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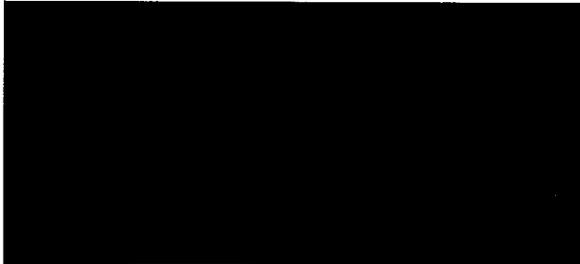
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# Chile: Consolidating Civilian Rule Over the Military



*An Intelligence Assessment*



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July 2000

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### Chile: Consolidating Civilian Rule Over the Military

#### Key Judgments

*Information available  
as of 5 April 1991  
was used in this report.*

Chilean President Patricio Aylwin, at the head of a multiparty coalition that has presided over the transition to democracy after more than 16 years of military rule, has made a good start in asserting civilian control over the armed forces, winning strong backing from three of the four service chiefs and holding in check the obstructionist General Pinochet. Opting to avoid a showdown with Pinochet that could rally the general's supporters, Aylwin is using the government's investigations of charges tying Pinochet to financial scandals to undercut the general's backing from the military and the political right. Key to the success of this strategy is the support that many senior officers—while still suspicious of civilian politicians—have shown for the restoration of democracy in Chile. Aylwin, moreover, has gained stature with the armed forces at Pinochet's expense through his adroit handling of many contentious issues, including high-level promotions, as well as from the general's political missteps.

Pinochet, who is constitutionally protected as Army Commander until 1998, apparently has abandoned for now the overtures he made late last year to the government suggesting his voluntary retirement in exchange for protection from possible prosecution. Nevertheless, we judge that Pinochet's support has been steadily eroding since Aylwin took office, and that there is a better-than-even chance that he will retire during the coming year, possibly under pressure from senior Army officers and rightist politicians.

The Aylwin administration also has taken important steps—within the legal framework the government inherited—to constrict the military's broad national security mandate and to test the limits of some of the military's prerogatives, including its domestic intelligence role and control over promotions. Accordingly, the President has transferred Army functions related to internal subversion to the police forces and has begun reforming the service academies to deemphasize internal security issues. Despite the web of restrictions left behind by Pinochet to safeguard key military equities from civilian control, the government has been able to assert some executive and legislative authority over the military budget and has passed a legal reform package reducing military jurisdiction over the justice system. The legal reforms will help resolve a festering obstacle to improved US-Chilean relations: the 1976 murders in Washington of former Foreign Minister Letelier and his assistant, allegedly by agents of

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then President Pinochet. Aylwin, however, has delayed any effort to dismantle the elaborate organic law statutes and decrees that protect the military's institutional prerogatives and political authority, judging that Pinochet's political influence must be marginalized first. [REDACTED]

The Aylwin government clearly recognizes that careful handling of the explosive human rights issue in coming months is critical to protecting its gains on the civil-military front. In an effort to defuse demands from the far left, victims' relatives, and some members of his own coalition for trials of persons accused of human rights violations during the Pinochet regime, Aylwin created a special investigatory body, the so-called Rettig Commission, tasked with identifying abuses and determining compensation for victims. The commission's report, published in March, detailed atrocities committed by members of all the armed services and has led to renewed calls for trials of military personnel. Aylwin will have to call on his considerable skills as a conciliator to manage these pressures without increasing the armed forces' fears of a witchhunt or forfeiting support from key parties in the coalition for his handling of the military. [REDACTED]

Although we expect Aylwin to make substantial progress toward subordinating the military to civilian rule over the remainder of his four-year term, we cannot rule out developments that could derail or delay his efforts. A significant escalation of terrorism, although unlikely, could encourage increased meddling by Pinochet. In the even less likely event of serious economic deterioration, the military's confidence in the competence of civilian government could be severely shaken, although we doubt that this alone would spur an effort by the Army to reinsert itself in politics. Moreover, even Pinochet would have little hope of returning to power by force unless he dramatically broadened his power base in the Army and won the support of the other services, public support for civilian government significantly deteriorated, and the political landscape became polarized. Finally, recognition of the deleterious impact on foreign relations and the likely public outcry would no doubt leave many officers unwilling to support a coup. [REDACTED]

Long-term prospects for building an apolitical Chilean military will depend on evolving a consensus on the role and mission of the armed forces in a democratic society, a process likely to span several successive civilian administrations and to affect domestic policy and relations with the United States in the interim. In our view, the armed forces would be most receptive to a new mandate focused on external defense. Although any such shift in mission would include circumscribing the military's domestic

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security role—a source of lingering public distrust of the armed forces—it also could introduce new dilemmas for both Santiago and Washington. Military leaders might well press for costly new arms, which would conflict with Aylwin's commitment to maintain a strong economy while expanding social programs. While increased contacts with the US military and those of other democratic nations—limited by many Western governments during Pinochet's rule—may have a positive influence on the Chilean armed forces, such contacts also may stimulate requests for sophisticated equipment that could upset the regional arms balance.

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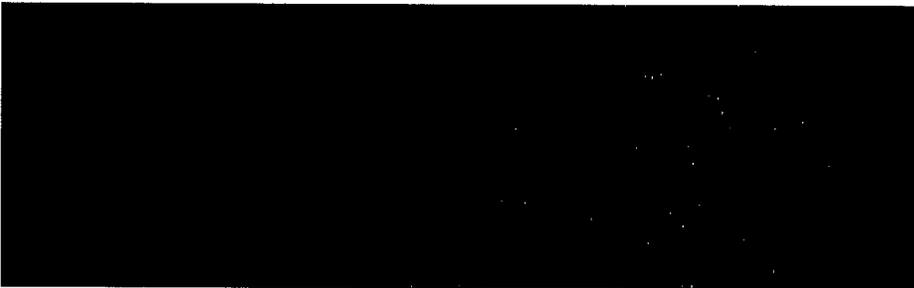
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**Scope Note**

This paper assesses President Patricio Aylwin's success to date in asserting civilian control over the military and restructuring the armed forces along lines compatible with democratic government, as well as the prospects for further progress over the balance of Aylwin's four-year term. In particular, the assessment looks at the impact on civil-military relations of former President Augusto Pinochet's continued role as Army Commander, and at the government's progress toward reducing his influence in politics and then securing his retirement before the end of Aylwin's term. It also examines the Aylwin administration's efforts to reduce the military's broad national security mandate and redefine its mission.



## Chile: Consolidating Civilian Rule Over the Military

### Introduction

Chile's return to democracy in March 1990 marked the end of a 16-year detour from the country's long tradition of elected civilian government and military nonintervention in politics. The period of rule by Army General—later President—Augusto Pinochet began in September 1973, when the armed forces ousted the elected Marxist government of Salvador Allende following a period of political and economic chaos. The military regime was quick to stifle nascent domestic opposition to military control, while benefiting from the passive support of the large number of Chileans in the political center and on the right; many citizens considered even military rule preferable to a return to the chaos of the Allende years.

most Chileans, including many in the military, have welcomed a return to the country's liberal democratic traditions, the long period of military rule has left emotional, ideological, and institutional cleavages between the armed forces and the rest of Chilean society. Some civilians deeply distrust the military and fear that it would be only too willing to reassert itself in politics. For their part, military officers are more anxious than antagonistic toward civilian rule.

many military officers were at least reconciled to, if not supportive of, the return to democracy and found Aylwin, a political moderate, an acceptable presidential candidate. Nevertheless, the armed forces, particularly the Army, are unsure of the new "rules of the game" and wary of any infringement of the autonomy and broad prerogatives they have long enjoyed. Many officers also view their countrymen as insufficiently appreciative of the Pinochet regime's achievements.

These divisions underlie the challenge facing President Aylwin in consolidating civilian authority over the armed forces and restructuring them along lines compatible with democracy during his four-year term. To reintegrate the military into Chilean society, Aylwin will need to win the confidence of the armed



*Figure 1. Pinochet handed over the mantle of the presidency to Aylwin on 11 March 1990, but his term as Army Commander is constitutionally protected to March 1998.*

services, even as he begins to dismantle the numerous legislative and administrative measures imposed by Pinochet to impede civilian control over the military establishment. A pragmatic leader, Aylwin has calculated that the arduous task of redefining the military's mission depends partly on demonstrating that the executive and legislative branches are "worthy" of increased oversight duties. At the same time, Pinochet's continued tenure as Army Chief—constitutionally sanctioned until 1998—leaves Aylwin with the vexing problem of coping with his troublesome predecessor without damaging fragile civil-military relations.

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## Reasserting Civilian Authority and Coping With the Pinochet Factor

### Pressing Presidential Prerogatives

Recognizing the military's unease with civilian rule, Aylwin has picked his initial battles carefully, for the most part postponing challenges to the institutional framework he inherited from Pinochet. Much of his administration's effort so far has been devoted to reasserting civilian control over the military through the offices of the President and Defense Minister. In part, this has entailed curbing attempts by the military to question executive policy initiatives, particularly those clearly outside the realm of legitimate national security concerns. [REDACTED]

Upon taking office, Aylwin quickly demonstrated his intention to subordinate the armed forces commanders to a civilian defense establishment, naming a senior member of his own party, moderate Christian Democrat Patricio Rojas, as Defense Minister and appointing civilian defense subsecretaries for each service branch. He was careful, however, to select political moderates who had not demonstrated hostility toward the armed forces. He also secured agreement from the Commanders of the Air Force and Carabineros (the national police force) to stay on—thereby preventing Pinochet from being the only commander with experience from the previous regime—and gained their public pledges to respect civilian rule and support improved civil-military relations. All of the chiefs except for Army Commander Pinochet have refrained from publicly criticizing executive policy initiatives. [REDACTED]

### Handling Pinochet

Since the outset of the Aylwin administration, Pinochet, not unexpectedly, has frequently demonstrated his distaste for civilian authority and made himself an obstacle to the exercise of civilian prerogatives and the establishment of constructive relations between the government and the Army. Pinochet has tried to continue exerting political influence, flaunting his opposition to the President by provocative comments to the media and absences from important government functions. Pinochet's decision to maintain his

<sup>1</sup> For a detailed overview of Chile's armed forces, see appendix [REDACTED]



Figure 2. Aylwin has attended numerous military ceremonies to foster improved civil-military relations. This photo shows the Flag Allegiance Day Ceremony of the Infantry School in San Bernardo. [REDACTED]

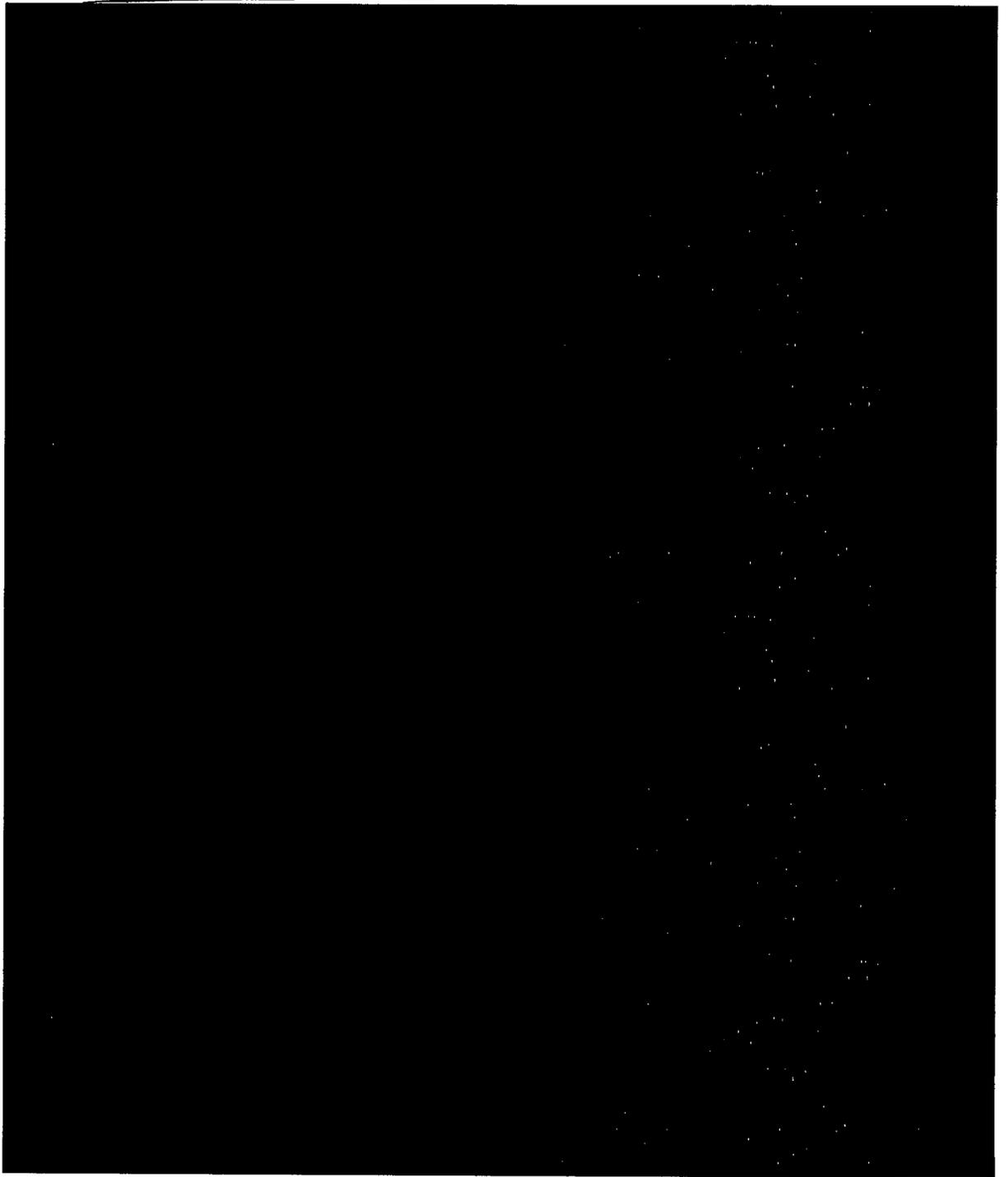
Political Advisory Commission (CAPE)—a group of 75 persons headed by Army Gen. Jorge Ballerino that develops political strategy for him—is a further indication that he has not resigned himself to an apolitical role. [REDACTED]

Aylwin has avoided provoking either public or private confrontations with Pinochet, answering his obstructionist tactics by asserting presidential authority and publicly calling on the general to help in the process of national reconciliation. Pinochet has responded by tempering his criticism of the government, but he still regularly circumvents the chain of command [REDACTED]

[REDACTED] Aylwin's ability to assert his political authority over the Army promotions process last November by vetoing two of Pinochet's candidates amounted to a significant victory in the ongoing battle of wills with the general [REDACTED]

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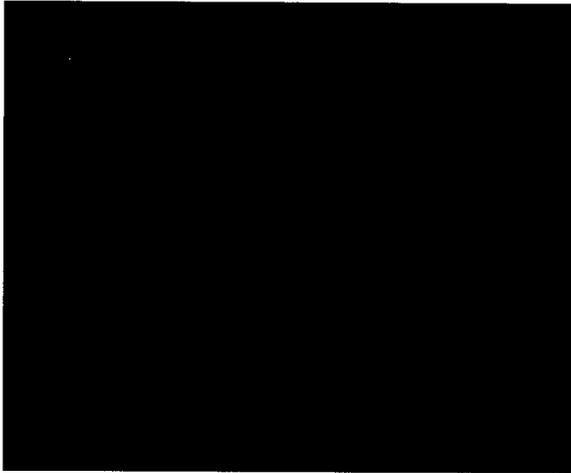


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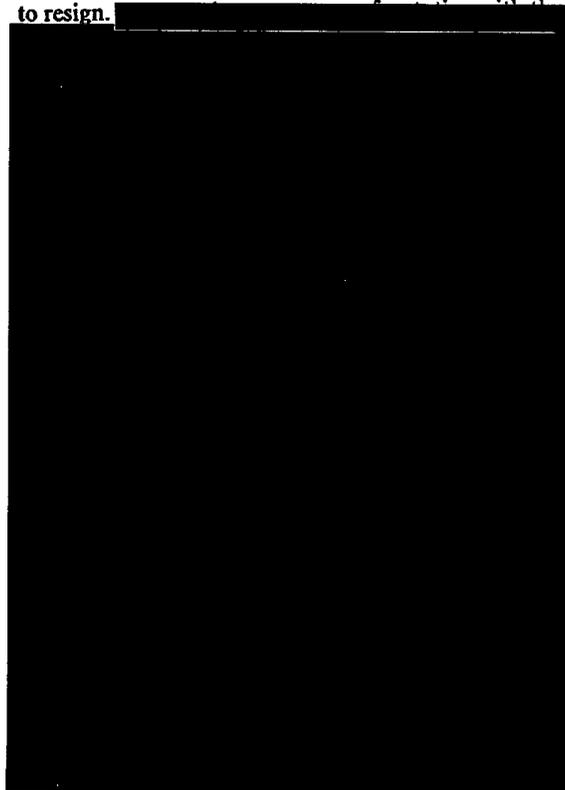
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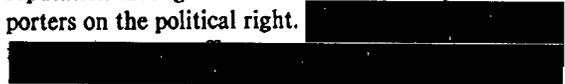
#### Encouraging Pinochet's Exit

Having concluded that Pinochet's political meddling is insufficient basis for engineering his removal, the Aylwin government has sought to further discredit him with the military and his rightist political supporters in the hope that they eventually will press him to resign.



*Figure 3. In a reference to the Pinochet family's involvement in financial scandals, the caption reads "In my family, private life is respected, private property is protected, and public funds are used."*

During the past few months, the scandals appear to have led to the kind of political fallout the government wants, including damage to the Army Commander's reputation throughout the ranks and among his supporters on the political right.



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**The Army Financial Scandals**

*Since September last year, Chile's Congress and judiciary have been investigating a multimillion-dollar investment embezzlement scheme, which reportedly involved many Army officers. The investigation of the so-called Cutusa scandal, which included the apparent murder of at least one investor by former intelligence agents, has led to the indictment of six former officers and the forced retirement of 17 others, including the intelligence chief and three other generals.*

[REDACTED]

*Two other investigations have uncovered financial irregularities by Pinochet's relatives. One concerns a payment of \$3 million to the general's eldest son last year for the Army's acquisition of a bankrupt arms manufacturing company. The government's behind-the-scenes intervention resulted in an anodyne congressional report, which connected Pinochet's son to illegal actions but stopped short of directly implicating the general. A congressional committee also is investigating the sale of more than 93,000 hectares of public land at a much discounted price to a chemical and mining association that was privatized. The sale, which involved Pinochet's son-in-law, was permitted under a law passed by the Pinochet regime shortly before the general relinquished the presidency.*

[REDACTED]

Public allegations of financial misconduct against Pinochet and his family, combined with evidence of his eroding support, reportedly led the general in December 1990 to send out feelers to the government offering to step down in exchange for immunity for himself and his son from potential charges of financial malfeasance. Pinochet quickly scuttled the negotiations, however, and we believe press reports of the discussions caused him to discard any plans for an imminent departure. Pinochet's aborted negotiations with the government have, in our view, reinforced both the Aylwin administration's determination to avoid a showdown with the general and Pinochet's desire to control the timing and conditions of his exit.

[REDACTED]

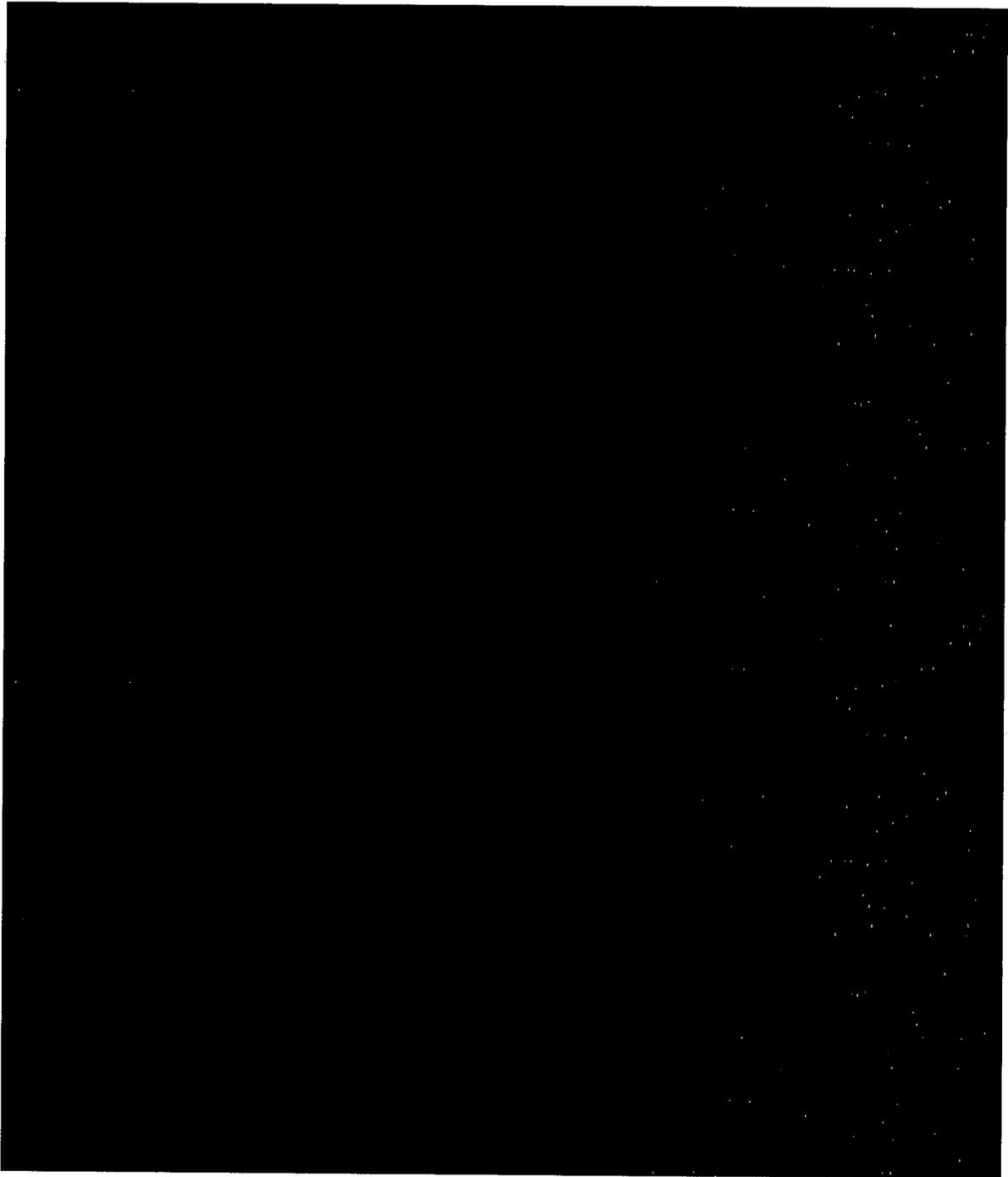
**Managing the Volatile Human Rights Issue**

Although buoyed by its progress in undercutting Pinochet's base of political support, the Aylwin government almost certainly recognizes that careful handling of the human rights issue is critical to protecting its gains and building an enduring relationship with the military. The swiftness and force with which the emotionally charged issue of Pinochet-era human rights abuses seized the national political stage in early 1990 caught the new administration somewhat offguard, in our view, and has complicated Aylwin's strategy for managing civil-military relations. Upon taking office, Aylwin faced a barrage of demands from the far left, victims' relatives, and some members of his own coalition for full investigations and trials of individuals accused of human rights violations.

[REDACTED]

The Army hierarchy is particularly concerned about the possibility of a full investigation of the 1976 murders of Orlando Letelier—Chile's former Foreign Minister under the Allende government—and his assistant, who was a US citizen, which led to indictments in the United States of high-level Chilean military officials of the former regime.

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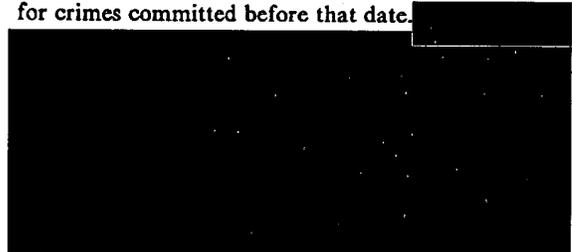
*Figure 4. Demonstrating in front of the presidential palace for redress of human rights violations by the military regime, protesters hold signs with the names of various towns and the words, "It wasn't a war, it was a massacre", a rebuttal of the military's claim that its actions were necessitated by a state of civil war in Chile.* [REDACTED]



Aylwin has carefully followed a middle road, allowing the left and the families of victims to air their grievances while refraining from using the issue to challenge the military's institutional structure and prerogatives. The government decided promptly to make public the discoveries in June 1990 of mass graves of those executed after the 1973 coup, evidently hoping to give vent to public frustrations and defuse the issue early. The President has stated that, although the process of national reconciliation demands inquiries into past abuses, individuals—not institutions—should be held accountable. He also has held out the possibility of granting pardons to individuals, however, recognizing that many in the armed services would see prosecution of senior officers as an attack on their institutions. Finally, Aylwin has refrained from using the human rights issue to try to unseat Pinochet, calculating that the Army would not tolerate an attempt to make the general personally accountable for past violations. [REDACTED]

In an effort to defuse the emotional human rights issue, Aylwin in April 1990 created the Rettig Commission—headed by former Senator Raul Rettig—and gave it a narrow mandate to investigate abuses from the Pinochet era that resulted in deaths or disappearances and to compensate relatives of victims. The move initially sparked a wave of public criticism

of the military, with the far left seizing on it to press for Pinochet's removal and the repeal of the 1978 Amnesty law that protects officers from prosecution for crimes committed before that date. [REDACTED]



The publication in March this year of the commission report detailing armed forces complicity in more than 2,000 deaths is testing Aylwin's conciliatory skills and the commitment of the ruling coalition to his moderate human rights strategy. Some coalition members on the left initially reacted to the commission report with renewed calls for Pinochet's removal, which the Army high command answered with a public statement of unconditional support for the general. Increased public criticism of the armed forces, in turn, put their allies on the defensive. [REDACTED]

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The military's response to the report was generally restrained. The Army and Navy rejected the report as inaccurate and stated that military officers had merely fulfilled their duty of maintaining domestic order.

████████████████████ Air Force Chief Matthei, on the other hand, publicly accepted full responsibility for the transgressions of his institution and pledged his support for the reconciliation process. ██████████

The assassination by leftist terrorists in early April 1991 of a prominent conservative ally of Pinochet in response to the publication of the Rettig report has heightened political debate among centrist and rightist politicians over the potential costs of Aylwin's human rights strategy. The military's far-right allies are trying to recoup their position by criticizing the lethal consequences of the Rettig report and the government's counterterrorism policy. Pinochet publicly stated that the assassination threatens democracy; in our view, he may seize on public concern about terrorism to criticize the government, play up the law-and-order record of his regime, and press for a renewed Army role in internal security, as one prominent senator from Aylwin's party has already publicly proposed. For his part, the President has rejected the Army's and the far-right's dire assessment of the security situation and underscored his determination not to restore to the Army the internal security function it had under Pinochet, while vowing to crack down on extremists. ██████████

In the coming months, the fallout from the Rettig report will likely compel Aylwin to demonstrate how far he is willing to confront the military on human rights related abuses. In an address to the nation summarizing the report, Aylwin called on the judiciary to speed up processing of human rights cases and stated that the 1978 amnesty law must not prevent investigations to establish responsibility for crimes.<sup>3</sup>

<sup>3</sup> The Supreme Court and political right have charged that Aylwin's statement represents interference in the judiciary. In September 1990, the Supreme Court unanimously rejected an appeal questioning the applicability of the amnesty law to cases involving those who were arrested before 1978 and remain missing. ██████████

████████████████████ The Communist Party and some of the President's supporters in the Socialist Party may increase pressure on the government for exhaustive trials, citing continuing terrorist attacks as evidence that this step is needed to achieve national reconciliation. ██████████

#### Narrowing the Military's Mandate

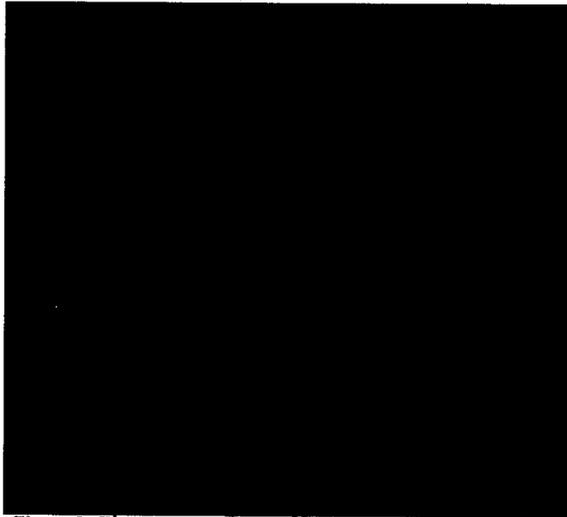
Closely tied to the sensitive human rights issue is the Chilean military's broad internal security mandate, a legacy of Pinochet's attempt to control political dissent and a prime target of Aylwin's reforms. The military's sweeping definition of its national security role is enshrined in the Constitution and in a variety of laws and procedures instituted by Pinochet. The Aylwin administration so far has avoided tackling these legal and institutional arrangements head-on, choosing instead to dilute the Army's internal security role by upgrading police forces and reforming the service academies. ██████████

**Reallocating the Army's Internal Security Functions**  
The government's strategy has been to strengthen the various police services—some paramilitary—and gradually shift to them internal security functions long exercised by elements of the armed forces, while eventually developing a civilian intelligence agency. The government has expanded the national police force, the *Carabineros*, and broadened its mandate over the last year to include more domestic intelligence duties to counter growing terrorist incidents. It also plans to transfer more intelligence responsibilities to the *Investigaciones*, the investigations police, particularly in the counternarcotics area. Meanwhile, the Aylwin administration has reduced ties between police and other military elements by placing the former under Interior Ministry rather than Defense Ministry control until a law can be passed formalizing the change (see inset on page 10). ██████████

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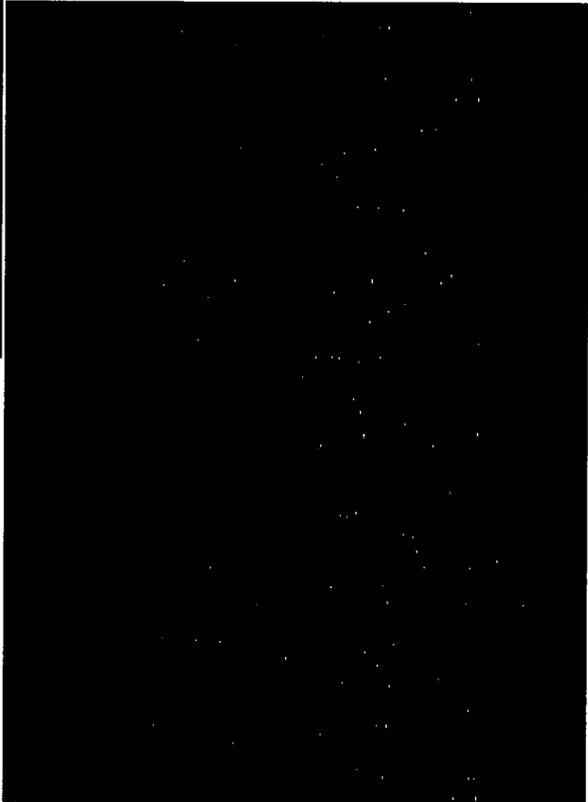
*Figure 5. This cartoon reflects public concern that the national police force is inadequately prepared to counter rising crime and terrorism.*



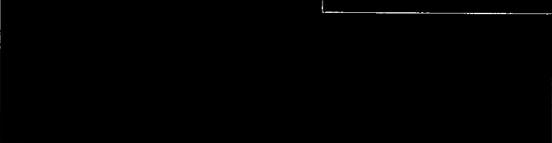
So far, however, the government's strategy has yielded uneven results. Carabineros resources and capabilities remain inferior to those of Army intelligence units still under Pinochet's control.



Aylwin appears reluctant to rely on it for intelligence until its new commander finishes purging its ranks.



The continuing terrorist threat, together with the human rights controversy, also is likely to delay development of a centralized nonmilitary intelligence agency, which is vital, in our view, to civilianizing the internal security function. Before the democratic transition, Pinochet merged Chile's central intelligence agency—the National Intelligence Center (CNI)—into the Army Intelligence Directorate in an effort to increase the government's dependence on the military for internal security functions.



#### Challenging the Military's Legal Prerogatives

The government, in our view, has carefully calculated its decision to chip away at the military's internal security role rather than to attack the elaborate legal framework granting the military significant institutional autonomy and political authority. Empowering Congress and the executive with greater military oversight authority, for example, would require changing the Organic Law of the Defense Forces—a controversial bill enacted by Pinochet before the transition, which, in conjunction with related decrees and statutes, limits executive control of the armed forces. The law leaves unclear—deliberately, we believe—the extent of the President's authority over

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### *The Rising Terrorist Threat in Chile*

Chile's extreme leftists still cling to their strategy of armed struggle despite the new political climate resulting from the return of democracy and from reformist trends in the Communist movement worldwide. Terrorist groups, notably the Manuel Rodriguez Patriotic Front-Dissident Faction (FPMR/D) and the Lautaro Popular Rebel Forces (FRPL), have increased their attacks on public officials and government facilities, employing assassinations, bombings, and rocket attacks to avenge human rights abuses during the Pinochet era and to demonstrate repudiation of the Rettig report. The assassination in April 1991 of Senator Jaime Guzman, a prominent ally of Pinochet, has heightened fears among others who served in the military regime of leftist retribution and increased public criticism of the government's counterterrorist program. Attacks on US interests are also on the rise—reaching the highest number of anti-US attacks of any country in the world during 1990—although they have generally involved bombings intended to cause property damage rather than casualties.<sup>a</sup> [REDACTED]

The growth of terrorism partly reflects the increasing isolation of extremist groups, as the organized left—particularly the Communist Party—tries to stake out a political role in newly democratic Chile. In our judgment, the Communist Party's deemphasis of armed struggle and increasing reluctance to sanction violence are reducing its ability to rein in terrorist groups. [REDACTED]

President Aylwin's moderate human rights policy and the disruption of the domestic intelligence services caused by the transition to civilian government also

<sup>a</sup> Several attacks on US interests in the last few months, believed to be conducted by the FPMR/D, departed from this prevailing pattern. The detonation of a bomb inside a baseball bat during a US-Canadian Chamber of Commerce softball game and the bombing of a restaurant frequented by US sailors in November 1990, as well as the February 1991 antitank rocket attack in Santiago against a van carrying US Marines, demonstrated greater sophistication and lethal intent. [REDACTED]

appear likely to encourage more terrorist activity in the short term. Terrorist groups, dissatisfied that the mandate of the Rettig Commission did not include judicial investigations, will remain determined to exact justice on their own. The government is relying on the national police, the Carabineros, to replace the Army as the chief antiterrorist organization, but the police will require some time to develop sources of information and effective counterterrorist operations. [REDACTED]

We doubt that Chilean terrorist groups will become a significant threat to the Aylwin government because of their demonstrated inability to coordinate activities, declining outside support, and limited popular backing. Although the groups reportedly maintain low-level contacts with each other, their efforts to unite in recent years have failed. Moreover, domestic support for these groups from far-left parties is likely to decline under pressure from the government and public, while the extremists face reduced financial and military assistance from Cuba and other foreign benefactors responding to changing political and economic circumstances. Long-term prospects for Chilean terrorist organizations will depend on the ability of Aylwin's administration to give the far left a stake in the success of democratic government. Inclusion of the left in the political process and even modest progress on its agenda of socioeconomic reform would help further isolate terrorist groups and undercut their appeal to prospective recruits. Moreover, if the government succeeds in strengthening its intelligence apparatus and defusing the volatile legacy of human rights abuses, the terrorists would have reason to reconsider the efficacy of armed struggle. [REDACTED]

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issues such as the military budget, promotions, and retirements. Complementary statutes guarantee the military a fixed share of the national budget and limit the right of Congress to investigate military abuses. Rules governing changes to these laws are complicated, reflecting Pinochet's efforts to safeguard his authoritarian system from meddling by a civilian successor. For example, certain constitutional amendments would require a two-thirds majority of both houses—considerably more votes than the governing coalition controls. Although Aylwin recognizes that Pinochet has been able to exploit some ambiguities of the Organic Law to his advantage, the President appears determined to delay legislative action on the matter until the general has largely lost support from the political right. [REDACTED]

#### Monitoring the Budget

While deferring action on the Organic Law, the government is already testing lesser elements of the system the general put in place to limit civilian control. For the first time in nearly two decades, the executive and legislative branches determined for 1991 the overall budget allotments for the various armed services. Reflecting this change in political dynamics, each service went through the process of lobbying key administration officials and congressmen and conducting briefings about national security issues and equipment requirements to justify budget requests. [REDACTED]

The Army, the only service to suffer a budget cut, voiced no public criticism of the budget process, [REDACTED]

Despite these inroads by the Aylwin administration into what has long been strictly a military preserve, current laws place significant limits on the government's oversight of the military budget. The government is constrained, for example, from dealing with issues related to force structure and equipment purchases. [REDACTED] Moreover, a special law provides the military some insulation from budget cuts, guaranteeing it funds—10 percent of the state copper firm's revenues—outside the national budget. Finally, the Pinochet regime in its final months transferred a number of valuable state properties to the Army, providing it another source of income outside government control. [REDACTED]

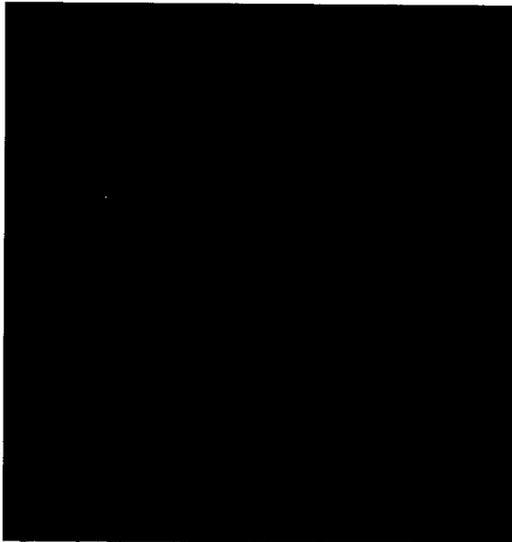
#### Curtailing Military Power Over the Judiciary

The government has been more aggressive—and even more successful—in reclaiming control of a second bastion of military power, the judicial system. During Pinochet's rule, the courts became an arm of the military government, interpreting laws with little regard for civil or human rights and using broadly defined state security laws to try many civilians in military courts. The President of the Supreme Court stated in 1989 that 80 percent of the cases handled by the military courts should be in civilian venues, and questioned the impartiality of decisions in a system subject to military chain of command discipline, [REDACTED]

Recognizing the pressing need for judicial reform in both the civilian and military courts, Aylwin early in his term introduced a package of legal reforms, dubbed the Cumplido laws, after their chief proponent, Minister of Justice Francisco Cumplido. Passed by Congress last December, the laws narrowed military court jurisdiction, transferring most cases to civilian courts. Passage of the Cumplido laws has strengthened due process and civil rights guarantees by expanding eligibility for release of detainees pending trial and resolution of their cases. [REDACTED]

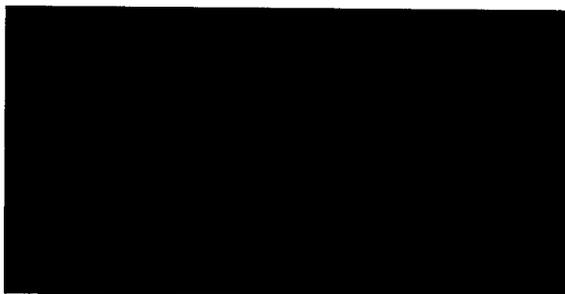
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—La solución es que la Comisión Rettig la presida la Corte Marcial...

*Figure 6. The caption reads, "The solution is to have the Rettig Commission preside over the Martial Court." The caption reflects public confidence in the integrity of the presidential commission created to investigate, but not adjudicate, human rights violations, as well as widespread recognition that the military justice system has failed to uphold civil and human rights. In January 1991, the Martial Court absolved a military officer of criminal wrongdoing in the notorious 1986 case of the "Quemados" (The Burned Ones), ruling that he was not responsible for the death of Rodrigo Rojas and the disfiguring burns of survivor Carmen Gloria. Witnesses and human rights investigators charge that Army officers set fire to the two young people at an antigovernment protest, leaving them to die.*



Reform of the judiciary has led to progress on a thorny bilateral issue, that is, resolving the murders of former Foreign Minister Letelier and his US assistant, allegedly by agents of the Pinochet regime. Passage of the Cumplido package has allowed the transfer of the criminal case to civilian courts and appointment by the President, subject to Supreme Court approval, of a special investigatory judge to study and prosecute the case. [REDACTED]

#### Prospects for Success

In our view, Aylwin probably will continue to make solid progress during his term on asserting civilian authority and sidelining Pinochet, as well as decreasing the military's role in internal security issues. The administration's gains in these areas will depend partly on how adeptly it manages political pressures arising from the human rights issue. Because strong public reaction to the Rettig Commission report is likely to put the armed forces on the defensive, Aylwin will need to be especially sensitive to their concerns without losing the support of his diverse coalition partners. Many officers, particularly within the Army, worry that the government is naive about the threat from the far left and will want assurances that internal security considerations—including their own safety—are weighed in developing human rights policy. [REDACTED]

If trials of military officers appear a likely consequence of the Rettig Commission's report, Aylwin will come under increasing pressure to clarify his position regarding the Amnesty law, prosecutions of individual officers, and the possibility of pardons. Although many officers presumably recognize that the government cannot ignore past abuses, some may close ranks behind Pinochet if Aylwin appears unwilling or unable to deflect public demands for exhaustive legal proceedings. In our view, Aylwin, recognizing this risk, may try to strike a secret bargain with the military hierarchy whereby the latter agrees to the

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trial of a few "expendable" officers in return for a promise of government amnesties and protection for the senior leadership. Increasing public calls for justice could impede the government's ability to negotiate such a deal, however, as public confidence in the reformed legal process grows and more victims of human rights abuses seek prosecution of military officers and the annulment of the 1978 Amnesty law. [REDACTED]

The government will likely continue to let pressure from the financial scandals build against Pinochet in coming months in an effort to induce his retirement, while managing the investigations so that he is not prosecuted. Public opinion clearly favors Pinochet's departure, but the President recognizes that the general's retirement as the result of a trial would do grave damage to civil-military relations. To reduce the risk of Army officers rallying behind Pinochet, the government probably will take steps to reassure them of its sincere efforts to defuse media attacks against their Commander and service and soften the impact of scandal-related congressional and judicial investigations. In our view, this strategy would also improve the odds that Pinochet will resign within the next year, either voluntarily or under pressure from fellow officers. Should one of the investigations result in indictments against Pinochet, all key players—the general himself, the military, the Congress, and the executive—are likely to agree on the need for a face-saving formula to avoid a trial. Although some elements of the Army might fault Aylwin for failing to protect its image, we believe senior officers would conclude that avoiding further damage to institutional prestige required Pinochet's retirement. [REDACTED]

Over the medium term, we expect Aylwin's continued success in dismantling the legal basis of the military's political power to depend largely on Pinochet's departure from the political stage, through elimination of his power base or, preferably, his retirement. Efforts to change the Organic Law before this occurs could invite more political meddling by Pinochet, who would use the issue to stir up civil-military tensions. In the meantime, Aylwin probably will have to devote more time and energy to deflecting premature initiatives from the left wing of the ruling coalition for changes to the Organic Law and other military statutes as the 1993 election approaches. [REDACTED]

Pinochet's retirement or death would allow Aylwin to choose an Army Commander more sympathetic to civilian authority and receptive to military reform. This, in turn, would give greater influence to Army officers committed to democratic rule and a more apolitical military establishment. Senators appointed by Pinochet during his presidency, as well as rightist politicians in general, would likely feel less bound to a hardline position in voting on changes to the Organic Law. Finally, the government probably would be more inclined to fund training and equipment for the Army after Pinochet left power, perhaps using such an offer as a bargaining chip in negotiating reforms. [REDACTED]

Although we hold the view that, overall, Aylwin's prospects of making further gains on subordinating the military to civilian authority during his term are good, we cannot rule out developments that could delay or derail his efforts. One such scenario would involve a significant escalation of terrorism—particularly targeting military officers—in the wake of the Rettig report, a development that could impel the armed forces hierarchy to become more vocal in criticizing Aylwin's human rights policy. A dramatic increase in far-left terrorist activities would expose the limited counterintelligence capabilities of the police forces and could increase demands by some on the right that the military resume responsibilities for counterterrorism. A wave of assassinations of military personnel could even prompt some officers to undertake counterterrorism operations without government approval. [REDACTED]

A serious economic downturn, although highly improbable in our view, could also shake military confidence in the competence of civilian government, although we doubt that this alone would spur an effort by the Army to reinsert itself in politics. Moreover, even Pinochet would have little hope of returning to power by force unless he dramatically broadened his power base in the Army and the other services and public support for civilian government significantly deteriorated, and the political landscape became polarized. Finally, recognition of the deleterious impact on foreign relations and the likely public outcry would no doubt leave many officers unwilling to support a coup. [REDACTED]

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In our view, prospects for depoliticizing the military will ultimately depend on civilian and military leaders forging a shared view of the role of the armed forces in a democratic Chile, a process likely to span several successive governments and perhaps to require the rise to influence of a new generation of officers. For the near term at least, senior officers will want to retain a say regarding the military's role in national affairs, particularly given the inexperience of the current civilian government and its limited knowledge of national security issues. The Aylwin administration's long-range efforts to develop a professional cadre of civilian advisers who can design and implement national security policy may help foster military confidence in civilian authority over the armed forces. Prospects for stable democracy should also improve as the military becomes accustomed to influencing national policy by working through congress and civilian defense experts. [REDACTED]

In addition to the general task of determining the place the Chilean military shall occupy in a democratic society, the Aylwin government and its successors will need to focus on the narrower issue of defining a new mission for its armed forces. Moreover, as its mission changes, future governments probably will want to consider reducing the military's size, in part for budgetary reasons. In our view, the Chilean armed forces are most likely to be receptive to a new mandate that concentrates on external security—accompanied by improved equipment, joint training exercises, and educational opportunities with other professional militaries from which they have long been isolated. Mindful of the US ban on military sales to Chile for some 11 years, the Chilean military probably will continue to diversify its sources of arms and training, while maintaining its preference for Western suppliers. [REDACTED]

#### Implications for US Interests

The Aylwin government's continuing success in managing civil-military relations and narrowing military influence will significantly advance consolidation of democracy in Chile, fulfilling an important US foreign policy goal. Removing the military from the

political stage will allow civilian institutions to play a larger role in national security policymaking, to exercise military oversight responsibilities, and to rebuild public confidence in Chile's legal system. Similarly, the Aylwin administration's progress in redressing military-perpetrated human rights abuses and reducing the Army's role in internal security should significantly improve Chile's human rights record as well as facilitate reintegration of the military into Chilean society. Finally, the gradual emergence of a military focused on national defense rather than internal politics could provide a salutary example to other democratic countries in South America. [REDACTED]

The process of reshaping the national security role of the Chilean military will not occur without some problems and challenges for US regional and security interests, however. The Chilean military may come to equate its changed role with costly improvements to its equipment and new acquisitions—demands the Aylwin government may have difficulty reconciling with its commitment to devote greater resources to social programs while maintaining a sound, free-market-oriented economy. Any new purchases of advanced weapons systems also would risk increasing tensions with Chile's neighbors, particularly Argentina, and perhaps start a regional arms race. While the lifting of the 1979 Kennedy-Harkin amendment banning US military sales to Chile offers Washington greater opportunities to influence the military through training, joint exercises, and weapons purchases, it may bring unwelcome requests from the Chilean armed forces for sophisticated equipment that could upset the regional military balance. Indeed, although the Chilean Defense Minister has indicated that the Aylwin government is determined to round out current equipment inventories while avoiding major equipment upgrades, the Air Force has already demonstrated interest in the US F-16 fighter aircraft. Finally, the Aylwin government and its successors may look increasingly to the United States for help in channeling the Chilean military's energies into missions that neither provoke regional conflict nor encourage meddling in politics. [REDACTED]

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## Appendix

### Overview of the Chilean Armed Forces

The *Army* is clearly the dominant service in Chile, comprising nearly half of the 124,000-strong armed forces. During the years of the Pinochet-headed military junta, the Army grew rapidly and received the lion's share of military expenditures. Under the new civilian government, however, the Army has fared less well; in the 1991 budget it was the only force to suffer a significant cut. By constitutional statute, Pinochet became Army Commander upon stepping down from the presidency in 1990, and his tenure lasts until 1998. [REDACTED]

The *Navy*, numbering some 24,700 men, has long been rated as one of the most effective in Latin America. The service places particular emphasis on professional training and has participated in annual UNITAS training with US forces for almost three decades. [REDACTED]

Adm. Jorge Martinez took command of the Navy shortly before the democratic transition. Although Martinez appears loyal to President Aylwin, in our judgment he would be the most likely of all the commanders to close ranks behind Pinochet if he concluded that the government was trying to scapegoat the Army in an effort to oust the general. With the exception of Pinochet, Martinez among all the service chiefs has been the least supportive of the Aylwin government in his public statements. [REDACTED]

The 15,300-man *Air Force* remains capable of performing its tactical, air defense, and support missions despite restrictions placed on arms sales to Chile by a number of countries, including the United States during the Pinochet years. [REDACTED]

Air Force Chief Gen. Fernando Matthei served on the junta, but was Pinochet's most persistent military critic and a strong advocate for the transition to civilian rule. Asked by Aylwin to remain in his post, Matthei has publicly voiced support for the administration and acknowledged the need for a commission

to investigate Pinochet-era human rights abuses. [REDACTED]

The 30,000-member *Carabineros* are a national paramilitary constabulary subordinate to the Defense Ministry. They perform regular law enforcement duties as well as a wide range of nonpolice functions. The Carabineros commander served on the military junta, although the military has traditionally viewed the Carabineros as subordinate to the other services. The Carabineros have benefited from a generally positive public image as a competent force. Growing crime and terrorism problems, however, threaten to erode the service's reputation, and President Aylwin has taken steps to bolster the force by some 4,400 men over the next few years while increasing its operational duties and resources, according to press reports. [REDACTED]