

TIME

APR 17 1964

CHILE

The Crucial Choice

Before World War II, an American setting off on a trip to Chile could count on a three-week voyage by boat down South America's west coast. Today, Panagra's jets make it from New York to the Santiago capital in 14 hours, but few Americans visit Chile. Yet in this faraway land of nitrates,

copper and wine, the most important election in Latin America this year will take place on Sept. 4. There is a real possibility that Chile, long democratic, will become the first nation in the hemisphere to choose an avowed Marxist as its freely elected President.

He is Salvador Allende, 53, the shrewd and persuasive leader of the far-left Popular Action Front (FRAP). In 1958 Allende came within 29,000 votes of beating Jorge Alessandri, Chile's dour and conservative incumbent President, who cannot succeed himself. The anti-Communist opposition is stronger this time. But so is Allende. In the past six years, Chile has made little progress. The U.S.-owned mines in Chile produce 11% of the world's copper, but catastrophic 1960 earthquakes and rocketing inflation have eaten up much of the mineral wealth. Since 1958 the price of a loaf of bread has risen from 13¢ to 40¢; in the past twelve months alone, the cost of living has climbed 50%. In Santiago last week, 12,000 students staged a violent, window-shattering riot, and 150,000 angry workers walked out on a strike against the government's proposed 35% wage increase. Labor said it needed 70% just to keep up with prices.

Friend of Fidel. Such is the discontent that feeds Allende's candidacy. A physician who turned to politics, Allende prescribes massive reform for Chile's ills: 1) a strict, centrally planned economy; 2) "authentic" land reform, meaning the expropriation of all large farms; and 3) nationalization of the U.S. copper companies. He terms Castro a "political genius," has Fidel's picture on his office wall and a framed blowup of the Declaration of Havana hanging in the hall outside. He openly calls himself a Marxist. "But I am not a Communist," he says, "and that is very important for the U.S. to remember." Nevertheless, Allende has the wholehearted blessings of Chile's 30,000 card-carrying Communists.

Last month in a provincial by-election, Allende's forces administered a crushing defeat to the right-of-center, three-party Democratic front that

brought President Alessandri to power in 1958. As a result, the front split wide open and its candidate, Julio Durán, 46, leader of the middle-road Radical Party, resigned from the race in tears. To keep his own party from dissolving, Durán has now decided to re-enter the campaign on the Radical ticket alone. But the best he can hope for is enough votes to wield a balance of power in a close election.

Fight for Democracy. The man with the best chance of stopping Allende is Eduardo Frei, 53, the able and eloquent leader of Chile's fast-growing Christian Democratic Party. Chileans are normally reserved about their politicians. But the tall, gaunt, obviously dedicated Frei has a charisma that sends his audience into wild cheers; when he moves about, crowds surround his car, chanting his name, reaching in the window to shake his hand. His party is only eight years old, and yet it emerged from last year's municipal elections with 23% of the total vote to become Chile's largest single political force.

"Chile Needs a Chance" is Lawyer Frei's slogan. But he makes it clear that he wants bold reform within the law. "This is a fight for democracy and a vital one," he says. "It must be won." Frei would continue Chile's pro-Western foreign policy while maintaining diplomatic ties with Cuba. He advocates a sensible, productive land reform, argues for easier credit for businessmen and farmers, the creation of at least 50,000 new jobs, and more diversified industry to expand the country's limited economy. As for the big U.S. copper companies, he wants a bigger share of the business, but opposes nationalization.

If the election were held today, Frei would be the odds-on favorite. What worries him is Chile's uncontrolled inflation that plays into the hands of the extremists. The U.S. makes no secret that it favors Frei and would find Allende hard to live with. Allende complains bitterly that the copper companies bankroll his opposition, that CIA agents photograph everyone who visits his campaign headquarters. U.S. diplomats pointedly avoid contact with him. The fiercely independent Chileans somehow remain unconvinced that Allende would take the country down the Cuban path. But in the U.S. view, Allende at best poses a grave risk to Chilean democracy. At worst, he could turn into another instrument of Communist subversion.