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Minutes of a Meeting of the Senior Review Group

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Chile

Chairman—Henry A. Kissinger

State

Ambassador U. Alexis Johnson

Under Secretary John Irwin

Mr. Charles A. Meyer

Mr. Robert Hurwitch

Defense

Mr. David Packard

Mr. Armistead I. Selden, Jr.

Mr. Raymond G. Leddy

JCS

Lt. Gen. Richard T. Knowles

Colonel Francis Riggs

CIA

Mr. Richard Helms

Mr. Thomas H. Karamessines

Mr. William Broe

NSC Staff

Mr. Viron P. Vaky

Col. Richard T. Kennedy

Mr. Ashley Hewitt

Mr. D. Keith Guthrie

SUMMARY OF CONCLUSIONS

1. The Defense Department option will be reformulated in two versions: (1) a position of overt hostility at the outset and at the initiative of the United States, and (2) a position of hostility, but with overt anti-Allende actions keyed to provocations from Allende. The list of actions contained in the Defense Department option will be reviewed for appropriateness and comprehensiveness.

2. The State Department option will be reformulated in two versions: (1) a position which assumes that the initial and long-term US relationship with Allende will be hostile but seeks to maintain maximum flexibility for the United States to deal with developments as they arise, and (2) a position which seeks to keep open the option of establishing friendly relations with Allende in the event, now considered unlikely, that he moderates his Marxist and authoritarian objectives and pursues a course of action more compatible with US interests.

Dr. Kissinger: I have read the options paper and suggest we discuss that first. We can discuss the CIA annex in a restricted session later; as I understand, it really applies to both options.

As I understand, the assumptions we are making in the present options paper are the same as in previous papers. Allende will seek a socialist state, will have an anti-US bias and will work against us to eliminate our influences, and will establish linkages with the USSR, Cuba, and other socialist states. He will have domestic opposition, internal tensions within his coalition, and economic difficulties. He will move carefully and may not radicalize very fast, and he will try to maintain his international credibility for a while. Other Latin American and European nations will not be overtly hostile.

Are these assumptions agreed to by everybody as a basis for our analysis?

Mr. Meyer: Yes.

Dr. Kissinger: The paper then states the US objectives—prevent establishment by the Allende government of an authoritarian Marxist regime, act as a counterpoise to Soviet influence, protect US economic interests, and protect US security interests. I don’t have any trouble with the first of these, but how are we going to act as a counterpoise to Soviet interest given the assumptions we have just reviewed?

Mr. Packard: By keeping him from going socialist.

Dr. Kissinger: That is, by achieving the first objective. If that is the case, are not the second, third, and fourth objectives dependent on attaining the first?

Mr. Meyer: Yes, I think so.

Dr. Kissinger: If you achieve the first objective, you also achieve the rest. If you don’t achieve the first, you might still achieve the third, and perhaps the fourth (if you could induce Allende not to give bases to the Soviets). Of course, Chile’s potential as a base for subversion in surrounding countries might be more worrisome to us than would be the establishment of facilities for the Soviets there.

Mr. Meyer: There is no indication that in the medium term Allende plans to export subversion.

Mr. Johnson: He will certainly give refuge to subversives from other countries.

Dr. Kissinger: It would not be in his interest to let us know that he is planning to export revolution.

Mr. Selden: He is certainly not going to tell us.

Dr. Kissinger: Let's go to the options. The State option calls for us to be outwardly correct, to take no hostile initiative which Allende could turn to his advantage, and to act quietly to limit the Allende Government's freedom of action. The Defense option is to act deliberately and not over-react and to adopt a more direct posture of hostility.

Is the difference between the two options a question of how overt our hostility is? The actions we would take are essentially the same in both cases. What do we do under Option B [the Defense option]—besides talking differently—that we would not do under Option A [the State option]?

Mr. Packard: We have listed a number of things. One would be to start moving on implementing the restrictive provisions of the Foreign Assistance Act.

Dr. Kissinger: You mean that we would assume on November 4 that the Chilean Government is a Communist government as defined in the Foreign Assistance Act.

Mr. Packard: Yes. There is no doubt we are going to end up with a socialist government. We should act accordingly.

Dr. Kissinger: You would implement these provisions on November 5 without waiting for Allende to act. The idea would be that his mere assumption of power justifies action under the Foreign Assistance Act.

Mr. Selden: The real difference between the State and Defense approaches is that State wants to wait and see and let Allende take the initiative. Defense wants to put Allende on notice; this means that we take the initiative.

Dr. Kissinger: State's position seems to be that Allende has to prove his unacceptability.

Mr. Johnson: What State is proposing is to react to what Allende does. He would take the initiative.

Dr. Kissinger: All agree that the overwhelming probability is that we will eventually have to move to a position of hostility. However, tactically it may be better to be provoked than to be in a position of being the aggressor. There is another assumption that seems to be involved in State's proposal. That is, that there is just enough possibility of getting along with him that we ought to keep open this option.

Mr. Meyer: To put it another way, we ought to evaluate Allende progressively.

Dr. Kissinger: When you put it that way, the nuances begin to accumulate, and pretty soon your position has changed.

Mr. Packard: The outcome is inevitable. If we are to do anything, we have got to do it aggressively. That is our only chance to turn things around.

Mr. Irwin: The question is whether the United States has the capability to do anything to turn things around. All we might accomplish might be to have the United States looking as though it wants to turn things around but not being able to do so.

I think that probably the Chilean Government will get into difficulty. Probably the first thing they will want to do is blame the US for their troubles. To the degree that Allende gets into difficulty and we have not done anything that will allow him to put the blame on us, we will be in a better position. There is, of course, the risk that if we do not do anything Allende will grow stronger. However, we have to consider how action against Allende on our part may affect our relations with

other Latin American countries.

We also have to take into account that we are dealing with other communist countries. Ceausescu was received at the White House, and the President travelled to Yugoslavia. There is a difference in that Chile is in our back yard. However, there is another difference and that is that Allende was chosen in free elections, and neither Ceausescu nor Tito gained power that way. There is the Nixon Doctrine to consider also; it focuses on negotiation as the approach for working out differences with the communist world.

Mr. Johnson: If we seem to be picking on Chile, rather than exposing Allende's own mismanagement, we will enable him to raise and capitalize on nationalist sentiment in Chile.

Dr. Kissinger: Allende's judgment seems to be that the best course is to present an impression of relative normalcy in his relations with us. He has leaned over backward to be conciliatory. It appears that our judgment that overt hostility would help him get elected was not his. Besides, if he needs hostility, he can get it whenever he wants by expropriating the copper industry.

Mr. Irwin: Most of Chilean copper exports do not go to the United States. Contrast this with the situation in Cuba, which was more dependent on us economically. Our capability to pressure Cuba was a little greater than what we presently have with regard to Chile, and yet we did not go ahead and take action.

Mr. Packard: I don't agree. Allende received less than a majority of the votes. Castro came in with strength. Allende needs time to consolidate his position. I think we should move and not give him the time.

Mr. Irwin: The difference in our judgments of the situation is that we think that what you propose to do will help him consolidate his position faster.

Mr. Packard: We have to make a fundamental decision—whether we are going to move.

Dr. Kissinger: Don't Allende's actions support Dave's [Packard's] view that he needs time and wants to get along with us.

Mr. Selden: I read a report of the Secretary of State's conversation with Chilean Foreign Minister Valdes at the UN. Valdes has ties to Allende. Valdes told the Secretary that we were doing the right thing [in the way we have been handling the situation in Chile]. This indicates to me that the Soviets and Communist view is that we are doing the right thing.

Mr. Irwin: We tend to think that he can consolidate his position faster if we act against him.

Dr. Kissinger: That doesn't seem to be what he is thinking.

Mr. Irwin: We don't know what he thinks. There are various possibilities. (to Kissinger) My own feeling is along the lines of what you and Armistead [Selden] are saying.

Dr. Kissinger: The argument that Dave [Packard] is making is that Allende is now in a relatively weak position. All he has going for him is the Chilean tradition that if you win a plurality, you get the Presidency. He has the traditional elements in Chile worried, and the military is at least playing with the idea of a coup. He will have to take over the police and he will seek to eliminate the opposition bit by bit using salami tactics. As the devil's advocate, one could argue that opposition to Allende will be at the maximum prior to the inauguration and that if we are going to do something, that is the time.

Mr. Irwin: You can argue that. I believe he will try to consolidate his position and will perhaps be successful. In the process, he will make many enemies, for instance, in the military. Thus, as he consolidates, he will also in a sense be undermining his position. If anyone could say there are actions we could take to prevent this happening . . .

Dr. Kissinger: There are two questions. Will anything we do prevent his consolidating his position? I don't think that Dave [Packard] says it will.

Mr. Packard: That's right. I don't.

Dr. Kissinger: The second question is will we be worse off if we take action and our action fails?

Mr. Irwin: If it fails, we will not [now?] have created a problem for ourselves in other Latin American countries, in countries in other parts of the world or domestically here in the United States.

Dr. Kissinger: You could argue that both ways.

Mr. Packard: That's right.

Dr. Kissinger: If the idea gets around in Brazil and Argentina that we are playing along with Allende, we will be in trouble.

Mr. Meyer: We sent out a circular cable asking all our embassies to consult with their host governments. The embassies were to say that we frankly view the situation as not good and to ask what the host governments thought we should do about it. The response from the Latin Americans was: "We agree with your evaluation, but please wait and see how things develop."

Dr. Kissinger: If we implement the State option, will we not eventually wind up in an adversary position? I think we have three choices. One is the Defense option. A second is the Defense option with the State method, that is, be tough, but limit ourselves to counterpunching. A third option is to conduct business as close to usual as you can. This gets Allende into a position where he can use salami tactics.

I don't know the meaning of these phrases (in the State option): "if circumstances permit," "if the situation merits." The situation will always be balled up at any given moment.

One reason we could go along with the non-application of the Hickenlooper Amendment in the IPC case was that we judged that Velasco was a nationalist but not unreasonable and that we could keep some lines open to him.

Mr. Meyer: That is the attitude of the US business community on Chile today.

Dr. Kissinger: The American business community has long been proving that Marx was wrong in thinking that businessmen understand their political interests.

Mr. Packard: I think there is an in-between approach. We could decide that the outcome is inevitable, but we ought to try to prevent it if we can. The first thing to do is to get some of Dick's [Helms'] friends and see what we can do with them. We ought to work out more carefully exactly what actions we plan to take. I am not entirely satisfied with the list of actions that we [Defense] have assembled as of today. The question is whether we should work hard at doing something about this problem or let it drift.

Dr. Kissinger: You can work hard from both postures. On the question of expropriation, Allende's case will be as good as Velasco's.

Mr. Irwin: It might even be better. Allende may pay some compensation.

Dr. Kissinger: If his strategy is to gain time, he can get even with us by taking hostile actions that are ambiguous.

I have a question. Is it possible to marry the covert option with the State option?

Mr. Meyer: There is no problem doing that.

Dr. Kissinger: Won't Allende catch on to what we are doing?

Mr. Meyer: We were blamed for killing General Schneider. Allende will know something is going on. For example, what if a newspaper continues to publish when he knows it doesn't have any resources?

Mr. Irwin: It seems to me that covert action just to be doing something is not a good idea. It is not productive if it doesn't make a significant difference in the situation; and there is always the danger it will become known.

Mr. Helms: At some point we have to make the decision whether we want Allende around for six more years. We can get along with either the State or Defense option. There are a number of ways to whittle around on our plan of action.

Dr. Kissinger: Jack's [Irwin's] point is that even if we decide we don't want to live with Allende, we can't do much about him.

Mr. Helms: One thing we could do is to decide to put Chile on the Russian account. Let them pick up the tab for providing aid, military equipment, and other things to Chile.

Mr. Irwin: There is really no difference on what we want. Neither State nor Defense wants Allende to stay around for six years.

Dr. Kissinger: The State option—as it is likely to be interpreted—is that if Allende goes, it has to be the result of overwhelmingly Chilean factors. The Defense option on the other hand involves a vigorous American effort against him.

Mr. Irwin: State would be happy to see any effective action, covert or otherwise, that would hasten his departure. However, we don't want to see the United States blamed. Unless we can take some effective action, all we can do is play the risks.

Dr. Kissinger: Let me ask a cynical question. Do we care whether we are blamed if our action succeeds in getting rid of him? Certainly, if he goes, people will say, "Those damned Americans!"

Mr. Irwin: Why did we pull back at the Bay of Pigs?

Mr. Selden: It was our action that got rid of Arbenz in Guatemala. The result is that there is no Communist government there. If the Chileans know where we stand on Allende it could strengthen his opposition at home.

Mr. Irwin: All these arguments can be made. It all comes down to a matter of judgment.

Dr. Kissinger: This will be decided by the NSC.

I have a procedural question. Aren't we talking about more than two options?

There are really two versions of the Defense proposal. One is to adopt a posture of overt hostility. The other is to let the other fellow pick a fight. As for the State option, it assumes a hostile relationship but wants to retain the maximum flexibility. There is also a possible second version of the State option. That is that we follow a course of action such that we keep open the option of getting along with Allende on the off chance that the guy is going to mellow along the way.

Mr. Meyer: One could ask whether taking action against Allende is consistent with our public posture.

Mr. Johnson: State assumes that there is nothing we can do to bring down Allende. Therefore, we have got to look down the longer road. We assume that there will be internal pressures in Chile. Allende will have to react at some point or change his tack. We have to look toward having this kind of government in Chile for some time. Any changes will have to come from within.

Our experience in China and Eastern Europe has demonstrated that change has come from within. In dealing with these countries, we have proceeded on the assumption that maintaining a US presence and boring from within constitutes the more profitable course of action. That has been our thrust since the 1950's.

Rather than take the initiative to take action aimed at isolating Chile—which might convert Chile into another Cuba—we would do better to maintain a presence even if Allende establishes himself. Things are not immutable. Over time, the situation in Chile may change.

Dr. Kissinger: There are two versions of the State option. One is as stated in the options paper. The other is that however things develop with Allende, it would be better for us to have some position in Chile than to end up in a Castro-type situation.

Why not try to sharpen up the options with this in mind? We should state the two versions of the Defense option and, in addition, look over and improve the list of actions. We should also set forth the two versions of the State proposal. What Alex [Johnson] just said is a good basis for this. In addition, we should clarify the meaning of those phrases like "if the situation merits." This is perhaps the most important question we have dealt with, and this restatement of the options will help get us ready for an NSC meeting.

Is there anything else?

Mr. Meyer: There was some press comment about the President's not sending a congratulatory message to Allende. The question now is whether I take a message when I go down to the inaugural.

Mr. Johnson: I think that all in all saying nothing has turned out to be the best course of action. Jack [Irwin] may not agree.

Mr. Irwin: I would lean to some sort of message, since we are sending a delegation. But it is not a critical matter.

Dr. Kissinger: If you want, draft the coolest message you can think of and send it over. Frankly I don't think the President will put his name to a message of congratulations for Allende. He thinks Allende will end up like Castro, and he doesn't want to be on record as congratulating him.

Mr. Johnson: We'll talk this over some more at State and decide if we want to propose anything.