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Nota de Archivo: *Summary: This Intelligence Note, titled "Chile: Quest for the Unreachable," examined Allende's ongoing two-week trip to Mexico, the UN, the USSR, and Cuba and argued that the purpose was contradictory. On the one hand, Allende wanted to reaffirm his credentials as a revolutionary; on the other, he hoped the Western nations would tolerate, even financially support, his revolution. Source: National Archives, RG 59, Central Files 1970–73, POL 7 CHILE. Secret; No Foreign Dissem. Drafted by Jorgenson; cleared by Summ; and released by Mark.*

CHILE: QUEST FOR THE UNREACHABLE

President Allende's current 2-week trip to Mexico, the UN, the USSR, and Cuba is designed to bolster his domestic political position by pleading Chile's cause before the world community as an aggrieved nation struggling for a more just social system. He also hopes to obtain new foreign credits by softening the attitudes of Chile's Western creditors and/or by winning massive assistance from the USSR. His trip is unlikely, however, to satisfy in any significant way either his political or economic requirements, and he will probably find the harsh realities of his position basically unchanged upon the conclusion of the trip.

Contradictions in Purpose. As he has done so often in the past, Allende is attempting to obtain two highly dissimilar results. He wants to reaffirm his credentials as a revolutionary leader in order to rally his supporters at home. By visiting centers of socialism and revolution, including "technical stops" in Peru and Algeria, he hopes to dramatize his position as a leader of the developing world beleaguered and stymied by "foreign economic aggression." On the other hand, he apparently hopes for tolerance and understanding among Western nations, including the United States, at a time when his country desperately needs foreign credits to meet import requirements.

A Hoped-for Cure to Domestic Troubles. Allende's trip follows closely on a major domestic confrontation which ended only after the Armed Forces agreed to participate in his Cabinet in a significant way. The strike was costly to Allende because it added to economic dislocations and because the concessions he made to his opposition intensified the strains in his Popular Unity coalition. These strains may increase, depending upon the manner in which Acting President (General) Prats attempts to settle outstanding issues during Allende's absence.

With the military's participation in the Cabinet providing a basis for stability, attention will now be focussed increasingly on the March Congressional elections. Allende is probably realistic about his poor prospects of reducing the Opposition's majority in both houses of congress. Given the likelihood of continuing bleak economic conditions, his only hope is to convert his aggressive stance against multinational corporations to the advantage of his followers. In this respect, Allende's trip is a dramatic means of launching the election campaign.

Allende at the UN. In his speech December 4 at the General Assembly, Allende is certain to hit hard at multinational corporations, singling out Kennecott and ITT for special opprobrium. He may be more circumspect in treating the US

Government, although standard condemnations of “foreign aggression” in Vietnam and “economic warfare” against Cuba are expected. He will also probably repeat the attack he made at UNCTAD III against present world trade and financial arrangements which, he believes, favor the developed countries at the expense of poorer nations.

Hopes for Soviet Generosity. Chile has so far felt frustrated in its relations with the USSR. While the Soviets have been forthcoming in granting long-term credits for capital development, they have been relatively niggardly in extending hard-currency credits. Chile apparently has explored the possibility of an agreement whereby the USSR would grant Chile a $500 million credit in exchange for copper purchased over a five-year period. Such a deal appears unlikely, both because of strenuous opposition in Chile and because the USSR will hesitate to abandon its present caution in its economic relations with Chile. Allende may get additional assistance of possibly another $50 million, but he is unlikely to receive enough to meet his massive requirements, especially if his hope is to improve economic conditions between now and the March elections. To provide Allende with a cosmetic to obscure Soviet failure to make a commitment to Chile, the USSR would more likely prefer to extend additional credits for capital development, or military purchases—which would probably be meaningless for Allende’s immediate purposes.

The Cuban Leg. The visit to Havana is an ideological requirement designed to reassure Allende’s Marxist supporters at home and to polish his own image as a revolutionary leader. Little of substance is likely to come from the visit. Similarly, “technical stops” in Algeria and Peru will result in little beyond standard expressions of solidarity.

Prospects. Allende personally is reported to be tired and may have some health problems, but there are no indications that his schedule has been curtailed in any way. He is unlikely to solve his international economic difficulties or to win much in the way of added domestic support. The harsh realities of his position are likely to remain basically unchanged. Notwithstanding any prospective arrangements he makes with the USSR, Allende may well hope to keep open the possibility of resolving bilateral issues with the US through wide-ranging discussions now scheduled to begin in December.