

CENTRAL INTELLIGENCE AGENCY
OFFICE OF CURRENT INTELLIGENCE
7 February 1961

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CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Chilean congressional elections of
5 March 1961

1. Offices to be filled: All 147 seats in the Chamber of Deputies for a four-year term and 25 of the 45 Senate seats for an eight-year term.

2. Background and principal issues: Inflation has been a key election issue for the past several years and now is the principal problem for conservative President Jorge Alessandri, who was elected in 1958. Side issues in the campaign will include the new electoral law--which forbids party pacts in Chamber of Deputies and municipal elections--education, agrarian reform, and policy toward Cuba. The government's approval in December of a 15-percent wage increase and its success in holding the cost of living in 1960 to a 5.4-percent increase--the lowest in over a decade--may strengthen the candidacy of Alessandri supporters.

3. Parties participating:

A. Tending to support the conservative Alessandri administration:

a. Conservative party: Party of land-owners and established business interests; has strong clerical sympathies. Pro-US. In coalition with the Liberal party, it supported Alessandri in the 1958 presidential elections, and was the third most popular party in the April 1960 municipal elections.

b. Liberal party: Conservative, well-financed party of business and professional men, plus a segment of the large landowners. Organized in the mid-19th century by Conservative dissidents who opposed the church-state alliance. Laissez faire in economics. Pro-US. Its adherents ran second in the April 1960 municipal elections.

c. Christian Democratic party: Organized in mid-1957 through an amalgamation of the Falangist and Social Christian Conservative parties, it represents primarily intellectuals, young middle-class professional elements, and some working groups. It derives its social attitudes from encyclicals of the Roman Catholic Church. Pro-US. Claims to provide "constructive opposition" to the Alessandri government. Fourth most popular party in April 1960 elections.

d. Radical party: Historically a moderately leftist party supported principally by the lower and middle classes. It has cooperated generally with the incumbent administration; endorses government planning and control in all economic areas; favors re-establishment of commercial and cultural relations with the Communist bloc. Chile's most popular party in the April 1960 municipal elections.

B. Tending to oppose the conservative Alessandri administration:

a. Popular Action Front (FRAP): Organized in February 1956, FRAP is a far-left coalition comprising the Socialist, Communist, National Democratic, and National Vanguard of the People parties. Senatorial candidates can run under a FRAP pact, but party pacts are forbidden for the lower house elections. The March elections will be first congressional test for the Communist party since it was legalized in 1958. The Socialist party, which usually follows the Communist line, is Chile's fifth most popular party and most militant political organization. The Communist party was the sixth most popular party in the April 1960 elections, polling 10 percent of the popular vote.

4. Present party strengths:*

a. Parties advocating radical changes:

	<u>Senate</u>	<u>Chamber of Deputies</u>
Communist	0	6
Socialist	8	13
National Vanguard of the People**	0	3
National Democratic Party	8	11

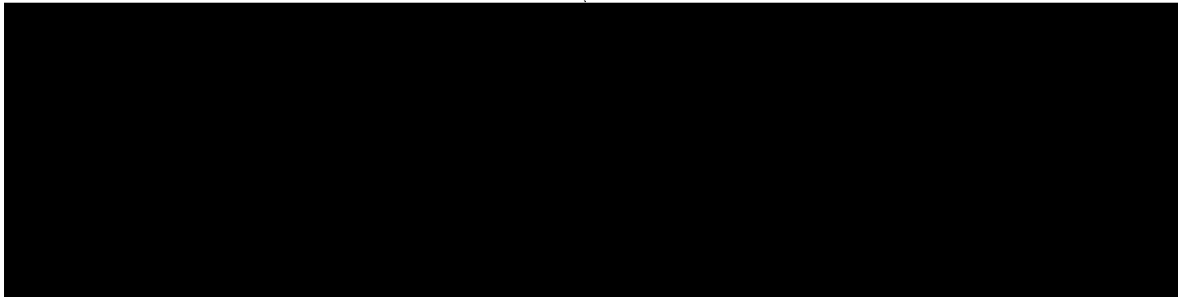
b. Parties advocating moderate changes:

Radical	9	36
Christian Democratic	3	22

c. Parties advocating minimal changes:

Conservative	6	22
Liberal	9	34

Proportional representation electoral system is used in Chile.

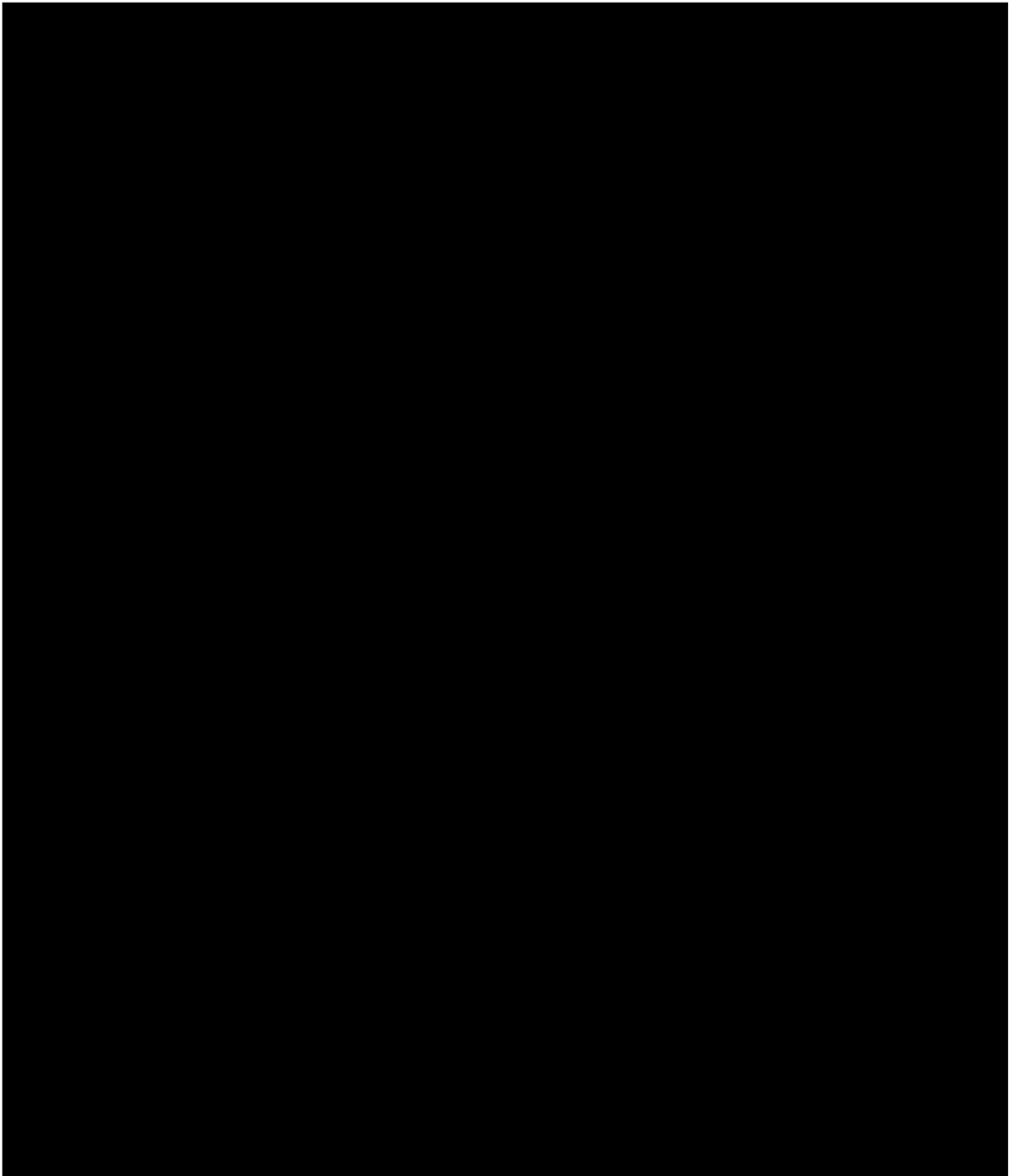


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*Only eight major parties are listed, because recent mergers and defections have blurred the strength of less significant parties.

**Former Labor party.

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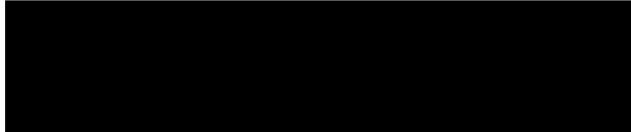
6. Informed opinion on outcome: The Communists are expected to increase their congressional representation at the expense of other leftist parties. Socialists are not expected to gain any new seats. Moderate and conservative politicians--supporters of the economic stabilization program--may increase their dominance of the Chamber of Deputies. It is not expected that the

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Radical-Conservative-Liberal control of the Senate will be threatened. The most important race is the Allende-Barros-Martinez contest in Valparaiso-Aconcagua District. A defeat could eliminate Allende from presidential consideration in 1964.

7. Significance for the US: An increase in representation for those parties supporting the economic stabilization would be favorable for US-Chilean relations, since these parties are usually friendlier toward the US. Furthermore, continued success of the economic program may reduce Chilean interest in pressing for US financial aid and could counteract leftist influence to some extent.

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