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Chile

Late August 1972

Efforts by Patria y Libertad (P&L) and Business Leaders To Provoke a Coup Within 60 Days; Attempt by Business Leaders To Establish Contact with General Canales

Summary: Patria y Libertad (P&L, an extreme right-wing, anti-government organization) and a substantial portion of the business community are undertaking actions to increase discontent and incidents of violence, especially in the Santiago area, in order to create an atmosphere in Chile which would be propitious for a military coup. The business leaders involved are trying to foment strikes and labor conflicts, while P&L will attempt to provoke incidents of violence. Business leaders are also trying to persuade Congressmen to delay action on the government's bill to increase salaries in order to further public discontent. [less than 1 line not declassified] business leaders are also attempting to establish contact with General Alfredo Canales, Director of Army Instruction and a known opponent of the current government, in order to coordinate subversive activities. End summary.

1. [1 paragraph (5 lines) not declassified]

2. Patria y Libertad, along with a large segment of the business community, is attempting to provoke the armed forces into a coup within the next 60 days. [name not declassified], one of the principal business leaders in Chile, is working closely with P&L in these efforts. The basic plan of P&L is to foment disorders and discontent wherever possible, but especially in Santiago, in an attempt to build a political atmosphere which would be propitious for a military coup. As part of this plan, P&L is encouraging residents of Santiago to continue the "Banging of Pots" every night at 10:00 p.m. The purpose of this is to attempt to provoke the youth brigades of the Popular Unity (U.P.) government into acts of violence in attempts to silence this form of anti-government expression. ([less than 1 line not declassified] comment: "Pot Banging" at 10:00 p.m. became almost a nightly ritual in some parts of Santiago in the days following the 21 August disturbances. According to El Mercurio of 28 August, groups of U.P. supporters have been using intimidation tactics, including the throwing of rocks at residences, in an effort to discourage widespread participation in this action.)

3. Efforts are also being made by business leaders in Bio-Bio Province to exploit the closure by the government of the Radio Agricultura affiliate in Los Angeles. ([less than 1 line not declassified] comment: The Radio Agricultura affiliate in

Los Angeles was closed by the government on 25 August for what was termed its “clear instigation” in connection with the violence which occurred in that city.) Benjamin Matte, President of the National Society of Farmers, who is also cooperating with P&L, will go to Los Angeles to talk with farmers and merchants in the area and attempt to foment strikes of protest in relation to the closing of the radio station. ([less than 1 line not declassified] comment: El Mercurio of 29 August reported that the business leaders in Los Angeles had agreed that a “total strike” of commercial establishments, industries, and farms in the province would begin at 8:00 a.m. on 29 August. El Mercurio also published a lengthy list of organizations in Bio-Bio Province which had agreed to adhere to the strike.) Matte has also spoken to Deputies Patricio Phillips of the PN and Luis Pareto of the Christian Democratic Party (PDC), both of whom are members of the Finance Commission in the lower house of Congress, to urge them to delay action on the government’s bill to provide salary increases in order to increase public discontent. Phillips and Pareto agreed to do this.

4. P&L claims that its military contacts feel as it does; i.e., that political parties have failed; that a new nationalistic movement is needed in Chile; and that when the military moves, it will do so against all political parties, not merely the leftist ones. ([less than 1 line not declassified] P&L had an internal crisis about a month ago. Some leaders were in favor of legitimate political action to remove President Salvador Allende, but these leaders were either removed from the organization or “reoriented,” and the more extreme viewpoint, as espoused by P&L President Pablo Rodriguez, now prevails.)

5. [1 paragraph (3 lines) not declassified]

6. [1½ lines not declassified], in representation of the business community, spoke with Lt. Colonel Ramon Letelier, aide to Army General Alfredo Canales, and a personal friend of [name not declassified] of long standing. [name not declassified] requested that an interview be set up with Canales, when the latter returns to Santiago. The [less than 1 line not declassified] leader told Letelier that the business community feels that it cannot rely on the political parties, that time is running out and that coordination is necessary between the business community and General Canales.

7. Letelier told [name not declassified] that he would attempt to arrange an appointment with Canales; [1½ lines not declassified]. The Army officer then asked [name not declassified] what the business community could do for the military. [name not declassified] replied that business leaders were attempting to foment conflicts and strikes. He added that the business community does not want a commitment from Canales, it merely wants to coordinate its plans with him and to offer him whatever support he might want, either in provoking incidents or in providing technical assistance to a military government, once it is established.

8. During the conversation, Letelier confided to [name not declassified] that a number of key unit commanders stand ready to move whenever they are called upon to do so by General Canales, that the military also feels political parties are not the solution to Chile’s problems, and that a new nationalistic approach is needed.

9. ([less than 1 line not declassified] comment: [less than 1 line not declassified], TDCSDB–315/06794–72, and [less than 1 line not declassified] TDCSDB–315/07032–72, [1½ lines not declassified] are earlier reports on P&L plans to carry out violence in an effort to provoke a coup. Referenced reports alleged that Rodriguez was in contact with Generals Canales, Forrestier, Alvarez and Arturo Vivero Avila, Director of Army Administrative Support, in relation to his plans. While it cannot be ascertained at this time what success P&L and the business leaders will have in their efforts, there appears to be little doubt that political tensions are increasing in Chile. The Movement of the Revolutionary Left (MIR) issued a public statement on 28 August announcing that it and other revolutionary elements would attempt to impede the planned demonstration on 30 August by the opposition parties in Concepcion to protest the price increases of consumer items. According to El Mercurio of 29 August, the Socialist Party (PS) has declared itself “in a state of alert.” El Mercurio of the same date also provided extensive coverage of the 28 August confrontation between secondary students and national

police, which came about as a result of efforts by PDC and PN secondary students to dislodge MIR students from a Santiago high school. Public demonstrations against the government during the next few weeks are expected to continue, as are student protests and probably additional strikes.)