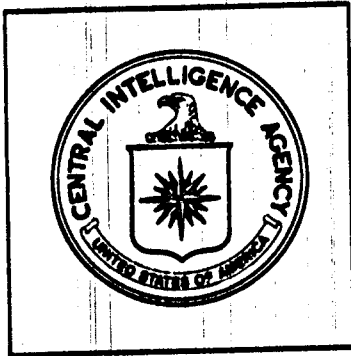


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Latin America

**REGIONAL AND  
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21 July 1977

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Chile: Military Pressure for Policy Changes

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President Pinochet's decision to announce an eventual return to civilian rule marks an extraordinary personal concession to critics of Chile's hard-line military regime. Perhaps more important, it reflects widespread pressure from within the armed forces--Pinochet's principal source of power--for a shift in national policy. Plans to ease repression are designed in large part to elicit a favorable reaction from the US.

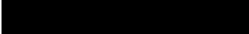
Junta members have repeatedly urged the President to establish a timetable for transition to civilian rule. The influential Council of Army Generals recently played a key role in convincing Pinochet that a move toward political normalization was imperative.

[REDACTED] the President's action is the result of his failure to win junta approval for his proposals to increase presidential powers. [REDACTED]



Army generals recommended in June that Pinochet approve a series of wide-ranging policy changes. Their motive is rooted in a strong desire for Chile to improve relations with the US. In all probability, Chile's diplomatic ostracism and the attendant difficulty in procuring arms have convinced armed forces leaders that internal policies must be altered if Chile is to repair its dismal image abroad.

The generals [REDACTED] believe that the recent meetings of the Organization of American States in Grenada amply demonstrated that a new power balance that favors those nations closely aligned with the US is developing in Latin America. There is consequent unease among Chileans that opponents of its human rights practices--such as the US, Mexico, and Venezuela--will use their influence to persuade other Latin American governments to



21 July 1977

~~3  
SECRET~~

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150 loosen ties with Chile. The Chilean government's close supporters have been countries of the same political stripe in the southern cone.

Pinochet evidently has been bombarded with studies recommending a relaxation of the government's emergency powers and improvement in relations with the US. He [redacted] approved a recent Foreign Ministry recommendation that Chile seek to negotiate its problems with the US. In addition, Chilean diplomats are now suggesting that specific measures, such as reducing the state-of-siege, will be forthcoming. Further announcements could be timed to coincide with the junta's fourth anniversary on September 11.

[redacted] the President has ordered a drastic overhaul of the controversial National Intelligence Directorate, the secret police organization responsible for most human rights violations. DINA's arrest powers are to be transferred to the regular police, and a reorganized and re-named unit will concentrate solely on gathering political intelligence. These changes might be made before September 11.

Full restoration of the open democratic society traditionally enjoyed by Chileans is still a long way off. Nevertheless, if the government follows through on its recent proposed actions, the most blatant aspects of repression would be eased. Pinochet clearly expects the US to react positively to these gestures. [redacted]

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21 July 1977

~~4  
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