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Minutes of a Meeting of the Senior Review Group

Identificador Archival:	frus:frus1969-76v21/d150
Agencia Emisora:	NSC / Casa Blanca
Fecha del Documento:	1970-10-14
Colección / Serie:	FRUS 1969–1976, vol. XXI: Chile, 1969–1973

Nota de Archivo: *Washington. Source: National Archives, Nixon Presidential Materials, NSC Files, NSC Institutional Files (H-Files), H–48, Senior Review Group, Chile (NSSM 97), 10/14/70. Secret; Sensitive. The meeting took place in the White House Situation Room. A copy was sent to Vaky, Kennedy, and Nachmanoff. All brackets are in the original.*

Chile

Chairman—Henry A. Kissinger

State

Under Secretary John Irwin

Ambassador U. Alexis Johnson

Mr. Charles A. Meyer

Ambassador Edward M. Korry

Defense

Mr. David Packard

Mr. G. Warren Nutter

Mr. Raymond Leddy

Justice

Atty. Gen. John Mitchell

CIA

Lt. Gen. Robert E. Cushman

Mr. Thomas Karamessines

Mr. William Broe

JCS

Adm. Thomas H. Moorer

Rear Adm. Mason B. Freeman

NSC Staff

Mr. Viron P. Vaky

Col. Richard T. Kennedy

Mr. Arnold Nachmanoff

Mr. D. Keith Guthrie

SUMMARY OF CONCLUSIONS

Alternative action programs to deal with the Allende government will be prepared and submitted to the President in a memorandum, along with agency views. The programs should list specific actions which the US might take to hamper an Allende regime, isolate it in the Hemisphere, and, if circumstances permit, facilitate its downfall. Defense and State will each submit program proposals, which will be reviewed by the Senior Review Group on October 17.

Dr. Kissinger: The NSSM 97 study was initially commissioned in August to deal with the contingency of having an Allende government come into power. It was put aside at that time pending clarification of the political situation in Chile.

The basic question is what the US position should be in order to limit or prevent the negative effects of an Allende government on our interests in Chile and elsewhere. The paper discusses the nature of an Allende government, the threat it would pose to us, and the actions available to us to protect our interests. The analysis offered by the NSSM study is grim and is supported by Ed's [Ambassador Korry's] judgment. The conclusion is that Allende would seek to create a Marxist state in Chile, to diminish US influence, and to establish close relations with Cuba, the USSR and other socialist countries. The study estimates that Allende can achieve these goals over a period of time if he acts with sufficient care and skill. I don't recall that the paper makes any judgments about the impact that an Allende regime will have on other countries.

Have I correctly summarized the judgment of the paper? Does anyone disagree? Charlie [Meyer]?

Mr. Meyer: The question of the impact on other countries is treated on Page 18.

Dr. Kissinger: What I mean is that the paper doesn't analyze the effect in specific countries, such as Peru or Brazil.

Mr. Meyer: I see. That's right.

Dr. Kissinger: The judgment of the NSSM study, as stated on Page 18, is that the US has no vital interests in Chile, that the world military balance of power would not be significantly affected by Allende's accession, but that there would be some political and psychological cost to the US and some negative effect on hemispheric cohesion. The study considers that an Allende government would represent a definite psychological setback to the United States. Does everyone share this judgment?

Mr. Meyer: Hemispheric cohesion might be more real ex Chile than it is now. If Chile attacks the OAS system, the Hemisphere might be unified against Chile. How much influence Allende has in the short term depends entirely on the direction in which the Chilean Government moves.

Dr. Kissinger: To play the devil's advocate—if Propositions 1 and 2 [on Page 18 of the NSSM 97 study; namely, that the US has no vital interests in Chile and that Allende's accession will not alter the military balance of power] are true, and if hemispheric solidarity would be strengthened with Allende in power, then why should we bother about an Allende government?

Adm. Moorer: Proposition 2 overlooks the impact on hemispheric defense.

Mr. Packard: An Allende government might serve as a catalyst for further unfavorable developments.

Ambassador Johnson: From a military point of view, Chile could be important in a negative way. An Allende government might give the Soviets a chance to extend their naval power into the South Pacific, but maybe that is not vital.

Adm. Moorer: It would cause us extreme gas pains.

Dr. Kissinger: It all depends on how you define our vital interests. There are two things Allende could do. First, he might quickly adopt a very hostile attitude toward the United States in order to demon-strate that the US could be defied and in order to rally the Marxists throughout Latin America. Alternatively, he could move with considerable circumspection and restraint. This could have an impact on Italy. It would give a respectable look to the status quo. It would create the same confusion in other Latin American countries that we have already seen in Chile in connection with Allende's rise to power.

The second course might be the more dangerous for us.

Ambassador Korry: Allende has already chosen the second course.

Ambassador Johnson: I think it would be interesting for the group to hear what Ed [Korry] can tell us about the Chilean Communist Party.

Ambassador Korry: The Chilean organization has several distinguishing factors which make it unique among Communist parties. There is no competition of any kind for leadership. The leader is uncharismatic but is a political and managerial genius as shown by his success in keeping the worker and intellectual elements of the Party together. There have been no doctrinal disputes within the Party at any time (and we are well informed on Party activities). The Party has achieved every goal it has set for itself in the last six years. It has contained the challenge from the extreme left; one of the real political competitions to be seen in Chile is that between the Chinese and the Soviets. Allende is really more a challenge to the Chinese Communists than to the United States. He may cause the Chinese to provoke more violence in Argentina.

Dr. Kissinger: How is that? You have lost me there.

Ambassador Korry: The Chinese will want to try to upset the tempo of Allende's progress in Chile. They could stimulate violence in Argentina in order to demonstrate that the peaceful road to power, as practiced by Allende, is not the best path.

Ambassador Johnson: The Chilean Communist Party is completely Moscow-oriented.

Ambassador Korry: It was the first party in the world to approve the Soviet invasion of Czechoslovakia. This involved a 180-degree change in policy in a few days, and it was accomplished without any defections.

Ambassador Johnson: In Chile the Maoist element is found in the extreme left wing of the Socialist Party.

Ambassador Korry: Years ago Allende chose to follow the Communist tactics of peaceful pursuit of power. The Communists masterminded his election strategy. They provided the power, the organization, and the numbers. (They gave him 16% of the total vote; his overall share was 36%).

Dr. Kissinger: Let's return to the question of what happens in Argentina. If Allende chooses to follow a moderate course, then radical elements in Argentina will try to seize power through violent means.

Ambassador Korry: Yes, the radicals would work through the MIR organization. Or the same thing could happen in Uruguay, with the Tupamaros.

Dr. Kissinger: Allende is already in power. He has made the case for his route to power and doesn't need to prove anything. The best the radicals can do is show that their course is a viable alternative. Allende's problem is to show that he can retain power.

Ambassador Korry: The radicals will try to demonstrate a competitive system for gaining power. Anything the radicals do to stir up trouble in Argentina and Peru will be blamed on Chile, and this will create problems for Allende because the Argentine and Peruvian Governments will protest to him.

Dr. Kissinger: Whichever course Allende adopts there will be turmoil in other countries. Either he will create it, or his opponents will. Is that a fair conclusion?

Ambassador Korry: Yes.

Dr. Kissinger: Where does that leave us?

Ambassador Johnson: With Chile everyone can state the problem, but no one has any solutions to offer.

Mr. Meyer: There will be turmoil in Latin America with or without Allende. The drift to the left is inevitable. My own feeling is that our position on Chile should be based on the most operative policy we can adopt. If we eliminate Option 1 (of the NSSM 97 study), which is to put both arms around Allende, we come down to two possible alternatives: Options 2 (cool and correct posture) and 3 (efforts to isolate and ham-per him).

Ambassador Johnson: Option 3 means that we take the initiative in seeking to contain Allende's harmful impact on our interests.

Mr. Meyer: That's right. We would seek to exert our influence. Our policy ought to be to maintain such communications as are pos-sible with Allende without making him into the hero of the Western Hemisphere.

Dr. Kissinger: On the basis of the analysis I have heard around the table, it seems that either a moderate or a hostile Allende would be dangerous to us, but for different reasons. No one feels that we have no particular interest in Allende's existence. None of us wants to see Allende in power. The question is really what tactics we should use in dealing with him.

Mr. Packard: Perhaps we are taking this a little too calmly. It is not just a question of the world military balance. Quite apart from this, we would have some real worries with Allende established in Chile.

Ambassador Johnson: We all agree that Allende is bad news. But since it appears we will have Allende, what we ought to talk about now is what we will do when that happens.

Mr. Packard: We can wring our hands and deplore the situation. We could do something loud, although that would probably not be the right thing to do. Nevertheless I think we ought to take some positive action. This may stir up the Communists in other countries, but they will be stirred up anyway.

Ambassador Johnson: (to Packard) Your objective would be to bring down Allende?

Dr. Kissinger: If I read the signs correctly, my client would like to bring him down.

Mr. Packard: We can bring him down. In assessing the position we ought to take on Allende, we should consider the reaction in other countries. If we give the appearance of doing nothing in the face of a Communist takeover, we will create a bad impression. Look at Peru. If at first we had taken a stronger stance there, the outcome might have been better for us.

Ambassador Korry: I would like to point out that there are several actions we can take. But first, I want to say that militarily we lose nothing by an Allende government unless the Soviets choose to do something, such as setting up a base.

What I hope would be our policy would be that while there is nothing we can do to bring Allende down, we can make it more difficult for him to succeed.

As for what we can do, we should first of all maintain a correct public posture in our relations with Allende. However, our private negotiating posture would be tough and would seek to satisfy the two fundamental criteria we have established to govern our relations with Cuba, namely, that there is to be no Soviet military presence and there will be no export of revolution. We should insist on adequate and prompt compensation for nationalized American properties. (A bill expropriating the copper companies will probably be introduced on November 5). We should also seek to mitigate the speed with which the Allende government recognizes the avowed enemies of the United States. While we may not be able to do anything about Communist China and Cuba, we might at least get them to hold off on North Vietnam, North Korea, and East Germany.

Dr. Kissinger: What means do we use to accomplish this?

Ambassador Korry: I think we can negotiate these points with Allende in the period from October 24 to November 5.

Dr. Kissinger: What will we use for leverage?

Ambassador Korry: The threat of our hostility. This would be important to Allende. He will be facing many problems in the first months of his administration.

Another thing we can do is to build up those political elements in Chile opposed to Allende so that they will have a maximum impact on the March 1971 elections. We can maximize the difficulty for Allende of managing a difficult country with mediocre people at a difficult time. Economic problems for Chile may be at a peak next March. While Allende has a plan for dealing with these, we can still make it difficult for him. This three-level—public, private, and covert—approach would show results to the other Latin American countries. It would enhance US influence by showing we can extract concessions from the Allende regime.

Dr. Kissinger: That all depends on who the Latin Americans think is taking whom.

Options 2 and 3 are not necessarily alternatives. It is possible to isolate and hamper while following a restrained and cool policy. One is an objective; the other is a method.

The basic issue raised by Ed [Korry] and by our discussion is that while we all agree that an Allende government is substantially against our interest, how can we best protect our interest. Should we show open hostility or should we let him make the first move? Should we give him an opportunity to say that we have driven him to a position of hostility? My own judgment is that Allende will move to a position of hostility toward the United States as fast as he can. For us, the question is how do we maneuver so as to hamper him.

(Attorney General Mitchell left the meeting at this point).

Adm. Moorer: (to Ambassador Korry) Do you think he is going to get stronger?

Ambassador Korry: Unfortunately, I am on record as stating that this will be an almost inevitable process. I give much credit to the Communist Party’s capacities. The opposition is bumbling. I start with the assumption that Allende will make it.

One possible scenario would be to make it as tough as possible for him while at the same time being correct in our relations with him. We just might be able to bring it off. Also, we could bring off a large vote against him in the coming elections. That would be the covert part. That would have a large impact throughout Latin America.

If we can negotiate an arrangement with Allende that does not commit us to help him but shows we can defend our interests, our position will be helped throughout the world. Most Latin American and Western European countries want us to adopt a cool and correct attitude toward Allende. They do not want us to fall into the trap of allowing him to make us the scapegoat for his problems.

Dr. Kissinger: If Allende fears our hostility enough to desist from things he wants to do, such as recognizing North Vietnam and North Korea, why should we yield our hostility? What do we care whether he recognizes North Korea?

Hostility has its advantages. It would maximize internal pressures on Allende and give him an increasing incentive to make other concessions. The disadvantage is that it would allow him to appear to be persecuted. US domestic opinion might then feel that he was a great reformer who was driven to a position of hostility by our policies.

Ambassador Korry: Hostility would not have the effect of increasing internal pressures against him. It could drive the army to support him.

Dr. Kissinger: If we don't show hostility, we could maximize internal divisions. However, we would confuse other Latin American countries. Consider also the impact in Italy of an example of a government cooperating with the communists while easing the US out.

Lt. Gen. Cushman: A policy of overt hostility will inhibit our ability to carry out covert operations.

Dr. Kissinger: What we need is some sort of action program. No one fully knows what we or the President want. I can imagine that if we send out a circular instruction describing our objective as maintaining correct relations with Allende, we will find that our people will be urging other countries also to follow a correct policy toward Chile. However, what we really want is to stimulate opposition to him.

Rather than ask the President to decide between Options 2 and 3, we should give the President an action program to show how we would achieve our objective of getting rid of Allende (if we are very lucky) or of slowing him up in Chile while isolating him as much as possible in the Hemisphere.

Since it probably won't be possible to schedule an NSC meeting, we should get this to the President in the form of a memorandum.

Mr. Packard: I continue to think we should take an active approach.

Ambassador Korry: The harder the line we take, the faster we will get the Soviets in.

Dr. Kissinger: The quicker the Soviets go in, the faster we can confront Allende.

Ambassador Korry: What I would like to do is to have us conduct a private negotiation (as we did with President Frei prior to his inaugural) in the period between October 25 and November 4. [Ambassador Korry in this and subsequent statements was referring to a paper which he had brought to the meeting.] We would be trying to avoid having legislation submitted to the Chilean Congress that would lock in concrete Allende's policies and programs. We would make clear that the nature of his relationship with the US would depend on how he behaves with regard to the two Cuban criteria of no Soviet military presence and no export of revolution. We would seek prompt and effective compensation for nationalized US properties and flexibility in the pace of Chilean recognition of avowed US enemies. We would offer a policy on non-hostility toward Allende.

Dr. Kissinger: What do you mean by non-hostility?

Ambassador Korry: We would seek to avoid reprisals against Chile under US laws restricting foreign aid, and we would not hamper action on Chilean requests pending before international financial institutions. We would negotiate a settlement of the Chilean debt to the US Government. This could be useful to Allende and at the same time serve to protect our interest in insuring payment. The same would be true of Chilean debt to private US interests.

Ambassador Johnson: The debt amounts to about $800 million.

Ambassador Korry: We would also seek to maintain our information and exchange programs.

Dr. Kissinger: What happens to aid?

Ambassador Korry: It would be phased out except for a very few programs. We would seek to preserve our contacts with the Chilean military by honoring our outstanding contracts. There is some $4 million worth of items in the pipeline. Outstanding credits under the Foreign Military Sales Program total $1.3 million covering some M–46 tanks and 106 mm. recoilless rifles. We have some uncompleted deliveries under cash sales, covering naval ammunition, ordnance, and other items.

Dr. Kissinger: What should we tell Brazil and Argentina and other Latin American countries?

Mr. Meyer: We should consult them and tell them exactly what we are doing in Chile and why.

Mr. Packard: (to Korry) You are proposing that we go ahead with military deliveries?

Ambassador Korry: However, there would be no new contracts.

Dr. Kissinger: I said earlier that the quicker the Soviets move in to Chile, the quicker we can confront Allende. The elements opposed to Allende will be at their greatest strength early in his administration. He will try to erode the opposition gradually. After six to nine months it probably won't make any difference what we do because he will be firmly entrenched. Therefore, if the Chilean military very quickly gets evidence that Allende's policies are pointed toward a pro-Soviet orientation, they may be galvanized into action. It is very hard to react to these specific proposals. What we need is a complete course of action. We should elaborate on the tough line which Dave [Packard] advocates. We should set down exactly what actions we would take, what we would say to other countries, etc. Dave [Packard] and Warren [Nutter] can put together a proposal for a tough approach. Alex [Johnson] and Ed [Korry] can prepare a similar paper along the lines of what Ed has been presenting. That way we will know exactly what we are talking about. We can give the President specific proposals and include statements of your views.

How about having a meeting Saturday morning [October 17] to look at the plans? We need to get some decisions quickly. There are a number of practical issues, such as the composition of an inaugural delegation, which will have to be resolved soon.

Mr. Nutter: (to Kissinger) You mentioned that there might be an adverse public reaction in the US if we were too hostile to Allende at the beginning. It seems to me that if we don't take a strong stance, a very large segment of US opinion will feel we stood by while the Communists took over. The reaction would be worse than with Cuba.

Dr. Kissinger: Let's meet at 9:30 on Saturday.

Mr. Packard: Could we make it earlier?

Dr. Kissinger: All right. Let's try for 9:00.