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Memorandum for the 303 Committee

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Final Report: March 1969 Chilean Congressional Election

1. Summary

On 12 July 1968 the 303 Committee approved a $350,000 election program proposed by Ambassador Edward M. Korry to influence the outcome of the 2 March 1969 congressional election. The program was approved with the stipulation that periodic progress reports be submitted and, in satisfaction of this requirement, such reports were made on 3 September and 27 December 1968. This is the final report. It describes our support to 12 moderate congressional candidates and the election of 10 of those supported—[1 line not declassified]. It also cites the effectiveness of support given to a splinter Socialist group in an effort to divide the left and the scope of election propaganda activities financed and guided by CIA.

2. Background

The first instance of major covert involvement by the U.S. Government in the Chilean electoral process occurred in the 1964 presidential election when the Special Group (5412) approved an election operation totaling [dollar amount not declassified] in support of Christian Democratic Party candidate Eduardo Frei. The operation was successful and contributed to Frei’s election to the presidency of Chile on 4 September 1964 with an unprecedented 56 percent of the popular vote. In the next electoral contest, the March 1965 congressional election, Frei’s party scored an outstanding victory by capturing a majority of seats in the Chamber of Deputies and about one-third of the Senate. There was a covert election program in the amount of $175,000 approved by the 303 Committee for this election. There was no covert program for the April 1967 nation-wide municipal elections. In early 1968, however, it became clear that a difficult situation could confront the U.S. in the September 1970 presidential election (i.e., a popular front candidate might be elected) and that the 2 March 1969 congressional election would be important in setting the stage for that later contest. Ambassador Korry requested CIA to devise a covert support program to shore up the moderate forces of Chile through a very selective election program which is described below. It was estimated initially that the program would cost $350,000.

3. The Approved Program

a. Objective and Rationale

The basic purpose of the election program was to influence the composition of the Chilean Congress and to strengthen Chile’s moderate political forces in anticipation of the 1970 presidential election. During 1967 the Chilean left had scored

a series of important victories and the moderate forces within the Christian Democratic (PDC), Radical (PR), and National (PN) parties were disorganized. Individuals strongly in favor of a popular front coalition had taken control of the pivotal Radical Party's National Executive Committee (CEN); in the two congressional bi-elections held in that year a pro-Castro Socialist and pro-Soviet Radical won; and within the PDC its most leftist, anti-Frei elements had gained control of the party's leadership. It was obvious, therefore, that if this trend were to remain unchecked the possibility of a strong Communist-Socialist-Radical alliance in 1970 would be very real. Against this background of a drift to the left, the election program was formulated.

b. Approach

A selective approach was needed in this election because in each of the three non-Marxist parties there were extremist elements for whom support should not be provided. It was decided not to support any of the parties, per se, where it would be impossible to control the ultimate destination of funds, and instead to direct our support to moderate individual candidates within the non-Marxist parties. An election team of key State/CIA personnel within the Embassy was assembled under the Ambassador's direction to make the candidate selections. The election team made extensive use of studies of voting patterns in the past three elections [2 lines not declassified]. These analyses made it possible to distinguish between contests in which outside support might make a difference and those in which little or nothing could be done to affect the outcome.

The second major aspect of the program involved (1) media operations to create a more favorable psychological climate for the moderate candidates, (2) support to farm, slumdweller, and women's organizations to mobilize the vote for the selected candidates, and (3) support to a splinter Socialist party (Popular Socialist Union—USP) in order to aggravate this split in Marxist ranks. The latter merits some elaboration.

The USP Socialists had split off in August 1967 from the regular, pro-Castro Socialist Party (PS) which participated with the Communists in the presidential elections of 1958 and 1964 under the Popular Front—FRAP—banner. The USP–PS differences were more personal than ideological, but it was quite clear that any division in the Socialist vote could seriously hurt the PS in this election. In addition, the Mission believed that an effort should be made to help the USP survive as a viable political entity and thus place an obstacle in the way of leftist unity for 1970.

c. Funding and Security

The risk of exposure is always present in an election operation, but to reduce it to the lowest possible level it was decided: a) to use [less than 1 line not declassified] intermediaries as channels of funds both to the candidates themselves and to all operational support mechanisms and b) [1 line not declassified]. A propaganda mechanism was established which provided some of the candidates with tailor-made campaign support (posters, radio time, hand-out materials) with no hint of U.S. involvement. [7½ lines not declassified].

4. Implementation

a. Chronology

Between 12 July 1968, when the program received the approval of the 303 Committee, and 2 March 1969, election day, the program moved through three distinct stages. The first encompassed the period through 2 November, the day on which all party candidate nominees became finally and officially inscribed. During these weeks the operation was planned in the field under the Ambassador's direction. The first order of business was to review all of the electoral contests (all 150 deputy seats and 30 of the 50 Senate seats were to be filled) using the aforementioned voting pattern analyses. Additional biographic and political data were used which came principally from Embassy contacts. All selections were considered tentative before 2 November because of the maneuverings within the parties and the uncertainty as to the final electoral

line-up until that date.

The second phase of the program took place in the months of November and December 1968 and January 1969. By early November almost all of the candidates to be supported had been selected and it was then a matter of opening the funding channels, creating a propaganda support capability, and activating the special interest groups and organizations in behalf of these moderate candidates.

The final stage of the program was in February 1969 when the campaign activity accelerated. This was due not only to the traditional last minute rush of any campaign, but also because of a new law which restricted newspaper, radio, and television campaign advertisements to the last two weeks of the campaign. [4 lines not declassified]

b. Problems

One of the problems in this operation involved the Radical Party candidates who initially were to be considered for support on an equal basis with the candidates of the other two non-Marxist parties. The criteria which applied in the selection process were quite precise; i.e., to be considered for support there had to be moral certitude that the candidate would oppose a popular front candidate in the 1970 election campaign or, if such a president should be elected, oppose his extremist policies in the congress. Applied to the Radicals, who participated in governing Chile from 1938 through 1964 first with the Marxists and later with the rightists, this meant that few of them indeed could qualify for support. With the exception of a select few individuals in that party with strong ideological ties, one could not be certain which way the average Radical would go when the chips are down in 1970, especially if a Radical were to be the popular front candidate. For practical purposes this reduced the operation to candidates of the Christian Democratic and National parties.

Another problem bears mention. Originally, when analyzing the statistical data on the 180 electoral contests, it appeared that thirty or forty such candidates might be identified as qualifying for support. When the field election team began to weigh the contests [1½ lines not declassified] only twelve such races were identified. Most of these involved individuals with a chance of winning and our support was provided to give them an edge and assure their victory.

c. Costs

In this election program approximately [dollar amount not declassified] of the approved $350,000 has been expended. Due to the reduced number of electoral possibilities discussed above, less funds were needed than originally anticipated.

A breakdown of total estimated expenditures is:

d. Effectiveness

Within its limited concept, the election program was successful. Ten of the twelve candidates selected for support were elected: [1 line not declassified]. The most significant single victory was that of [4½ lines not declassified].

Support to the dissident Socialist USP was particularly worthwhile because its 52,000 votes deprived the PS Socialists of seven congressional seats (six in the Chamber and one in the Senate), all of which went to moderates within the Christian Democratic, Radical, and National parties. The Chamber losses occurred in Antofagasta (won by the PDC), Coquimbo (won by the PR), Aconcagua (won by the PDC), Santiago's fourth district (won by the PN), Curico (won by the PN), and Linares (won by the PDC). The Senate seat loss occurred in the first senatorial district; it was lost to the PDC. In addition, the USP vote played a great part in the PS failure to win two additional Senate seats, in the seventh senatorial district (won by Bulnes) and a second seat in the tenth district (won by anti-Communist Radical Raul Morales). Reporting from USP sources indicates that the [dollar amount not declassified] support provided by this program accounted for about one-half of the USP's election expenditures. The USP elected no candidate of its own, and although it has a carry-over seat in the

Senate, it may not be able to continue as a meaningful political force in Chile. In any case, the regular PS has been badly damaged by the USP campaign and, instead of having between 26 and 30 seats in the new congress, which is what the total PS–USP vote would have produced, it now has only 19.

e. Security

In terms of security and public exposure the operation was tightly conducted and without compromise. There have been no charges of U.S. involvement in the usually vitriolic Marxist press.

5. Conclusions

The operation was a limited one and it largely achieved its limited objectives. In the total picture, however, it should be realized that Chile's political moderates suffered a clear setback in the 2 March 1969 elections. What happened was a movement toward political polarization, with the conservative right and the Marxist left coming out the greatest beneficiaries. In the present political climate the Communist-Socialist front would stand perhaps an even chance of victory for the presidency. (Much the same could be said of Alessandri on the right.) If President Frei and the moderate Christian Democrats plan on winning the presidential election, scheduled for September of next year, they must move rapidly to improve the economy and to plan their strategy for the elections.