

NATIONAL SECURITY COUNCIL

October 5, 1970

~~TOP SECRET/SENSITIVE/EYES ONLY~~

MEMORANDUM FOR DR. KISSINGER

FROM: Viron P. Vaky

SUBJECT: 40 Committee Meeting--Chile -- October 6, 1970

Your meeting will review the Chilean situation.

The meeting should concentrate on two general issues:

- Action prior to the October 24 runoff, and
- What policy we should follow for the long range;

and on one specific question:

- Korry's suggestion that he come to Washington.

I. The General Situation

Allende has continued to consolidate his position. On the political front, after an initial rebuff by his coalition (UP) of the PDC's request for specific guarantees Allende quickly reversed the UP and offered to name a committee to negotiate with the PDC on the drafting of specific constitutional guarantees they desire. This offer was made on the eve of the PDC governing board meeting, and thereby cut the ground out from under the anti-Allende forces. The PDC meeting is still underway.

All observers agree that at best there will be a split in the PDC, that there is no chance the PDC will unify against Allende, and that Allende is almost sure to get the 19 additional votes he needs from the PDC to assure his election. There is no evidence that the military are even thinking about a coup. The latest report via the Argentine Foreign Minister (see cable attached) is that the military, in fact, declined to stage a coup.

Other scenarios which had been reported whereby some ministers would resign, the President name a military cabinet, and new elections convoked have not materialized.

Economic problems continue and there is some discontent. The Communist Party is reportedly moving to consolidate its position in public media, education and labor.

~~TOP SECRET/SENSITIVE/EYES ONLY~~

TOP SECRET/SENSITIVE/EYES ONLY

- 2 -

I. General Situation (continued)

There is, in short, confusion, much apprehension, but no cohesive anti-Allende movement. On the contrary, resignation or acceptance of Allende seems to be growing.

II. Preventing Allende's Accession to Power

Immediately after the September 5 election, Korry stated that our only chance was the "Rube Goldberg" Frei reelection gambit. By 19 September this gambit was dead. Korry argued in effect that now our only chance lay in Frei inviting the military to move, either directly or by a gambit of entering the cabinet. By the end of September the cabinet gambit was clearly out, and if the Argentine report is to be believed any military move is out.

Korry now argues that our only chance is to create economic deterioration and this might stir up Frei, the military or the populace.

Korry has argued that only Frei can pull off anything and he is moving behind the scenes to do so. In alternate cables, however, he decries Frei's lack of backbone. The fact of the matter is that Frei refuses to move or lead any action. Korry is grabbing at straws, but each one breaks when he grabs it.

In my own view there is now no chance that anything will happen which we can either stimulate or support to prevent Allende's election October 24. Maybe if things had been done differently over the past several months this would not be the case, but as of October 6 I think we are kidding ourselves to believe there are any more gambits that we can work. Not even economic deterioration is likely to achieve such a dramatic turn-around in less than three weeks. Economic pressure might make sense from other points of view (see below) but not solely as a means of preventing Allende's election.

Unless we are prepared to intervene overtly and physically in Chile we had better start planning for an Allende election and how we deal with that situation.

III. Coping with an Allende Government

In my view there is some chance that within the first year of his administration an Allende government could be brought to collapse or that a Chilean inspired movement could overthrow him. Apart from that, I think that there is at least a very good chance that an Allende government could be effectively hampered, and that we could effectively limit the impact of his government on the rest of the hemisphere.

TOP SECRET/SENSITIVE/EYES ONLY

- 3 -

III. Coping with an Allende Government (continued)

But to do anything means we should have agreement as to concept, objectives, strategy and a carefully orchestrated game plan. We have none of these things now. We are improvising. There is no agreement as to our fundamental perception of Allende--do we accommodate, oppose, or ignore? Do we let him set the pace or do we?

Allende's game plan will be to claim legitimacy and respectability, to avoid prematurely coalescing opposition to him, to reassure those concerned so that he can fragment his opposition and then slice the salami bit by bit as he is able to. Our game plan should be to frustrate that. We should strengthen opposition, seek to coalesce it and inhibit Allende's internal capacity to effect his program, and place pressures on him so that he either fails or out of frustration steps up his drive to a Marxist state prematurely. Opposition and opportunities may then well arise which could be exploited to overthrow him; or else he will fail.

Meanwhile, we should begin to provide some leadership to the rest of the hemisphere to organize them against his tactics in the OAS and to limit his influence elsewhere -- a diplomatic cordon sanitaire.

A game plan might be devised along the following lines:

25X1

2. Economic.

Cut aid; use economic pressure to discourage further investment and assistance by international agencies. Miscellaneous measures to put pressure on him--copper marketing.

3. Diplomatic.

Cold but correct on the surface toward Allende so we do not give him an excuse to escape our pressures.

Make clear quietly we do not accept Allende or his policy--he has to prove acceptability not prove his unacceptability.

TOP SECRET/SENSITIVE/EYES ONLY

TOP SECRET/SENSITIVE/EYES ONLY

- 4 -

3. Diplomatic (continued)

Wind down our bilateral programs.

Initiate immediate consultations with key states--Argentina, Brazil, Colombia, Mexico, Venezuela--to build a de facto entente and to make known our concerns; seek concerted action to oppose any Chilean move to wreck OAS, recognize Cuba, or establish a third force in Latin America opposed to us.

But we must recognize that we cannot energize the hemisphere to support us without some evidence that it is in their interest to do so. We may thus have to consider increased military and economic aid and special trade treatment. We cannot with one hand ask for their support and with the other hit them where it hurts--as we are threatening to do now in prohibiting Argentine meat imports and taxing Brazilian soluble coffee.

In my view we need a policy decision on NSSM-97 and a controlled implementation of that decision.

IV. Korry's Return.

In his October 1 Sitrep, Korry suggests that time has come to travel to Washington to participate in meetings to set our policy and tactics. He proposes to meet with policy makers, to speak off the record to key congressional and senatorial groups and editors.

My own view is that he ought to stay in Chile for a while longer until we have our own ducks in a row at least. I doubt that his lobbying all around in his "unguided-missile" way is likely to be helpful right now.

TOP SECRET/SENSITIVE/EYES ONLY

end.



~~TOP SECRET~~

~~LOH~~

R 031541Z OCT 70
FM USMISSION USUN NY
TO SECSTATE WASHDC 2691
BT
TOP SECRET USUN 2237

7890
1970 OCT 3 PM 12:30

AN 8

File
Chub

MODIS

FOLLOWING UP BRIEF CONVERSATION PREVIOUS DAY WITH ARGENTINE FON MIN WHICH I REPORTED TO ASST. SECY MEYER, ARGENTINE ACTG PERM REP TOLD ME LAST EVENING THAT MINISTER HAD JUST BEFORE HIS DEPARTURE FROM NEW YORK REQUESTED THAT FOLLOWING MESSAGE BE CONVEYED TO US:

PRESIDENT FREI HAD, AS FORECAST IN EARLIER REPORT, CALLED IN LEADERS OF CHILEAN ARMED FORCES AND IN EFFECT INVITED THEM TO TAKE OVER BEFORE EXPIRATION HIS TERM. THEY HAD, HOWEVER, CATEGORICALLY REFUSED, STATING THAT THEY ARE NOT EQUIPPED TO GOVERN THE COUNTRY AND THAT AN ATTEMPT TO DO SO WOULD LEAD TO WIDESPREAD STRIKES AND DISTURBANCES BY MINERS AND OTHER LABOR ELEMENTS WITH WHICH THEY WOULD NOT WISH TO COPE. GP-2.

YOST

BT

~~TOP SECRET~~