



Directorate of
Intelligence

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[Redacted]

Indications of Political Instability in Key Countries

[Redacted]

November 1985

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Chile

- The Pinochet regime is facing growing pressure to speed up the transition to civilian rule. [REDACTED]
- The national accord for a return to democracy, promulgated by the head of the Catholic Church and 11 leading parties in late August, has attracted wide support. [REDACTED]
- Pinochet ordered early retirement for several military leaders who have criticized his policies and his intransigence toward the moderate opposition. [REDACTED]
- A spreading scandal over death squad activities has eroded morale in the police, aggravated bickering among the security services, and provoked public outrage. [REDACTED]

Comment

The Pinochet regime, beset with increasing internal divisions, faces the most serious opposition challenge in years—a challenge that could, over the next year or so, seriously erode the President's power. The moderate opposition's flexible proposals—seen even by some within the military as reasonable—have developed a momentum that we judge will be extremely difficult to stop if he remains intransigent. [REDACTED]

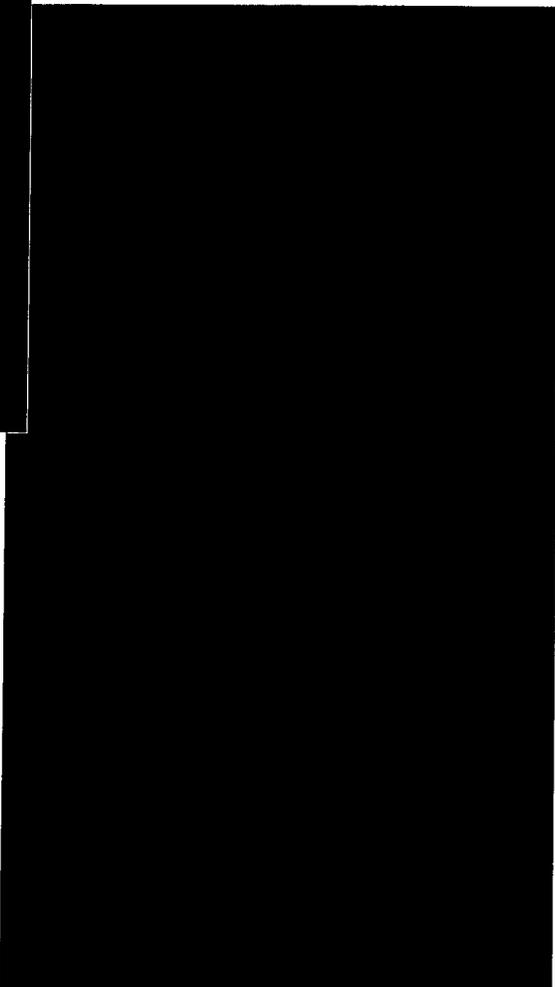
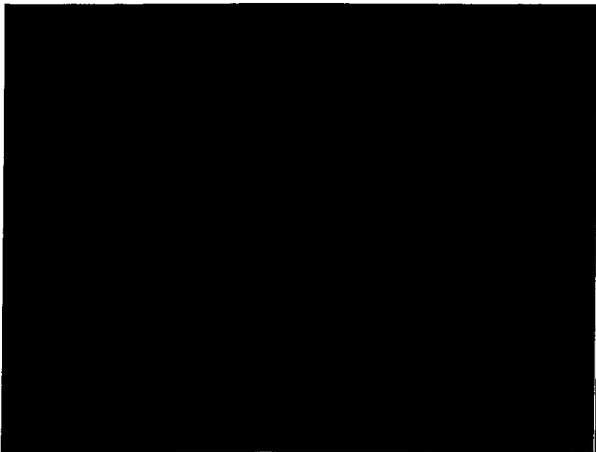
The still-fragile unity of the national accord sponsors—threatened by regime efforts to divide and discredit them—will probably be shored up by the endorsement it is winning from all sectors. Since late August, a broad spectrum of parties, numerous professional associations and interest groups, most of the media, and a growing list of key public figures—including many former regime officials—have spoken for the accord. A recently launched petition-signing campaign directed at the general public is contributing to the perception that Pinochet is becoming isolated as support for him dwindles. While promoters of the accord say that most of their points are negotiable, they insist on concrete liberalization measures soon, such as allowing parties to function and reinstat-



ing civil liberties. Cardinal Fresno, head of the Catholic Church, has told [REDACTED] he will press the government to accept him as a mediator. (S NH)

Pinochet would be under only minor threat from this activity, except that his major constituency, the military, is being swayed by it. [REDACTED] growing sentiment in the armed forces to return to the barracks. This mood was underscored in early October when the air force member of the junta publicly

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Chile. Cardinal Fresno and President Pinochet take each other's measure. [redacted]

welcomed the accord. [redacted]



The spreading death squad scandal provides yet another divisive undercurrent. [redacted]

How these forces finally play out will depend on Pinochet himself. To date, he has shown no flexibility toward the moderate opposition's proposal for a negotiated transition. In typical fashion, he has responded to critics within the military by forcing resignations and demanding unswerving loyalty. At the same time, however, he is exhibiting concern that he may lose the initiative. He gives frequent press interviews to defend his policies and has ordered a survey of military attitudes toward the accord. These moves and his history of moderating when urged to do so by senior officers lead us to believe Pinochet will eventually agree to negotiating a speeded up transition. Should he continue to stonewall--insisting on no political change until 1989--we believe senior officers will try to bypass him and deal directly with the opposition in discussions brokered by the Cardinal. [redacted]

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