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R

(c) Allende

At this writing Allende's chances of leading the field in the popular vote do not appear favorable. But the odds are no worse than even that he will finish second ahead of Tomic. If in this circumstance the race is close and Alessandri's total is less than 40% of the vote, Allende could emerge from the second-stage congressional election as President of Chile. We are persuaded of this possibility by the line-up in Congress: a nominal Alessandri strength of only 43 in the 200-member legislature as opposed to perhaps 81 for Allende, with the Christian Democrats holding the balance. In such a situation there is doubt that the latter could maintain unity and take the difficult decision to deliver the presidency to the candidate of the right. It is also our present judgment that the military would not intervene to prevent Allende's accession as long as the constitutional processes were observed.

At the outset an Allende government might well present an aspect of confusion and internal conflict as the disparate elements of "Popular Unity" scrambled for patronage and influence. Broad programs would be difficult to define and execute in the ensuing pulling and hauling; radical action to restructure Chilean society could be inhibited for a time by ideological differences within the coalition and by fears of provoking hostile reactions from without, particularly on the part of the military. Nevertheless, we would look for steady if cautious progress toward the creation of a centralized, authoritarian Marxist state.

Such a state is, after all, the declared goal of the revolutionary Marxists who dominate the "Popular Unity" front. To presume their failure in advance on the dubious grounds that Chile is somehow "different" appears to us the height of imprudence. The communists, with their vastly superior organization and leadership, would probably be able to manipulate and ultimately control the coalition. They might initially choose a rather modest participation in the upper reaches of the Allende government, perhaps limiting themselves to two or three of the lesser cabinet portfolios. At the same time, however, we would expect the PCCh to take a strong policy hand behind the scenes and to move rapidly to consolidate communist power in the more vulnerable sectors--the labor movement, the universities and the media. Penetration

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and influence over the security forces would come slowly, but with the leverage provided by government power and Soviet assistance success would seem probable. In sum, it is our judgment that the construction of a self-perpetuating Marxist system in the classic pattern within the space of a few years must be considered the most likely outcome of an Allende victory.

In terms of U.S. interest, there is no reason to doubt that Allende would redeem his pledges to nationalize U.S. mineral holdings on a confiscatory basis, take Chile out of the OAS, establish relations with all members of the Socialist camp, and denounce existing bilateral agreements with the U.S. (The agreement on military assistance might be an initial exception.) The Peace Corps, AFTAC and probably NASA would quickly be forced out of the country, while U.S. private investment came under early attack. More importantly, we foresee the possibility of a major Soviet commitment under an Allende government, with Chile becoming a base for Soviet power and influence directed toward the establishment of a tr ue "anti-imperialist" bloc in South America. We find it difficult to imagine the Soviets passing up the unique opportunity presented by the democratic election of a Marxist government. For their part, Allende, the Communists and the Socialists might well calculate that a Soviet-backed confrontation with the U.S. would offer the proper atmosphere of "struggle" in which to establish Marxist power on a permanent basis.

This paper is not an appropriate document for an extended discussion of the kind of extreme contingency that might require major revisions in our overall hemispheric policy. We do note that although there is little the U.S. can presently do to guard against the eventuality, we have devoted considerable effort and resources over the years to strengthening the democratic forces in this society. If Allende fails in his fourth bid, as appears probable, we will have done our part. On the other hand, if the worst comes to pass we will be prepared to avoid over-reaction, to adopt a correct and dignified attitude, and to maintain a presence.

(d) The Military

Internal instability and a general restlessness will continue to afflict Chile's Armed Forces. There is little prospect for early solution to the underlying problem of an insecure military establishment

unsure of its role and lacking in resources and leadership. We can anticipate recurring surges of military dissatisfaction, but a serious, self-generated coup movement within the Armed Forces seems unlikely in the near future. The internal political consensus and self-confidence are lacking, despite some growth in the attraction of the Peruvian example, and despite some stimuli coming from the Argentine military.