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Conversation Among President Nixon, Secretary of the Treasury Connally, and the White House Chief of Staff (Haldeman)

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Nota de Archivo: *Summary: Nixon, Connally, and Haldeman discussed recent Chilean elections and the Chilean debt problem. Source: National Archives, Nixon Presidential Materials, White House Tapes, Conversation 469–1. Sensitive But Unclassifed. According to the President's Daily Diary, Nixon met with Connally and Haldeman in the Oval Office from 4:05 to 6:33 p.m. (Ibid., White House Central Files) The editors transcribed the portion of the conversation printed here specifically for this volume.*

[Omitted here is discussion of foreign economic policy and other matters unrelated to Chile.]

Nixon: Did you notice in the news summary this morning that Allende had a hell of a setback in this election?

Connally: He lost two parliamentary elections.

Nixon: What do you think of that?

Connally: That's great.

Nixon: Now—

Haldeman: They were billing that as very significant. He was fighting like hell.

Nixon: We must not say anything. He wasn't—

Connally: Well, I—this brings up a point.

Nixon: Yeah.

Connally: And I've got a memorandum on the way in.

Nixon: Yeah. Yeah.

Connally: We've got a meeting in Paris—

Nixon: Yeah.

Connally: —the so-called "Paris Club," where we deal with the Chilean credit, whether or not we let them renegotiate their debts.

Nixon: Yeah.

Connally: They've been up here talking. Now, here again—normally, you'd think this clearly fell within the Treasury's provenance, but State's asserting jurisdiction over it. As a matter of fact, Weintraub at State has already told the Chilean Ambassador that we're not only going to Paris, but we're going to, we'll renegotiate, before we ever get there.

Nixon: Well, they ought to—the son-of-a-bitch is not supposed to do that, because I've issued an order through Kissinger a day ago. You know about the order that you and I had—and when I say "ordered"—

Connally: That's right.

Nixon: I told Henry, at the time Allende came in, we were not to do a damned thing to help him. Absolutely nothing! Now, is this—I don't want to get Henry involved, because he's in enough fights with State at the moment.

Connally: No, Henry shouldn't have to even fight it—

Nixon: Look, I'll just say—let me say, John, I am totally opposed to it.

Connally: Well—

Nixon: And we're not going to do it.

Connally: I've got a—I've got a memorandum coming to you.

Nixon: Well, what—what is the point of it?

Connally: Well, I'm not going to send you the actual memorandum if you agree with it. I just said that, I think, Treasury ought to head the delegation to the Paris Club meeting. It might be easier if [unclear].

[Laughter]

[4 minutes and 10 seconds not declassified]

Nixon: Can you imagine Weintraub going there and apologizing for the fact that the reason we should have met earlier is we were busy with the Christmas holidays? Why the son-of-a-bitch, he knows very well that we're at a turning point on this thing. Well, we'll work on that.

Connally: Generally, that's just—but that's one of the—

Nixon: Well, the McNamara—

Connally: —little problems that you run in to. This is why you've got to have a weak constitution in this damned place. It's because you have to have it.

Nixon: Yeah.

Connally: And you're operating with your hands tied behind your back now.

Nixon: Yeah.

Connally: And you can't do anything about it this year, but, my God, with another four years, you can.

Nixon: That's right. Well, I—but the whole country, though, needs it. It's the—our major stroke in international affairs is our economics. Let's face it.

Connally: Sure—

Nixon: We can't send men now anymore, I mean, as we well know. I hate fighting these damned wars and things, and so our major—the major thing we can do is squeeze them economically. And, believe me, that can have one hell of an effect. One hell of an effect.

Connally: It sure can.

Nixon: That's why we're going to drag our feet on the India thing—continue to.

Connally: Yeah.

Nixon: Well, my point is you would have been dragging those trade agreements that everybody else at the State Department is falling all over themselves to produce.

Connally: Well, at the World Bank, I talk to McNamara—

Nixon: Yeah.

Connally: —Friday at noon. And he is firmly committed to no renegotiated Chilean debt.

Nixon: Hm-hmm. Chile. Good.

Connally: And he says under no circumstances. No, sir, we're not about to—

Nixon: And then for us then, for the Paris Group to do this—the Paris Club—is ridiculous.

Connally: Yeah. Well, they—their answer is, "Well, they've defaulted. If we don't renegotiate, we've got to set a new maturity date." I said, "Well, what the hell good is a new maturity date? You're kidding yourself." I said, "If they've defaulted, they've defaulted. Let's try to impose some kind of sanction. Let's try to make them pay us."

Nixon: Can I ask you to do this, Bob? As I said, we've got Henry in too many fights with State at the moment. Anyway, this is an awfully good one for Flanigan to follow up on in every instance. Now, when Flanigan ever—in the future, if you would have such matters—I don't want him to hide them with Henry, you understand. I just don't want Henry to get his bowels in an uproar and raise hell with Rogers. But Flanigan will just toe the line. Don't you agree?

Connally: I agree. That's the way to handle it.

Nixon: Yeah, and let's do it right. Let's do it—to hell with them. You see, Pete's [Peterson] quite aware. When you talk to Pete, he'll love this, too. He'll love getting into this kind of thing. Good heavens, this is so—such a direct violation of what I, what I've said. You know, you—I mean, basically, John, I may be wrong about Chile. I mean, many people think I am—and about Cuba—but, after all, it's what I—somebody's got to make the policy and, Goddamnit, I've made it!

Connally: That's right.

Nixon: In my view, Cuba, you're not—you can't—you can't, for example—State is always trying to make end runs on the Cuban thing, and I say, "No, we're not going to do it. I'm not going to do it there. They're different from China. We're just not going to do anything with Cuba at the present time." And we've just got to get—it's either got to be one way or the other.

Connally: Yeah.

Nixon: I mean, they got to—they weren't elected. That's the point—another thing those guys forget.

Connally: That's right.

Nixon: And I take the heat. They don’t.

Connally: That’s right. It’s your policy and you’re entitled to make it. And if it’s wrong, you’re entitled to the blame—

Nixon: And I’ll get it.

Connally: And if it’s right, you know, you’re entitled to the credit.

Nixon: [I’ll] get less credit but that’s all right, too.

[Omitted here is discussion unrelated to Chile.]