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Memorandum for the 40 Committee

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Nota de Archivo: *Summary: This memorandum provided a progress report on actions taken in preparation for the April 4 elections in Chile. Source: National Security Council, Nixon Intelligence Files, Subject Files, Chile, 1971–72. Secret; Sensitive; Eyes Only. The March 15 reference memorandum is Document 56.*

Final Progress Report on Preparations for the 4 April Elections in Chile

Memorandum to the 40 Committee dated 15 March 1971, entitled “Progress Report on Preparations for the April 1971 Elections, including a PDC Request for Additional Campaign Funds”

I. Summary

This memorandum describes the actions taken by this Agency since 15 March 1971, when a memorandum on the April 1971 elections was prepared for the Committee. In addition to reporting progress since 28 January 1971, when the Committee authorized financial support in the amount of $1,240,000 to Chilean opposition parties, the referenced memorandum included a request from the Christian Democratic Party (PDC) for an additional [dollar amount not declassified] for the April elections which was subsequently approved by the Committee. All of the election funds authorized by the Committee have been passed securely to leaders of the three opposition parties.

II. Background

On 4 April some three million Chilean voters will go to the polls to elect 1,653 municipal councilmen. In addition, the 10th Senatorial district will elect one Senator to fill the seat vacated by President Allende. Despite disclaimers, both the Allende government and the political opposition generally regard the election as a plebiscite. Most observers, including the U.S. Embassy, believe that Allende’s Popular Unity (UP) coalition will receive a minimum of 44% and a maximum of 54% of the popular vote. Most current estimates are that Allende will not fall significantly below 50%, and that he may well receive the absolute majority he seeks. Individual opposition parties are campaigning strongly, but distrust, competition and even hatred between these parties continues to be a basic problem even though all three claim to be aware of the gravity of the electoral issues involved. The PDC has been particularly effective in exploiting the “Copper Scandal”, charging that high government officials are implicated in illegal copper sales deals which the government then tried to cover up by inventing stories about an international conspiracy to depress the market price of copper. In spite of this scandal, which has tarnished the UP’s revolutionary image, Chilean voters generally appear apathetic and inclined to view Allende as a father-figure who will be able to control the Communist and extremist forces within his government coalition.

III. Municipal Election Campaigns of Opposition Parties

Over-all Election Guidance

[1 paragraph (15 lines) not declassified]

National Party (PN)

The PN has received the [dollar amount not declassified] authorized for its election campaign. Overall campaign strategy continues along the lines reported in reference with propaganda in all media stressing unemployment, inflation, personal security, and PN strength. The PN is now attempting to stimulate a high voter turnout, urging the electorate to match Marxist discipline with democratic discipline and pointing out that abstention is the accomplice of Marxism. PN rivalry with the PDC continued despite strong efforts on the part of the Station with the individual Party leaders involved. The PN has been spearheading congressional efforts to impeach Labor Minister Ojarce, a Communist, and was understandably piqued by the PDC's reversal of its earlier promise to cooperate with the PN on this effort. The first issue of the new PN daily "La Tribuna" appeared on 19 March. [2½ lines not declassified] The new paper provides a badly needed addition to opposition media capabilities.

Christian Democratic Party (PDC)

The PDC has received the [dollar amount not declassified] authorized for its election campaign. [9½ lines not declassified]

PDC propaganda continues to focus on loss of personal liberties and political freedom, representing the PDC as the defender of democracy and traditional Chilean institutions. The party is doing a good job of publicizing rural unrest and campaign clashes and violence, and has also been emphasizing unemployment and the economic chaos which is already leading to shortages of basic consumer items. The "Copper Scandal" is being fully dramatized and exploited but preoccupation with this issue led to a Party decision not to cooperate with the PN in that Party's efforts to impeach the Labor Minister and reopened inter-party rivalries. Despite the PDC's strong efforts, it remains doubtful that the PDC will be able to maintain even the vote level it achieved in the presidential campaign. The results of a public opinion poll conducted by the PDC were so discouraging that the percentages are known only to a handful of national leaders. The key question remains the extent to which the PDC has retained voter support among low income groups.

Democratic Radical Party (PDR)

The PDR has received the [dollar amount not declassified] authorized for the elections. As reported previously, a decision regarding the PDR purchase of a radio station will be deferred until after the election. The PDR continues to use both public media and personal contact to attract Radical Party voters. [less than 1 line not declassified] a popular women's leader has been actively organizing democratic women, concentrating on those who might otherwise vote for the Radical Party instead of the PDR, and is convinced that her efforts have been successful in stimulating women to vote for "democracy rather than Communism."

IV. The Campaign of PDC Candidate Zaldivar in the 10th Senatorial District

In pursuing its efforts to line up PN and PDR support for Zaldivar, thus increasing Zaldivar's chances of winning in a two way race against UP candidate Sepulveda, the Station has had to work its way through many confusing, intricate and often conflicting accounts of significant developments bearing on the possible withdrawal of PDR candidate Ovalle. [2½ lines not declassified] The original problems lay in the bitter rivalry and mutual distrust between the PN and the PDC, but it now appears that Ovalle himself has decided to stay in the race despite official assurances from PN leaders that they would not oppose his withdrawal. In spite of Zaldivar's fine campaign performance, prospects are now that Sepulveda will win even though the democratic

parties may gain the "moral" victory of a larger total vote for their two candidates. However, even at this late date, there is still a remote possibility of Ovalle's withdrawal from the race.

V. Other [less than 1 line not declassified] Activities

[less than 1 line not declassified] complex has published a series of information reports which are critical analyses of developments in Chile. These are distributed inside Chile and have been enthusiastically received abroad, where they have received wide press play. [6 lines not declassified] All of these [less than 1 line not declassified] publications are essentially objective but are carefully tailored to contain a subtle anti-government slant.

An economic study on Chile, factual but emphasizing unfavorable developments, was prepared by a [less than 1 line not declassified] research firm [1 line not declassified]. The study has just appeared and has received wide distribution among leading businessmen and journalists in some 54 countries. The press release announcing its publication was picked up and replayed by international news services such as UPI and Reuters and was published by newspapers in various parts of the world including the PDC paper “La Tarde”. The firm has already received complimentary letters from such prominent U.S. newsmen as David Lawrence, Arthur Sulzberger and Stirling Slappey and from leading firms such as King Resources, Anaconda, Kennecott, Continental Can, and many others. A Chilean Government Agency has requested copies.

[1 paragraph (11½ lines) not declassified]