktionen över 800 "bostad" skulle tvingas säljas och att de som behövde bostad skulle kunna köpa till en kreditbas.


— Enligt av produktionsområden var avtagande av innehav och tillgång, medan av produktionen ökade. Det ansågs vara av beredskapssituationer. De okade siffror gav dock under Allendes första år jämställd med under Freis tid, återgavs dock dock till motsatt.


— I början genomförde Allende en rad åtgärder av att skapa en jämställd jordbruk av förmögenhet

Anders Kjung, journalist och forfattare, säger att Chile-debatten är ensidig. "Det är viktigt att även kunna kritisera det som var fusk, men inte bara följa."
CONFIDENTIAL

TO DIRECTOR INF

1. IN EVENT THIS MATERIAL IS TO ADDED, CALL ATTENTION TO NEARLY PUBLISHED BOOK ON CHILE BY SWEDISH JOURNALIST/ AUTHOR ANDES. IT IS A CUMULATIVE "GI" ENTITLED "TO SO WHAT SOCIALISM AND FASCISM", WHICH RECEIVED SIMILARLY BALANCED, COMING FROM YOUNG SWED. ACCORDING TO MAY 74 REVIEW IN FINNISH SWEDISH-LANGUAGE DAILY "HAYETTEBILDET", ANDES WHO VISITED CHILE BEFORE, DURING AND AFTER ALLENCE'S TIME--LABELS THE SWEDISH DEBATE ON CHILE AS "ONE-SIDED" AND ANALYSES IN DETAIL ALLENCE'S ECONOMIC POLICIES AND THE INCREASINGLY CRITICAL ECONOMIC PROBLEMS UNDER ALLENCE'S THREE YEARS, AND THE CONCOMITANT POLITICAL PROBLEMS THAT LED ALLENCE TO MEASURES WHICH WERE "INCOMPATIBLE WITH DEMOCRATIC PRINCIPLES AND EXISTING LAW".

ANDES NOTES THAT "AGGRESSIVE CLASS POLITICS, WHETHER REACTIONARY OR REVOLUTIONARY, CAN BRING ABOUT A MOVE AGAINST A SOCIALIST OR FASCIST DICTATURE" BUT, HE ADDS, "NO CONDITION OR MISTAKE DURING ALLENCE'S TIME CAN BE USED AS EXCUSE FOR THE COUP".
AND "FLOOOGNTH THAT FOLLOWED,"

2. FONS (BORN 1945, GAVLE, SWEDEN) IS FORMER (1969-72) EDITOR FOR SWEDISH RADIO'S "OGST", NOW LIVES IN MALMO. HAS PREVIOUSLY WRITTEN ON INTER ALIA LATIN AMERICA AND BALTIC STATES.

FILE REFER, EX IMPORT.

CONFIDENTIAL
SECRET 0715442 JUN 74 STAFF

FROM: DIRECTOR INFO

TO: DIRECTOR

SUBJECT: HYJABE

REFS: A. 48989 (J 7 73492)
B. DIRECTOR 559514

1. STATION CONCURS WITH [ ] ASSESSMENT. IF ALLENDE ACTUALLY DID WANT TO SURRENDER, JUNTA COULD ONLY SUFFER FROM PUBLICIZING FACT.

2. FILE: 56-6-4273, 221-927906. E2 IMPDET
SECRET 0616242 JUN 74 STAFF

CITE 46989

TO: DIRECTOR INFO SANTIAGO
RYBUT WYSAGE
REF: DIRECTOR 559514

1. DEFER SANTIAGO FOR PARA 5 BUT WE FEEL THERE LITTLE TO BE GAINED IN PSYCH TERMS FOR EUROPEAN AUDIENCE TO ATTEMPT CLARIFY WHETHER ALLENDE KILLED WHILE FIGHTING OR ATTEMPTING SURRENDER, JUNTA'S PRESTIGE SO LOW IN EUROPEAN EYES THAT SUCH HAIR SPLITTING WOULD NOT MAKE MUCH DIFFERENCE OR COULD ACTUALLY REBOUND AGAINST JUNTA SHOULD IT EMERGE HE DIED WHILE WANTING SURRENDER.

2. SHOULD IT DEVELOP THAT FANATICS AROUND ALLENDE REFUSED ALLOW HIM SURRENDER, THEN THIS MIGHT BE ANOTHER STORY BUT THIS NOT CLEAR FROM REF AND ALSO NOT KNOWN IF GARCES COULD MAKE SUCH VERSION STICK BECAUSE OF HIS EARLY DEPARTURE FROM NATIONAL PALACE.

3. FILE: 36-0-42731 211-437986, EZ, IMPORT

SECRET
If available, we would appreciate receiving four copies of Andres Kung's book mentioned in reference. E2 IMPDET.

Leslie H. BERRERIAN

Distribution: 2 COS  
               1 C/WHQ

HCSA-18904  3 May 1974
CHILEAN REFUGEES IN NETHERLANDS POINTED OUT AS FUGITIVES

Editorial by N. van Hieuwenhuyzen; Reformatorisch Dagblad, Dutch, 19 April 1974, p 5

The Chilean refugees in the Netherlands seem to be having adjustment problems. These rather prolonged symptoms seem to be caused among other things by the fact that they still find it hard to accept that the socialist dream of their Marxist president is definitely over and that their country is now being ruled by a small group of reactionaries who are trying to keep the people under control through terrorism, repression, and torture. Such problems will take you quite a ways in the Netherlands and those idealists were quick to take advantage of it.

Welfare

What is the situation? Most of the approximately 250 refugees with a high school or university education do not work. About half of them have been housed at the "Huister Schie" in Overschie, where they enjoy the sunshine on the terrace or play volleyball in the yard. Board and lodging are free and at the end of the week they pick up another 25 guilders pocket money. In addition they receive free language instruction, commuter tickets for the bus, and compensation for each trip they have to take.

Do you get the idea that they are better off than many old people in the Netherlands? You are probably right, because the Chilean exiles do not have to live on welfare; they are being paid from the frozen funds which had been allocated for development aid to their fatherland, Chile. So you can see how well our tax money is being spent.
Considering that this small group of pampered exiles
is preaching revolution even here and with a full stomach,
it may be useful to point out a few facts. These are facts
which are well known in the Ministry in The Hague but for
some reason never made it to the Netherlands press.

Facts

The great majority of the refugees are not even
Chilean nationals. They are natives of Bolivia, Brazil, and
Uruguay. They came to Chile as a result of illegal and
revolutionary activities in which they had been involved in
these South and Middle American countries, the ultimate
consequences of which they did not wish to suffer.

They felt at home in Allende's Chile because Allende
showed sympathy for their situation. His first action as
president, after his inauguration in November 1970, was to
declare amnesty for all those who "were members of terrorist
underground organizations," those who during the last months
of his predecessor's regime had been charged with bank
robbery, the armed robbery of self-service stores, the theft
of weapons from military arsenals, kidnapping, and attempted
murder.

The fact that some of those revolutionaries received
Chilean diplomatic status was due to Allende's policy of
granting residence permits to this type of revolutionaries.
These refugees with a high school or higher level education
seemed to have no adjustment problems in Chile. As a result
they soon found their way to important key positions in the
government.

The fugitives didn't suffer any sleepless nights in
Chile either, because they felt protected by a militant
Marxist army, armed to the teeth. Some 10,000 revolutionaries,
from all points of the compass, were at their disposal.

Definition

In the Berner Tageblatt, a Swiss newspaper which
is known for not exaggerating, Dr. Mario Puelma, from the
University of Freiburg, wrote the following: "The concept
of political refugee is only of limited value when applied
to Chile. Whatever one's attitude toward the military junta
may be, one thing is certain: the Chilean refugees were not pursued only because of their ideology, their status, or their origin. This is the traditional, humanitarian definition for a refugee. For the most part they are people who, in their own country, could be legally charged with crimes which are punishable under any judicial system.

These refugees carried out activities in Chile which were against the constitution. As a matter of fact, they are specialists in violence. This is why they sought asylum in the foreign embassies in Santiago and why there are so many foreigners among them."
V.S.-economie loopt terug

WASHINGTON — De Amerikaanse economie heeft dinsdag tevreden gezegd dat de nationale economie veel sneller staat te verhogen, in het eerste kwartaal van dit jaar, dan was verwacht. Prijzen steegen bijvoorbeeld vijf procent hoger.

Het bruto nationaal product verminderte in het eerste kwartaal met 1,8 procent. Dit is de eerste keer sinds 1970 dat het bruto nationaal product is verminderd en het is de scherpe daling in 1979. De versneling van het bruto nationaal product met 3,8 procent moet verzekerd worden met een schommeling van tussen de 3 en 4 procent, zoals die door de regering was gedaan in het laatste jaar van het bruto nationaal product toe met 1,8 procent.
**Irak krijgt parlement**

**BAGDAD** — Irak krijgt voor het eerst sinds de revolutie van 1958 een verkiezingsovertuiging. Het pro-ductum van het „progressieve nationale front“ is een tweede vorm van activisten ENV. De verkiezingsovertuiging omschrijft een politieke partij van de communistische beweging, die ooit het pro-ductum van het „progressieve nationale front“ was.

**GROTE ONRUST ONDER MIJNWERKERS IN Z.-AFRIKA**

**JOHANNESBURG** — In de afgelopen week is er een enorme onrust onder mijnwerkers in Zuid-Afrika. Tientallen arbeiders zijn ontslagen, waaronder enkele gevallen van geweld. De onrust is geassocieerd met de strijd om meer rechten voor mijnwerkers.

**DEFINITIEF**

In het *Berliner Tageblatt* meldt men dat de regering van Zuid-Afrika een definitieve beslissing heeft genomen over de toekomst van de mijnwerkers. Het besluit is in overeenstemming met de strijd om rechten voor mijnwerkers.
OUTGOING MESSAGE

TO: Bonn Base Info Bonn, Santiago, Hamburg.

FUOMYX CASUALTY TOPICUS Y

REFS: A. Bonn Base 31971 [IN 262044]
B. Director 518657 Y

1. FOR REF A FEATURE, SUGGEST APPROPRIATE INFO IN NUMEROUS
SENTE WE ARE UNABLE IDENTIFY

2. AIRMAILING BACKGROUND MATERIAL ON LEFTIST

EFFECTS TO DISCREDIT CHILEAN REGIME, INCLUDING:

A. LOCATIONS PRESS SUMMARIES OF FRONT ACTIVITIES.
B. NEWS BULLETIN PUBLISHED BY BRITISH CHILE SOLIDARITY
   COMMITTEE, WHICH CONTAINS "INTERNATIONAL NEWS" SECTION AND A
   SECTION GIVING CHILEAN REFUGEE QUOTAS BY COUNTRY.
C. ARTICLES RE RUSSELL TRIBUNAL ON CHILE, HELD ROME,
   APRIL 74.
D. MAY 1974 WIENER TAGEBUCH ARTICLE ON CHILE BLACK BOOK.
E. ESS. APRIL 1974 FRANKFURT-STADT RUNDSCHAU ARTICLE RE CHILEAN
SOLIDARITY MEETING HELD FRANKFURT 24-27 APRIL.

3. WE ARE UNABLE SUGGEST KNOWLEDGEABLE PERSON OF STATURE FOR INTERVIEW ON LEFTIST EFFORT DISCREDIT REGIME. AS ALTERNATIVE, SUGGEST CAQAVARY OR NETWORK REPORTER MIGHT SEEK INTERVIEW OF

PROFESSOR OF CLASSICAL PHILOLOGY AT UNIVERSITY, WHO

WROTE TWO-PART ARTICLE IN JANUARY ISSUES OF DAILY

ON SUBJECT REFUGEES. IN ARTICLES GIVES BACKGROUND OF TERRORIST MOVEMENT IN AS IT DEVELOPED AS

RESULT OF GOVERNMENT POLICIES AND CITES EXAMPLES OF "REFUGEES" AND THEIR ACTIVITIES TO SHOW THAT "TRADITIONAL CONCEPT OF POLITICAL REFUGEE, WITH RESPECT TO CAN BE APPLIED ONLY IN VERY

LIMITED SENSE..." (SEE ORPEG 8026, REF B, FOR ARTICLES.)

4. SUGGEST FEATURE INCLUDE POINT THAT EFFORT TO DISCREDIT REGIME IS ENCOURAGED, IF NOT. ORCHESTRATED, BY FRONTS AND THAT PUBLICITY GENERATED BY "SOLIDARITY" CAMPAIGN (E.G., "INTERNATIONAL NEWS" SECTION OF COMMITTEE BULLETIN) HAS INTIMIDATING EFFECT PRECLUIDING OBJECTIVITY. BEHIND SUPERFICIAL SHOW OF "SOLIDARITY," EUROPEAN LEFTISTS ARE CONCERNED ABOUT HAVING CRIMINAL/
SECRET

TERRORIST "REFUGEES" IN EUROPE AND COMMUNIST PARTIES HAVE BEEN ENGAGED IN CRITICALLY ANALYZING EVENTS LEADING TO COUP AND REASSESSING THEIR OWN PROSPECTS FOR SUCCESSFULLY DEALING WITH NON-COMMUNIST PARTIES AND ASSUMING POWER BY NON-VIOLENT MEANS. MIGHT ALSO MAKE POINT THAT VIETNAM NO LONGER AN ISSUE.

5. FOR INFORMATION OR POSSIBLE INTERVIEW ON EXTREME LEFTIST VIEWS/ACTIVITY, SUGGEST CAGUARKY OR ZDF REPORTER MIGHT CONTACT "SOCIALIST BUREAU ISO SPONSOR OF SOLIDARITY MEETING HELD 24-27 APRIL (SEE 31174 AND 31869). FOR INFORMATION OR POSSIBLE INTERVIEW ON JUNTA VIEWS, SUGGEST CONTACT CHER BUND (SEE 21306, OCT 73).


DATE: 30 MAY 1974

ORIG: CONNIE MOORE: SKM

UNIT: E/CAG

CL: 004244
SECRET 3211122 MAY 74 STAFF

C/W/6

DC/W/6

WH/C/SA

WH/6/F

WH/6/RR

WH/6/Secy

1. MILTON C. REPUSH AND RALPH K. TOLGIAN MET WITH EMILIO GALETZKI ON 29 MAY AND PASSED REF B INFO. TOLGIAN HAD FOLLOW-UP MEETING WITH GALETZKI ON 29 MAY TO DISCUSS HIS ENCOUNTER WITH ARTHUR CUNNING.

2. GALETZKI MET CUNNING AT HOME OF ROBERT B. HARTFORD, U.S. CITIZEN EMPLOYED IN POPULATION DIVISION OF ESCAPE. HARTFORD IS PRO-ALLENDE AND ORGANIZED SMALL SOCIAL GATHERING OF INTERESTED PERSONS TO MEET CUNNING AND DISCUSS CURRENT SITUATION IN CHILE. CUNNING IS DESCRIBED AS ABOUT FORTY YEARS OLD, BLACK HAIR, FULL BEARD AND AVERAGE BUILD. HE IS A DEMOGRAPHER EMPLOYED BY UNITED NATIONS AT CENTRO LATINO AMERICANO DE DESAROLLO (CELADE) IN SANTIAGO. HE ARRIVED CHILE IN OCTOBER 1972 WITH HIS WIFE. CUNNING DEPARTED SANTIAGO 27 MAY FOR DELHI, KATHMANDU AND NEW YORK AND PLANNED RETURN SANTIAGO APPROX 22 JUNE.

3. CUNNING TALKED VERY LITTLE ABOUT ALLENDE REGIME AND
CONCENTRATED ON DISPARAGING PRESENT REGIME. CLAIMED THERE THOUSANDS
OF REPRISAL KILLINGS BY ARMY, RUN AWAY INFLATION, SHORTAGE OF GOODS
AND GENERAL REPRESSES BY REGIME. CUNNING VERY SUBJECTIVE IN
STATEMENTS AND HAD FEW FACTS TO BACK UP STATEMENTS. WHEN GALETZKI
ASKED CUNNING HOW HE KNEW THERE "THOUSANDS OF KILLINGS", CUNNING
CLAIMED "THERE IS CIA REPORT WHICH STATES OVER TWENTY THOUSAND HAD
BEEN KILLED." GALETZKI FOUND PORTIONS OF REF 6 INFO USEFUL IN REFUTING
CUNNING STATEMENTS. HOWEVER GALETZKI'S TEMPER GOT THE BEST OF HIM HALF
WAS THROUGH MEETING AND FRIEND SUGGESTED THAT HE REFRAIN FROM
ARGUING WITH CUNNING LEST THE SITUATION BECOME VIOLENT.

4. GALETZKI TELEXED REPORT ON CUNNING TO HIS EMBASSY IN TOKYO.
HE TOLD TOLGIEN WOULD PASS HIM ANY FEED BACK INFO ON CUNNING HE MIGHT
RECEIVE.

5. REQUEST FQA AND 221 ON [ ] TO DEVELOP AND RECRUIT AS
MOLINBER ASSET TARGETED PRIMARILY ON AEFISH. TOLGIEN WILL UTILIZE
COVER AS [ ] DURING
DEVELOPMENT.

6. FILM 22-795277; 221 [ ] E2, IMPDET.
SECRET 302120, MAY 74 STAFF

CITE SANTIAGO 05517

TO: DIRECTOR

RE: PSYCH

REF: DIRECTOR 05515

1. FUERMING-3 HAS CLOSE AND CONTINUING CONTACT WITH LOCAL OFFICES OF MAJOR WIRE SERVICES. WE TASKING HIM WITH COMPREHENSIVE LIST OF FRACs HERE AS WELL AS SPOTTING AND ASSESSMENT INFO ON WHO MIGHT BE DISPOSED TO COLLABORATE WITH U.S. GOVERNMENT.

2. STATION ALSO EXPLORING REF WITH FUJINK-1 AND FUJIME-10.

3. NO FILE. BR IMPORT.
CONFIDENTIAL 282851Z MAY 74 STAFF

CITE 22538

TG: SANTIAGO INFO DIRECTOR.

FUOMEN PSYCH

REF: HCSA 16904

1. LARGEST LOCAL BOOK STORE HAS BOOK ON ORDER, WHEN RECEIVED, STATION CAN BUY AND POUCH COPIES PER REF. HOWEVER, WISH POINT OUT, IF SANTIAGO NOT ALREADY AWARE, THAT BOOK IN SWEDISH. IF COPIES STILL DESIRED AND SANTIAGO WISHES OBTAIN EARLIER, SUGGEST STATION BE ASKED TO PURCHASE SINCE BOOK SHOULD BE READILY AVAILABLE IN

2. FILE DEFER, E2 IMPOET,

RECORD COPY

CONFIDENTIAL 15-127-52
28 MAY 74
SECRET

S G R E T 2416272 MAY 74 STAFF
CITE BONN BASE 31991
TO: DIRECTOR INFO SANTIAGO, BONN, HAMBURG.
FUONYA CAQUARRY TO FOCUS
REF BONN BASE 31516

1. CAQUARRY ADVISED ZDF MAGAZIN PLANNING ANOTHER FEATURE ON CHILE FOCUSING ON CHILEAN POLITICAL REFUGEES IN WEST GERMANY. CAQUARRY WOULD LIKE EXPOSE REVOLUTIONARY/CRIMINAL BACKGROUND OF SOME OF REFUGEES AND IDENTIFY ANY LIVING IN GERMANY UNDER FALSE IDENTITY. ALSO INTERESTED FOCUSING ON WORLD-WIDE LEFTIST EFFORT DISCREDIT CHILEAN REGIME. AS PART FEATURE CAQUARRY WOULD LIKE TO HAVE ZDF INTERVIEW A PERSON KNOWLEDGEABLE ABOVE. IDEALLY SUBJECT SHOULD BE PERSON OF SOME STATURE. INTERVIEW CAN BE MADE LATIN AMERICA, NORTH AMERICA, OR IN EUROPE. SECURITY NOT A PROBLEM AS CAQUARRY WILL SIMPLY ASSIGN NETWORK REPORTER TO MAKE INTERVIEW ON NONMUTING BASIS USING QUESTIONS CAQUARRY WILL PROVIDE.

2. ALSO APPRECIATE ANY BACKGROUND MATERIAL ON THIS SUBJECT WHICH COULD BE PASSED TO CAQUARRY. GERMAN LANGUAGE MATERIAL MOST USEFUL SINCE CAQUARRY HAS NO ENGLISH OR SPANISH CAPABILITY.

SECRET
3. RE PARA 2 REF, STILL ON "PER DU" BASIS MATTHOEFER
RECENTLY CONTACTED CAQUANRY TO ASK HIM MAKE PUBLIC RETRACTION
OF PARA 2 STATEMENT. CAQUANRY REFUSED AND SUGGESTED MATTHOEFER
INSTITUTE LIBEL SUIT. MATTHOEFER QUICKLY BACKED DOWN.
INCIDENTALLY, IN APPARENT BONE TO LEFT-WING SPD, MCS WILL
NOTE THAT MATTHOEFER HAS BEEN APPOINTED MINISTER OF RESEARCH
AND TECHNOLOGY UNDER NEW GOVERNMENT.

4. FILE: 261-0233785; X-REF 261-0903816. E2=IMPDET.
<table>
<thead>
<tr>
<th>ACTION UNIT</th>
<th>INFO</th>
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<td>EUR 8</td>
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**SECRET 1429382 MAY 74 STAFF**

CITE 15691

TOI: DIRECTOR INFO

FUOMEN PSYCH

REP: A. DIRECTOR 549305

9. 22455 (239973)

1. NO STATION TRACES

2. NO FILE, E2 IMPDET

FJ. FUOMEN

---

G/WH/6

DC/WH/6

WH/6/SA

WH/6/FI

WH/6/RR

WH/6/Sec'y
SECRET 13102IC MAY 74 STAFF
CITE SANTIAGO 29117 (JABAUT ACTING)
TO I PARIS INFO DIRECTOR,
TO FOCUS UNSOBER
REF: A. DIRECTOR 549348
B. 46390 (IN 25C17)

1. AGREE WITH REF B RECOMMENDATION TO AVOID OUTCOME
OF FRENCH ELECTION BEFORE DECIDING IF AND HOW TO ASSIST
UNSOBER-1. IN MAKING THAT DECISION, THE FOLLOWING POINTS
SHOULD BE CONSIDERED:

A. WHILE STATION HAS ABILITY VIA FUTRUNK-1 (IDEN
FOR ), RECENTLY RECRUITED SALARIED AGENT, TO ASSIST
UNSOBER-1 IN OBTAINING INTERVIEW WITH GENERAL PINOCHET, IT
SHOULD BE KEPT IN MIND THAT OUR INTERVENTION, NO MATTER
HOW SUBTLE, WOULD VERY PROBABLY IDENTIFY UNSOBER-1 TO
FUTRUNK-1 AS AGENCY COLLABORATOR.

B. THE CHILEAN GOVT IS VERY SENSITIVE TO FOREIGN
PRESS CRITICISM AND WOULD LOOK UNHAPPILY ON ANY T.V. PROGRAM
WHICH REFLECTS BADLY ON GOVT. REGARDLESS OF HOW SLIGHT THE
CRITICISM MIGHT BE. CONSEQUENTLY, WE WOULD NOT WANT TO OBTAIN
SECRET
FUTRUNK-1's assistance for any program which could prove embarrassing to him,

2. FILE: 201-672997, E2 IMPOET
OUTGOING MESSAGE

SECRET

STAFF

CONFIDENTIAL INFO: FILE

DATE: 102248Z

TO: SANTIAGO INFO

OFAC-2356, 9 APRIL 74 (NOT NEEDED SANTIAGO)

TOFOCUS UNSOBER Y

REF: OFAC-2356, 9 APRIL 74 (NOT NEEDED SANTIAGO)

1. TOFOCUS ACTIVITY SEeks to develop assets to influence

IN THIS HAS BEEN PARTICULARLY TOUGH NUT TO CRACK, BUT
STATION HAS MADE RECENT PROGRESS WITH UNSOBER/1. THIS FORMER STAFF
RECENTLY
COMPLETED A 30-MINUTE REPORTAGE ON CURRENT EVENTS IN WEST GERMANY.
IT WAS WELL RECEIVED AND RESULTED IN HIS BEING TAPPED TO DO SECOND
30-MINUTE PROGRAM. AS UNSOBER/1 APPEARS TO BE ON WAY TO POSITION OF
SUBSTANCE WITHIN TELEVISION, WE ARE ANXIOUS TO ASSIST HIS
RISE AND INSURE THAT MOST PROMISING TOFOCUS ASSET
ACHIEVES MOST INFLUENTIAL STATUS POSSIBLE. TO THIS END IT WOULD BE
OF VALUE IF UNSOBER/1 COULD DO PROGRAM ON THE CURRENT SITUATION IN

CHILE-Y

DATE:

ORD:

UNIT:

EXIT:

DELEGATING OFFICE

COORDINATING OFFICE

AUTHENTICATING OFFICE

CLASSIFICATION

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED

E 2 IMPDET

CL BY:
2. THE REPORTAGE WOULD PROBABLY BE DESIGNED FOR 30-MINUTE AIRING, AND WOULD HOPEFULLY CONTAIN FILMED INTERVIEW WITH GENERAL PINOCHET AND VISIT TO DAWSON ISLAND. WHILE WE BELIEVE THIS WOULD BE FIRST INTERVIEW GRANTED TO [REDACTED] JOURNALIST BY THE HEAD OF RULING JUNTA (THUS BIG BOOST FOR UNSOBER/1), WE UNDERSTAND PINOCHET HAS GRANTED OTHER INTERVIEWS AND ALLOWED FILMING ON DAWSON ISLAND. PROPOSAL HAS BEEN CAREFULLY DISCUSSED WITH UNSOBER/1, AND HE HAS SAID REPORTAGE WOULD BE FAVORABLE BUT NOT TOTALLY UNCritical—BEST TREATMENT THE CHILEAN GOVERNMENT COULD HOPE FOR IN [REDACTED].

3. TO OBTAIN INTERVIEW WITH GENERAL PINOCHET AND OTHER JUNTA LEADERS AND/OR PERMISSION FILM CONDITIONS ON DAWSON ISLAND AND ELSEWHERE IN CHILE, UNSOBER/1 HAS ASKED FOR CHKHERALD ASSISTANCE. UNSOBER/1 IS CONFIDENT THAT SUPERIORS WOULD APPROVE PROGRAM IF UNSOBER/1 COULD ASSURE THEM THAT HE WOULD BE GRANTED INTERVIEWS, ETC.

4. PLEASE ADVISE WHAT ASSISTANCE SANTIAGO STATION CAN PROVIDE TO UNSOBER/1.

5. FILE: 201-87997, E2 IMPDET-A

DATE: A MAY 1974
ORIG: C/E/F
UNIT: E/F/INT
EXT: 9911
C/W/O: C/E/C/CA
C/E/F
SECRET
REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED
CL BY: 055747
SECRET

STAFF

CONF: EURB

INFO: FILE 1/4/44 58/5

DIRECTOR

5-55

549305

DISTRIBUTION: NS

PER

PRESS

TO:

INFO SANTIAGO Y

FUOMEN PSYCH Y

REF:

22455 IN 239973 Y

1. A FORMER SOVIET FOREIGN MINISTRY OFFICER (AECLUSTER) REPORTED THAT THE NAME OF ONE ANDRES ALEKSANDROVICH K Y U N G, BORN 1945, NATURALIZED SUEDEISH CITIZEN, APPEARED ON SOVIET VISA BLACKLIST AND HE TO BE DENIED VISA TO USSR. NO REASON GIVEN FOR THIS DENIAL BY MFA. (DOJ: MID-1971). NO OTHER TRACE HOS FILES.

2. PLS FURNISH TRACES SUBJECT REF. Y

3. NO FILE. E2 IMPDET A

DC/WD:

WH/M

WH/BU

WH/BU

WH/BU

WH/U (CHILE)

SB/Y/EU

FUOMEN

DATE: 10 MAY 74

ORIG: E/SC/S

UNIT: 5688

EXT: C/ECUR

AC/JS/SC

CLASSIFICATION: REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED

SECRET

CL BY: 008234
SECRET 131352 MAY 74 STAFF
CITE 48390
TO: PRIORITY SANTIAGO INFO DIRECTOR,
TOFUCUS UNSOBER
REF: DIRECTOR 549349

1. IF SOCIALIST PRESIDENTIAL CANDIDATE FRANCOIS MITTERRAND IS ELECTED ON 19 MAY, IT MOST DOUBTFUL THAT UNSOBER/1 COULD DO PROGRAM ON CHILE THAT WOULD BE ACCEPTABLE TO BH/HERALD (OR TO PINOCHET).

2. THEREFORE RECOMMEND SANTIAGO CONSIDER REF WITHIN CONFINES OF STATION UNTIL RESULTS OF ELECTION KNOWN. IF MAJORITY CANDIDATE Giscard D'Estaing WINS (HE HAS SLIGHT LEAD IN POLLS), CLIMATE WILL BE EXCELLENT FOR FAVORABLE TREATMENT OF PINOCHET. IN THIS CASE, WOULD BE USEFUL TO HAVE RESPONSE TO REF BY COB 30 MAY TO COINCIDE WITH TDY TO OF HQS TOFUCUS OFFICER.

3. FILE: 221-872997, E-2 IMPDET

SECRET
SECRET 1313352 MAY 74 STAFF

CITE 48390

TO: PRIORITY SANTIAGO INFO DIRECTOR.

TO: FOCUS UNSOBER

REF: DIRCTOR 549349

1. IF SOCIALIST PRESIDENTIAL CANDIDATE FRANCOIS MITTERRAND IS ELECTED ON 19 MAY, IT MOST DOUBTFUL THAT UNSOBER/1 COULD DO PROGRAM ON CHILE THAT WOULD BE ACCEPTABLE TO BHERALD (OR TO PINOCHET).

2. THEREFORE RECOMMEND SANTIAGO CONSIDER REF WITHIN CONFINES.

IF STATION UNTIL RESULTS OF ELECTION KNOWN. IF MAJORITY CANDIDATE GISCARD D'ESTAING KINS (HE HAS SLIGHT LEAD IN POLLS). CLIMATE WILL BE EXCELLENT FOR FAVORABLE TREATMENT OF PINOCHET. IN THIS CASE, WOULD BE USEFUL TO HAVE RESPONSE TO REF BY COB 30 MAY TO COINCIDE WITH TDY TO OF HQS FOCUS OFFICER.

3. FILE: 201-872997, E-2 IMPDET
SECRET 1313352 MAY 74 STAFF

CITE 48390

TO: PRIORITY SANTIAGO INFO DIRECTOR.

TOFUCUS UNSUBER

REF: DIRECTOR 549349

1. IF SOCIALIST PRESIDENTIAL CANDIDATE FRANCOIS MITTERRAND IS ELECTED ON 19 MAY, IT MOST DOUBTFUL THAT UNSUBER/1 COULD DO PROGRAM ON CHILE THAT WOULD BE ACCEPTABLE TO BHERALD (OR TO PINOCHET).

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3. FILE: 221-872997, E-2 IMPDET
S.E.C.R.E.T. 2314292 MAY 74 STAFF
CITE BONN BASE 31516
TO: DIRECTOR INFO BONN,
CATHATCH CAQUARRY TOFOCUS FUOYNX
REF: BONN BASE 31234 (IN 2 30053) WH/6/66

1.  I MAY ZEF MAGAZIN WITH CAQUARRY AS PREADER CARRIED
15 MINUTE FEATURE ON CHILE, A THEME LONG DISCUSSED WITH CAQUARRY.
MAIN PART FEATURE WAS INTERVIEW WITH SPD PARLIAMENTARIAN,
FRIEDRICH B E E R M A N N (SUBJECT REF) WHO RECENTLY RETURNED
FROM VISIT CHILE AND SPOKE WITH GENERAL PINOCHET. BEERMANN
STRESSED THAT ALLENDE GOVERNMENT HAD RULED ILLEGALLY, CONDITIONS
NOT AS BAD AS THEY SEEM AND THAT OVERALL CHILEAN POPULATION
FAVORED ALLENDE'S OVERTHROW. SIGNIFICANCE IS THAT INTERVIEW
WITH SPD POLITICIAN AND SPD, AS INFLUENCED BY ITS LEFT WING,
HAS BEEN STRONGLY ANTI-JUNTA.

2.  HANS M AT T H O E E R, LEFT WING SPD PARLIAMENTARIAN AND STATE SECRETARY FOR ECONOMIC COOPERATION, HAS BEEN
LEADING GERMAN OPPOSITION TO JUNTA AND ALSO TRYING BLOCK
ECONOMIC AID, DRAWING ON FUARLY'S BACKGROUND INFO (SEE ESN-5363,
NOV 73) WE HAVE DISCUSSED WATTHOFER IN DETAIL WITH CAQUARRY

SECRET
CUSTODIAL MOTIVATION IN STRONG SUPPORT ALLENE AND EVEN
STONER'S CONSIDERATION OF JUNTA BY COINCIDENT
ALWAYS WITH KATHOFEI'S (NOT FOR SAME
POLITICAL IDEALS)
PER "CUB" BASIS WITH KATHOFEI NASIL
AND MALKAAN MATHOFEI BACKGROUND.

REMAINS, STATEMENT SERVED EMPHASIZE
IN CONDOLENCE
AND KILL

221 SINCE HE ONE OF MOST INFLUENTIAL
POWER STRUGGLES BETWEEN

AND MATHOFEI CONCLUDED
USE OF FORCE

REQUEST TRACES ON

SECRET

ADDED INFO ALDEE PER US REQUEST.

RIGHT AND LEFT WINGS

4, 1982-23705 X-REF 221-4

E2 IMPORT

SUGGEST OPEN

12/2/74 17

FILE 13516

BND 3516
CONFIDENTIAL 2249492 MAY 74 STAFF

CITE 22455

TO: DIRECTOR INFO SANTIAGO

FUOMEN PSYCH

1. IN EVENT NOT ALREADY KNOWN TO ADDRESSES, CALL ATTENTION TO NEWLY PUBLISHED BOOK ON CHILE BY SWEDISH JOURNALIST/ AUTHOR ANDRES KUNG (UHLAUT "U") ENTITLED "TO SOW SOCIALISM AND REAP FASCISM", WHICH SEEMS UNUSUALLY BALANCED, COMING FROM YOUNG SHREDER. ACCORDING TO 1 MAY 74 REVIEW IN FINNISH SWEDISH-LANGUAGE DAILY "HUFVUDSTADSBLADET", KUNG--WHO VISITED CHILE BEFORE, DURING AND AFTER ALLENDE'S TIME--LABELS THE SWEDISH DEBATE ON CHILE AS "ONE-SIDED" AND ANALYSES IN DETAIL ALLENDE'S ECONOMIC POLICIES AND THE INCREASINGLY CRITICAL ECONOMIC PROBLEMS UNDER ALLENDE'S THREE YEARS, AND THE CONCOMITANT POLITICAL PROBLEMS THAT LED ALLENDE TO MEASURES WHICH WERE "INCOMPATIBLE WITH DEMOCRATIC PRINCIPLES AND EXISTING LAWS". KUNG NOTES THAT "AGGRESSIVE CLASS POLITICS, WHETHER REACTIONARY OR REVOLUTIONARY, CAN BRING ABOUT A MOVE AGAINST A SOCIALIST OR FASCIST DICTATURE" BUT, HE ADDS, "NO CONDITION OR MISTAKE DURING ALLENDE'S TIME CAN BE USED AS EXCUSE FOR THE COUP"
AND THE BLOODBATH THAT FOLLOWED.

2. KUNG (DP08: 1945, CAVLE, SWEDEN) IS FORMER (1969-72) EDITOR FOR SWEDISH RADIO'S "OBS". NOW LIVES IN MALMO. HAS PREVIOUSLY WRITTEN ON, INTER ALIA, LATIN AMERICA AND BALTIC STATES.

3. FILE DEFER, E2 IMPDET.
SECRET 23C9532 APR 74 STAFF

CITE: HAMBURG 24795 (SCHROCK ACTING)

TO: DIRECTOR INFO BONN, BONN BASE, SANTIAGO

FROM: DIRECTOR 240262

REF: 240262

1. WELCOME RECEIVING SPECIAL BRIEF FOR PURPOSES INDICATED IN

2. RELUCTANT TO LEAVE MEDIA FIELD ON CHILE TO SOVIETS AND THEIR SUPPORTERS. SUGGEST THEREFORE WDS KEEP OPEN MIND ON SELECTIVE PLACEMENTS SHORT OF GENERAL PROPAGANDA SUPPORT OF CHILEAN REGIME.

3. SINCE WOMEN LIKELY TO CONTINUE PLAYING PIVOTAL ROLE IN FURTHER POLITICAL DEVELOPMENTS, BELIEVE THEIR VIEWS AND REACTIONS OUGHT TO BE GIVEN MORE PLAY. AS AN EXAMPLE, COULD POSSIBLY ENGINEER ARTICLE IN GERMAN MAGAZINE "DER STERN" (CIRCULATION 1.525,000), WHICH THE EDEV IN VANGUARD OF ANTI-JUNTA PROPAGANDA CAMPAIGN.

4. FILE: 15-124-463, E2 IMPDET.

RECORD COPY

SECRET

15-124-52
23 Apr 74
SECRET UK 409212 DEC 73 STAFF

CITE HAMBURG 23918

TO: DIRECTOR INFO SANTIAGO, BON, 80

1. BASE INTERESTED IN "JOS AMOS DE PENETRACION SOVIETICA EN CHILE" (PORTADA 39) AS VEHICLE TO ENLIGHTEN GERMAN AUDIENCE RE EXTENT OF SOVIET/CUBAN INFLTRATION OF SOCIO-ECONOMIC FABRIC OF CHILE.

2. STUDY COULD BE FLEXED OUT TO ENCOMPASS POLITICO/MILITARY ASPECTS THIS PENETRATION. ESPECIALLY PERCEPTIONS GAINED BY TWO NAVAL PURCHASING MISSIONS, THE LAST VISITING USER JUST PRIOR TO ALLENDE'S DOWNFALL WHEN CHILEAN NAVY REPS GIVEN RUNAROUND AND TREATED WITH BARE CIVILITY. IT MAY ALSO BE USEFUL TO MENTION THAT SOVIETS ARE ALLEGED TO HAVE OFFERED TO SUPPLY ALLENDE (NOT CHILEAN ARMED FORCES) WITH ARMS FOR SPECIFIC PURPOSE OF DEFENDING HIS REGIME. ALLENDE'S MOSCOW VISIT AND UNAVAILING PLEA FOR SOVIET SALVAGING OPERATION IS CRUCIAL ASPECT OF AMBIGUOUS SOVIET ROLE WHICH EUROPEAN LEFT HAS CONVENIENTLY SWEPT UNDER THE RUG.

3. REQUEST YOUR COMMENTS RE FEASIBILITY OF TURNING OUT FINISHED PRODUCT TO MEET EUROPEAN REQUIREMENTS WHICH AT PRESENT PREEMPTED.

04 DEC 73

S.E.C.R.E.T

RECORD COPY

SIG. 15-12-52
BY LEFTIST-GENERATED COPY ON CHILEAN DEVELOPMENTS: IF AFFIRMATIVE,
SHALL TAKE SOUNDINGS ABOUT AVAILABILITY OF SUITABLE DISTRIBUTION
VEHICLE.

4. FILE DEFER. E2 IMPEL.
SECRET
STAFF
CONF: FILE
INFO: FILE

OUTGOING MESSAGE

TO:

PRIORITY

BONN, HAMBURG

INFO

SANTIAGO

RYBAT FUIDEN FUORACLE

REF:

DIRECTOR 465768

DOC. MICRO. SER.

NOV 1 1973

30

MICROFILMED

1. FOLLOWING OF INTEREST AS FOLLOW-UP TO REF.


3. 'DISPUTE BEGAN WHEN ROA DEVOTED MORE THAN HALF OF HIS SPEECH IN GENERAL DEBATE EARLIER IN THE DAY TO AN ATTACK ON THE NEW CHILEAN MILITARY JUNTA. CHILEAN AMBASSADOR RAUL BAZAN DAVIDA TOOK PODIUM DURING THE NIGHT-TIME SESSION TO EXERCISE HIS RIGHT OF REPLY. BAZAN INSISTED THAT LATE PRESIDENT SALVADOR ALLENDE HAD COMMITTED SUICIDE AND SAID 'CASTROISM' MUST TAKE A LARGE PART OF THE BLAME.'

DATE:

D 15/124/53

RECORD COPY

15/124/52

12/04/73

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED

SECRET

CL BY: 057556
OUTGOING MESSAGE

SECRET

121736Z

CONF: INFO: FILE

MISSED AND REGRETTED AN OFFICIAL FIGURE OF 531 DEATHS IN CONNECTION WITH CHILEAN COUP, BUT ADDED THAT CHILEANS RESPECTED HUMAN LIFE, WHILE 'IN CUBA, FIDEL CASTRO HIMSELF HAD, AS HIS DAILY PASTIME, THE WATCHING OF EXECUTIONS BEFORE THE FIRING SQUAD HALL, TO WHICH HE EVEN INVITED SOME OF THE DIPLOMATS...'

4. "AT THAT POINT ROA ROSE FROM HIS SEAT AND DASHED DOWN THE AISLE TOWARD THE ROSTRUM, SHOUTING 'FAG', 'SONG OF A WHORE' AND OTHER INSULTS AT BAZAN, IN SPANISH. OTHER CUBANS FOLLOWED HIM. NICARAGUAN DELEGATION, SEATED IN FRONT NEAR ROSTRUM, ROSE TO BLOCK THE CUBANS. OTHER LATINOS FLOCKED TO FRONT OF THE HALL. A DIPLOMAT WHO WAS THERE SAID A CUBAN SHOVED HE WAS CARRYING A PISTOL IN A CONFRONTATION WITH PARAGUAYAN AMBASSADOR FRANCISCO BARREIRO....

5. "U.N. GUARDS SWARMED TO THE ROSTRUM AND THE CUBANS DISPERSED. ROA RESUMED HIS SEAT LATER. FIVE LATIN AMERICANS CAME TO THE ROSTRUM LATER TO CALL THE CUBANS 'GANGSTERS' AND CHALLENGED THE RIGHT OF A DICTATORSHIP TO CRITICIZE THEIR GOVERNMENTS. U.S. AMBASSADOR JOHN A. SCALI SAID ROA 'HAS ONCE AGAIN SUNK TO HIS USUAL LEVEL OF GUTTER VULGARITY...THE OUTHOODED VITUPERATION OF AN EARLIER ERA.'"
OUTGOING MESSAGE

CONF: INFO: FILE


*REF ATTACHED.*

DATE: 12 OCTOBER 1973

ORIG: ADC/CH/6

UNIT: 655/1155

EXT: C/UR/SA

E2/UR/CA

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED

CL BY: 05755b
OUTGOING MESSAGE

SECRET

STAFF 44575A DəRECTOR 44575A
CONF: FILE INFO: FILE
DIA 53 11507

TO: PRIORITY

BONN, HANDBURG, INFO

SANTIAGO

ONYAT F去除F FUGRAKLE

1. SINCE CHILEAN FOREIGN MINISTER'S APPEARANCE BEFORE UNGA HAS RECEIVED LIMITED PRESS PLAY, BELIEVE FOLLOWING MAY BE USEFUL TO ADDRESSEES FOR BRIEFING LOCAL GOVERNMENT, MEDIA AND OTHER CONTACTS WHO MAY BE INTERESTED IN CHILEAN SITUATION. MATERIAL IS LARGELY OVERT, THEREFORE NO OBJECTION TO ITS USE BY SO LONG AS STORY NOT PASSED OR USED VERBATIM.

2. ON 9 OCTOBER CHILEAN FOREIGN MINISTER VICE-ADMIRAL ISMAEL HUERTA APPEARED FOR ONE AND ONE-HALF HOUR PRESENTATION BEFORE UNGA TO EXPLAIN "FACTS WHICH OBLIGED ARMED FORCES AND POLICE TO TAKE CONTROL OF THE GOVERNMENT AND TO ESTABLISH A REGIME OF NATIONAL RESTORATION," AND TO CHARGE THAT HIS GOVERNMENT HAD BECOME VICTIM OF A "MOST FALSE, MOST MALEVOLENT, MOST VICIOUS AND VERY WELL-ORCHESTRATED CAMPAIGN."

3. HUERTA'S SPEECH STRESSED THAT ALLENDE'S MAJORITY REGIME HAD

DATE: 11 OCT 73
ORIG: 2
UNIT: 00
EXT: 0035

CLASSIFICATION: REPRODUCTION BY OTHER THAN THE ISSUING OFFICE PROHIBITED

SECRET

E 2 IMPORT
CL: 05755556
OUTGOING MESSAGE

SECRET

CONF: INFO: FILE

4/5/76

BEEN STEERING COUNTRY IN DIRECTION OF A TOTALITARIAN TAKEOVER

INSTIGATED AND SUPPORTED LARGELY BY CUBA; THAT CUBA INTERVENED IN

CHILEAN INTERNAL AFFAIRS WHILE SECRETLY INFILTRATING ARMS,

INSTRUCTORS AND PERSONNEL FOR PARAMILITARY GROUPS; INTENDED TO BECOME

A "PARALLEL" ARMY TO OPPOSE ARMED FORCES; THAT CHILEAN MILITARY ACTED

ONLY AFTER FAILURE OF ALL OTHER EFFORTS BY PARLIAMENT, JUDICIARY,

PROFESSIONALS AND WORKERS TO BLOCK DRIFT TOWARD CIVIL WAR AND CHAOS.

HE STRESSED THAT HIS GOVT IS NOT POLITICALLY AMBITIOUS AND ITS GOAL

IS TO SET CHILE BACK ON ITS HISTORIC PATH; AFTER GOAL ACHIEVED, "WE

WILL NOT HESITATE TO RETURN TO OUR BARRACKS AND TO OUR SHIPS."

4. HRUERTA ACKNOWLEDGED THAT ALLENDE REGIME: THE FIRST ELECTED

MARXIST GOVT IN WESTERN HEMISPHERE, HAD AROUSED ENTHUSIASM IN

MANY, BUT "IT IS ONE THING, GENTLEMEN, TO EVALUATE A FOREIGN

EXPERIENCE FROM AFAR, SEATED IN COMFORTABLE ARMCHAIRS OR IN DISCUSSION

AROUND A WELL-SERVED TABLE. IT IS QUITE ANOTHER TO LIVE IT." HE DE-

TAILED A HISTORY OF EVENTS OF LAST THREE YEARS, POINTING OUT THAT

DESPITE AGREEMENTS BY ALLENDE REGIME, LATTER MOVED TO UNDERMINE

EXISTING JUDICIAL AND POLITICAL MACHINERY OF COUNTRY, ATTEMPTING TO
AWAY WITH DEMOCRATIC IDEALS FOR WHICH COUNTRY STOOD. HE SAID MEDIA
WAS HARASSED, THERE WERE ILLEGAL INDUSTRIAL AND AGRARIAN TAKEOVERS,
POLITICIANS AND VILLAGERS WERE ASSASSINATED. HE CHARGED THAT
FOREIGN AGENTS, SENT PRINCIPALLY BY CUBA, HAD SECRETLY BROUGHT
ENOUGH WEAPONS TO CHILE TO EQUIP 20,000 MEN. HE DECLARED THAT
SOVIET-MADE SIDEARMS, MACHINE GUNS, ANTITANK GUNS, ROCKET LAUNCHERS,
CANNONS AND EXPLOSIVES HAD BEEN SHIPPED IN -- SOME PACKED AS WORKS
OF ART AND SOME DISGUISED AS GIFTS FROM FIDEL CASTRO.

5. AT ONE POINT, TO SUPPORT CLAIM OF CUBAN INVOLVEMENT, HUERTA
READ TEXT OF 29 JULY 1973 HAND-WRITTEN LETTER FROM CASTRO ADDRESSED
TO "DEAR SALVADOR." LETTER ASSURED ALLENDE THAT CHILEAN WORKING
CLASS HAD BEEN FOREWARNED AND WAS "READY FOR ACTION" IF HIS REGIME
WERE THREATENED. HUERTA SAID THAT LETTER CLEARLY DEMONSTRATED
CUBA'S INTERVENTION IN CHILEAN POLITICS AND HER SUPPORT OF THE
"ILLEGAL METHODS" OF THE ALLENDE REGIME.

6. IN VITRIOLIC REPLY TO HUERTA, CUBAN FOREIGN MINISTER RAUL
ROA CALLED HUERTA "TRAITOROUS EX-MINISTER OF ALLENDE AND SERGEANT OF
GOEBBLES." SIMILAR LIES AND DISTORTIONS OF FACT CAN BE FOUND IN
HISTORY OF NAZI GERMANY, HE DECLARED. THEN, SURPRISINGLY, HE WENT ON TO GIVE SUBSTANCE TO HUERTA'S CHARGES BY ADMITTING THAT CUBAN GUNS HAD IN FACT BEEN SENT INTO CHILE BUT THAT THEY HAD BEEN SENT AT ALLENDE'S REQUEST. NOR DID ROA DENY THE AUTHENTICITY OF CASTRO'S LETTER TO ALLENDE WHICH HUERTA HAD PRODUCED; ROA SAID THAT THE LETTER WAS NO SECRET.

OUTGOING MESSAGE

SECRET

STAFF

CONF ID INFO FILE

DISSEM BY

PER

TO: PRIORITY SANTIAGO.

FYBAT FUOMEN

REFS: 1. SANTIAGO 26449 [IN 031330]

2. SANTIAGO 26512 [IN 031722]

1. PROPOSE USE REFS FOR F UOMEN. PLEASE ADVISE CONCURRENCE AND
Caveats.

2. FILE: 15-124-52. 22, IMPDET

*REFS ATTACHED*

DATE: 23 SEPTEMBER 1973

ORIG: E2

UNIT: ABC/UNIT

EXT: 9155/9155

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED.
OUTGOING MESSAGE

SECRET

STAFF

CONF: conlab
INFO: (plan) 555, 7/6644, 7/6602
DISSEMINATED BY JH

TO: IMMEDIATE

INFO PRIORITY SANTIAGO

BOOK CABLE

O cc: SUMMARY OF EVENTS

1. FOLLOWING IS FOR YOUR BACKGROUND AND FOR PASSING LOCAL AUTHORITIES AS YOU SEE FIT:

2. FOUR-MAN MILITARY JUNTA THAT REVOLTED AGAINST MARXIST REGIME OF SALVADOR ALLENDE ON 11 SEPTEMBER HAS GAINED FULL CONTROL OF THE COUNTRY, WITH EXCEPTION OF POCKETS OF RESISTANCE IN CAPITAL. ON 12 SEPTEMBER THERE WAS FIGHTING IN DOWNTOWN SANTIAGO BETWEEN TROOPS AND SNIPERS HOLED UP IN GOVERNMENT BUILDINGS AND IN INDUSTRIAL AREAS WHERE ALLENDE SUPPORTERS WERE BARRICADED IN FACTORIES. SPORADIC FIRING AND EXPLOSIONS WERE HEARD THROUGHOUT DAY BUT STRICT CURFEW KEPT OBSERVERS FROM WITNESSING ACTION. CURFEW EXTENDED TO NOON 13 SEPTEMBER.

3. AUTHORITIES ESTIMATED DEATH TOLL TO BE OVER 250 MILITARY

DATE: 15-134-52
ORIG: 15-134-52
UNIT: 135-873
EXT: 135-873

RECORD COPY
AND CIVILIANS. THEY EXPECTED TO ELIMINATE LAST POCKETS RESISTANCE BY 14 SEPTEMBER.

3. JUNTA-CONTROLLED RADIO STATIONS AND ONE TV STATION OPERATING. PUBLIC UTILITIES ARE FUNCTIONING NORMALLY. NEWSPAPERS PLANNED RESUME LIMITED EDITIONS 13 SEPT BUT ARE SUBJECT TO CENSORSHIP.

4. JUNTA ANNOUNCED THAT PRESIDENT ALLENDE COMMITTED SUICIDE IN LA MONEDA AND TROOPS ENTERING THE BUILDING FOUND HIS BODY IN A DINING ROOM.

5. JUNTA TV PROGRAM SHOED LARGE QUANTITIES OF SOVIET MADE AUTOMATIC WEAPONS COLLECTED AT LA MONEDA AND AT ALLENDE RESIDENCE ON TOMAS MORE STREET AFTER FIGHTING.

6. JUNTA BEING OVER BY GEN. AUGUSTO PINOCHET (ARMY), AN INTELLIGENT, PROFESSIONAL OFFICER WITH NO KNOWN POLITICAL TIES; ADMIRAL JOSE MERINO (NAVY) WHO IS INCLINED TOWARDS NATIONAL PARTY (CONSERVATIVE); GEN. GUSTAVO LEIGH (AIR FORCE), A STRONG LEADER OF WHOM FORMER SUPPORTER RADICAL PARTY AND KNOWN TO DISLIKE CHRISTIAN DEMOCRATS; AND GENERAL CESAR MENDOZA, (CARABINERO CHIEF) WHO HAS...
CLOSE TIES TO MILITARY AND APPARENTLY HELPED PLAN COUP.

7. JUNTA NAMED FOLLOWING CABINET 12 SEPT:

MINISTER OF INTERIOR - MAJ GEN OSCAR BONILLA (ARMY),
WHO SERVED AS PRESIDENT FREI'S SENIOR MILITARY AIDE FOR
TWO YEARS.

MINISTER OF FOREIGN RELATIONS - REAR ADMIRAL ISMAEL
HUERTA (NAVY), HIGHLY RESPECTED IN NAVY AND ONE OF
INTELLECTUAL LEADERS OF COUP.

MINISTER OF ECONOMY - MAJ GEN ROLANDO GONZALEZ (ARMY),
REPORTED TO BE A U.P. SUPPORTER ABOUT 1971.

MINISTER OF EDUCATION - JOSE NAVARRO TOBAR, A
CIVILIAN BIOLOGY AND BOTANY PROFESSOR OF UNKNOWN POLITICS.

MINISTER OF JUSTICE - GONZALO PRIETO GANDARA, CIVILIAN
LAWYER.

MINISTER OF DEFENSE - VICE ADM. PATRICIO CARVAJAL,
FORMERLY CHIEF OF NATIONAL DEFENSE STAFF, REPORTED

MINISTER OF PUBLIC WORKS AND TRANSPORTATION - BRIG
GEN SERGIO FIGUEROA (AIR FORCE), REPORTED IN EARLY 1972 TO BE AMONG ANTI-U.P. AIR FORCE COLONELS.

MINISTER OF AGRICULTURE - COL SERGIO CRESPO (RET. AIR FORCE), AGRICULTURAL AND CIVIL ENGINEER.

MINISTER OF LABOR - GEN MARIO HACKAY (CARABINEROS), ANTI-U.P. OFFICER NAMED IN JULY AS COMMANDER IN CONCEPCION.

MINISTER OF PUBLIC HEALTH - COL ALBERTO SPOERER (AIR FORCE), FORMER CIVILIAN SURGEON DESCRIBED AS HARD WORKER.

MINISTER OF MINING - GEN ARTURO YOVANE (CARABINEROS), WHO WAS SCHEDULED TO BE RETIRED BY ALLENDE IN AUGUST, CLOSE TO MILITARY.

MINISTER OF HOUSING - BRIG GEN ARTURO VIVERO, HARD-WORKING STAFF OFFICER WHOSE PERFORMANCE UNDER PRESSURE SOMEWHAT WEAK.

SECRETARY GENERAL OF GOVERNMENT - COL PEDRO EUING (ARMY), DESCRIBED AS INTELLIGENT, PATRIOTIC, CONSERVATIVE.
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UNSECRETARY OF INTErior - LTH Col Enrique Montero
(Air Force) former Legal Officer in Air Force.

MINISTER OF LANDS AND COLONIZATION - Gen Diego Parra
Retired Carabinero Officer, on whom Little is known.

MINISTER OF FINANCE - Rear Adm Lorenzo Ortuzar,
Little known officer.

8. JUNTA HAS BROKEN RELATIONSHIPS WITH CUBA AND WILL PROBABLY BREAK WITH OTHER SOVIET BLOC STATES. IT WILL PROBABLY ENDEAVOR TO STRENGTHEN TRADITIONALLY FRIENDLY TIES WITH U.S. AND SEEK AID AND DEBT RELIEF FOR INTERIM.

9. JUNTA WILL PROBABLY DECLARE COMMUNIST, SOCIALIST AND SMALL LEFTIST PARTIES SUCH AS MIR ILLEGAL AND DISSOLVE CUT LABOR CONFEDERATION. THEY DO NOT PLAN WORK WITH POLITICAL PARTIES BUT MAY CONSULT WITH THEM. THE CHRISTIAN DEMOCRATIC PARTY IS EXPECTED TO EXPRESS SUPPORT FOR THE JUNTA AS IS THE OTHER MAJOR OPPOSITION POLITICAL GROUP, NATIONAL PARTY. STRIKING TRUCKERS AND PROFESSIONAL GUILDS HAVE EXPRESSED SATISFACTION WITH COUP AND CALLED OFF STRIKE.

10. FILE: 15-124-52. E 2. IMPDET A

DATE: 13 SEPTEMBER 1973

CL BY: 057556

REPRODUCTION BY OTHER THAN THE ISSUING OFFICE IS PROHIBITED
OUTGOING MESSAGE

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STAFF

CONF: WH8 INFO: FILE

DIRECTOR

OHN $ C6 1 1

TO: ANDURG INFO SANTIAGO, BONN-Y
FUOMBA PSYCH CASPECIAL Y

REF: RAN1URG 24754 (IN 225831) Y

1. AT THIS POINT DO NOT BELIEVE BKHerald ATTEMPT IMPROVE
CHILEAN IMAGE IN GERMAN MEDIA STANDS MUCH CHANCE OF SUCCESS. PREFER
LET DENIGATION CAMPAIGN RUN ITS COURSE. WE WOULD BE
WILLING SUPPLY SPECIAL BRIEF DESIGNED TO INFLUENCE CAREFULLY SELECTED
INDIVIDUALS WHO ARE OPEN TO PERSUASION AND WHOSE VIEWS WOULD CARRY
REAL WEIGHT. BUT WE DO NOT FEEL BKHerald SHOULD ENGAGE IN GENERAL
PROPAGANDA SUPPORT OF CHILEAN REGIME SINCE LATTER APPROACH BOTH
INEFFECTUAL AND MIGHT WELL BACKFIRE-Y


RECORD COPY

DATE: 13 APRIL 1974
ORIG: DC/WH/6
UNIT: 6556/41555
EXT:

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E2 IMPDET
CL BY: 057556
SECRET 1712532 APR 74 STAFF

CITE HAMBURG 24759

to: DIRECTOR INFO BONN, SANTIAGO,

FUOMEN PSYCH CASPECIAL

1. CHIL's IMAGE AS REFLECTED IN WEST GERMAN MEDIA COMMENTARIES HAS REACHED ALL-TIME LOW AND EVEN CONSERVATIVELY INCLINED OUTLETS BY AND LARGE, NO LONGER BOTHER TO TELL "THE OTHER SIDE." EASTERN RADIO STATIONS MAINTAIN RELENTLESS DRUMFIRE OF ANTI-CHILEAN PROPAGANDA AND THERE NO APPARENT DEARTH OF INFO TO SUSTAIN RATHER EFFECTIVE DENIGATION CAMPAIGN.

2. IN SPITE OF DISMAL AUSPICES TO TURN TIDE, UNLESS JUNTA DECIDES TO SHOW SOME DECENT REGARD FOR OPINIONS OF HUMANITY, WE CAN STILL PROMOTE FAIRER UNDERSTANDING OF IMPERATIVES OF CHILEAN SITUATION TO WHICH JUNTA APPARENTLY FEELS IMPELLED TO RESPOND. TOWARD THAT END, REQUIRE SOME TYPE OF OBJECTIVE APPRAISAL OF RECENT DEVELOPMENTS AND OF PREDICTABLE TRENDS.

3. FILE DEFER, EZ IMPDET.
SECRET APR 73

TO: STAFF

FROM: PRIORITY DIRECTOR

REFS: A. SANTIAGO 24417 (1-91105)

B. DIRECTOR 391223

1. IN VIEW OF THE POSSIBLE REPERCUSSIONS REF A INFO IF IT WERE SURFACED OR IF IT CAME TO THE ATTENTION OF THE U.P. GOVERNMENT, STATION RECOMMENDS AGAINST FUOMEN EXPLOITATION AT THIS TIME.

2. FILE: 15-124-52, 62 IMPDET
SECRET 1417562 JAN 74 STAFF

CITE SANTIAGO 27899

TO: DIRECTOR

SUB: Fuwen

REF: DIRECTOR 499469 - 15.124.52

1. WISH TO OFFER FOLLOWING SUGGESTED CHANGES IN REF WHICH BASED ON LATEST INFO AVAILABLE LOCALLY. PARA 31 "...CENTRAL BANK DEVALUED THE ESCUDO FOR IMPORTS/EXPORTS BY SLIGHTLY OVER 120 PERCENT IN AN EFFORT TO CURB IMPORT DEMAND, ENCOURAGE EXPORTS AND EASE PRESSURES..." "...OTHER PRICE RISES BROUGHT INFLATION FOR THE YEAR TO 506 PERCENT..." (FOR DIRECTOR)


2. PARA 4 LAST SENTENCE SHOULD READ "THE MASSIVE 3.5 BILLION DOLLAR FOREIGN DEBT..." PARA 7: "MONTHLY COPPER PRODUCTION HAS ALREADY INCREASED MORE THAN 50 PERCENT OVER THE AVERAGE DURING THE FIRST NINE MONTHS OF 1973 AND PRODUCTION..."
WILL PROBABLY REACH A RECORD OF AT LEAST 850,000 TONS IN 1974.
OUTGOING MESSAGE

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STAFF

TO: BONN, INFO SANTIAGO.

RYBAT FUGMEN

1. FOLLOWING SUMMARY OF POLITICAL AND ECONOMIC SITUATION IN CHILE AT BEGINNING OF 1974 MAY BE USEFUL FOR ORAL BRIEFINGS OF LOCAL GOVERNMENT AND OTHER HIGH LEVEL CONTACTS WHO INTERESTED IN CHILE.

   STIPULATION NO FURTHER EXPLOITATION.

2. THE OUTLOOK FOR CHILE IS CAUTIOUSLY OPTIMISTIC. MILITARY GOVERNMENT HAS AVOIDED MAJOR INTERNAL CONFLICTS AND HAS MOVED AGGRESSIVELY TO REORGANIZE GOVERNMENT AGENCIES MORE EFFICIENTLY, TO CREATE AN APOLITICAL CIVIL SERVICE, AND TO CORRECT THE EXCESS OF NEARLY THREE YEARS OF DECAPITALIZATION UNDER STATE SOCIALISM. ITS ECONOMIC PROGRAMS, ALTHOUGH AUSTERE, ARE SOUND AND OFFER A FIRM FOUNDATION FOR RECOVERY AND GROWTH OF THE CHILEAN ECONOMY. THE STRONG SECURITY MEASURES ADOPTED BY THE JUNTA HAVE BEEN SUCCESSFUL IN PREVENTING ANY LARGE-SCALE VIOLENCE OR TERRORISM AND ARE LIKELY TO BE CONTINUED FOR THE FORESEEABLE FUTURE.

3. THE JUNTA MOVED QUICKLY AFTER THE COUP OF 11 SEPTEMBER TO REMOVE PRICE CONTROLS ON ALL BUT 30 BASIC COMMODITIES, WHILE THE

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DATE: 11 Jan 74

ORIG: 15-124-52
CENTRAL BANK DEVALUED THE ESCUDO BY SOME 60% IN AN EFFORT TO CURB IMPORT DEMAND AND EASE PRESSURES ON THE COUNTRY'S MEAGER FOREIGN EXCHANGE RESERVES. AS A RESULT, CHILE'S COST OF LIVING JUMPED 68% IN OCTOBER, AND OTHER PRICE RISES PUSHED INFLATION TO SOME 770% FOR THE YEAR.

1. THE JUNTA HAS NOW AGREED TO FOLLOW THE STABILIZATION PROGRAM PROPOSED BY AN IMF TEAP WHICH VISITED CHILE IN LATE 1978. THIS PROGRAM CALLS FOR TIGHTER FEDERAL SPENDING AND FOR LIMITING INFLATION TO 100% IN 1974. THIS IMF PROGRAM IS FEASIBLE BUT MAY BE SOMEWHAT OVER-OPTIMISTIC, ESPECIALLY SINCE THE WORLD-WIDE ENERGY CRISIS WILL SOON FORCE CHILE TO RAISE FUEL PRICES, THUS EXACERBATING THE PROBLEM OF CONTROLLING INFLATION. ADHERENCE TO THE IMF PROPOSAL HAS, HOWEVER, IMPROVED CHILE'S CREDIBILITY RATING, AS HAS THE SIGNING OF A BILATERAL AGREEMENT WITH THE UNITED STATES ON CHILE'S 1971-1972 DEBT. CHILE IS THERE IN A RELATIVELY GOOD POSITION FOR THE OPENING OF THE PARIS CLUB TALKS IN FEBRUARY. THE MASSIVE $4 BILLION DOLLAR FOREIGN DEBT, HOWEVER, WILL CAUSE CHILE BALANCE OF PAYMENTS PROBLEMS FOR SOME TIME.

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7. COPPER PRODUCTION HAS ALREADY INCREASED MORE THAN 50% OVER LAST YEAR'S LEVEL AND PRODUCTION WILL PROBABLY REACH A RECORD 750,000 TONS IN 1974 DESPITE SPORADIC SHORTAGES OF SPARE PARTS AND SERVICEABLE VEHICLES. FARM OUTPUT, HOWEVER, IS NOT EXPECTED TO RECOVER FULLY UNTIL THE 1974/75 HARVEST SO THAT AGRICULTURAL IMPORTS, PARTICULARLY GRAIN, WILL CONTINUE TO BE A DRAIN ON CHILE'S FOREIGN RESERVES.

8. THE JUNTA HAS DEMONSTRATED GOOD FAITH IN THE TREATMENT OF FOREIGN EQUITY AND HAS LINED UP SUFFICIENT FOREIGN CREDITS TO ENABLE IT TO PURCHASE CAPITAL GOODS AND FINANCE THE CURRENT PAYMENTS GAP. THE GOVERNMENT HAS ALSO UNDERTAKEN TO SETTLE OUTSTANDING COMPENSATION CLAIMS EMANATING FROM ALLENDE NATIONALIZATIONS, STATING THAT IT WILL EITHER RETURN INTERVENED FIRMS TO THE PRIVATE SECTOR, OR AS IN THE CASE OF LARGE COPPER MINES, ADEQUATELY COMPENSATE PREVIOUS OWNERS. FORMER PRIVATE BANKS WILL ALSO BE RETURNED TO THEIR FORMER OWNERS, BUT PROBABLY WITH SOME FORMULA INVOLVING WORKER PARTICIPATION IN BANK MANAGEMENT. THERE ARE ALSO STRONG INDICATIONS OF RENEWED INVESTOR CONFIDENCE, AND PRIVATE
FOREIGN INVESTMENT IN CHILE IS EXPECTED TO GROW SUBSTANTIALLY DURING 1974.

9. INTERNALLY, THE ELIMINATION OF PRICE CONTROLS AND ADJUSTMENT OF EXCHANGE RATE HAS PRACTICALLY ELIMINATED THE ONCE FLOURISHING BLACK MARKETS IN COMMODITIES AND FOREIGN EXCHANGE. HOWEVER, THE BURDEN OF AUSTERITY ON CHILEAN CONSUMERS HAS BEEN HEAVY. DESPITE HEALTHY INCREASES IN WAGES AND RENEWED CONFIDENCE BY BUSINESSMEN, WORKING CLASS CONSUMERS FIND IT DIFFICULT TO AFFORD THE BAREST NECESSITIES, AND WORKING CLASS LABOR IS TAKING A HINT AND SEE ATTITUDE. THERE IS, HOWEVER, NO ORGANIZED RESISTANCE TO THE JUNTA OR ITS PROGRAMS. SOME POLITICAL FACTIONS, PARTICULARLY THE CHRISTIAN DEMOCRATIC PARTY (PDC) ARE GRUMBLING, BUT THIS DISSATISFACTION IS LARGELY DUE TO GOVERNMENT EFFORTS TO SET UP NEW NON-POLITICAL-PARTY MECHANISMS FOR RECEIVING THE PUBLIC.

10. GOVERNMENT "RECESSING" OF CONGRESS AND ALL POLITICAL PARTIES HAS CREATED A POLITICAL VACUUM IN CHILE. THE GOVERNMENT, WHICH HOLDS THE POLITICAL PARTIES LAWFULLY RESPONSIBLE FOR CHILE'S CURRENT PLIGHT, IS TRYING TO FILL THIS VOID BY AN INTENSE USE OF
CIVILIAN ADVISERS TO ASSIST THE GOVERNMENT MINISTRIES. THIS
PHENOMENON IS MOST APPARENT IN THE AREAS OF ECONOMIC POLICY AND IN
SUCH TECHNICAL FIELDS AS PUBLIC HEALTH AND HOUSING. THE IMPORTANCE
OF THE GROUP OF ECONOMIC ADVISERS HEADED BY RAUL SAEZ, FOR EXAMPLE
IS WELL KNOWN. THE MINISTRY OF HEALTH HAS AN ADVISORY BOARD
DOMINATED BY THE MEDICAL ASSOCIATION, WHILE THE MINISTRY OF
HOUSING'S BOARD IS LARGELY CONTROLLED BY THE ORGANIZATION REPRESENT-
ATING PRIVATE CONSTRUCTION FIRMS. SIMILARLY, ALMOST EVERY MINISTRY
AND MANY AUTONOMOUS AGENCIES HAVE PERMANENT CIVILIAN ADVISORY
BOARDS COMPOSED OF REPRESENTATIVES OF GROUPS WHOSE WELFARE IS
AFFECTED BY THE AGENCY'S ACTIVITIES.

11. IN ADDITION TO THESE CIVILIAN ADVISORY BOARDS, THERE ARE A
LARGE NUMBER OF "STUDY COMMISSIONS" THROUGH WHICH CIVILIANS CAN
EXERT THEIR INFLUENCE. BEST KNOWN OF THESE IS THE GROUP OF INTER-
ATIONAL LAWYERS WHICH IS DRAFTING A NEW CONSTITUTION, BUT THERE
ARE OTHER GROUPS WORKING ON A NEW MINING CODE, STUDYING THE EDUCA-
TIONAL SYSTEM, COLLECTING INFORMATION ON UNEMPLOYMENT, WRITING A
STATUTE FOR WORKER PARTICIPATION IN BUSINESS ENTERPRISES, AND
OUTGOING MESSAGE

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CONF: INFO: FILE

DIRECTOR

DELVING INTO A DOZEN OTHER TOPICS.

12. Although some Christian Democrats hold influential government positions, most civilian advisers are either conservative or apolitical. Lack of more widespread participation by Christian Democrats may create problems for the government in the future, especially since organizations representing workers, campesinos and pobladores (which formerly supported either the Christian Democratic Party (PDC) or the Allende government) are so far inadequately represented on advisory councils. The government has established units addressed to youth, women, guilds and neighborhood civic groups in the Secretariat General of Government, and hopes that these will serve as vehicles for government-to-people communication.

13. The junta leaders view with distrust all PDC efforts to win new political adherents from the working classes which formerly supported Allende's UP coalition and reportedly believe that the PDC is not respecting the political recess. The junta is particularly concerned by the possibility that the PDC's left wing...
WILL AID THE FORMER UP PARTIES IN RETURN FOR FUTURE ELECTORAL SUPPORT.

14. ONE PROBLEM OF MAJOR CONCERN TO THE JUNTA IS THE POSSIBILITY THAT PERU MAY ATTACK CHILE SOME TIME PRIOR TO 1979, THE 100TH ANNIVERSARY OF THE WAR BETWEEN CHILE AND PERU, IN ORDER TO REGAIN SOME OF THE TERRITORY LOST IN THAT WAR. THE CHILEANS ARE URGED BY THE SOVIET SALE OF ARMS TO PERU AND FEAR THAT THE USSR MAY BE TRYING TO CREATE ANOTHER UNSTABLE "MIDDLE EAST TYPE" OF CLIMATE IN LATIN AMERICA.

15. THE JUNTA IS ALSO CONCERNED BY COMMUNIST EFFORTS TO CREATE INTERNAL DISCONTENT AND TO MOUNT AN INTERNAL RESISTANCE MOVEMENT. THE JUNTA EXPECTS THAT THE FORMER UP PARTIES, LED BY THE COMMUNISTS, WILL SET UP A UNIFIED FRONT FOR CAUSING CIVILIAN DISTURBANCES AND POLITICAL DISCONTENT, AND WILL TRY TO MANIPULATE THE PDC INTO OPPOSING THE JUNTA GOVERNMENT. TWO FRONTS FOR CHILEAN RESISTANCE ARE BEING ORGANIZED IN ARGENTINA AND SEVERAL ARE BEING SET UP IN EUROPE.

16. DESPITE THE PROBLEMS NOTED ABOVE, THE JUNTA GOVERNMENT IS
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IN FIRM CONTROL IN CHILE AND HAS MADE IMPRESSIVE PROGRESS IN REORGANIZING THE GOVERNMENT AND IN ELISTING PUBLIC SUPPORT FOR ITS PROGRAMS. PROSPECTS FOR ECONOMIC RECOVERY AND DEVELOPMENT ARE THE BEST WHICH COULD REASONABLY BE EXPECTED FROM A COUNTRY WHOSE ENTIRE ECONOMY WAS A SHAMBLES IN SEPTEMBER 1973.

FILE: 15-124-52. E2, IMPDET-A
TO: HAMBURG INFO BONN, SANTIAGO, FUOHERN CASPECIAL CAFECET

REF: HAMBURG 23801 [IN 096923]

1. FOLLOWING ANALYSIS OF CHILEAN ECONOMIC SITUATION AND OF RISK FACTORS INVOLVED IN MAKING INVESTMENTS IN CHILE PREPARED FOR PASSAGE TO HERMES BANK PER REF PARA 1 REQUEST.

A. THE RULING JUNTA IN CHILE IS MOVING AGGRESSIVELY TO REBUILD THE ECONOMY BY ADOPTING A HARSH AUSTERITY PROGRAM AND INSTITUTING POLICIES DESIGNED TO RETURN CHILE TO A MARKET ECONOMY.

B. SANTIAGO MOVED QUICKLY AFTER THE COUP TO REMOVE PRICE CONTROLS ON ALL BUT 30 BASIC COMMODITIES, WHILE THE CENTRAL BANK EFFECTIVELY DEVALUED THE ESCUDO BY SOME 60% IN AN EFFORT TO CURB IMPORT DEMAND AND EASE PRESSURES ON SANTIAGO'S MEAGER FOREIGN EXCHANGE RESERVES. AS A RESULT, CHILE'S COST OF LIVING JUMPED 88% IN OCTOBER, BRINGING INFLATION TO NEARLY 450% FOR THE FIRST TEN MONTHS OF THE YEAR. ANTICIPATED PRICE RISES DURING THE REST OF 1973 IS EXPECTED TO PUSH INFLATION TO SOME 750% FOR THE YEAR.

C. THE ELIMINATION OF PRICE CONTROLS AND ADJUSTMENT OF
EXCHANGE RATES HAS PRACTICALLY ELIMINATED THE ONCE FLOURISHING BLACK
MARKETS IN COMMODITIES AND FOREIGN EXCHANGE. WHILE EXCHANGE RATES
CHANGED AND PRICES ROSE, THE GROWTH IN THE MONEY SUPPLY HAS BEEN
SHARPLY CURTAILED, CAUSING A RELATIVE SCARCITY OF LOCAL CURRENCY AND
A LIQUIDITY CRUNCH FOR BUSINESSMEN.

D. THE BURDEN ON CONSUMERS HAS BEEN HEAVY. DESPITE A
HEALTHY INCREASE IN THE MINIMUM WAGE, WORKING CLASS CONSUMERS ARE
FINDING IT INCREASINGLY DIFFICULT TO AFFORD THE BAREST NECESSITIES.
AUSTERITY HAS BEEN EXACERBATED IN MANY CASES BY DISMISSALS OF
RELATIVELY UNPRODUCTIVE AND POLITICALLY SUSPECT EMPLOYEES HIRED
UNDER THE ALLENDE REGIME. AN UNEMPLOYMENT COMPENSATION PROGRAM HAS
BEEN ANNOUNCED AND AN EXTENSIVE PUBLIC WORKS PROGRAM IS UNDER CON-
SIDERATION.

E. THE JUNTA IS ATTEMPTING TO ENLIST PUBLIC SUPPORT FOR
THE AUSTERITY PROGRAM AND BUSINESS IS SHOWING RENEWED CONFIDENCE.
CONSUMERS AND LABOR, HOWEVER, ARE TAKING A WAIT-AND-SEE ATTITUDE. NO
ORGANIZED RESISTANCE TO THE JUNTA OR ITS PROGRAMS HAS MATERIALIZED.
EVEN THOUGH SOME POLITICAL FACTIONS ARE GRUMBLING AND PREDICTING
FAILURE FOR THE JUNTA.

F. CHILE STILL FACES LARGE BALANCE-OF-PAYMENTS DEFICITS IN BOTH 1973 AND 1974 EVEN IF DEBT-REPAYMENTS ARE RESCHEDULED IN BOTH YEARS. WITH A MASSIVE $4 BILLION FOREIGN DEBT HANGING OVER SANTIAGO'S HEAD, IT WILL AT LEAST BE SEVERAL YEARS BEFORE CHILE'S BALANCE-OF-PAYMENTS POSITION IMPROVES SIGNIFICANTLY.

G. HOWEVER, COPPER PRODUCTION HAS ALREADY INCREASED MORE THAN 50% ABOVE LAST YEAR'S LEVEL AS A RESULT OF A 9% LENGTHENING OF THE WORK WEEK AND IMPROVED MINE MANAGEMENT. PRODUCTION WILL PROBABLY REACH A RECORD 750,000 TONS NEXT YEAR DESPITE CONTINUING SHORTAGES OF SPARE PARTS AND SERVICEABLE VEHICLES.

H. AGRICULTURAL IMPORTS CONTINUE TO BE THE LARGEST DRAIN ON FOREIGN EXCHANGE AND THE RECOVERY OF DOMESTIC PRODUCTION IS A PRIORITY OBJECTIVE OF THE JUNTA. FARM OUTPUT, HOWEVER, IS NOT EXPECTED TO FULLY RECOVER UNTIL THE 1974/75 HARVEST SINCE MOST CROPS ALREADY ARE PLANTED AND ARE WELL INTO THEIR GROWING SEASONS. THUS, CHILE WILL CONTINUE TO IMPORT GRAIN IN LARGE QUANTITIES DURING 1974.

I. ALTHOUGH THE PROBLEMS OF ADEQUATE SHORT RUN SUPPLIES
OF RAW MATERIALS AND SPARE PARTS MUST BE SOLVED TO BOOST PRODUCTION QUICKLY. LONG RUN GROWTH WILL DEPEND HEAVILY ON CHILE'S ABILITY TO ATTRACT ADEQUATE FOREIGN INVESTMENT. ATTRACTION OF SUBSTANTIAL NEW INVESTMENT WILL DEPEND ON THE JUNTA'S ABILITY TO DEMONSTRATE GOOD FAITH IN THE TREATMENT OF FOREIGN EQUITY AS WELL AS THEIR ABILITY TO INSTILL CONFIDENCE IN CHILE'S PROSPECTS FOR STABLE RECOVERY AND GROWTH. A CRITICAL FIRST STEP IS TIMELY SETTLEMENT OF OUTSTANDING COMPENSATION CLAIMS EMANATING FROM THE ALLENDE NATIONALIZATIONS. THE JUNTA HAS STATED THAT IT WILL EITHER RETURN INTERVENED FIRMS TO THE PRIVATE SECTOR OR, AS IN THE CASE OF THE LARGE COPPER MINES, ADEQUATELY COMPENSATE THE PREVIOUS OWNERS. SOME 40 FIRMS ARE ALREADY IN THE PROCESS OF REVERSION.

J. THUS FAR THE JUNTA HAS SUCCEEDED IN LINING UP SUFFICIENT FOREIGN CREDITS TO ENABLE IT TO PURCHASE ESSENTIAL CAPITAL GOODS AND FINANCE THE CURRENT PAYMENTS GAP. IN ADDITION, THERE ARE STRONG INDICATIONS OF RENEWED INVESTOR CONFIDENCE, AND PRIVATE FOREIGN INVESTMENT IN CHILE IS EXPECTED TO GROW DRAMATICALLY DURING THE NEXT 12 MONTHS.
K. THE ECONOMIC OUTLOOK FOR CHILE IS CAUTIOUSLY OPTIMISTIC AS THE JUNTA TAKES STEPS TO CORRECT THE EXCESSES OF NEARLY THREE YEARS OF DECAPITALIZATION UNDER STATE SOCIALISM. THE PROGRAMS, THOUGH AUSTERE, ARE ECONOMICALLY SOUND AND OFFER A FIRM FOUNDATION FOR RECOVERY AND GROWTH OF THE CHILEAN ECONOMY. THE MAJOR POLICY CONFLICTS WITHIN THE GOVERNMENT APPEAR TO BE OVER THE DEGREE AND TIMING OF SPECIFIC MEASURES RATHER THAN PROBLEMS OF BASIC POLICY ORIENTATION.

L. THE EMERGING DOMINANCE OF RAUL SAEZ AS SENIOR ECONOMIC ADVISOR IS PROBABLY FOR THE BEST SINCE THE JUNTA'S AUSTERITY PROGRAM MUST BE TEMPERED IF POLITICAL AS WELL AS ECONOMIC RECOVERY AND STABILITY IS TO BE ACHIEVED. MEANWHILE, CHILE IS PREPARING TO SETTLE OUTSTANDING COMPENSATION ISSUES AND COMPLETE BILATERAL NEGOTIATIONS ON 1971/72 DEBT SERVICE IN ACCORD WITH THE 1972 PARIS CLUB AGREEMENTS. TIMELY RESOLUTION OF THESE ISSUES WILL GO FAR IN IMPROVING INVESTOR AND CREDITOR CONFIDENCE IN CHILE.

2. FOLLOWING QUESTIONS SUGGESTED TO ELICIT HERMES' VIEWS ON CHILE'S ECONOMIC PROSPECTS AS REQUESTED PARA 3 REF.
A. HOW MUCH AND WHAT KINDS OF PRIVATE DIRECT FOREIGN INVESTMENT FROM GERMAN AND OTHER WEST EUROPEAN SOURCES IS EXPECTED TO ENTER CHILE DURING NEXT 12 MONTHS?

B. DO BANK OFFICIALS EXPECT SUBSTANTIAL PRIVATE AND/OR OFFICIAL GERMAN CREDITS TO BE EXTENDED TO CHILE DURING NEXT 12 MONTHS? WHAT TYPES OF CREDITS WOULD THESE BE, I.E. BALANCE OF PAYMENTS RELIEF, DEVELOPMENT ASSISTANCE, TIED AND UNTIED TRADE CREDITS?

C. DO BANK OFFICIALS SEE THE WIDESPREAD ADVERSE PUBLIC REACTION IN EUROPE TO THE NEW CHILEAN GOVERNMENT AS SIGNIFICANTLY AFFECTING FUTURE INVESTMENT AND AID DECISIONS FOR CHILE?

4. FILE: 15-12b-52. E2, IMPDET-H

*REF ATTACHED.*
SUBJECT: POSSIBLE SUPPORT BY LATIN AMERICAN COMMUNIST PARTIES FOR RESISTANCE IN CHILE.

BACKGROUND: IT WAS UNINDICATED IN AN EARLIER BRIEFING THAT SOVIET COMMUNIST PARTY OF PERU (PCP/SOVIET) INTENDED TO SERVE AS A RECEPTION POINT FOR GUERRILLA FIGHTERS FROM OTHER COUNTRIES WHO WOULD ENTER CHILE FROM PERU TO JOIN ANY RESISTANCE MOVEMENT IN CHILE.

4. THE FIRST WORD OF CHILEAN COUP WAS RECEIVED BY PCP/SOVIET FROM CHILEAN EMBASSY IN LIMA. CENTRAL COMMITTEE CALLED AN EMERGENCY MEETING WHEN IT APPEARED THAT EVENTS IN CHILE WERE GOING AGAINST

RECONCILIATION
OUTGOING MESSAGE

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STAFF

DIRECTOR

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ALLIED REGIME. WHILE WAITING FOR INSTRUCTIONS FROM MOSCOW, CENTRAL COMMITTEE DECIDED TO TAKE CERTAIN MEASURES SUCH AS SENDING SIX ORGANIZERS INTO CHILE. THESE ORGANIZERS WERE MEMBERS OF PERUVIAN COMMUNIST YOUTH, WHO USED PASSPORTS OBTAINED EARLIER FROM CHILEAN EMBASSY IN CASE OF SUCH AN EMERGENCY. PASSPORTS WERE LEGITIMATE, BUT DATA IN THEM, INCLUDING NAMES, WERE FALSE. THE PERUVIANS WERE TO CROSS INTO CHILE AT THE TACNA/ARICA BORDER POINT AND WERE TO BE ACCOMPANIED BY A NUMBER OF BOLIVIANS AND BRAZILIANS.

5. ON 15 SEPTEMBER, TWO UNIDENTIFIED MEN WHO WERE LATIN AMERICANS BUT NOT PERUVIANS BROUGHT TO PCP/SOVIET HEADQUARTERS INSTRUCTIONS FROM THE COMMUNIST PARTY OF THE SOVIET UNION (CPN). INSTRUCTIONS WERE DELIVERED TO MEMBERS OF PCP/SOVIET CENTRAL COMMITTEE AND IMMEDIATELY DISCUSSED BY PARTY LEADERS INCLUDING JORGE DEL PRADO CHAVEZ (PCP/SOVIET SEC GEN), FELIX ARIAS SCHREIDER (PCP/SOVIET POLITICAL COMMISSION MEMBER), GUILLERMO HERRERA ROMESCO (ALSO MEMBER OF PCP/SOVIET POLITICAL COMMISSION), AND ONE OF THE TWO COURIERS DELIVERING THE INSTRUCTIONS WHO USED THE ALIAS "FIGUEROA." FOLLOWING DISCUSSION, THESE PARTY LEADERS

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BEGIN PREPARING INSTRUCTIONS FOR PARTY MEMBERS TO AID IN SUPPORT
THEIR COUNTERPARTS IN THE COMMUNIST PARTY OF CHILE (PCCH). INITIAL
INSTRUCTIONS TO PCP/SOVIET MEMBERS WERE TO ARRANGE FOR LODGING FOR
MEMBERS OF OTHER LATIN AMERICAN COMMUNIST PARTIES WHO WERE ARRIVING
IN LIMA, TO OBTAIN MAPS OF CHILE, FALSE DOCUMENTATION, ETC.

6. SECOND STAGE OF SUPPORT TO CHILE WAS TO BEGIN DURING WEEK
OF 20 SEPTEMBER WHEN COMMUNISTS AND OTHERS WERE TO ARRIVE FROM
VENEZUELA, PANAMA, COLOMBIA, CUBA AND OTHERS. ALL WERE TO BE
LOADED IN LIMA, AND LATER, GIVEN FALSE DOCUMENTS AND TRANSPORTATION
TO CHILEAN BORDER. THEIR PRINCIPAL TASK IN CHILE WAS TO ASSIST
IN REORGANIZATION OF PCCH FOLLOWING COUP D'ETAT, AS WELL AS IN PRO-
DUCTION OF CLandestine PROPAGANDA. THEY ALSO WERE TO STUDY POSSI-
BILITY OF AIDING IN MOUNTING CONCERTED ARMED RESISTANCE TO MILITARY
REGIME, PRINCIPALLY THROUGH URBAN GUERRILLA WARFARE. THERE WAS NO
NEED TO SEND ARMS, SINCE THERE STILL ENOUGH WEAPONS HIDDEN IN CHILE
TO MAKE SUCH RISK UNNECESSARY.

7. CENTRAL AND SOUTH AMERICAN COMMUNISTS WERE TO MEET IN LIMA
ON 25 SEPTEMBER TO CONSIDER SENDING PERSONS TO CHILE TO ORGANIZE
GUERRILLA GROUPS THERE AND TO AID CHILEAN COMMUNISTS. SOME DELEGATES TO MEETING ARRIVED EARLY IN ORDER ATTEND REGIONAL MEETING OF INTERNATIONAL LABOR ORGANIZATION (IL0) WHICH BEGAN 19 SEPT. JUAN CAMPOS CAMPOS, CHILEAN, SECRETARY, FOR LATIN AMERICAN AFFAIRS OF WORLD FEDERATION OF TRADE UNIONS (CFTU), WHO IS IN LIMA FOR ILO MEETING, HELD PRESS CONFERENCE ON 13 SEPTEMBER DURING WHICH HE CALLED ON ALL WORLD TRADE UNION ORGANIZATIONS TO MOUNT PUBLIC OPINION CRUSADE AGAINST CHILEAN JUNTA.

FILE: 15-124-52. E2, INDET. A

DIE FEDEZ 1973

SECRET
OUTGOING MESSAGE

SECRET

STAFF: 2515242

DIRECTOR

FILE: 457023

TO: PRIORITY

REF: A. 25754 (IN 035307)

DATE: 25 SEPTEMBER 1972

FILE: 15-124-52. E2, IMPDET-H

REFS ATTACHED.

1. REF A WAS USED FOR FUOMEN. AS FOLLOW-UP WOULD LIKE USE REF 26010.

2. SUBJECT YOUR CONCURRENCE AND CAVEATS. WILL SOURCE TO CHILEAN EXILE IN LIMA AND DELETE REFERENCES TO SOURCES IN REPORT OF SERVICE WHO IS

AND ALTER TEXT ACCORDINGLY. PLEASE ADVISE.

15-124-52

25 SEP 13

SECRET

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CL BY: 057556
OUTGOING MESSAGE

SECRET

STAFF

CONFIDENTIAL

INFO: HKN

DIRECTOR

TO: PRIORITY DONN INFO

RYZAT CAGER FUMEN

REF: DONN 2B475 [IN 037542]

1. IN GENERAL TERMS BUSINESSES LEGALLY NATIONALIZED SUCH AS COPPER COMPANIES, BANKS AND ITT HAVE BECOME GOVERNMENT PROPERTY AND WILL NOT BE RETURNED, WHILE BUSINESSES WHICH WERE INTERVENED INCLUDING MOST DOMESTIC MANUFACTURING FIRMS, MAY BE RETURNED TO THEIR FORMER OWNERS. THE SAME GENERAL CRITERIA APPLY TO PROPERTY: LARGE FARMS LEGALLY EXPROPRIATED WILL NOT BE RETURNED TO THEIR FORMER OWNERS, WHILE FARMS ILLEGALLY OCCUPIED PROBABLY WILL BE RETURNED. IT SHOULD BE NOTED, HOWEVER, THAT TO OUR KNOWLEDGE NO LIST EXISTS WHICH SPECIFICALLY IDENTIFIES WHICH BUSINESSES OR PROPERTIES FALL INTO WHICH CATEGORY. WE HAVE NO FURTHER DETAILS ON THIS SUBJECT.

2. FILE: 15-124-52: E2, IMPORT-

DATE: 24 SEPTEMBER 1973

ORIG: UH7675A

UNIT: 66071957

EAL: ""

SECRET

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SECRET

CL BY: 057556
SECRET

TOR: 2414502 SEP 73

TO: PRIORITY DIRECTOR INFO

RYBAT CAGER Fuomen

REF: A. DIRECTOR 45S535
B. DIRECTOR 456615
C. BONN 25432 035549

1. PARA 3B REF B STATES PROPERTIES IN "SOCIAL AREA" WHICH
   HAVE BECOME QUOTE LEGAL UNQUOTE PROPERTY OF GOVT WILL NOT BE
   RETURNED OWNERS. REF C REQUESTED IDENTIFICATION OF SPECIFIC
   PROPERTIES INVOLVED. NOT CLEAR FROM REF B WHETHER EXPROPRIATED
   AND REQUISITIONED PROPERTIES CONSIDERED QUOTE LEGAL UNQUOTE
   PROPERTIES OF GOVT SUBJECT TO PROVISIONS PARA 3B REF B. IN
   OTHER WORDS. WHAT IF ANY FIRMS IN SOCIAL AREA HAVE NOT BECOME
   LEGAL PROPERTY OF GOVERNMENT AND WHAT FIRMS HAVE BEEN TAKEN
   OVER OR INTERVENED WITHOUT BECOMING LEGAL PROPERTY OF GOVERN-
   MENT.

2. PLS CLARIFY AND IF POSSIBLE PROVIDE SPECIFIC EXAMPLES
   OF FIRMS INVOLVED.

SECRET

RECORDED COPY

15-124-52

24 Sep 73
SECRET

T 591709
PAGE 32-02
IN 337592

TOP: 2414582 SEP 73
BCH: 24475

3. FILE: 15-124-52. E2 IMPDET
OUTGOING MESSAGE  

SECRET  

STAFF  
CONF: 22/11/8  INFO: 2/5/58/18  DC: 2/5/58/18  EC: 2/5/6/93  

TO: PRIORITY DONN INFO  

Rybat Fuomen Cager  

REFS:  

A. 26432  IN 035549  [1]  

B. DIRECTOR 45665 [**]  

1. "Social area" is term of state-controlled sector of economy. State control over wide variety of economic activities was significantly expanded during Allende regime. Through purchases, expropriations, requisitions, and interventions of private sector enterprises, the GOC by mid-1973 had control over 33% production of goods and services accounting for almost half of Chile's GDP, compared to an estimated 20% at end of the Frei administration in 1970.  

2. Since taking office, Allende Govt had taken over at least 400 firms. The executive had submitted to Congress on various occasions bills that would authorize increases in scope and range of Govt-controlled sector, but there had been no agreement on what sector's limits should be. Allende Govt, therefore, had continued...
OUTGOING MESSAGE

CLASSIFICATION:  SECRET

DIRECTOR

CONF: INFO: FILE

DATE TIME GROUP

MESSAGE REFERENCE NUMBER: 458535

DISSEM BY:

MODE

NO RECORD

RETURN TO

PER

TO REQUISITION AND INTERVENE PRIVATE SECTOR ENTERPRISES AS IT CONSIDERED JUSTIFIED.

3. FILE: 15-1284-52. E 2, IMPDET-A

*INTEND USE (REF B) E — FUOMEN. PLS IDENTIFY "SOCIAL AREA" PROPERTIES.

**FUOMEN ON ECONOMIC PLANS OF CHILEAN MILITARY JUNTA.
OUTGOING MESSAGE

SECRET 22174Z DIRECTOR 458522 DISSEM RT:

STAFF INFO: FILE C/J/1NCZ, C/J/1NCZ, C/J/1NCZ, C/J/1NCZ

TO: PRIORITY DONN

RYEAT FUOMEN

1. FOLLOWING INFO CLEARED FOR ORAL FUOMEN BRIEFINGS.

STIPULATION NO FURTHER EXPLOITATION. SOURCE:

2. SUBJECT: REMARKS BY CUBAN INTELLIGENCE OFFICER IN MEXICO AFTER THE 11 SEPTEMBER COUP D'ETAT IN CHILE.

3. SHORTLY AFTER THE COUP D'ETAT IN CHILE, A CUBAN EMBASSY OFFICER WHO IS ALSO A MEMBER OF THE CUBAN DIRECTORATE OF INTELLIGENCE (DGI) IN MEXICO SAID THAT THE CUBAN GOVT WAS IMPRESSED WITH THE GOOD ORGANIZATION OF CHILEAN MILITARY'S SUCCESSFUL OVERTHROW OF THE ALLENDE REGIME ON 11 SEPTEMBER.

4. HE SAID THE CUBAN GOVT AND CUBAN EMBASSY IN SANTIAGO WERE NOT SURPRISED, HOWEVER, THAT AN ATTEMPT AGAINST THE ALLENDE GOVT WAS MADE BECAUSE THEY HAD LONG PERCEIVED THAT ALLENDE, WHILE A GOOD MARXIST, LACKED SUFFICIENT AGGRESSIVENESS TOWARD HIS ENEMIES.

5. HE SAID THE CUBAN EMBASSY IN SANTIAGO HAD PLANS PREPARED

RECORD COPY

SECRET
SECRET

IN CASE OF ALLENDE OVERTHROW. LONG BEFORE 11 SEPTEMBER CUBAN EMBASSY BEGAN DISTRIBUTING LATEST MODEL AUTOMATIC WEAPONS, EXPLOSIVES, AND EVEN ANTI-TANK AND ANTI-AIRCRAFT WEAPONS AND AMMUNITION TO CHILEAN WORKER CADRES WITH WhOM CUBAN EMBASSY OFFICIALS HAD BEEN WORKING FOR LONG TIME. MUNITIONS ALSO HAD BEEN DISTRIBUTED TO CUBAN CADRES IN CHILE WHO HAD BEEN ACTIVE AMONG WORKERS. IT IS THEY WHO MUST BEAR MAIN RESPONSIBILITY FOR PREPARING THE INEVITABLE COUNTER-COUP AGAINST MILITARY JUNTA. THIS IS EXPECTED TO TAKE TIME AND TRAINING, BUT MEANS ARE AVAILABLE AND CUBAN WEAPONRY IS FAR SUPERIOR TO THAT OF CHILEAN ARMED FORCES.

FILE: 15-124-528. E 2. IMPDET-H

SECRET
RYBAT FUOMEN

1. FOLLOWING INFO CLEARED FOR ORAL FUOMEN BRIEFINGS, STIPULATION NO FURTHER EXPLOITATION. SOURCE: CHILEAN CITIZEN RESIDING

2. SUBJECT: MEETING IN LIMA OF LATIN AMERICAN SUBVERSIVE ORGANIZATIONS TO MAKE PLANS TO SEND MILITANTS TO CHILE.

3. ON OR ABOUT 22 SEPTEMBER A MEETING IS TO BE HELD IN LIMA OF CENTRAL AND SOUTH AMERICAN SUBVERSIVE ORGANIZATIONS FOR THE PURPOSE OF MAKING PLANS TO SEND MILITANTS TO CHILE TO ORGANIZE GUERRILLA GROUPS AND TO HELP CHILEAN COMMUNISTS.

4. THE PRO-SOVIET COMMunist PARTY OF PERU IS DISCUSSING THE POSSIBILITY OF SENDING GROUPS TO CHILE TO FIGHT, ALONGSIDE ANY CHILEANS WHO ARE STILL OFFERING RESISTANCE TO THE NEW MILITARY JUNTA. THE PARTY INTENDS TO SERVE AS A RECEPTION POINT FOR GUERRILLA FIGHTERS FROM OTHER COUNTRIES WHO WOULD ENTER CHILE FROM PERU TO JOIN RESISTANCE FORCES IN CHILE.

DATE:  
ORIG:  
UNIT:  
EXT:

RECORD COPY

15-12-52  
21-SEP-73

SECRET

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E 2  IMPDET
CL BY: 05755b
SECRET 2119112 SEP 73 STAFF

CITE 25771

TO: PRIORITY DIRECTOR,

RYBAT FUOMEN

REF A. DIRECTOR 457922

3. 2575 035 309

1. CONCUR REF A.

2. FILE: 15-124-52, E2 IMPDET

SECRET

RECORD COPY

15-124-52

21 Sep 73
SECRET

TO: PRIORITY DIRECTOR,

FROM: STAFF

CITE 25263

RE: 15-124-52.

1. CONCUR. NO CAVEATS.

2. FILE: 15-124-52. E2 IMPDET

RECEIVED COPY

15-124-52

2: Sep 73
OUTGOING MESSAGE

SECRET
STAFF
CONF:  INFO:  FILE

TO:  PRIORITY

RYBAT FUOMEN
REF:  25754 [IN 035309]

1. PROPOSE USE REF FOR FUOMEN, WILL ALTER TEXT TO SHOW AS PLACE ACQUIRED, OMITTING REFERENCE TO TRAVEL OF PARTICIPATION AT MEETING. WILL SOURCE TO CHILEAN EXILE IN LIMA, SAME SUBJECT, PLEASE ADVISE CONCURRENCE AND ANY CAVEATS.

2. FILE: 15-124-52, E2, IMPDET-A

MEETING IN LIMA OF LATAM SOCIALIST ORGS TO MAKE PLANS SEND MILITANTS TO CHILE TO ORGANIZE GUERRILLA GROUPS AND HELP CHILEAN COMMUNISTS.

DATE: 21 SEPTEMBER 1973
ORIG:  ADC/UH/6
UNIT:  1556/9155
EXT:  C/UH/DE

RECORD COPY

C/UH/DE
AUTHORIZING OFFICER
SECRET

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E 2  IMPDET
CL BY: 05755b
FROM: [Name]
TO: DGI
SUBJECT: [Subject]

1. Propose use REF for Fuomen, will omit name of
   same subject, please advise concurrence.


MEMORANDUM

SECRET

RE: Propose use of Fuomen as a reference for the subject.

Propose use of Fuomen as a reference for the subject. Will omit the name of the same subject; please advise concurrence.

FILE: 15-24-52.

SECRET

RE: Propose use of Fuomen as a reference for the subject.

Propose use of Fuomen as a reference for the subject. Will omit the name of the same subject; please advise concurrence.

FILE: 15-24-52.

SECRET

RE: Propose use of Fuomen as a reference for the subject.

Propose use of Fuomen as a reference for the subject. Will omit the name of the same subject; please advise concurrence.

FILE: 15-24-52.

SECRET

RE: Propose use of Fuomen as a reference for the subject.

Propose use of Fuomen as a reference for the subject. Will omit the name of the same subject; please advise concurrence.

FILE: 15-24-52.

SECRET

RE: Propose use of Fuomen as a reference for the subject.

Propose use of Fuomen as a reference for the subject. Will omit the name of the same subject; please advise concurrence.

FILE: 15-24-52.

SECRET

RE: Propose use of Fuomen as a reference for the subject.

Propose use of Fuomen as a reference for the subject. Will omit the name of the same subject; please advise concurrence.

FILE: 15-24-52.
SECRET

TO: PRIORITY DIRECTOR INFO

REF: DIRECTOR 456615

1. INTEND USE FUQEN INFO REF. TO INCREASE USEFULNESS. PLS IDENTIFY "SOCIAL AREA" PROPERTIES REFERRED TO PARA 3B REF.

2. FILE 15-124-52. 22-IMPD8T

SECRET

RECORD COPY

15-124-52

21 2x73
OUTGOING MESSAGE

SECRET

STAFF

CONF: C/WH INFO: File

TO: PRIORITY

RYBAT FUHON

1. FOLLOWING INFORMATION CLEARED FOR ORAL FUHON BRIEFINGS.

STIPULATION NO FURTHER EXPLOITATION. SOURCE:

2. SUBJECT: ECONOMIC PLANS OF CHILEAN MILITARY JUNTA

3. ON 15 SEPTEMBER GENERAL SERGIO NUNO, MINISTER VICE PRESIDENT OF CHILEAN DEVELOPMENT CORPORATION (CORFO), OUTLINED MILITARY JUNTA'S ECONOMIC PLANS AS FOLLOWS:

A. ALL OF FIRMS AND COMPANIES WHICH HAVE BEEN EITHER TAKEN OVER OR INTERVENED BUT WHICH ARE NOT LEGALLY OWNED BY GOVERNMENT, WILL BE RETURNED TO THEIR ORIGINAL OWNERS;

B. THOSE PROPERTIES IN "SOCIAL AREA" WHICH HAVE BECOME LEGAL PROPERTY OF GOVT WILL NOT BE RETURNED TO PREVIOUS OWNERS. NUNO SAID HE BELIEVES THAT A GIVEN PERCENTAGE OF OWNERSHIP OF THESE PROPERTIES, PERHAPS AS MUCH AS 40 OR 50%, SHOULD BE MADE AVAILABLE TO THE WORKERS, AND REMAINING PERCENTAGE SHOULD BE SOLD AS SHARES TO THE PUBLIC.

DATE:

ORIG:

UNIT:

EXT:

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SECRET

E2 IMPDET

CL BY: 637556
OUTGOING MESSAGE

CONFIDENTIAL
SECRET

CONF: INFO: FILE

TO THE PUBLIC:

4. ACCORDING TO NUNO, PERSONNEL IN CHARGE OF THESE INDUSTRIES HAVE BEEN INSTRUCTED TO BEGIN WORKING AS SOON AS POSSIBLE. THEY ARE TO REQUEST ANY HELP THEY NEED FROM ARMED FORCES, AND IN EVENT OF ANY PROBLEMS, THEY ARE TO CONTACT GENERAL NUNO, WHO WILL ATTEMPT TO HELP THEM.

5. GENERAL NUNO SAID THAT CORFO HAS IN EFFECT ASSUMED THE PRIMARY RESPONSIBILITY FOR COUNTRY'S ECONOMIC DEVELOPMENT. GENERAL NUNO, AND CORFO WILL WORK VERY CLOSELY WITH INDUSTRIAL DEVELOPMENT SOCIETY (SOFOFA), WHICH HAS APPOINTED EUGENIO HEIREMANS AS SOFOFA COORDINATOR WITH CORFO.

6. FILE: 15-124-52. E2. IMPDET-A
SECRET

SECRt 1618562 SEP 73 STAFF

cite santiago 26529

to: priority director.

ryat fuomen

ref: director 456203

1. concur use of santiago 26499 (hcs 9836) for

fuomen, no special caveats.

2. prefer not use santiago 26512 (hcs 9839) because

of source sensitivity. info was given directly and privately

to fuermine-3 by fuable-2.

3. no file. ez impdet.
SECRET 1719502 SEP 73 INTEL
CITE SANTIAGO 26512
TO: DIRECTOR,
INTEL
SUPDATA: SOURCE: FUERMINE-3 FROM IDEN. NO INDEX. FILE:
13-9-4, CL BY 009560.
FILED: 1719502
Intelligence Information Cable

SECRET

COUNTRY: CHILE

DOI: 15 SEPTEMBER 1973

SUBJECT: PLANS OF EDUARDO FREI, FORMER PRESIDENT OF CHILE AND LEADER OF THE CHRISTIAN DEMOCRATIC PARTY TO LEAVE CHILE

ACQ: CHILE, SANTIAGO (16 SEPTEMBER 1973) FIELD NO. HCS-9839

SOURCE:

1. ON 15 SEPTEMBER 1973 FORMER PRESIDENT EDUARDO FREI, A LEADER OF THE CHRISTIAN DEMOCRATIC PARTY (PDC), TOLD OTHER PDC LEADERS THAT HE CONSIDERED IT WISEST FOR HIM TO LEAVE CHILE IN THE NEAR FUTURE AND FOR HIM TO REMAIN ABROAD UNTIL THE DIRECTIONS OF THE NEW GOVERNMENT BECOME CLEARER AND THE SECURITY

SECRET
SITUATION BECOMES MORE STABILIZED.

2. [SOURCE COMMENT] MOST OF THE PDC LEADERS ARE CONCERNED ABOUT THEIR PERSONAL SAFETY SINCE THEY BELIEVE THAT THEY ARE TARGETS FOR ASSASSINATION BY LEFTIST EXTREMISTS AND THAT THEY MAY BECOME THE POLITICAL TARGETS OF THE MILITARY GOVERNMENT.

THEY ARE CONCERNED PARTICULARLY ABOUT THE GOVERNMENT'S OFFERING OF IMPORTANT POSITIONS TO RIGHTISTS SUCH AS ORLANDO SÁENZ, THE PRESIDENT OF THE INDUSTRIAL DEVELOPMENT SOCIETY (SOFOFA), WHO HAS BEEN NAMED AS ECONOMIC ADVISOR TO THE MINISTRY OF FOREIGN RELATIONS; AND LEON VILARIN, HEAD OF THE TRUCK OWNERS FEDERATION, WHO WAS OFFERED THE POST OF MINISTER OF PUBLIC WORKS, WHICH HE REFUSED. WHILE SÁENZ HAS A NUMBER OF FRIENDLY CONTACTS WITH PDC MEMBERS, HE IS REGARDED BY THE PDC LEADERS AS BASICALLY OPPOSED TO THE PDC AND INTERESTED IN ITS ELIMINATION AS A Viable POLITICAL ENTITY.

3. FREI SAID THAT WHILE HE IS CONSIDERING LEAVING THE COUNTRY OF HIS OWN WILL, HE WOULD PREFER TO BE REQUESTED TO LEAVE BY THE MILITARY GOVERNMENT, IN ORDER TO PROTECT HIS POLITICAL FUTURE. HE DOES NOT WANT TO BE IDENTIFIED WITH THE MILITARY GOVERNMENT, AND HE WOULD PREFER THAT HIS DEPARTURE DOES NOT APPEAR TO BE
IN FEAR FOR HIS PERSONAL SAFETY,

4. FIELD DIPLOMATIC EMBASSY, DEFATT AT SANTIAGO,

REPORT CLASS SECRET/WARNING NOTICE-SENSITIVE INTELLIGENCE SOURCES AND METHODS INVOLVED/NO FOREIGN DISSEMINATION

CLASSIFIED BY RECORDED REPORTING OFFICER. EXEMPT FROM

GENERAL DECLASSIFICATION SCHEDULE OF E.9, 11652, EXEMPTION CATEGORY 58 (2). IMPOSSIBLE TO DETERMINE DATE OF AUTOMATIC DECLASSIFICATION
SECRET 1718432 SEP 73 STAFF

CITE SANTIAGO 26500

TO: PRIORITY INFO DIRECTOR

FUORACLE FUKOEN

REFS: A. [25196 (INO 03/1341)]
B. SANTIAGO 26464 (INO 03/0951)

1. CONCUR PARA ONE REF A REQUEST.
2. FILE: 15-124-53/3. E2 IMPOET.

[Signature]

SECRET
SECRET 1715412 SEP 73 STAFF

CITE 25196

TO: PRIORITY SANTIAGO INFO DIRECTOR.

FUORACLE

REF. SANTIAGO 26464 (030451)

1. BELIEVE GIST OF REF WOULD BE MOST USEFUL IF PASSED TO PRESIDENT AS IF IT WERE A FUlCHEN ITEM. REQUEST SANTIAGO CONCURRENCE.

2. FOR DIRECTOR: OFFICIAL POLICY IS COMPLETE SYMPATHY FOR ALLENDE. PRESIDENT MET MRS. ALLENDE AT AIRPORT 16 SEPT AND HAD ALREADY DECREEV THREE DAYS OF OFFICIAL MOURNING FOR DEATH OF PRESIDENT ALLENDE 17-19 SEPT. UNLESS WE CAN GET INFORMATION ON TRUE FACTS IN CHILE TO PRESIDENT DIRECTLY, THE LITTLE MEDIA PLAY WHICH PRESENTLY CAPABLE OF MUSTERING WILL BE LOST IN AVALANCHE OF SPONTANEOUS, PLANTED AND GOVT APPROVED PRO-ALLENDE MATERIAL APPEARING LOCALLY, THE CONSENSUS OF MANY IS THAT THE U.S. AND CIA IN PARTICULAR MASTERMINDED THE COUP.

3. FILE: 19-124-53/3, E2 IMPEL.
SECRET 19592 SEP 73 S-AF7

TO: DIRECTOR

KODER, S. F.-U.S.

FROM: DIRECTOR, KODER, S. F.-U.S.

RE: MESSAGE 45997

1. GIST OF INFORMATION CONTAINED IN REF WAS PASSED 15 SEP TO KODER, S. F.-U.S., TEL. GRAYDEN, 71-2071. KODER, S. F.-U.S., IS RECEIVING GREAT APPRECIATION OF THIS REPORT. KODER, S. F.-U.S., IS RECEIVING INFORMATION FROM HIS EMBASSY IN SANTIAGO AT THIS TIME AND HAS TO DEPEND ON NEWS RELEASES FROM CHILE AND ARGENTINA WHICH HE CONSIDERS TO BE OF DUBIOUS ACCURACY.


SECRET

SECRET

SECRET

SECRET
SECRET 1322332 SEP 73 STAFF

CITE SANTIAGO 26421

TO: IMMEDIATE DIRECTOR PRIORITY

Bonn.

1. EL MERCURIO, A MAJOR CONSERVATIVE SANTIAGO DAILY, APPEARED TODAY (13 SEPTEMBER) CARRYING FOR MOST PART OFFICIAL DECLARATIONS BY THE CHILEAN JUNTA. THE FOLLOWING EDITORIAL AND ARTICLES, HOWEVER, APPEAR WORTH REPRINTING:

A. HACIA LA RECUPERACION NACIONAL

CON DISTINTOS LENGUAJES Y CRITERIOS, LAS PERSONALIDADES POLITICAS, LOS DIRIGENTES GREMIALES Y LAS INSTITUCIONES MAS INFLUYENTES RECLAMABAN UN CAMBIO PROFUNDO EN LA DIRECCION DEL PAIS. TANTO LA OPINION PUBLIC NACIONAL COMO LA EXTRANJERA HABIAN LLEGADO A LA EVIDENCIA DE QUE CHILE ENTRABA EN UN PROCESO FATAL QUE DEBIA LLEVARLO A LA DICTADURA MARXISTA O A LA GUERRA CIVIL. LA INTERVENCION DE LAS FUERZAS ARMADAS, VINO EN ESTE CASO A LIBERAR A LA CIUDADANIA DE LA INMINENTE DICTADURA MARXISTA.
Y A SALVAR A CHILE DEL ANIQUILAMIENTO POLÍTICO, SOCIAL, Y ECONÓMICO.

SE ABREN AHORA PERSPECTIVAS DE RECUPERACIÓN MEDIANTE UN

INSENSO Y DISCIPLINADO ESFUERZO QUE REESTABLEZCA EL HÁBITO DEL

TRABAJO, NORMALICE LAS FAENAS, DETENGA LA DESTRUCCIÓN DEL PATRIMONIO

NACIONAL Y REINICIE EL PROCESO DE CAPITALIZACIÓN INDISPENSABLE

AL FUTURO BIENESTAR.

CON INNEGABLE SACRIFICIO Y ABNEGACIÓN, LAS FUERZAS

ARMADAS HAN CUMPLIDO SU PAPEL DE SALVAGUARDIA ÚLTIMA DE LA

INSTITUCIONALIDAD, PERO LA DURA TAREA QUE IMPONE RESTANAR LAS

HERIDAS Y REANUDAR LA MARCHA DE LA NACIÓN EXIGE EL APOYO RESUELTO

DE AQUELLA MAYORÍA CUIDADANA QUE, EN TODOS LOS TONOS, HA PEDIDO

UNA HONDA RECTIFICACIÓN.

EL GUEBRANTAMIENTO CONSTITUCIONAL PROVOCADO POR EL MARXISMO

NO PUDO SOLDARSE CON LAS SOLAS INICIATIVAS DE LOS PARTÍDOS

POLÍTICOS. LAS FUERZAS ARMADAS Y CARABINEROS NO DESEABAN NI

HAD DESEADO NUNCA "TOMAR SOBRE SI LA RESPONSABILIDAD DE CONDUCIR

LOS DESTINOS DE LA NACIÓN, PERO EL DRAMÁTICO FRACASO DE LA UNIDAD

POPULAR Y LAS LIMITACIONES DEL CUADRO POLÍTICO OPOSITOR PARA

CONSEGUIR EL INDISPENSABLE CAMBIO DE RUMBO FORZARON LA SITUACIÓN

HASTA EL PUNTO EN QUE SE ENCUENTRA.
CHILE TIENE UN GOBIERNO MILITAR, FORMADO POR LOS SEÑORES
COMANDANTES EN JEFE DE LAS TRES RAMAS DE LA DEFENSA NACIONAL
Y EL SEÑOR GENERAL DIRECTOR DE CARABINEROS. LA JUNTA MILITAR
HA ASUMIDO EL MANDO SUPREMO, RESPECTANDO EXPRESAMENTE LAS ATRI-
BUCCIONES DEL PODER JUDICIAL, CONTANDO CON LA ASESORÍA DE LA
CONTRALORÍA GENERAL DE LA REPÚBLICA Y DISPONIENDO EL RECESO DEL
PARLAMENTO. DE ESTE MODO LA JUNTA CREE ENCONTRAR EL CAMINO
ADECUADO PARA INSTAURAR LA INSTITUCIONALIDAD QUE SE REQUIERE.
LAS RESERVAS QUE ESTA POSICIÓN DE LA JUNTA PUEDAN INSPIRAR
A CIERTOS SECTORES POLÍTICOS NO PUEDEN SER TAN ABSOLUTAS QUE
LLEGUEN HASTA NEGAR EL CONCURSO DE TODOS LOS CHILENOS AL ESFUERZO
DE RECONSTRUCCIÓN DE SU PATRIA. POR EL CONTRARIO, A TRAVÉS
DE LA JUNTA, ES CHILE MISMO EL QUE JUEGA LA CARTA DEFINITIVA
PARA TRIUNFAR DEL ODIO, DE LA DESUNIÓN, DEL DESALIENTO Y DE LA
DECADENCIA. LA LABOR IMPONE LA ACCIÓN DE TODAS LAS CAPACIDADES
Y LA COLABORACIÓN DE TODO LA CUIDADANÍA, ESPECIALMENTE DE
AQUELLOS CHILENOS QUE POR SU INDIFFERENTISMO, SU INDECISIÓN,
SU EGOISMO O SU PEREZA HAN GENERADO LAS CONDICIONES QUE PER-
MITE RON EL DESARROLLO DE LA IDEOLOGÍA MARXISTA Y SU LLEGADA
AL PODER EN 1970 GRACIAS A LA DIVISION DE LAS FUERZAS DEMOCRÁTICAS.
SEC RET
EL PAÍS HA VIVIDO VIRTUALMENTE AL MARGEN DE LA CONSTITUCIÓN
Y ABSORBIDIO GRANDES DOSIS DE IDEOLOGÍA EXTRANJERA ACOMPAÑADA
TAMBién DE GUERRILLEROS EXTRANJEROS. A NADIE Puede
SURPRENDER QUE EL REMEDIO A TAN DESPERDICIO SITUACIÓN SEA DE
CARÁCTER EXTRAORDINARIO Y SE LE ADMINISTRE PROPORCIONADAMENTE
A LA VIOLENCIA QUE OPONGA EL MAL ANTE DE SER DOMINADO.
EN MEDIO DE LAS DIFICULTADES, LO ÚNICO QUE RECLAMA EL PATRÍOTIS-
MO ES TRABAJO, ESPIRITU DE SOLIDARIDAD Y COLABORACIÓN PARA EL
ESTABLECIMIENTO DEL ORDEN INSTITUCIONAL.

8. EXPRESÓ PRESIDENTE DE CORTE SUPREMA -- COMPLACENCIA
DEL PODER JUDICIAL.

EL PRESIDENTE DE LA CORTE SUPREMA, ENRIQUE URRUTIA MANZANO,
ENTRO LA SIGUIENTE DECLARACIÓN:

"EL PRESIDENTE DE LA CORTE SUPREMA, EN CONOCIMIENTO DEL
PROPOSITO DEL NUEVO GOBIERNO DE RESPETAR Y HACER CUMPLIR LAS
DECISIONES DEL PODER JUDICIAL SIN EXAMEN PROVIO DE SU LEGALIDAD,
COMO LO ORDENA EL ARTÍCULO 11 DEL CÓDIGO ORGÁNICO DE TRIBUNALES,
MANIFIESTA PUBLICAMENTE POR ELLO SU MÁS INTIMA COMPLACENCIA
EN NOMBRE DE LA ADMINISTRACIÓN DE JUSTICIA DE CHILE, Y ESPERÁ
QUE EL PODER JUDICIAL COMPLA CON SU DEBER, COMO LO HA HECHO LASA
SECRET
AHORA, SANTIAGO, 12 DE SEPTIEMBRE DE 1973, FIRMADO ENRIQUE UPRUTIA MANZANO, PRESIDENTE DE LA CORTE SUPREMA.

C. ACTIVIDADES DE FF.AA. Y CARABINEROS --

152 CUBANOS EXTREMISTAS EXPULSADOS AYER DEL PAÍS

ALLANADA-UNIVERSIDAD TÉCNICA DEL ESTADO, TENDICIÓN DE 600 PERSONAS.

REDUCCION DE EXTREMISTAS,

INCAUTACION DE ARMAS EN INDUSTRIAS E INSTITUCIONES BANCARIAS,

CONTROL DE LA MONEDA, TOMAS MORO Y "CANAVERAL" EN EL ARRAYAN.

CIENTO CINCUENTA CUBANOS EXTREMISTAS FUERON EXPULSADOS

AYER DEL PAÍS POR LA JUNTA MILITAR DE GOBIERNO, SEGÚN EL BANDO NO. 26 QUE DETALLA LAS ACTIVIDADES PRINCIPALES DESARROLLADAS POR LAS FUERZAS ARMADAS Y CARABINEROS EN LAS ÚLTIMAS HORAS EN LA GUARNICIÓN DE SANTIAGO.

LA COMUNICACIÓN SEÑALA QUE FUE ALLANADA LA UNIVERSIDAD TÉCNICA DEL ESTADO, DONDE SE RINDIERON 600 PERSONAS, Y SE ENCONTRO GRAN CANTIDAD DE ARMAMENTO, ASÍ COMO INDUSTRIAS, ENTIDADES BANCARIAS Y OTROS RECINTOS EN LOS CUALES LOS EFECTIVOS MILITARES SE INCAUTARON DE ARMAS Y EXPLOSIVOS...

2. FILE: 15-124-52. E2 IMPDET

SECRET