DECLASSIFIED // SECRET; SENSITIVE; EYES ONLY

Memorandum for the 40 Committee

Identificador Archival:	frus:frus1969-76v21/d236
Agencia Emisora:	NSC / Casa Blanca
Fecha del Documento:	1971-07-02
Colección / Serie:	FRUS 1969–1976, vol. XXI: Chile, 1969–1973

Nota de Archivo: *Washington. Source: National Security Council, Nixon Intelligence Files, Subject Files, Chile 1971–1972. Secret; Sensitive; Eyes Only.*

Request for Funds for the Valparaiso By-Election in Chile

1. A program covering longer term financial support for all political parties opposed to the Allende regime is being prepared for presentation to the Committee. The inability of the National Party (PN) to define its program requirements has delayed submission. In the meantime, the death of a congresswoman who represented the Christian Democratic Party (PDC) in Valparaiso has precipitated a major electoral confrontation in Chile's second most populous city. The by-election which will be held on 18 July is considered to be crucial since it has become a critical bellwether factor in Allende's judgment on whether or not to call a national plebiscite to establish a unicameral legislature. The victory of a Popular Unity (UP) candidate in this by-election would encourage him to take this major step to establish a UP-controlled legislature. If such a plebiscite were called and won by the UP, opposition parties would lose their political base and could no longer hope to return to power through electoral means.

2. The UP candidate in the 18 July election is Hernan del Canto, a member of the Political Committee of the Socialist Party and Secretary-General of the Communist-controlled Labor Confederation (CUT). Del Canto, who accompanied the Secretary-General of the Communist Party (PCCh) on his April 1971 visit to Moscow, has already identified his candidacy with the "revolutionary and popular forces" seeking to carry out the revolution to which the Allende government is dedicated. His campaign is being supported by all the top personalities of the UP, and President Allende has already made one visit to Valparaiso. Although UP National Committee Chairman Adonis Sepulveda has observed that "this election is not a plebiscite but we understand its great importance" it has become increasingly clear that Allende and his government do regard the election as a critical test of strength.

3. The opposition candidate, Oscar Marin, is a former member of the Radical Party who worked in favor of PDC Presidential candidate Radomiro Tomic in the 1970 elections. Although formally nominated by the PDC, Marin is being fully supported by the entire democratic opposition, including the National Party (PN) and the Democratic Radical Party (PDR), and also hopes to obtain some Radical Party votes. Each of the opposition parties will need to carry out a separate campaign in order to appeal to its own electorate, and each party has solicited and received commitments of financial support from textile industry owners, mining companies, and other business interests in the Valparaiso area. The willingness of Chilean businessmen to support Marin's campaign is encouraging, but the election is so important that it would be imprudent to rely exclusively on the promise of this local support. The following sums are, therefore, requested to assist each party in its electoral campaign on Marin's behalf:

4. The funds requested will be passed to each party [less than 1 line not declassified], and the degree of risk is considered to be low. The funds will be used by each party to pay for propaganda (radio, press, posters, leaflets, wall paintings); for voter transportation to the polls; and for all other possible efforts to insure a maximum turn-out of pro-Marin votes. Because of the short time remaining before the election, these funds should be passed to the opposition parties immediately.

5. During a 30 June meeting with CIA officers in Washington, Ambassador Korry stressed the importance of insuring an opposition victory in the Valparaiso election in order to forestall a plebiscite on the issue of a unicameral legislature. The Ambassador had previously approved a proposal that [dollar amount not declassified] be made available to the PDC for this by-election.

6. It is recommended that, if possible, the 40 Committee approve by telephonic vote the immediate passage of $150,000 to the opposition parties as described above.