

FILE 25X1

[Redacted]

Central Intelligence Agency

DATE 6/11/86 FILE

DOC NO ALA M 86-20027

OCR 3

P&PD 1 SECRET



Washington, D.C. 20505

6 June 1986

CHILE: Exploring the Unexpected [Redacted]

25X1

Summary

The growing political agitation Chile has experienced in recent weeks, if not checked soon, may produce an institutional crisis that, in our judgment, could threaten President Pinochet's hold on power. This could occur before yearend if the antiregime protest movement continues to grow--perhaps being capped by a prolonged national strike--and if Pinochet persists in relying exclusively on heavyhanded measures to contain mounting opposition. Conventional wisdom holds that the President enjoys unwavering support in the highly disciplined and politically as well as militarily all-important Army, but we believe that in such a tense atmosphere a group of senior officers might suddenly demand that Pinochet adopt more accommodating policies toward the opposition and commit himself unequivocally to a return to civilian rule by the end of his term in 1989.

25X1

If Pinochet balks, we believe that senior officers would remove him. In our view, these officers would be motivated to move against Pinochet by the belief that his policies were becoming so discredited and he so politically isolated that the professional integrity of the armed forces would be threatened if he were allowed to retain power. They might also decide that Pinochet was becoming irrational and too cavalier in dealing with senior military officers, particularly if he dismissed out of hand their calls for greater political flexibility and vowed to stay in office after 1989. In the final analysis, we judge that a large majority of military officers would interpret such a stance by Pinochet as an open challenge to their longstanding commitment that they will uphold the Constitution and insist on a return to a democratic form of government in 1989.

25X1

-----

This memorandum was prepared by [Redacted] South America Division, Office of African and Latin American Analysis, and was coordinated with the Directorate of Operations. Information as of 30 May was used in the preparation of this paper. Questions and comments may be directed to the Chief, South America Division, ALA [Redacted]

25X1

25X1

ALA M 86-20027

[Redacted]

25X1

[Redacted]

25X1

**Background**

**Opposition Spreading**

The far left, led by the well-organized Communist Party (PCCh)--the country's second largest party--wants to oust Pinochet by violence and has harassed the security forces with frequent street demonstrations, numerous terrorist bombings, and even several armed attacks on police and Army units. According to the US Embassy, the pace of these activities has accelerated since March--there were over 116 terrorist bombings during April--and we believe the security forces lack an effective strategy to curb Communist-instigated violence. The Embassy notes that the increased violence has spurred discussion within the government over reimposing the state of siege that was lifted last June. [redacted]

25X1

Meanwhile, moderate opposition groups, frustrated over their inability to get the government to the bargaining table, are beginning to cooperate with the left and also are promoting protests. For example, they have supported the persistent university student agitation that began in late March, and are now preparing for a continuous civil disobedience campaign during the rest of the year. [redacted]

25X1

Both the far left and the moderates want to stage a prolonged national strike within the next few months--an initial walkout is scheduled for 2-3 July--hoping to convince the armed forces that the country is ungovernable under Pinochet's current hardline policies.

25X1

[redacted]

Leaders of the PDC and other moderate parties recently acknowledged to US officials that they are collaborating with the Communists to mobilize pressure against the regime, which they justify by citing Pinochet's intractability on political liberalization. [redacted]

25X1

The Catholic Church is also becoming more critical of the regime--its activist wing is pressing for open opposition--and we believe that the institution and the government may be on a collision course. The US Embassy reports that in April the conference of bishops issued a strong statement urging constitutional reforms, which most Chileans viewed as a call for direct presidential elections in 1989. Moreover, according to the press, Cardinal-Primate Fresno met several weeks ago with representatives of the PCCh-led political coalition to discuss the worsening political situation. This, in our view, was particularly significant because of Fresno's well-known antipathy toward the Communists. In mid-May the Cardinal publicly criticized the government for its numerous recent armed sweeps of slum neighborhoods, which he said were dehumanizing and politically disruptive. The hierarchy may soon tell the government it will recommend that the Vatican cancel or postpone the Pope's visit to Chile next spring unless Pinochet adopts a less confrontational position toward his opponents and agrees soon to concrete political liberalization measures. [redacted]

25X1

[redacted]

25X1

Finally, in mid-April 18 leading professional, labor, academic, social, and other groups of varying political hues created a "National Civic Assembly" that demanded sweeping political and economic reforms. The directorate of the Civic Assembly--which includes a few Communists but is led by Christian Democrats--gave the government until the end of May to negotiate or else face systematic protests and organized civil disobedience. When the government failed to respond, the Civic Assembly's president announced plans for the two-day strike in July. According to the US Embassy, Civic Assembly leaders believe they can mobilize considerable popular support for their antiregime campaign, which they believe will sow uncertainty and build momentum for an eventual prolonged strike. [REDACTED]

25X1

We believe these developments show that few Chileans support, or are neutral toward, the President. Even the business community--long very loyal to Pinochet--may be wavering.

25X1

### Reactions Within the Regime

Pinochet is refusing to budge, and in recent months has publicly reiterated that he will not negotiate with the moderate opposition, modify the 1980 Constitution (which allows for his reelection via a single-candidate presidential plebiscite in 1989), or speed up political liberalization. He has recently become more open in showing disdain for politicians, particularly those of the center and center left. One of his most vituperative outbursts in memory occurred when he accused the organizers of a pro-democracy international parliamentary conference held in Santiago last month of being "traitors who would sell their country and their mothers" to achieve power. Pinochet also stoutly defended his order to blanket the capital with Army troops, tanks and armored vehicles to crush a demonstration coinciding with the conference. We believe that many Chileans--and probably even senior military officers--view such intemperate behavior by the President as demeaning to the country and a sign that Pinochet is overreacting to foreign and domestic criticism. The US Embassy noted that most Chileans greeted Pinochet's action with stupefaction. [REDACTED]

25X1

Meanwhile, there is accumulating evidence that many of Pinochet's civilian advisers--including such hardliners as the Minister of Justice--along with at least three of the four members of the military junta and a growing number of senior officers want Pinochet to commit himself to step down in 1989. They also want him to enact quickly laws to legalize--not just tolerate--political parties and restore electoral registers to prepare for a transition to civilian rule. In addition, at least some senior officials evidently favor early negotiations with moderate opposition groups on the transition process, and we believe that many of Pinochet's advisers want him to relax his current harsh restrictions on political activity. Even the Army general who heads the national intelligence agency is among those trying to persuade Pinochet to accept political liberalization and agree to free elections in 1989, according to the US Embassy. [REDACTED]

25X1

[Redacted]

Pinochét has turned a deaf ear to these recommendations, and in fact has ordered an intensified effort, led by the Army, to crack down on protestors. This has resulted in the effective militarization of Santiago during recent demonstrations, and repeated sweeps of the city's slum neighborhoods, during which the security forces detained and interrogated several thousand men. Nevertheless, protest activity continues unabated and moderate opposition leaders have told US officials that the dragnets have produced a sense of "rage" among the poor. In addition, the Embassy reports that the security services have shot a number of people and seriously injured--or killed--some protestors. We believe that these developments may be creating an explosive situation in the slums and that the Communists are becoming more confident that their violent tactics are generating greater popular support for an all-out effort to oust Pinochet this year. In effect, in our view, the country is becoming increasingly polarized.

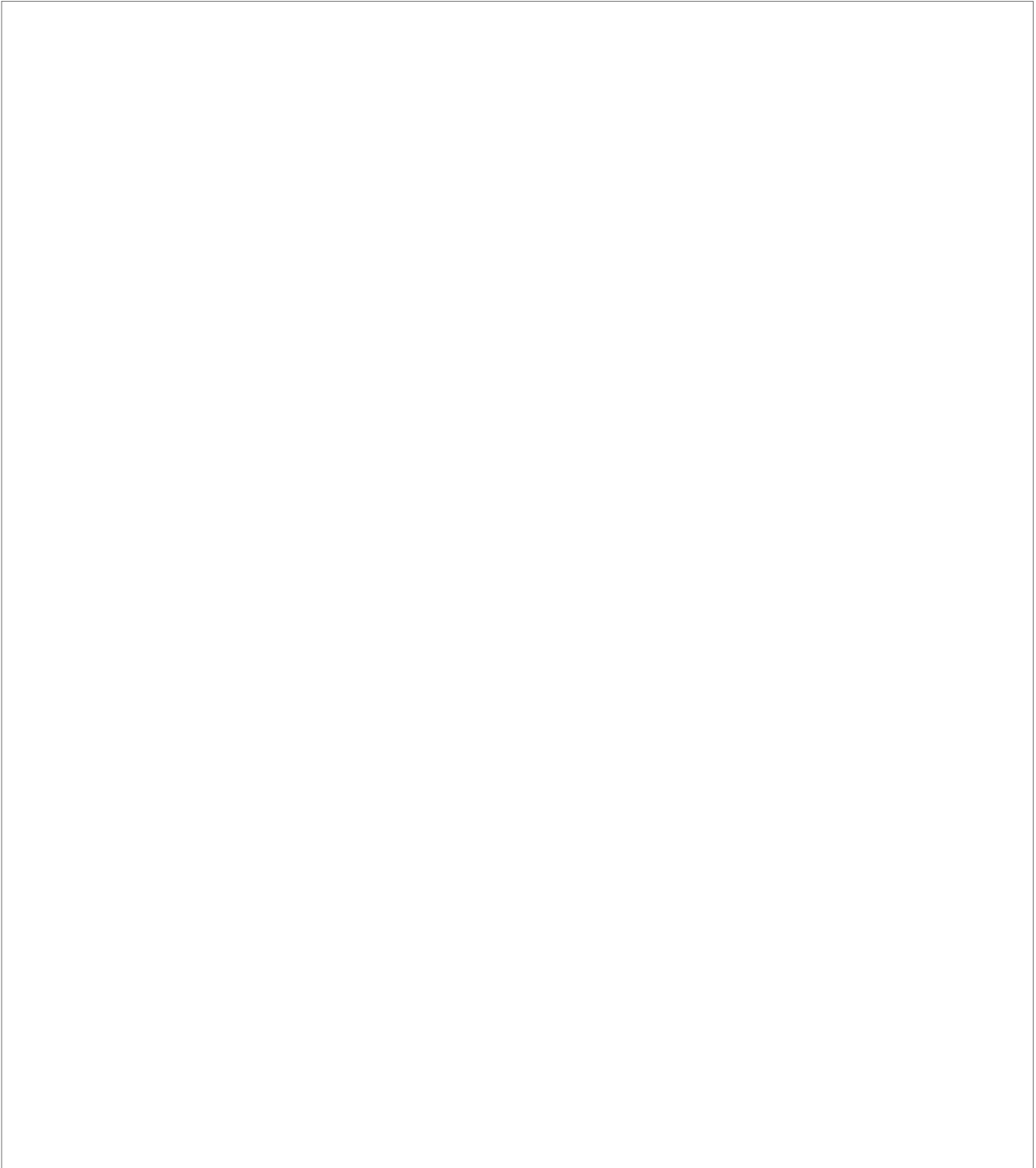
[Redacted]

25X1

[Large Redacted Area]

25X1

[Redacted]



[Redacted]

25X1

In our judgment, discussions among senior officers who may be planning to confront Pinochet will be very closely held--most military officers are aware that the President uses an informant system to keep tabs on their political sentiments and machinations. Consequently, any military move against the President is likely to catch most Chileans by surprise. Nevertheless, the US Embassy has reported that Pinochet is already worried about fissures within the military. The Embassy speculates that Pinochet has concluded that by resorting to more repressive measures to curb opposition--instigated agitation he can force the military to close ranks behind him and thereby stifle dissent among military officers increasingly concerned about the repressive role Pinochet has assigned to them. This strategy may backfire, however, as the extraordinarily widespread dissatisfaction manifested by Chileans in general over recent Army crackdowns filters through the officer corps. [Redacted]

25X1

Even if the military takes no action against Pinochet anytime soon, we believe that sentiment in the Army probably is beginning to harden against the continued use of Army troops to control protests, carry out slum sweeps, conduct counter-terrorist activities, and in general to supplant the Carabineros. Army officers have traditionally been very leery of involvement in police activities for fear of damaging the credibility of the Army in the eyes of the Chilean public. The US defense attache believes that because the Army is concerned that its image was damaged by its role in the events of 20 May, senior officers probably will weigh carefully whether their units should be used in this fashion again this year. The US Embassy reports that the Vice Commander of the Army--Pinochet retains the title of Commander--was not a party to the decision to use troops on 20 May and has already indicated his lack of support for deploying them again in the same fashion. Moreover, one opposition party already is talking about taking the regime to court over Pinochet's "unconstitutional" use of the Army against the population. [Redacted]

25X1

At the height of antiregime protests in 1983, when scores of civilians were killed by Army troops, officers apparently became so worried that they urged the junta to press Pinochet to moderate his policies. He then appointed a respected oldline politician as Interior Minister with a mandate to negotiate a political opening with moderate opposition parties. The US Embassy notes, however, that this time around Pinochet seems determined to use whatever force he deems necessary to forestall the frequent protests planned by the opposition and, above all, to frustrate his opponents' efforts to create a climate of "ungovernability" in Chile. In our view, if he persists in this posture over the next several

-----

[Redacted]

25X1

[Redacted]

months, the unease within both the Army and the armed forces in general will escalate rapidly. Consequently, we believe that it is increasingly likely that Pinochet must either rescind his harsh measures or risk being ordered to do so by senior commanders. [redacted]

25X1  
25X1

We see two basic problems in attempting to forecast the nature and outcome of a showdown between Pinochet and the military. First, it is far from clear at present which and how many officers might confront the President. Second, we are uncertain about how Pinochet would react to a direct challenge. Nevertheless, in our view, the hierarchical organization and respect for discipline of the Chilean Army are so ingrained that any move against Pinochet would have to have the strong support of a substantial number of the 50-odd active-duty Army generals, especially the majority of those who command troops. Although such a move would not necessarily require the support of such figures as the Army representative on the junta, the Army vice commander, or the general in charge of the Santiago metropolitan region, an extreme hardliner, support from the Air Force, Navy and Carabineros would be important, particularly because it would be too risky for Army officers to act entirely on their own. (There is precedent for Chilean Army action to remove its commander--this occurred most recently in 1973 before planning for the coup against Allende crystalized--and for close coordination between the Army and the other services in planning anti-government moves.) [redacted]

25X1

#### How Would Pinochet Respond?

In our judgment, he would probably respond in one of four ways to an ultimatum by a large, representative group of officers:

- Reject their demands outright;
- Agree in principle but with the intention of outmaneuvering his challengers once the crisis dissipates;
- Resign; or
- Bow to the inevitable and agree to moderate his policies toward the opposition and announce a firm intention to step down in 1989.

In our view, he would most likely attempt to retain the initiative by resorting to either of the first two options. [redacted]

25X1

Because Pinochet has maintained direct personal control over the Army--the most influential service--through retiring potential troublemakers, rewarding supporters, and generally enforcing strict discipline, his instinctive reaction probably would be to reject the officers' demands and try to cow them by the mere force of his authority. He has employed this tactic effectively many times in the past to insure that his commands were obeyed, although never--to our knowledge--in facing down a group claiming to represent the view of a united officers corps. [redacted]

25X1

On the other hand, if he were forewarned that he faced an insurmountable challenge from a powerful group of officers, Pinochet might well try to play for time by agreeing to their demands for greater flexibility and volunteering to take measures to alleviate political

tensions, as he did when pressed by the junta in 1983. Nevertheless, his underlying purpose would be to regain full control of governmental decisionmaking, overcome opposition from within the Army, and remain in power beyond 1989. [REDACTED]

25X1

In our judgment, however, it is unlikely that a group of determined officers who decide that they have no choice but to confront Pinochet to demand basic policy changes would be swayed either by an attempt to face them down or to evade a real commitment to changed policies. They probably would anticipate these maneuvers as Pinochet's likely responses, and we believe that they would demand his resignation if he did not satisfy their minimum conditions immediately. At that point, in our view, Pinochet might decide to resign rather than bow to their demands, although we believe that his conception of his authority makes it unlikely that he would ever acknowledge that a group of subordinates, no matter how large and representative, could oust him. It is also possible that, if he realizes he has no other alternative, Pinochet might agree to a face-saving compromise, such as to resign from the presidency and remain as commander in chief of the Army for a predetermined number of years. On the other hand, we believe it is very unlikely that Pinochet would accept a military-imposed set of conditions that he negotiate with the opposition, announce his intention to step down in 1989, and agree to function as a lame duck president while the transition process unfolds. [REDACTED]

25X1



[Redacted]

25X1

**Dissemination**

- 1 - DDI
- 1 - NIO/LA
- 1 - NIC/AG
- 1 - PDB Staff
- 1 - C/PES
- 1 - DDI/CPAS
- 1 - D/ALA
- 2 - ALA/PS
- 1 - ALA Research Director
- 5 - CPAS/IMC/CB
- 1 - OGI/Instability
- 1 - OSWR, Political Psychology Center
- 1 - CTC/OAG/TAB
- 1 - ALA/SAD
- 1 - ALA/SAD/SC
- 1 - James Buchanan, C/SAD/INR/State
- 1 - Ciro DeFalco, Department of the Treasury
- 1 - Col. Christopher Brown, OASD/ISA
- 1 - Robert Gelbard, State Dept
- 1 - Jacqueline Tillman, NSC

ALA/SAD/SC, [Redacted] (6 June 1986)

25X1

[Redacted]

25X1