DECLASSIFIED // SECRET; EYES ONLY

Memorandum for the Record

Identificador Archival:	frus:frus1969-76v21/d127
Agencia Emisora:	NSC / Casa Blanca
Fecha del Documento:	1970-09-29
Colección / Serie:	FRUS 1969–1976, vol. XXI: Chile, 1969–1973

Nota de Archivo: *Washington. Source: National Security Council, Nixon Intelligence Files, 40 Committee Minutes. Secret; Eyes Only. Drafted on September 30. Copies were sent to Johnson, Vaky, and Helms.*

Minutes of the Meeting of the 40 Committee, 29 September 1970

Mr. Mitchell, Mr. Packard, Mr. Johnson, and Mr. Helms.

Mr. Kissinger was out of the country.

Mr. Charles A. Meyer, Mr. Viron P. Vaky, and Mr. Thomas Karamessines were also present.

Chile

a. Alexis Johnson chaired the meeting in the absence of Mr. Kissinger and opened by saying that he had called the group together to “review the bidding.” He noted that several of those present had been able to talk with Chief of Station/Santiago, [name not declassified], over the weekend.

b. Mr. Johnson asked if all agreed with the following summary: The initial hope of the election gambit with Alessandri stepping down and Frei replacing him and calling for new elections was now dead. The second best hope of the cabinet resigning and being replaced with military—a sort of in-house coup—also seemed dead, since Frei and the military were passing the responsibility buck back and forth between them.

c. This brought up the Country Team suggestion that by raising the noise level with specific economic pressures there was at least some chance that such signals might be viewed with sufficient alarm to prompt action by the military.

d. Mr. Johnson said that it wasn’t entirely clear how the reins would be turned over to the military in a constitutional manner as had been suggested. Mr. Vaky said what we were really talking about was a coup—although that word might have various shadings.

e. Mr. Packard said he felt that the situation was serious enough so that the need to act now was imperative.

f. The coup was pictured by those thinking aloud as Chilean action with the U.S. as catalyst. We would assure Frei of future financial support; we would convey to the military that they would not be ostracized—they could count on our continued support and cooperation (as opposed to a complete cutoff if Allende came to power).

g. It was emphasized that there would be no military action as of this moment unless these economic pressures were put into effect. Failure to make signals at this time strengthens Allende day by day—he can point to the USA not opposing him at all.

h. Mr. Mitchell asked for an inventory of possible economic actions. Mr. Karamessines ticked off a series of possibilities. [8½ lines not declassified]

i. Urging some [less than 1 line not declassified] to act now would provide definite leverage—about the only leverage we could exact—and the signals would be unmistakable, most agreed. There was also the MAP program, which could be abruptly cut.

j. Mr. Johnson observed that this approach, swerving from 40 Committee-type action to economic warfare, was tantamount to a change in foreign policy. Mr. Mitchell suggested it was economic protection.

k. [1 paragraph (5 lines) not declassified]

l. Mr. Karamessines stated that this parcel of economic pressure actions constituted the only cards left in our hand. Mr. Mitchell asked what was there left to lose.

m. Mr. Meyer regretted that the U.S. posture if Allende wins (the subject matter of NSSM 97) had not been issued. It contained three options: to isolate Allende; to make him the victim of all ensuing actions rather than the USG; to openly cohabit with him. He went on to say that with Allende in, we could place the burden on Allende for all he did—not ourselves, and after all, Allende would not be around forever.

n. This prompted Mr. Helms to observe that in his experience he had seen other take-overs where pronounced Marxists had accomplished in far less than six years (Allende's constitutional term) what they had threatened to do and then there were no more elections. He said we should face up to Allende's statements and take them at face value.

o. Mr. Johnson said he would play the devil's advocate and interjected that using U.S. economic interests to frustrate Chilean constitutional processes could have far-reaching effects in jeopardizing other U.S. interests in the hemisphere. Mr. Karamessines pointed out contrariwise that a hands-off policy could be read as the USA throwing in the sponge.

p. Mr. Packard repeated his earlier thesis: This is serious enough so we should act now. He offered to stop the MAP program.

q. Mr. Meyer referred to what he considered earlier ground rules of not giving signals until after the 24th.

r. After this give-and-take, back-and-forth exchange, the principals agreed to these actions:

(1) Mr. Packard would (a) act to stop the MAP program, and (b) check on the status of AFTAC pulling out.

(2) Mr. Johnson would talk with [name not declassified] formerly with [less than 1 line not declassified] intimating that if indeed they intended to withdraw, it would be helpful to the USG if they did that now rather than later.

(3) Mr. Meyer would: (a) talk to [1 line not declassified] (b) [2 lines not declassified] (c) talk with [1½ lines not declassified] (d) talk with [1½ lines not declassified] and (e) [1½ lines not declassified].

This was the extent of the specifics but, of course, did not preclude others in the administration from talking to other U.S. business interests in Chile.

s. Mr. Meyer reminded those present that the private sector did not always think or act in concert with particular U.S. policies at a given time and one had to consider the local impact of actions taken by U.S. companies overseas.

t. Mr. Karamessines reiterated that Ambassador Korry urged economic actions of this type at this time and Frei was in full accord.

u. Lastly, the matter of Dr. Seaborg announcing the passing of enriched uranium to Chile in support of an experimental reactor (U.S. origin) was raised. Mr. Johnson stated that he had long-term involvement in the problem of retaliation on political grounds in the field of peaceful uses of atomic energy and the South African experience had convinced him that this was not a wise course.