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Telegram From the Embassy in Chile to the Department of State

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Nota de Archivo: *Summary: In this telegram, Korry reported that Allende was not adequately attending to the details of state and concluded that, despite the President's considerable political abilities, Allende's behavior would hurt Chile in the long run. Source: National Archives, RG 59, Central Files 1970–73, POL 15–1 CHILE. Confidential; Immediate; Exdis.*

2256. Pass Mills/Salzman of OPIC. Subject: Meeting With Allende (Fidel Castro Cancelled?).

1. At Carabinero anniversary celebration afternoon April 27, Min Interior Toha took me aside to say President wished me to come to his home evening May 3. Later Allende came over to me to repeat this message to which I replied that happily I did not need to bring a pingpong racquet. (Meeting would be unpublicized since those are ground rules I specified long ago with Toha.)

2. Aside from planning an agenda for this meeting (on which addressee inputs invited) I would deduce that Fidel Castro is either not going to be in Chile Monday night or that Allende wishes me to believe he won't. It is also conceivable that Allende believes Edward the bald would be an appropriate act to follow Fidel the bearded.

3. I have talked in the past 24 hours to three persons of reasonable objectivity who have seen Allende the past fortnight. Aside from specifics that can be included in other reporting, I am struck by their deduction that Allende is reverting to form in personal habit. He is drinking heavily; he is nocturnally engaged in the state of his affairs; he is not dealing in a serious manner with precise affairs of state. Twice he received visitors in his pajamas, covered a la Napoleon with a luxurious cape of blue that did not clash with a complexion that revealed his recent indulgences.

4. In all conversations, Allende plays the tune his visitors wish to hear. In the past fortnight he has said to one, for example, that Min Agriculture Chonchol must go, to another that many wished to see Chonchol removed but who could replace him; and to a third that removal would provoke more problems than it would resolve. To those who are willing to accept socialism in Chile in a form approximating the Swedish or Austrian models, Allende expounds at length on his preoccupation with the economy, employing the word "crisis" over and over and blaming undisciplined "functionaries" for general and specific problems. He has a flair for the dramatic, as I have noted before, that he displayed in one of these recent interviews, by suddenly telephoning the head of the state railways, an engineer who happens to be named Fidel Castro, and declaimed (more or less textually): "Mr. Fidel Castro, I hear that you have scheduled a train of 12 carriages plus dining and sleeping cars to transport (so many) hundreds of your employees to a demonstration at Salta. Mr. Fidel Castro, you are an engineer, you know something about numbers, you must then know what the costs are. The President of the Republic expects you to do your sums in a professional manner." Receiver then slammed down.

5. Allende is a brilliant politician who understands Chile and Chileans but he has only a half-grasp of his true economic problems. To achieve greater employment, less decapitalization in all significant sectors and less of a loss of skilled technicians, he must take effective corrective actions soon. Soothings of each group is his style but the indigenous

professionals require substance to invest in the future. From my other conversations the past 24 hours with Minister Economy Vuskovic, his Deputy Garreton, Toha and others, I would venture the guess that they will try to move in a pragmatic direction with the active support of the Communists. Indeed it is their economic fears upon which I have been playing in my efforts to arrange acceptable deals for US companies. Of course, for us, this is a transitional negotiation period, as for Chileans, I repeat what I reported in Santiago 2236 prior to talking to recent Allende visitors: he has neither the temperament nor the intellectual experience to sustain systematic management and he has internal contradictions both as to his person and his government that will not be easily reconciled.