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Memorandum for the 40 Committee

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Nota de Archivo: *Summary: This memorandum, titled "Outcome of 4 March 1973 Chilean Congressional Elections," outlined the U.S. Government's covert funding of the political parties involved and the results of the election. Source: National Security Council, Nixon Intelligence Files, Subject Files, Chile 1973. Secret; Sensitive; Eyes Only. A memorandum for the record by Ratliff of May 3 states that the 40 Committee noted the memorandum. (Ibid.)*

Outcome of 4 March 1973 Chilean Congressional Elections

1. Summary

The Popular Unity (UP) government of President Salvador Allende and CODE, the confederation of parties opposed to the UP, both have legitimate grounds for claiming victory in the 4 March 1973 congressional elections. The percentage split of the total popular vote was 54.7% for CODE as compared to 43.39% for the UP. This can be considered a solid victory in a democratic electoral system and indicates that popular support for the Allende government has decreased 6% since the last national election. (The government won 49.74% of the popular vote in the 4 April 1971 municipal elections.) Many observers, however, had expected CODE to win a higher percentage, and for this reason the election provided a psychological boost to Allende and the UP which won two new seats in the Senate and six new seats in the Chamber of Deputies. While CODE and the UP continue to publish rival "victory" claims, initial opposition disappointment has given way to more practical efforts to profit from this electoral experience.

The four opposition parties and the private sector are believed to have made effective use of the funds approved for them by the 40 Committee. The opposition maintains a solid majority in a congress which the UP can no longer accuse of representing pre-Allende popular sentiment. In retrospect, the opposition's failure to obtain a larger electoral majority was not the result of any lack of energy or organization. Rather, the electoral results indicate how important the "class struggle" has become to Chilean low income groups which have identified with the Allende government. Economic problems are a burning issue for the opposition's electorate, but less so for the Chilean lower classes, including newly enfranchised illiterates who are apparently convinced that Allende will eventually improve their lot.

2. Résumé of Electoral Results

The results of the electoral contests to fill all 150 seats in the Chamber of Deputies are as follows: CODE 54.7% (2,003,047 votes); the UP 43.39% (1,589,025 votes); the Popular Socialist Union (USP—a small Socialist splinter which supports the government but is not part of the UP) 0.28% (10,287 votes); blank ballots 0.59% (21,151 votes); and null ballots 1.04% (37,788 votes). Eliminating blank and null ballots, the percentages are CODE 55.6%, UP 44.1% and USP 0.3%.

CODE won 87 seats (a net loss of 6 seats), while the UP won 63 seats. The new chamber, to be installed on 21 May 1973, will be composed as follows:

B. Senate

The results of electoral contests in five districts for 25 of the Senate's 50 seats are as follows: CODE 56.23% (1,238,692 votes); UP 42.05% (926,302 votes); blank ballots 0.54% (12,092 votes); and null ballots 1.18% (25,636 votes). Although Chileans voted for senators in only five of ten districts, the heavy population of the Santiago district meant that over 60% of voters countrywide cast ballots in these senate races. Former President Frei easily topped all lists with 28.6% of the vote in Santiago.

CODE won 14 seats against 11 for the UP, a gain of two seats for the government. The new senate will be composed as follows:

c. CODE Allegations of Fraud

There was an unprecedented delay of 24 hours between the government's penultimate electoral bulletin and the final announcement of results, and CODE spokesmen continue to accuse the government of playing with the electoral tally to the detriment of CODE candidates. A recount is now in process, and the Electoral Tribunal, which has the final word, is not a government rubber stamp; its members, recently drawn by lot, are two Supreme Court justices, one Appellate Court judge, a PDC senator and a former Conservative Party deputy. The Santiago Embassy reports that some internal discrepancies in the official tally are evident, but it is doubtful whether a recount could make a substantive difference of more than one or two percentage points in the electoral results, with no assurance that CODE would benefit from all readjustments.

3. Analysis of Election Results

Opposition leaders were uniformly optimistic about the probable outcome of the congressional elections. This over-confidence was based mainly on the opposition's inability to detect the strongly pro-UP current among the 880,949 newly enfranchised illiterates and 18 to 21 year olds. This new electorate was 17% larger than in the municipal contests in April 1971. The UP made its most impressive gains in those provinces where new registration was largest, with the most striking correlations obtaining in those provinces with high illiteracy. Another factor which made the election outcome hard to predict was faulty public opinion polls which gave the opposition well over 60% of the popular vote. Chilean pollsters had a poor record for accuracy prior to 1973, but political tension and polarization during the pre-election period compounded previous shortcomings.

Despite the lack of reliable statistical data from polls and the question mark presented by an enlarged electorate, opposition leaders felt that the CODE parties had campaigned well. They were satisfied that opposition propaganda was sufficiently intensive to get CODE's message to the people and believed that basic economic problems would cause a massive rejection of UP policies. Because of these excessively high expectations, the opposition's actual margin of victory (11% of the popular vote) was disappointing, so that the elections are regarded by most Chileans as a government victory.

In retrospect, most Chilean observers feel that the economic issues, which were the main opposition theme, proved to be of secondary importance to lower income groups who apparently voted along class lines. UP propaganda was directed almost entirely toward the lower classes and highlighted the class struggle, a tactic which produced the results desired by the UP.

Of the opposition parties, the two small radical groups were the most dismayed by the election results; Luis Bossay, president of the PIR, had some difficulty in persuading his party not to disband and pull out of CODE in the immediate aftermath of the elections. It now appears that the PDR and PIR will regroup and will remain in the opposition. The private

sector is still in a state of shock over the unexpectedly high vote obtained by the UP, which they feel may presage a fatal threat to the private enterprise system in Chile.

The PDC and PN feel that they did reasonably well, but both parties think that the CODE alliance cost them votes at the polls even though it was strategically necessary to take advantage of the bonus which Chile's electoral law gives to a large coalition. (If the CODE parties had run separately and received the same number of votes, the UP would have won the senate races 13–12 and would have picked up six more deputy seats.) In effect, the political balance of power has not been changed to any appreciable degree by the elections.

4. Effectiveness of Support to Opposition Parties and Private Sector Organizations

a. General

On 26 October 1972 the Committee approved $1,427,666 to support four political parties and [number not declassified] private sector organizations during the period from 1 November 1972 through the congressional elections. On 12 February 1973 the Committee approved an additional [dollar amount not declassified] to insure that the opposition effort did not falter during the last crucial days of the campaign. Only [dollar amount not declassified] of the [dollar amount not declassified] contingency fund approved in February was expended, [dollar amount not declassified] being channeled to the PIR and [dollar amount not declassified] to the PDR during the last days of the campaign. Total cost of the election effort was therefore $1,602,666, allocated as follows: PDC—[dollar amount not declassified], PN—[dollar amount not declassified], PIR—[dollar amount not declassified], PDR—[dollar amount not declassified], Private Sector—[dollar amount not declassified].

b. Christian Democratic Party—PDC

The funds approved by the Committee enabled the PDC to wage an effective election campaign. The reorganization program which was begun a year ago by the PDC has been extremely successful. The party's computer program has recorded basic data on over 125,000 party members on IBM cards while the party's old unwieldy "comuna" structure has been largely replaced by smaller neighborhood "bases." The PDC now has a cellular structure and was able to conduct extensive grass-roots organizational activity, including door-to-door campaigning and a well-coordinated effort to insure that all election tables were supervised by PDC members and that transportation was available to take voters in all electoral districts to the polls on election day. This reorganization was instrumental in enabling the party to increase the number of PDC deputies from 47 to 50 and should be of continuing importance in making the party more effective.

Station assets [less than 1 line not declassified] feel that the PDC conducted an optimum campaign, even though they were disappointed by the lack of support received from the lower classes and particularly the peasants. [6 lines not declassified]

c. National Party—PN

Since PN president Sergio Onofre Jarpa proved unwilling to relax his personalistic management of the PN sufficiently to allow the party to develop an efficient party organization, [18 lines not declassified]. The PN generally is satisfied with election results since the party won three new senate seats and gained one new deputy.

d. Democratic Radical Party—PDR and Radical Party of the Left—PIR

The big CODE losers in the election were the two small radical parties. The combination of the confederation and the D'Hondt electoral systems used in this election meant that the larger political parties would tend to gain at the expense of the smaller ones. This fact, noted in the 26 October 1972 request for financial support, was well-known before the election, but the extent of this erosion was not clear.

In terms of percentages the PIR won 1.8% of the national vote and the PDR gained 2.2%, for a total of 4% (as compared to 3.6% for the Radical Party (PR), the parent party which remained in the UP.) In terms of seats, however, both the opposition radical parties fared very badly. All senate candidates of both parties were defeated. In the chamber, the PDR won only two deputy seats (a loss of two from its former strength), while the PIR won only one (down eight). The PR also suffered, losing one senate and seven deputy seats, but this is cold comfort to PDR and PIR leaders.

PIR leader Luis Bossay, who was successful in convincing the PIR leadership not to disband the party and leave CODE in the immediate aftermath of the elections, still plans to merge with the PDR. This merger would prevent a complete dissolution of the opposition radical factions and would help minimize the possibility that part of its electorate might gravitate back to the PR. The election, however, makes it doubtful whether the opposition radical factions (or the UP mini-parties, which also fared badly) can continue to exist as viable political entities. Both opposition radical factions believe that they conducted a strong campaign and that their defeat was the result of a voter swing toward the stronger parties in an increasingly polarized political climate.

e. Private Sector Organizations

[3 lines not declassified] private trade associations coordinated their election activities [1 line not declassified]. These groups carried out a nationwide propaganda campaign stressing that any popular vote of over 50% for CODE would be a victory for the opposition and that the process of voting is secret and inviolable. (This latter campaign was generated in response to reports of UP threats of reprisals against persons voting for the opposition.) The private sector's propaganda campaign also featured instructions on how to mark the ballot correctly.

Private sector organizations conducted a women's telephone campaign on behalf of CODE, undertook fund-raising activities on behalf of CODE candidates, and worked to eliminate frictions between CODE candidates and to identify weaknesses in their campaigns. Specific services provided by the private sector included furnishing transportation to the polls, messengers and baby-sitters on election day. These efforts were effective in reaching the middle classes, although it must be recognized that the private sector as a whole is mistrusted by the lower income groups which form the basis of the UP's political power.

Private sector leaders were discouraged by the election results and now plan to redouble their efforts, which were interrupted by their pro-CODE election campaign, to create an effective national organization of trade associations and independent worker and student groups.

5. Security

[1 paragraph (6½ lines) not declassified]

6. Outlook for the Future

The end of the election period and departure of the military from the Allende government marks the beginning of a new political era. It is still not clear whether Allende and his new cabinet will adopt a policy of moderation and conciliation, as advocated by the Chilean Communist Party and by military leaders like General Prats, or whether Allende will now feel strong enough to push for the acceleration of the revolutionary process which is being demanded by the small far-leftist parties as well as by a substantial segment of Allende's own Socialist Party.

The policies adopted by the government will be an important factor in determining the opposition's future course of action. For example, a moderate UP policy could succeed in inducing the PDC to accept some of the government's socialization programs in order to gain electoral ground among the peasants and the lower classes; an attempted acceleration of the revolution would tend to unite the opposition, increase political tensions, and produce a new confrontation. The private

sector, [less than 1 line not declassified] has decided that another general strike would be counter-productive in the near future, and it is unlikely to undertake any large-scale anti-government action unless government pressures are greatly intensified, and unless the full cooperation of CODE and of at least some elements of the Armed Forces has been obtained in advance.

Whatever policy is adopted by the government, it may prove necessary and desirable in the future to provide additional funds to opposition elements to keep them active and to prevent the UP from electing or imposing its presidential candidate in 1976. It is, however, too early to estimate what opposition needs will be for any significant time frame.