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Memorandum From the Director of the Office of Operations Policy, Bureau of Intelligence and Research (Gardner) to the Deputy Director of the Bureau of Intelligence and Research (McAfee)

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Nota de Archivo: *Summary: This memorandum detailed a meeting among officials of ARA, CIA, and INR at which they discussed the advantages and disadvantages of maintaining the U.S. covert programs in Chile. The advantages revolved around preventing Chile from becoming another Cuba. The disadvantages revolved around the problems that would occur if the U.S. assistance to the opposition in Chile was revealed. Source: National Archives, RG 59, INR Files, Lot 94D565, James Gardner Chronological Files. Secret.*

ARA/CIA Meeting, 30 May 1973

ARA—Messrs Kubisch, Crimmins and Fisher; CIA—[names not declassified]; INR/DDC—James R. Gardner

The meeting was devoted to Chile.

[name not declassified] opened with a brief review of the assistance we had given the Chilean opposition parties since January 1971. In concluding this review he stated his own opinion that, if the opposition were able to survive through this year in reasonably good condition, we probably would see an end to serious talk in Chile about the desirability of a coup. He observed that by that time we would be entering the final phase of Allende's regime and headed toward new general elections. The imminence of these would, he felt, make a coup effort seem a useless risk to those who might otherwise undertake one, especially in the military.

Mr. Crimmins pointed out that general elections would not come until September 1976. Municipal elections were scheduled for April 1975.

Mr. Crimmins reviewed for Mr. Kubisch the rationale that lay behind our support to the opposition. He said that it had been viewed as an effort to keep the opposition alive, to keep the current political set in Chile from becoming irreversible. The basic argument for the financing stemmed from moves against the private sector made by the UP, its growing control of the economic levers of the country, including especially the credit machinery. Through these steps the UP was severely limiting the capabilities of the opposition parties to survive and to act as a genuine opposition. Our support had been maintained to provide the sinews that would permit the survival of a viable opposition. This was still the case. The central question, to his mind was: Can we afford not to continue our subsidy to the opposition?

Mr. Crimmins noted that a sub-question was: What about the opposition parties—given the restraints imposed upon them, were they capable of keeping themselves alive through their own resources? These two questions he felt, comprised the heart of the matter.

There were other questions, Mr. Crimmins said. One had to do with the assistance that we had extended to the private sector. Noting that Ambassador Davis (in his own view quite rightly) was nervous over the current proposal to continue assistance to this quarter, Mr. Crimmins said that this was a sensitive issue because private Chilean groups had tended to be active and interested in the possibility of a coup and certain segments had been dealing with military elements along these lines. We had thus been concerned that the help we gave them for the 1973 Congressional elections could have been interpreted by these groups as a signal of our own interest in a coup. We have not had any interest whatever in such a development; nonetheless, USG connection with these groups, were it to become known, would mean that we could plausibly be accused of working to overthrow the Government—whereas our real purpose had been to keep the Chilean constitutional system alive.

All this, however, was a sub-issue; the principal question remained: Do we want to continue to supply the means to keep the opposition alive?

Another important factor was the increased sensitivities in the US and in Chile to covert activities of this kind. This sensitivity could well raise the risk level of the enterprise. There was also involved a philosophical issue: i.e., do we want to continue to involve ourselves in this kind of business, especially in view of the domestic atmosphere in the US and the alertness of the Chilean Government to the possibility that we were engaged in activities of this sort? Thus far we had been fortunate, for the Chilean Government had not discovered any of the activities that we in fact had been engaged in.

[name not declassified] interjected that there were few witting people in Chile: [2½ lines not declassified].

Mr. Crimmins noted that when he spoke about the atmosphere here and in Chile, he had in mind particularly the Church hearings and the leaks there have been about our massive assistance to the PDC during the 1964 elections.

Mr. Crimmins said that his judgment would be that we should continue our assistance, since the parties making up the political opposition could not survive without it.

Mr. Fisher agreed with Mr. Crimmins' assessment.

Mr. Crimmins said that we must however admit that there were now more vulnerabilities affecting our assistance than there had been, especially in the US and Chile. It was necessary that we be clear about the risk we are taking.

[1 paragraph (7 lines) not declassified]

Mr. Kubisch said he wished to make some observations. The first was that this was the first occasion on which he had been called upon to consider from a position of authority a matter such as this. He had been aware peripherally that such activities had existed but never before had he actually been called upon to take a position for or against. He said that his presumption in such circumstances would be that this kind of covert financing should not be undertaken unless genuine, critical interests of the US were involved and were in such serious peril as to be almost in the last extremity. He felt this way for a number of reasons. One was that the risk and potential cost of operations such as this were very great; there needed to be very weighty considerations to balance the dangers involved. Another was that the practical effect of many of the activities that the US undertook as a government abroad were not as influential and effective as we may have assumed they would be in affecting the course of events in a given environment. We tend to exaggerate our weight. A third was that there might well be better ways to accomplish the objectives we sought than through covert action. Mr. Kubisch said that therefore his approach would almost invariably be against proposals or activities such as the one under current review. It would require in any given case a very persuasive set of reasons to cause him to think otherwise.

Mr. Kubisch said that we needed to assess very carefully the potential path that Chile might follow were we not to extend the proposed assistance: what actions it could take and what the impact of these would be upon US interests—if, for

example, Chile became another Cuba. Would this kind of program in fact help to avert such an outcome?

His inclination therefore was to let the program come to an end, and not to recommend its continuation. He however recognized that discussion of topic had necessarily been limited up to this point. Mr. Shlaudeman (currently DCM in Santiago) would be in the Department on 11 June to take over his position as Deputy Assistant Secretary in ARA. Mr. Kubisch would be quite happy to confer with him to listen to the reasons Mr. Shlaudeman and Ambassador Davis might have for continuing the program. His mind was open. He wished to repeat, however, that at this moment he was against continuation.

Mr. Crimmins said that the question was whether without our assistance the opposition might not have done much worse in the March elections.

[name not declassified] noted that without our assistance the continued domination of the elements in Chile represented by the UP would be irretrievable.

Mr. Fisher noted that Mr. Shlaudeman had reported that the opposition was very discouraged.

Mr. Kubisch said that were it necessary for him to make a decision at that moment it would have to be negative, and he would have to recommend to Ambassador Porter that this be the State position. He would, however, prefer time to think the matter over, and to confer with Mr. Shlaudeman.

It was agreed that those present would meet with Mr. Kubisch and Mr. Shlaudeman at 4 pm on the afternoon of 11 June.