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Minutes of a Meeting of the Senior Review Group

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Chile

Chairman—Henry A. Kissinger

State

Mr. U. Alexis Johnson

Mr. Charles A. Meyer

Mr. Samuel Eaton

Defense

Mr. David Packard

Mr. Armistead I. Selden

Mr. Raymond G. Leddy

B/Gen. Robert C. McAlister

CIA

Mr. Richard Helms

Mr. William Broe

JCS

Adm. Thomas H. Moorer

B/Gen. Joseph Belser

NSC Staff

Mr. Arnold Nachmanoff

Col. Richard T. Kennedy

Mr. D. Keith Guthrie

* Mr. Packard was not present at the start of the meeting.

SUMMARY OF CONCLUSIONS

1. IDB Loans to Chilean Universities. The SRG agreed that a decision whether or not to support approval of these loans should be deferred until the question is raised in the IDB Board of Directors. The SRG noted that these loans might not constitute an appropriate vehicle for initiating a policy of blocking Chilean access to IDB funds.

2. Inter-American Defense Board (IADB). The SRG endorsed the conclusions of the Ad Hoc Group report on the security implications of Chilean participation in the IADB and agreed that no further action was required at the present time. The JCS will keep under continuous review the security aspect of Chilean participation and will report potential problems to the SRG.

3. Chilean Participation in the OAS. With regard to possible OAS exclusion of or sanctions against Chile, the SRG noted that the only feasible course of action at the present time was to concentrate on building a case against Chile on the basis of Chilean policies and tactics. The SRG agreed that Chilean disruptive tactics in the OAS should be dealt with on a case-by-case basis, with US reaction increasing in proportion to Chilean actions.

4. Cuba and the OAS. With regard to a possible initiative by Chile, or any other OAS member, to terminate OAS exclusion of or sanctions against Cuba, the SRG agreed that the US should actively initiate consultations with other OAS members with a view to seeking reaffirmation in the OAS of the sanctions against Cuba.

5. Revitalizing the OAS. In connection with the forthcoming NSSM study on the implications of Chile for overall US policy in Latin America, particular attention will be given to identifying means to revitalize the OAS in order to make it a more effective instrument for positive action within the Hemisphere, consistent with overall US interests and objectives.

6. Security Implications of the Allende Regime. JCS will distribute to SRG members the study being prepared on the security implications of Soviet establishment of bases or use of facilities in Chile. CIA will prepare a study of the security implications in the Hemisphere from Chilean propaganda activities and Chilean support for guerrilla activities. Both of these studies will be completed by December 20.

7. Chilean Trade with Communist Countries. The SRG agreed that the US should continue to defer making any approach to the Chilean Government to notify it of possible penalties imposed by US law if Chile trades with communist countries.

8. Scientific Projects. The SRG agreed that the NSF radio astronomy and Antarctic research projects in Chile should be continued.

Dr. Kissinger: I wonder whether we could just run through the status of the actions we discussed at the last meeting.

Mr. Meyer: They are all discussed in the briefing book. The table of contents indicates what has been covered.

Dr. Kissinger: If we are all on board on this, then there is no reason to go through it here. Does anyone have any comments?

Mr. Meyer: I have only one. I would like to call attention to the fact that there are three World Bank loans to Chile that are beyond recall.

Mr. Helms: One minor point relates to Page 3 of the paper [on the options for US strategy on Chilean participation in the OAS] where it notes that Chile "has already resumed full relations with Cuba and established commercial relations with North Korea". We should add that the Chileans have begun conversations with the Chinese Communists in Paris looking toward opening relations with Peking.

Dr. Kissinger: With regard to those IDB loans to the universities, I wanted to raise one question. Someone (I think it was Alex [Johnson] or Charlie [Meyer]) raised the question whether it was best to veto these particular loans.

Mr. Meyer: It was Jack Irwin. His point was that if we are going to have a confrontation with Chile in the IDB, these loans, which are old ones negotiated with the Frei government, might not provide the best basis for action by us. If these do come up for decision in the IDB, we might have to suggest that we make an exception and approve these loans.

Dr. Kissinger: We can wait to decide until that [a proposal to vote on the loans in the IDB] happens. What you say would not be an unreasonable proposition. However, there is nothing we can do about it now.

Mr. Johnson: No.

Adm. Moorer: When we discussed this before, wasn't there some question about whether Felipe Herrera was going to become rector of one of these universities?

Mr. Meyer: He isn't. But one of his proteges is to be the new Chilean Ambassador to the United States. His name is Letelier.

Dr. Kissinger: Is he any good?

Mr. Meyer: The reports we have are that he is a bright, able, charming socialist and also a hell of a liar.

Dr. Kissinger: In that case he is no different from Santamaria.

Mr. Selden: If he is one of Herrera's boys, he is no friend of ours. Also he will know the IDB's operations and that will make it difficult to outmaneuver him.

Speaking of Herrera, I don't know that we will be doing any better with Ortiz Mena.

Dr. Kissinger: Why was he chosen? I thought he was our man.

Mr. Selden: Treasury wanted him. They didn't ask our approval.

Mr. Meyer: We weren't consulted.

Dr. Kissinger: I have read the JCS paper on Chilean participation in the Inter-American Defense Board. My only question is what are the informal means for the Chileans to get information there. Can they get a sense of our direction on strategic policy through informal contacts with our people on the IADB?

Adm. Moorer: I wouldn't think so. The people we have there don't participate in the day-to-day discussions of overall policy. They only come to the Pentagon to receive instructions.

Dr. Kissinger: What do they do?

Adm. Moorer: Not very much.

Mr. Meyer: It is purely cosmetic.

Dr. Kissinger: What type of people do you assign to those jobs?

Adm. Moorer: A flag or general officer. We try to get one with attaché experience in Latin America who knows some of those people.

Dr. Kissinger: At any rate you will watch the situation. There is nothing more to do right now.

Adm. Moorer: That's right.

Dr. Kissinger: Next we need to take up Chilean participation in the OAS. The conclusion of the paper is that exclusion or sanctions are not in the cards in the present situation.

Mr. Johnson: Immediate exclusion.

Dr. Kissinger: The paper also says that harassing the Chileans to force their withdrawal from the OAS is not a promising approach. The recommendation is to build a position to use against Chile if an opportunity presents itself later to move for expulsion.

Mr. Johnson: The paper doesn't make any recommendation, but the third option seems the only feasible one.

Dr. Kissinger: I have one methodological problem with the paper. This relates to the two options. The first one, on Page 12, speaks of attempting to organize support for sanctions as soon as there is reiteration by Allende of his advocacy of revolution in the Hemisphere. The second, on Page 14, reads: "Make no move in the OAS now but continue to document further developments in Allende's attitude toward 'armed struggle' in other countries, especially any clear evidence of actual interventionist activities". These are not really commensurate problems. One assumes that he has reiterated his revolutionary intention. The other deals with the case where he has not done so. Am I right that he hasn't made any reiteration yet?

Mr. Meyer: No, he has not.

Dr. Kissinger: The major choices we now have in the OAS are (1) early concerted action to render Chile's participation in the OAS ineffectual and (2) countering Chilean tactics on a case-by-case basis and increasing our reaction as Chile's tactics become more disruptive. That is a good defensive position. But there is another matter, which I have discussed with some of you on the phone, which causes me to raise a question. That is the President's order to put out a NSSM on how our general Latin American policy is affected by Chile. I wonder if in making this review, we can't think of things we could do to vitalize or revitalize the OAS. This would be something positive to go along with our defense posture.

Mr. Meyer: I think the President has done everything possible along this line. However, the other day I met with some of the people in my Bureau, and we discussed this.

Dr. Kissinger: I have no particular suggestions to offer. I would just like for us to have a look at it. The President has a particular concern about strengthening our relations with Argentina and Brazil. In that connection, I saw the report of your [Meyer's] recent conversation with [Brazilian Foreign Minister] Gibson.

Mr. Johnson: The toughest problems we have with the Latin Americans involve trade.

Mr. Selden: I was at the 1962 meeting in Punta del Este when Cuba was thrown out of the OAS and also the 1964 meeting which decided on sanctions against Cuba. At those meetings I found that unless we take the leadership, these people will not act. We didn't have the votes [to exclude Cuba] when we went down there [Punta del Este], but Mr. Rusk decided to take the bull by the horns, and the resolution was passed. We have to take the leadership.

Dr. Kissinger: The point of the proposed NSSM is to come up with some recommendations on what we should do to exert leadership.

Mr. Meyer: That's right.

Dr. Kissinger: My experience with Latin Americans is that precision of thought is not their distinguishing attribute.

Mr. Selden: We have got all the marbles; we have to push this. I think that it is more likely that the Chileans will get someone else to raise the issue of Cuba in the OAS. We ought to tell the Latin American ambassadors that we definitely do not favor bringing up this question.

Dr. Kissinger: That is my next point. What should be our immediate response to Chilean action to raise the Cuba question or to some proposal along the lines of what the Colombians have been talking about? I am usually told to bring options to the oval office. However, I am not authorized to bring in options on improving relations with Cuba. He doesn't want to hear of it. Of course, if it is the unanimous view that we should do something along this line, I could bring it up, but his predisposition is to be against it.

Mr. Meyer: Let me brief on my talks with the concerned Foreign Ministers, that is, those of Colombia, Uruguay, and Ecuador. I also talked to Galo Plaza, who is a master example of imprecise thinking. I took the position that nobody wants to bring the Cuban question before the OAS. We want to talk about this among ourselves, and that includes us [the US]. We are part of the team. I said that we all recognize that there is no possibility of a two-thirds vote to erase the 1964 Resolution against Cuba. None of them want Cuba back in the OAS or want to have diplomatic relations with Cuba. However, nobody wants to be left behind if there is an erosion of the OAS position that will give Cuba a political victory.

The concept I sold—or believe I sold (I will know when I talk to Galo Plaza again)—is that if anyone is concerned about Chile—and the Latin Americans are, and if anyone is concerned about the Rio Treaty and the future of the Inter-American philosophy of non-intervention—and they are, then the basic thing for us to do is to get together a clear analysis of the problem. Everybody has a different idea of what the problem is and what we should do.

Dr. Kissinger: And how will this probably wind up?

Mr. Meyer: That everyone will decide to do nothing.

Dr. Kissinger: I take it your suggestion is that we undertake a series of bilateral contacts.

Mr. Meyer: Or regional or sub-regional consultations—in which we take part.

Colombia is the most dovish. The Colombian Foreign Minister told me, "There are risks to the Inter-American system in doing anything and in doing nothing." I said that in that case we ought to put our cards on the table and discuss the matter fully. None of them want Cuba back in the OAS. They are concerned about the economic sanctions but not about diplomatic sanctions. The Colombian Foreign Minister said at one point: "I don't want to have any of those bastards floating around in my country."

Dr. Kissinger: I take it that the principal consequence of these consultations would be a reaffirmation of the 1964 Resolution.

Mr. Selden: It will take a two-thirds vote to make any change in the trade sanctions.

Mr. Meyer: The Latin Americans are caught up in an emotional position.

Dr. Kissinger: What is involved?

Mr. Meyer: It has to do with the trend toward advocacy of universality in the UN. The Latins also point out that the Western world is moving toward recognition of Communist China and wonder what they should do.

Dr. Kissinger: How will they ease their problem by palavering with each other?

Mr. Meyer: They won't ease the problem. But we don't want them to palaver without us. They will talk anyway. They know our position; the Brazilian position is even harder.

Mr. Selden: Such countries as Nicaragua and Haiti are concerned about Chile and Cuba. So are other Caribbean countries.

Mr. Meyer: Jamaica, Trinidad, and Barbados don't vote on this, since they were not members of the OAS at the time the resolution was adopted.

Dr. Kissinger: That is an interesting constitutional principle. Are they bound by the resolution?

Mr. Selden: Trinidad is not abiding by it. Haven't they been trading with Cuba?

Mr. Meyer: It has all been talk on their part. They haven't done anything yet.

Dr. Kissinger: You are not in favor of trying to get a two-thirds vote for reaffirming the 1964 Resolution?

Mr. Meyer: Yes, I would be in favor. However, the Latin family is worried about reopening the question of Mexican illegitimacy. Colombia is looking for a way to maintain the Resolution but legitimize Mexico. The problem is that if you legitimize Mexico, you also legitimize Chile. They don't know what they want. They want to have their cake and eat it.

Dr. Kissinger: When you say in Option 3 [on page 19 of the paper on Options for US Strategy concerning Chile's Future Participation in the OAS] that we should "deal with the problem of OAS consideration or reassessment of the Cuba question on its own merits", what do you mean? Would you or would you not raise the question in the OAS?

Mr. Meyer: That is just an option.

Mr. Selden: The Defense position is Option 1.

Dr. Kissinger: (to Meyer) Which one do you want?

Mr. Meyer: Option 2 is the recommended alternative.

Dr. Kissinger: I am talking about the options discussed on Pages 18 and 19.

Mr. Johnson: (to Meyer) What you have been saying is in line with Option 1. Your discussions in Mexico City are also consistent with that option.

Mr. Nachmanoff: What we are discussing now is a broader matter than the question of dealing with a Chilean initiative on Cuba.

Mr. Selden and Mr. Johnson: That's true.

Dr. Kissinger: Are we or are we not going to seek OAS reaffirmation of the 1964 Resolution?

Mr. Meyer: I wouldn't want to say until we know what the Latin concept of reaffirmation is.

(Mr. Packard joined the meeting at this point.)

Dr. Kissinger: But if I understand what Mr. Selden is saying, the Latin American understanding of anything depends on the leadership we give them. Where we come out depends on our own preferences and the energy with which we press them.

(to Meyer) Charlie, your thought is that we first explore the matter in bilateral and multilateral consultations in order to get the lay of the land and that we then move for reaffirmation. Would we be taking an active or passive role?

Mr. Meyer: That's what I had in mind. We would be active.

Dr. Kissinger: Does everyone agree?

Mr. Selden: Yes.

Dr. Kissinger: (to Johnson and Moorer) Alex and Tom?

Mr. Johnson and Adm. Moorer: Yes.

Dr. Kissinger: (to Helms) Dick?

Mr. Helms: Yes.

Dr. Kissinger: Regarding Soviet military facilities in Chile, I think we need do no more now than to note that it is a problem we may have to face in the future.

Adm. Moorer: We are working on a Joint Staff paper on the security implications of Soviet bases in Chile for the entire Western Hemisphere. I believe it would be useful to make it available to the members of this Group.

Dr. Kissinger: I think it would be useful to distribute the paper.

Mr. Johnson: I think we have to proceed on the assumption that there will be no Soviet bases in Chile. What will happen is that Chile will permit the Soviets to use Chilean facilities, along the pattern of Alexandria.

Adm. Moorer: But we certainly need to look at this. There is a chicken and egg question here: which comes first, the policy or the military implications? I believe the policy must be derived from the military implications.

Dr. Kissinger: I believe the security problems posed by Chile can be categorized as follows. The first is propaganda. The second is guerrilla activity. And the third would be overt military activity, either through the construction of bases (I agree with Alex [Johnson] that this is not very likely) or the use of existing facilities. I believe that this third problem is farther down the road than the other two.

Mr. Helms: I agree. The principal threat is from propaganda and guerrilla activity. The Chileans would not want to raise our hackles by getting involved in overt military activity.

Mr. Meyer: I don't feel very comfortable about the report that the USSR might build a merchant marine base in Antofagasta.

Dr. Kissinger: If you are uncomfortable, what do you propose to do about it? Could you get a vote in the OAS against a merchant marine base?

Mr. Meyer: I doubt it.

Mr. Selden: It is worth exploring.

Mr. Packard: We are all right in the short term, but we should spend some time looking at the long-term implications so as to be prepared for all eventualities.

Dr. Kissinger: We could look at both the guerrilla question and the other matter. (to Helms) Dick, could you take a look at the guerrilla problem? (to Moorer) If you can explore the military side, Dick [Helms] can look at propaganda and

subversion.

Adm. Moorer: My paper will be ready by the 20th.

Dr. Kissinger: Perhaps the 20th will be a bit early for Dick [Helms].

Mr. Helms: (to Broe) What do you think?

Mr. Broe: We can try to have our paper ready by the 20th.

Dr. Kissinger: Now let's take up the legal implications of Chilean trade with Communist countries.

Mr. Meyer: The legal implications are that such trade will call into force a certain amount of US reaction in proportion to the size of the trade.

Mr. Johnson: It seems you would just carry out the legal requirements.

Dr. Kissinger: We don't trigger a national security exception?

Mr. Johnson: I don't think we would want to do that.

Mr. Selden: What about formally notifying the Chilean Government about this [the penalties under US legislation]?

Dr. Kissinger: That is what Ambassador Korry wanted to do.

Mr. Johnson: Is it safe to assume that the Chileans know?

Mr. Meyer: It is always better to remind them.

Dr. Kissinger: Would we do so at a high level or just send the Ambassador to see the Foreign Minister?

Mr. Selden: If we do it, we should do it that way.

Mr. Meyer: We called this to Frei's attention in the case of Chilean trade with Cuba.

Dr. Kissinger: Then there is no reason not to do the same with Allende.

Mr. Johnson: What would be our objective in doing so?

Mr. Meyer: Just to make sure they know the rules.

Dr. Kissinger: Don't you achieve that just by sending them some notification? How would you do it at a low level?

Mr. Johnson: You could have the desk officer give a memorandum to the Chilean Embassy here.

Dr. Kissinger: What is the argument against telling them? All we want is to make sure that they know, without giving them an opportunity to turn it into a test of strength.

Mr. Nachmanoff: One point worth noting is that sanctions under our present policy are non-sanctions. They apply to PL–480 and economic aid. Notifying them could raise the implication that if they do not trade with the communists, then we would go forward with aid.

Mr. Packard: The sanctions can be waived. We ought to advise them that we are not likely to grant a waiver.

Mr. Johnson: What is the point in raising the matter if no loans or PL–480 are planned for Chile?

Dr. Kissinger: Alex's [Johnson's] point is that if we make an approach on sanctions and then don't go ahead with our aid, the Chileans would then have an opening to ask why we are not proceeding with aid. We have one other possibility. That is the Trading with the Enemy Act.

Mr. Nachmanoff: There is not much we can do under that.

Mr. Johnson: That would be farther down the road.

Mr. Meyer: On the basis of Arnie's [Nachmanoff's] point, then we should do nothing.

Mr. Packard: Nothing we can do would have much effect.

Dr. Kissinger: Except to give us a pretext for formalizing what we are already doing. We have never said we are applying sanctions. Where will we be on this six months from now?

Mr. Johnson: Hopefully the Chileans will have done something that we can use as an excuse [for denying them aid].

Dr. Kissinger: That is an interesting theory of hopefulness.

Mr. Meyer: I told Allende not to expect anything from AID. He said he wanted to continue access to the international financial institutions. If he is smart enough to seek funds from the regular capital of the IBD—rather than the Special Fund—and if the other Latin American governments approve, there is nothing we can do to stop him from getting money there.

Dr. Kissinger: If we are in fact not applying sanctions, then a case can be made for not publicizing it. We might want to save the sanctions for later.

Mr. Leddy: They are talking to a North Korean trade delegation about a trade agreement. It may be only a matter of days until we will have to face the issue.

Dr. Kissinger: I think we ought to defer a decision and see how things develop. How about the scientific programs? Is it our view that they should continue?

Mr. Johnson: Yes.