DECLASSIFIED // SECRET; SENSITIVE; NODIS

Minutes of a Meeting of the Senior Review Group

Identificador Archival:	frus:frus1969-76v21/d158
Agencia Emisora:	NSC / Casa Blanca
Fecha del Documento:	1970-10-17
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), Box H–48, Senior Review Group, Chile (NSSM 97), 10/17/70. Secret; Sensitive; Nodis. A copy was sent to Kennedy, Vaky, and Nachmanoff. An attached distribution sheet indicates that Kissinger saw these minutes. The meeting took place in the White House Situation Room. 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. G. Warren Nutter

Mr. Armistead I. Selden, Jr.

Mr. Raymond G. Leddy

JCS

Adm. Thomas H. Moorer

B/Gen. Joseph H. Belser

CIA

Lt. Gen. R.E. Cushman

Mr. Thomas Karamessines

Mr. William Broe

NSC Staff

B/Gen. Alexander M. Haig

Mr. Viron P. Vaky

Col. Richard T. Kennedy

Mr. D. Keith Guthrie

SUMMARY OF CONCLUSIONS

1. An NSC meeting is to be scheduled as soon as possible after the US elections (probably on November 5) to discuss United States policy toward the Allende government. A preparatory Senior Review Group meeting will be scheduled prior to November 5.

2. The State Department will submit by October 20 a memorandum setting forth the immediate operational issues that must be decided in connection with Allende's election and inauguration. These include a possible US statement at the time of Allende's election on October 24, negotiations with Allende prior to his inaugural, the composition of the US delegation to the inaugural, and the resumption of US military equipment deliveries to the Chilean armed forces.

3. Under Secretary Irwin will provide a statement of his views on the basic issues and alternatives involved in deciding what course of action the United States should adopt in dealing with the Allende government.

Dr. Kissinger: Our meeting today is to discuss the two different courses of action prepared by State and Defense. We [the NSC staff] have tried to work out yet another possible proposal.

Let me sum up where we stand in our discussions. As I understand, there is a measure of consensus that an Allende government is likely to affect US interests adversely in a number of ways. It will oppose the US in the Hemisphere. It will promote a third-world neutralist stance among the nations of Latin America. It will establish linkages to the USSR, Cuba, and the socialist world. It will encourage elements opposed to the US in other parts of Latin America. It will expropriate US investments valued at $700 million.

Ambassador Korry: The value is actually about $1 billion.

Dr. Kissinger: Also an Allende government will default on debts owed to the US Government and to American banks.

Ambassador Korry: That would amount to another $1½ billion.

Ambassador Johnson: Of the $1 billion in US direct investment, $380 million is subject to US Government investment guarantees.

Ambassador Korry: $800 million of the $1½ billion debt is owed to the US Government.

Dr. Kissinger: On the military side, an Allende government would not itself affect the world balance; but if it made facilities available to the Soviet Union, it would add to Soviet capabilities. This would call for development of a counter-capability on our part. In addition, an Allende government might accept Soviet military equipment for its armed forces.

There are other factors we should consider. An Allende government starts in a weak position. Allende's coalition is fractious. There is rivalry between the Socialists and Communists, and in some ways the Socialists are more radical than the Communists. Allende may face mounting economic problems between now and March. The Chilean military is suspicious of him. Allende's own game plan will almost certainly be to seek legitimacy and respectability, to keep the

opposition fragmented, and to demolish it bit by bit. If we are publicly or prematurely hostile, our attitude may rally Chilean nationalists behind Allende. If, on the other hand, we are accommodating, we risk giving the appearance of weakness or of indifference to the establishment of a Marxist government in the Hemisphere.

What I got out of the meeting the other day is that no one believes a long-term accommodation is possible. We are faced only with a choice in tactics. The question is whether it would be better if a confrontation were seen to result from Allende's actions or whether the US should move immediately to a position of militant hostility.

State's option is to let Allende make the decision on when and how there will be a confrontation with the United States. Defense wants to move right away toward overt hostility. We [the NSC staff] have put together a third option.

First, let's review the existing options. Ed [Korry], do you want to add anything about your proposal? Perhaps you could summarize it for us.

Ambassador Korry: I should point out one slight permutation. That concerns what is meant by non-hostility. Under our approach, there would be hostility, but it would not be overt. Ours is a three-level approach. The US public policy would be one of restraint; however, our covert policy would be one of active opposition. The third level would involve diplomatic negotiations based on a position of firmness and seeking to extract for the protection of our interests whatever agreements we can from Allende while he is in a weak position.

We have spelled out in our paper what is involved on the covert side. As regards diplomatic negotiation, I remain convinced that Allende very much wants respectability and that this will enable us to obtain many of the things listed on Pages 4 and 5 of our paper.

From the standpoint of our public posture, there would be a reduction in the US presence in Chile with the exception of the military mission. A small AID mission would be retained. The cutback would provide a public indication of our hostility to the regime.

Dr. Kissinger: What about the Defense paper?

Mr. Leddy: Its general thrust is to take a somewhat stronger position than proposed by State. We would alert neighboring governments to the danger that an Allende government would fall under Communist control. After October 24 we would publicly reiterate our position that establishment of a Communist government in the Hemisphere is incompatible with the Inter-American system. Once Allende has taken office, we would seek to maintain relations with Chile but would at the same time make clear to Allende that if Chilean territory is made available for a Soviet military presence or for the export of revolution, we will use our power against him.

Dr. Kissinger: How?

Mr. Leddy: That is a delicate question. What would be involved would be our power with Chile's neighbors and with Allende himself.

Dr. Kissinger: What power do we have with Allende?

Mr. Leddy: His desire for respectability and his desire not to jump into the Communist camp.

Dr. Kissinger: As far as I can see, the major difference between Defense and State is that Defense doesn't want to open a negotiation with Allende between October 24 and November 5.

Mr. Leddy: No, the major difference is that Defense advocates a public position of opposition to Allende.

Ambassador Korry: Other governments have already been informed through their Ambassadors about our views on Allende.

Dr. Kissinger: On our European trip, I got the impression that the Europeans were confused about our attitude.

Ambassador Korry: They should have known. The Italian Ambassador had been told and should have reported to his government.

Dr. Kissinger: As far as negotiations are concerned, we need to consider who takes whom. What does Allende gain from negotiations in terms of legitimacy and respectability? For us, the first question in dealing with Allende is whether our hostility should be in response to actions taken by him or should result from our own initiative. If we decide that hostility is to emerge as a response to Allende's actions, then we face a second question—whether we want to negotiate with him or merely maintain a cool, correct posture. If he makes a hostile move, we can consider taking some of the steps Defense is advocating. If he takes a moderate approach, we can try State's course of action. But we don't want to rush in on October 24 to begin negotiations with him.

Ambassador Korry: We are not offering him anything—except overt non-hostility.

Dr. Kissinger: Why would he want that?

Ambassador Korry: Our non-hostility, at least publicly, could be useful to him at the time he takes office.

Dr. Kissinger: Then we do have some leverage with him. What do we gain?

Ambassador Korry: We can keep him from getting locked in on the expropriation of the copper industry.

Mr. Karamessines: Negotiation is perhaps the wrong term to use for what State is proposing. What we would be doing is warning him about the consequences of taking action against US interests.

Ambassador Korry: Certain steps have already been taken. Private sources of credit have dried up. We have suspended military assistance deliveries and processing of Export-Import Bank credits.

Dr. Kissinger: Threatening him about non-compensation seems a weak position. After 25 years of effort he didn't get to power in order to be snookered. We have to offer him something he wants if we are to get anything from him.

Ambassador Korry: We have to remember that he really doesn't know much about the United States. He does worry about what we might do to him. He is thinking about CIA activities, economic pressures, and threats to Chilean export markets.

Dr. Kissinger: Since you are going to go ahead with covert operations aimed against him anyway, he will think you are bluffing or deceiving him if you talk to him about non-hostility.

Ambassador Korry: He hasn't attacked the Administration yet.

Dr. Kissinger: Of course not. He doesn't want to rock the boat before his inauguration.

Ambassador Korry: He doesn't know about our intelligence activities. He hasn't been in power.

Dr. Kissinger: He will find out. I can't imagine that it will take him very long. (to Cushman) What do you think?

Lt. Gen. Cushman: He may not be able to come up with definite proof that we are working against him. But he will know that we have some sort of an operation under way.

Mr. Leddy: There have already been public charges of a CIA campaign against him.

Ambassador Korry: That has been going on for years.

Dr. Kissinger: How do we approach him?

Ambassador Korry: One possibility is to remember that West Germany is Chile's biggest customer and its second largest creditor.

Dr. Kissinger: The FRG has already for all practical purposes recognized East Germany. The non-recognition policy will not last much longer. That won't help us with Allende.

Ambassador Korry: He is likely to be under serious economic pressure in about six months.

Under Secretary Irwin: If an Allende government runs into trouble in its own country, it is preferable that its failure be recognized as a product of its own system and mistakes. It will be to our advantage if we can avoid being put in a position where he can blame us for his troubles and gain acceptance for this charge in Chile and elsewhere in Latin America.

Dr. Kissinger: That point is relevant to our first issue—whether we should take the initiative in adopting a position of overt hostility.

Under Secretary Irwin: It seems to me the question of negotiating with him is not too critical. If negotiation were successful, it would be important not so much because of the recognition it accorded him but because it might make the expropriation problem less difficult. It might avoid setting an undesirable precedent that would encourage others to expropriate and could also help us avoid getting into complications with Allende on the application of the Hickenlooper Amendment. What Ed [Korry] is trying to do—and I admit I am a bit skeptical that it can be done—is to pass information to Allende so that he would know what he is getting into.

Dr. Kissinger: Doesn't Allende have an interest of his own in not provoking a crisis during his first week in office?

Under Secretary Irwin: Ed is trying to play on that.

Dr. Kissinger: Why do we need to play on it?

Ambassador Korry: All you do is warn him about the consequences of the actions he might take after November 4.

Dr. Kissinger: There is a difference between saying that and promising him legitimacy and non-hostility. In the latter case, you put him in a more favorable position to retaliate against us if we go ahead with covert operations.

Under Secretary Irwin: If we entered into negotiations with him and told him that we would be hostile unless he provided satisfactory compensation for nationalized investments, we would be putting him in a position of control. We might have to back down. It would have to be handled very carefully.

Dr. Kissinger: That's right. Can we restate the proposition. As I understand it, we promise non-overt hostility in return for non-recognition of North Korea, North Vietnam, and East Germany, not allowing the Soviets to have bases in Chile, refraining from export of revolution, and payment of compensation for expropriated properties.

Ambassador Korry: We are only going to inform him about the applicable US laws.

Dr. Kissinger: The question of Soviet bases has nothing to do with law.

Ambassador Korry: That's correct.

Adm. Moorer: The question is whether or not you talk to him.

Dr. Kissinger: Or how you talk.

Ambassador Korry: Since he would know our position, he would not be operating under any false assumptions.

Dr. Kissinger: Everyone agrees that Allende should not act under any misapprehension of the consequences.

Ambassador Korry: Negotiation is an implicit as well as an explicit word. Whatever you say to Allende will generate some reaction. That is why it amounts to negotiation.

Dr. Kissinger: All you would tell him is what you know about US laws and policies. Is anyone opposed to this if it stops at that and we do not promise him anything?

Under Secretary Irwin: Ed is trying to trade on Allende's hope of avoiding an initial confrontation with the US.

Mr. Selden: What Allende needs is time. The more time we give him, the better off he will be. He will certainly agree to putting off a confrontation. But what would we be accomplishing except to give him more time?

Under Secretary Irwin: We will have to make a judgment on the risks and counter-risks.

Dr. Kissinger: But what do we get out of a modus vivendi with him? In six months he will have consolidated his position and will move against us.

Under Secretary Irwin: Possibly by then he will have gotten into internal economic and political troubles.

Ambassador Johnson: Perhaps we will gain something in protecting our economic interests.

Dr. Kissinger: The President doesn't care about compensation. He will pay his $300 million if Allende can be brought down.

Our discussion seems to indicate that overt hostility would strengthen Allende, whereas overt non-hostility would maximize the possibility that internal problems would undermine him. By negotiating with him, you would tell him how to get hostility, and he could generate it whenever it suited him best.

Ambassador Korry: He already knows how to produce hostility from the US, but he doesn't know whether the US is serious about protecting its interests. He reads the statements put out by Sol Linowitz and Ralph Dungan. It would be useful to restate what ought otherwise to be obvious to him.

Dr. Kissinger: But the obvious [i.e., hostility] is what he wants.

Ambassador Korry: It is his choice whether there is to be hostility or not. That is why talking to him would be a negotiation. Within his own camp, there are differences on how we should proceed.

Mr. Vaky: If you talk to him about not exporting revolution and not permitting Soviet bases, don't you box yourself in? Suppose you get evidence of the transit of terrorists through Chile, or suppose a Soviet flotilla arrives in a Chilean port. You then find yourself forced to react.

Ambassador Korry: There are many things you could do.

Mr. Vaky: We would be putting ourselves on the hook.

Ambassador Korry: You don't tell him anything about what we might do.

Dr. Kissinger: The question is how you do that.

Lt. Gen. Cushman: Castro has advised Allende to play it cool in dealing with the US.

Dr. Kissinger: Castro played it cool when he started out. Are we going to do the same with Allende as with Castro?

Lt. Gen. Cushman: If he moves to a police state rapidly, it will limit our capability to carry out covert operations.

Dr. Kissinger: Our judgment is that he cannot move rapidly to a police state. Just playing the devil's advocate, I wonder whether if we could get him to move faster toward a police state, we might get the army to take action sooner.

Ambassador Korry: There is no need for him to move rapidly toward a socialist state. He has a well organized cellular political organization already in existence to carry out his objectives whenever he wishes. To the extent that the US manifests hostility, the internal political structure supporting him may be strengthened.

Mr. Nutter: Allende has to have a power base. He will need to have control of the army and the police.

Ambassador Korry: After observing how Chile got into its present situation, I wouldn't rely too much on the military.

Dr. Kissinger: I don't follow your theory. Is it foreordained that Allende will triumph? Are we just playing tactics? The discussion seems to be polarizing between a policy of overt hostility and a vague concept of negotiation, which involves telling him things he should not do.

Ambassador Korry: He will nationalize the copper industry right away. His objective is to clean out the whole US presence. Whatever we do in the Inter-American Development Bank on Chilean loan applications will show our attitude.

Dr. Kissinger: I don't quarrel with informing him of the consequences of his action.

Under Secretary Irwin: That is merely a tactic, which we can either use or not. The important issue is the choice of a general approach. The State proposal is to maintain correct relations and non-overt hostility while employing CIA covert operations to undermine him. The Defense proposal is similar although the emphasis is different. It calls for more open hostility but would not call for much more action than the State proposal. A third course, which I thought would be the Defense position, is to take a wide range of actions to combat him.

A potential danger is that if we base our hostility upon words, we will wind up with the worst of both worlds. We would not enjoy the advantages of maintaining a cool, correct posture, and we would not be taking any action to back up our position of hostility. We would also be lending legitimacy to the claims he might make about CIA activities directed against him.

Dr. Kissinger: That is a good summary of the problem.

Mr. Nutter: Are there some other actions we haven't mentioned that we might take? In preparing our paper, we tried to identify all possible measures other than a break in diplomatic relations or military hostilities.

Dr. Kissinger: One can agree that overt hostility might hamper covert action. On the other hand, if we merely adopt a cool and correct stance, we could create confusion about our position in other parts of Latin America. When we visited Italy, the Vatican, and Britain on the President's trip, we found that there was an impression that we had washed our hands of Chile. We ought to be in consultation with the Latin Americans about this.

Under Secretary Irwin: I agree.

Mr. Selden: The American people have to be clear about our position too.

Ambassador Johnson: Our concern is not with labels but with actions. It is not so important to say that there is a Communist or Marxist regime in Chile as to be able to demonstrate that what we do is a result of actions the Allende government took against us. For example, it would make a difference whether we freeze Chilean assets on November 4 or after US properties have been expropriated without compensation.

Ambassador Korry: I would agree with that. However, if we rely on Anaconda to provide a justification for our actions, we would be on the weakest possible ground, given the company's poor record.

Dr. Kissinger: How are we going to avoid this if we go to him and say that if you nationalize Anaconda, we will react.

Ambassador Korry: I believe we can get a deal that will protect our interests.

Dr. Kissinger: What do we offer him?

Ambassador Korry: We would make clear in a convincing way that we are seriously considering some of the measures set forth in the Defense paper.

Dr. Kissinger: Suppose he says: "You cannot buy a dedicated Marxist with pressure." We are then back to defending Anaconda, and that would be fighting on weak ground.

Ambassador Korry: What do we have to lose? We can at least try to raise maximum doubts in his mind.

Dr. Kissinger: The advantage of talking to him would be to raise doubts about how he ought to respond. The disadvantage is that he may react strongly if we march in threatening him about Anaconda just after he has been elected.

Ambassador Korry: We would not talk about nationalization. We would merely try to establish the parameters of adequate compensation.

Mr. Vaky: Then we would be negotiating with him.

Dr. Kissinger: He might say: "Yes, but in return you do twenty other things."

Ambassador Korry: We don't have to give him anything.

Dr. Kissinger: I wish I had a dollar for every meeting in which someone has announced that a given proposal will not cost us anything.

Ambassador Korry: If a historical example is needed, you can take our postwar rapprochement with Tito.

Dr. Kissinger: But Tito needed us.

Ambassador Korry: Allende also needs us.

Dr. Kissinger: If he needs us, he will come to us.

I can understand not carrying the fight to him. However, the key question is whether we help him prove his acceptability or wait for him to demonstrate it to us.

Mr. Meyer: But if he demonstrates his acceptability, we will not be in any position to work for his overthrow.

Mr. Nutter: Is it our judgment that he is going to establish a communist state?

Ambassador Johnson: He may prefer coexistence, perhaps a Yugoslav type of relationship. If this indeed is what he wants, do we tolerate him? If he reacts to Ed's [Korry's] proposals, what do we do then? I gather that we want to continue

supplying military equipment to the Chilean armed forces and that we would not block IDB loans for Chile.

Dr. Kissinger: Would we continue our covert operations?

Ambassador Korry: Yes.

Mr. Nutter: I don't think he will go the Yugoslav route.

Dr. Kissinger: We ought to understand what the Yugoslav route means. In the Balkans Tito is helpful to us. In Latin America he would be a threat. Castro is more of a problem to us as an independent force than as a complete economic satellite of the Soviet Union.

Ambassador Korry: An Allende government will provide the same type of problem as Castro, that is, the existence in the Hemisphere of a statist regime with a strong anti-US bias. The question is how we limit its influence. Of course, we should remember that nothing follows a logical pattern. Unexpected developments always occur. In dealing with Allende we need maximum flexibility.

Dr. Kissinger: That reminds me of the statement Chip Bohlen made at a White House dinner: "If you don't know where you are going, any road will get you there." Where are we going in Chile?

Ambassador Korry: We are seeking to maximize internal tensions in Chile and to signal our position on the international scene. All we would do in conversations with him prior to his inaugural would be to try to keep him from getting locked into positions hostile to US interests.

Dr. Kissinger: Jack [Irwin] has stated the issues. The first question facing us is whether our position should be one of overt hostility or cool, correct relations. If the decision is to follow a cool, correct course, then we must answer a second question: to what extent do we want to let him buy time? This involves deciding how far we want to go in taking the initiative by undertaking negotiations with him.

Regarding Alex's [Johnson's] question about relations with the Chilean military, is it in our interest to give Allende the time he needs? We may want to keep up the pressure.

Ambassador Johnson: We may want to try to maintain a relationship with the military, and that will give him more time. But if we cut the military off completely, they will have no choice but to turn to the Soviets.

Dr. Kissinger: Or move against Allende.

Ambassador Korry: They would not do that unless a coup could be justified by Allende's own actions.

Mr. Leddy: Our [the Defense Department] proposal is not for complete hostility. We merely feel that we should have a position toward Chile on the public record. For example, we could issue a statement on November 5 warning of our concern "if a Communist government emerges."

Ambassador Johnson: What do you mean by a Communist government?

Mr. Leddy: One that is under Communist control.

Under Secretary Irwin: What do you want to achieve? Allende's overthrow?

Mr. Leddy: That is a hard question. The consensus seems to be that either we don't have the leverage to bring him down or that we should just seek to slow him up.

Under Secretary Irwin: I am not sure whether slowing down establishment of a Communist government is the basic point. The key question is whether the US Government has the capability to overthrow Allende—immediately, within six months, or a year from now. If the US does not have sufficient leverage, then can we so plan our actions so as to facilitate his overthrow? The trend of US actions in Latin America raises a question whether we do in fact have the ability to bring about his overthrow. We pulled back from the Bay of Pigs. We went only half way in the 1962 Cuba missile crisis. We pulled back from a confrontation with the Peruvians over IPC.

Latin America wants social, economic, and political reform as well as greater independence from the United States. Both factors are at play in the Chilean case. In this context, what ability do we have to do anything? Can we consider the sort of action we took in the Dominican Republic? I question whether we can. Military action of this sort is politically improbable.

Under these circumstances, what is the best position for us to take vis-à-vis the Allende government? We can do whatever we can to achieve his overthrow, but our assets are limited. We should certainly not help him economically, although we may in some cases want to make an exception in the IDB, where we may not want to be in the position of blocking Chilean loan requests.

The premise of my thesis is that we should look not only at what we are in a position to do to undermine an Allende government but also at what that government is likely to do in Chile to contribute to its own downfall. If we don't have the capability to bring about Allende's overthrow, we should so conduct ourselves so that he can't blame us for his failures. We should let his own mistakes accumulate. If he does not fall, he will be a bad example for the rest of Latin America.

Dr. Kissinger: That is a good statement. We can always buy time. However, the impact of a Communist government communizing a Latin American country with the tacit cooperation of the United States will be disastrous in other Latin American countries. Allende might be better off if he moved slowly rather than sought a confrontation. It is not self-evident that a moderate but uncompromising Allende would not be more dangerous to us than an implacably Maoist Allende. We might prefer to trigger a confrontation.

Ambassador Korry: Can't we in effect do both? We can negotiate with Allende prior to November 4, we can cut down on aid, we can carry out our contractual obligations on military assistance, and at the same time we can extract compensation.

Dr. Kissinger: What kind of compensation? Compensation is not the important issue.

Ambassador Korry: I think we should do something to keep the US taxpayer from having to foot the bill for a Communist government's expropriations.

Dr. Kissinger: I really think that Chile is perhaps the most important issue we have had to deal with—more important, say, than Jordan.

Mr. Nutter: We have discussed whether we can get along with an Allende government over the long run. The Chilean military is asking the same questions, and they may conclude that the answer is yes. Allende must solidify his power base in Chile, and that means gaining control of the military. When he tries that—and the military see their own survival at stake, we can get a coup.

Under Secretary Irwin: I don't disagree.

Dr. Kissinger: We need to give the principals a chance to talk over the issues just as we have been doing. We cannot decide this. We will need an NSC meeting, but because of the President's schedule, we can't have one until after the election. (to Irwin) Would you write up a statement of the choices as you posed them before?

We will try to make decisions on the immediate operational questions. Should we communicate with Allende prior to his inauguration?

Adm. Moorer: The first question is what the US Government says on October 24.

Dr. Kissinger: We need to get a list of the operational decisions required. We will try to schedule an NSC meeting for the first possible day after November 3.

Gen. Haig: That would be November 5th.

Dr. Kissinger: All right. We will need to be well prepared for the meeting. Can we have a memorandum by Tuesday [October 20] on the immediate operational decisions.

Ambassador Johnson: These would include what the US says on October 24, whether Ed [Korry] sees Allende between October 24 and November 5 and what he should say, and who goes to the inaugural.

Ambassador Korry: Do we hold military deliveries in abeyance—until after we see what Allende does about nationalizing the copper industry?

Under Secretary Irwin: That is a question of tactics.

Dr. Kissinger: The purpose of holding up deliveries is to put pressure on the military. I can see some advantage to resuming military deliveries when Allende is inaugurated.

Ambassador Korry: This needs to be included on the checklist of immediate operational decisions. We could do it on the 24th.

Mr. Vaky: Why should we relate resumption to October 24?

Ambassador Johnson: That is a good point.

Under Secretary Irwin: I don’t disagree with Warren’s [Nutter’s] statement about the role of the Chilean military. I also don’t disagree with Henry’s [Kissinger’s] point about the possible advantages of triggering a confrontation.

Dr. Kissinger: The important thing is that we not do anything before November 5 that would preclude that possibility. We probably ought to have another Senior Review Group meeting before the NSC on November 5. This is the most important issue we have had, even though it is undramatic.

Ambassador Johnson: We will do a memorandum on the operational decisions.

Dr. Kissinger: We need a paper covering Jack’s [Irwin’s] three questions.

Mr. Meyer: Felipe Herrera had agreed earlier that no controversial Chilean loans would be brought up for decision in the IDB before November 4. Now he has changed his position and is going ahead. We have told our representative not to vote.

Dr. Kissinger: But that won’t stop the loans.

Mr. Meyer: Yes it will. They cannot act if we don’t vote. Our delegate will say he is without instructions.