

INFORMATION

9-14-70

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DOS, NSS, review completed

**MEMORANDUM FOR THE PRESIDENT**

**FROM: Henry A. Kissinger** /5/

MORI/CDF  
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**SUBJECT: Chile**

Ambassador Korry has responded to our Saturday [redacted] message asking for his recommendations on feasible courses of action in Chile to forestall Allende's accession to the presidency. As you know, Korry also received a cable from Secretary Rogers reminding him that no decisions had yet been taken in Washington and instructing him to refrain from any direct or indirect political activity pending instructions.

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Korry's message to us reports late developments, lists what he has been doing, and makes recommendations for future action.

His basic strategy is to counter the terror that he says the Allende forces are now employing with various measures focused on the economy, the armed forces, and direct action against "the mechanism that trumpets 'civil war'." He says that Frei must be prepared, as he has told him indirectly, "to take out every skeleton in the crowded Christian Democrat closet to produce converts among his congressmen, to be prepared at the opportune moment to have the Carabineros detain the leaderships of the Communist and Socialist Parties, to frighten the hell out of his armed forces and to panic the country into more dire economic circumstances."

Late Developments

-- Frei's conversation with Korry and Assistant Secretary of State for Cultural Affairs John Richardson, in which he clearly wished to get his impressions through to you. Frei's basic message was to describe the serious consequences of an Allende victory; the fact that he was "pessimistic but not discouraged"; that the U. S. should say nothing and be as correct as possible; and that if the right messages could be quickly brought to the Chilean public that is getting distorted news, the implication of an Allende takeover, the climate might shift to permit Frei a more open role of challenge.

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-- Frei's message to certain generals that he intends to resign shortly after September 18-19, to permit, by constitutional methods, an interim government and new elections in which he would stand. (Korry later comments that he is not certain that Frei really means to resign, but instead may be stirring the pot to stop any recognition by the armed forces of Allende.)

-- Frei's parallel move to have General Viaux, leader of last October's Army sitdown strike, issue an anti-Communist declaration in a few days.

-- Allende's speech yesterday in which he threatened a mass takeover of factories and farms by "the people" if his victory was "stolen."

-- Plans to turn the big military parade on September 19 into a tremendous anti-Communist rally for Frei.

-- Formation of a joint Alessandri-Frei-Christian Democratic Party covert propaganda mechanism to inflate Frei and help the media personnel who are opposed to a Communist takeover.

#### Korry's Actions

He notes that prior to the message from Secretary Rogers, he had encouraged, without risking your prestige, the above measures and sought to arrange the following:

-- To have the Chilean government accept Allende's request to seek to calm the panic that is profoundly affecting the economy, but in a way that would also recite the horrendous problems affecting the country and thus create serious doubts among the masses that supported Allende and force the Christian Democrats, whose votes Allende needs, into serious reflection.



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-- To have the armed forces "gently reminded" that U. S. laws under certain conditions would be automatically invoked by Allende government actions and lead to a total ban on U. S. arms and spare parts sales, thus leaving Chileans defenseless.

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-- To have the Christian Democrats in the Allende camp reminded that almost all Chilean industry, which is incomparably larger and more complex than Cuba, is dependent on U. S. technology, credits and machinery.

Korry states that the basic point of his efforts is to seek a pose that at best helps Frei in the constitutional play to stop Allende and at the same time improves our (and the Christian Democrats') bargaining position with a possible Allende government. The focus of the pressure is both on the masses and the Christian Democrats. He says that he is trying to carry this out while projecting a cool uninvolved posture that convinces the press, U. S. business, and even our own bureaucracy that we are not intervening.

Korry adds that Frei is absolutely correct in wanting us to say and do nothing overtly that would make his task harder, but that this does not mean that either Frei or Korry want us to act as if we thought we were impotent. He believes that "if we can defeat Allende, and if a man such as Frei is the instrumentality, it can only serve our purposes in the region and in the world."

Korry's Recommendations

He suggests the following actions:

- An immediate  background effort to have stories published about the precipitous Communist takeover already of the media, the universities, and many key elements in the society; 25X1
- A similar effort on the economic situation and the consequences.
- A similar but more discreet effort concerning the dependence of the Chilean armed forces on U. S. supplies;
- The dispatch to Santiago of a specialist to write this material for dissemination under Korry's direction.
- A deep backgrounder by a high official here in Washington for a select group of U. S. editors or publishers on the facts in Chile.
- A White House effort to persuade airlines to have extra flights from Santiago to Buenos Aires right after the congressional run-off to allow anti-Allende Chileans to leave the country.

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-- Assurances to key Chileans that they will be able to enter the U. S. if the anti-Allende effort fails.

-- Efforts with Argentina to allocate publicly extra funds to handle Chileans who might leave the country next month.

-- [redacted] the new pro-Frei propaganda mechanism, to support some essential players in the game, and to suborn congressmen.

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-- State Department support of Korry's position that no AID funds in the pipeline be disbursed or any new AID personnel go to Chile unless recommended by him.

He closes by expressing his concern that there seems to be a lack of complete understanding between State and himself as to the basic U. S. policy line. He hopes that deliberations now underway will produce a clear policy line and support for his Embassy, which he says is in complete agreement, in efforts "to forestall or at least mitigate what could be a serious defeat for the United States."

He wants you to know of his profound gratitude for your support, which has been indispensable and is deeply appreciated.

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