

THE CIA IN CHILE



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canadian news synthesis project

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CHILE

"I don't see why we need to stand by and watch a country go Communist due to the irresponsibility of its own people."

--Henry Kissinger, quoted in sections of the book, The CIA and the Cult of Intelligence, (censored before publication) talking to a high-level panel overseeing clandestine CIA activities in Chile. The above quotation is the attitudinal key to a whole maze of revelations which have erupted from the investigative work of Representative Michael Harrington of Massachusetts, and various U.S. reporters.

STAGE I

On Sunday September 8, 1974, the New York Times and the Washington Post carried stories based on a letter written by Michael Harrington (Democrat, Mass) to Rep. Thomas Morgan, chairman of the House of Representatives Foreign Affairs Committee. This letter, based on Harrington's reading of April 22 testimony to a House armed services committee hearing touched off a series of reports, reactions and new reports.

The Harrington letter revealed that the U.S. spent \$11 million in attempts against Salvador Allende. The letter based its charges on testimony by CIA director William Colby to the House Armed Services Intelligence subcommittee. Harrington appealed for further congressional investigation. The money for clandestine operations was authorized by "the committee of forty", the National Security Council covert action arm. The funds were used to support opposition to Allende's campaigns for the Presidency of Chile in 1964 (\$3 million to the Christian Democratic Party) and 1970 (\$500,000 in 1969 to individuals to keep anti-Allende forces alive and intact; \$500,000 to opposition party personnel in the election). Further funds were spent after the election (\$250,000) to bribe members of the Chilean congress to oppose the ratification of Allende's election. After Allende's confirmation in Congress, a further sum (\$5 million) was spent attempting to 'destabilize' his government. Another \$1.5 million was spent in the March 1973 Congressional elections and finally in the last phase of the Allende government another \$1 million was spent in destabilization efforts. The letter states that \$50,000 requested for CIA support of the truckers' strike was turned down, and that the 1973 \$1 million program was called off when the coup occurred. With funds already committed, opposition elements purchased a radio station, and a trip for spokesmen of the junta after the coup, around Latin America was also supported.

The testimony of Mr. Colby indicates that senior State Department and White House officials repeatedly and deliberately misled Congress about the extent of U.S. involvement in internal Chilean affairs. The agencies' operations were considered a test of the technique of using heavy cash payments to bring down a government viewed as antagonistic towards the U.S.

(see GM 9,9,74 pl0 cl-6; TS same day p A7; HCH same day p 5, OC p 14; HS p 41)

In further statements, Harrington connected the covert operations with Henry Kissinger. "The 40 Committee is Kissinger" Harrington stated in a phone interview. "It was then and it is now." (OC 10,9,74 p 30 c4-5)

The State Department spokesman, Robert Anderson, stated that the Department stood behind statements in the past that there was no U.S. attempt to interfere with Chile's internal politics. Charles Meyer, former assistant Secretary for Latin America had testified that the U.S. scrupulously adhered to a policy of non-intervention. "We bought no votes, we funded no candidates, we promoted no coups." In reply, Senate Foreign Affairs Committee subcommittee counsel, Jerome Levinson, told a reporter, that "in my mind there isn't any doubt we were misled." Mr. Anderson pointed out that the 40 committee has such members as Mr. Kissinger, the undersecretary of state for political affairs, the deputy secretary of defence, the chairman of the Joint Chiefs of Staff and the director of the CIA. (GM 10,9,74 p11 c1-2)

An echo of the revelations occurred from India, where U.S. Ambassador Daniel Moynihan privately warned Kissinger that the Chilean revelations had confirmed Prime Minister Gandhi's worst "suspicions and genuine fears about U.S. policy towards India." Moynihan said, "it is precisely because she is not innocent, not squeamish and not a moralizer that her concern about American intentions is real and immediate... She thinks we are a profoundly selfish and cynical counter-revolutionary power." (GM 13,9,74 p11 c7-9)

CIA director William Colby defended covert operations in a prepared statement, for a conference for former government, intelligence agents and experts funded by a private organization called Fund for Peace. (HCH 15,9,74 p5 c1-4)

Henry Kissinger told Senate Foreign Relations committee during his confirmation hearings as Secretary of State, that "the CIA had nothing to do with the coup, to the best of my knowledge and belief." Tom Wicker, writer for the New York Times, reviewing this and other 'cover-up' testimony in the past commented, "Congress, the press, presidential candidates--all have consistently shied away from this subject. Supposed liberals have pleaded the supposed need to be 'hard-nosed'. The real need is to face the fact the gangster schemes of bribery, violence and even assassination are being carried out in the name of the American people." (HCH 14,9,74 p6)

A former high U.S. intelligence official stated that former president Nixon ordered about \$1 million to be spent to prevent Allende's election. At that stage, Nixon or Kissinger, ordered the CIA to provide financial support for Allende's opponents. Both the State Department and the CIA regarded the endeavour as hopeless. The \$1 million was laundered, changed into Chilean currency, and then paid in the form of campaign contributions. (HS 16,9,74 p41 c1-5; HCH p4 c3=4; OC p56)

Seymour Hersh, New York Times reporter, who broke the Harrington story, made further revelations on September 15, carried on September 16 by the Globe and Mail. "Secretary of State Henry Kissinger personally directed a far-reaching Nixon Administration program designed to curtail economic aid and credits to Chile after the election of Allende in 1970, well-informed government sources said yesterday." Three sources were quoted, and stated that Kissinger took charge of a series of weekly inter-agency meetings to coordinate a policy of economic sanctions against Chile. The Nixon administration frequently denied that such a campaign existed. "The sources emphasized that Mr. Kissinger's economic activities were distinct from his involvement in clandestine CIA operations, although both programs were controlled by him with great secrecy." Mr. Kissinger's decision to become personally involved in the economic reprisals against Chile angered a number of State department officials who felt this action was a sign of mistrust of the department. "The whole purpose of the meetings in the first couple of months after the election was to insure that the various aid agencies and lending agencies were rejiggered to make sure that Allende wasn't to get a penny" said one well-informed source. Over the next two years, Chile was denied dozens of loans by the World Bank and by the Export-Import Bank, a U.S. government agency. Chile's short-term line of credit with private banks fell from \$220 million in 1971 to less than \$40 million a year later. (GM 16,9,74 p4 c1-8)

CIA director William Colby told the Centre for National Security Studies (sponsored by three foundations) conference on the CIA that the CIA "had no connection with the military coup in 1973" in Chile.

(WFP 16,9,74 p8 c2-3)

COMMENTARY IN THE PRESS

The process up to the Presidential Press Conference September 16, 1974 might be termed the first stage of the revelations. Three newspapers reviewed made comments during this first stage:

The Ottawa Citizen (10,9,74 editorial) called for a curbing of the CIA. "...what is known about the CIA is probably the tip of the iceberg. The U.S. Congress must curb the agency before it becomes an uncontrollable monster acting secretly on its own, or on the orders of whoever is in the White House." The Winnipeg Free Press ("The Lessons of Chile" 14,9,74 editorial) remarked: "...the anniversary (of the coup) was marked by the usual partisan propaganda in which the Chilean generals and State Secretary Henry Kissinger became strangely mixed up in a tragedy that began not on September 10, 1973 but in March of 1972 when 13 crates that according to the late President Allende contained 'mango-flavored ice-cream' arrived in Chile from Cuba. As has now been established, the crates were crammed with automatic weapons for Dr. Allende's revolutionary forces, and this started a chain of events that culminated in the generals' coup." The editorial went on to state that the election of 1970 when "40% of the voters" elected Allende, killed the consensus necessary for a democracy to function. It implies that Russian aid officials and Cuban agents trained revolutionary armies who seized farms and houses at gunpoint. The military coup was provoked by a mutiny plan to overthrow Congress and usher in a total seizure of power by Allende. "Today the generals' rule is brutally oppressive, but so

STAGE II: THE FORD DOCTRINE

In a televised press conference, President Gerald Ford (Monday Sept 16) defended U.S. covert political operations in Chile, saying that the covert actions were "in the best interests of the people in Chile and certainly in our best interest." He claimed that Allende was attempting to destroy opposition news media and opposition political parties. Yet at the time of the 1973 coup, 10 major newspapers covering the entire political spectrum, nearly two dozen radio stations and all major political parties were operating in Chile and the only known anti-press action by Allende (in June 1973 El Mercurio was closed for six days) occurred long after the U.S. began spending money on Allende's opponents. Ford refused to pass judgment on whether or not such interference was legitimized by international law but stated: "...such actions are taken in the best interests of the countries involved." He stated that Communist countries spend much more on covert operations than the U.S. and reiterated that the U.S. government had no involvement whatsoever in the coup itself. (MS17,9,74; TS, OC, HS same day)

Counsel for Senator Frank Church's Senate Foreign Relation Committee subcommittee on Multinational Corporations, Jerome Levinson, has prepared material for action against 35 Government officials for misleading testimony given the subcommittee at its highly publicized hearings regarding the reported attempt by officials of the International Telephone and Telegraph Company to seek to interfere in Chile's domestic politics. (NYT 17,9,74 p 1 c4-8; OC same day p 68)

The Senate Foreign Relations Committee authorized its staff to pull together former testimony for re-examination, but was somewhat upset regarding the 'leak' of Jerome Levinson's report on possible proceedings against former witnesses. Senator Frank Church called for a full investigation, but Foreign Relations Committee Chairman William Fulbright put off the question of further hearings. (GM 18,9,74 p4 c6-9)

Chairman Thomas Morgan of the House of Representatives Foreign Affairs Committee said his group will look into more congressional oversight of intelligence operations. (TS 18,9,74 p A22; WS, OC, MS, HCH same day)

Chile's generals received one of the biggest U.S. military aid programs in Latin America, at the same time that America was cutting off economic and humanitarian support for Allende's government. During 1970 to 1973, according to state department figures, U.S. economic aid dropped from \$1.5 million a year to \$400,000. At the same time military grants to train Chilean officers in U.S. weapons use, remained at \$300,000 a year, and credit sales of weapons to Chile's generals jumped from \$5 million to \$15 million. In fiscal 1972 Chile received more U.S. military aid than any other nations in Latin America. Kissinger told the Senate Foreign Relations committee that credits were cut off from Chile because it had a bad credit rating, because of Allende's economic policies, yet the U.S. found it possible to grant a great deal of military aid. (MS 19,9,74 pA1 c1-3)

President Ford called top-level congressional leaders to consult regarding the role of the CIA. High administration officials were confident last night that Chile-type actions by the CIA could be defended on national

was Dr. Allende's." "The Christian Democrats were well on their way to succeed (in solving Chile's problems) when 40% of the people, tired of the slow evolutionary process, voted for a radical transformation of the society." The Winnipeg Free Press bemoans that these true lessons of Sept. 10 are not being taught today.

The Windsor Star carried comment by Stephen Rosenfeld of the Washington Post, who argues that the CIA was only carrying out White House national policy. The real question is why Kissinger took such measures against a marginal distant country. "For what it's worth, I suspect Kissinger feared that the example of a successful Popular Front government in Chile--Communists and Socialists working together--might have a contagious effect in France and Italy and other places where, in the 1970's, popular fronts have a real chance of coming to power. Kissinger voiced this fear in discussing Chile policy privately at the time." The comments state that Kissinger is a child of Weimar Germany, who sees democracy's weaknesses, for which he attempts by diplomacy, secrecy, etc. to compensate. Rosenfeld concludes: "There is something undeniably valiant about Kissinger's purposes, but there can be something undeniably vicious about his means. Is there no other way for the values and the interests of the United States to thrive?"
(WS 17,9,74 p13 cl-8; TS 18,9,74 pA22 c7-9)

Doug Snayd

Central
INTERFERENCE
~~Intelligence~~

Agency



"Have there been any Chileans in here lately?"

TS 18/9/74 B. A22.

security grounds, and that dropping such operations would damage national security. (TS 19,9,74 pA14 c7-8)

The CIA financed trade groups including the organizers of the nation-wide Chilean truck strike that lasted 26 days in 1972, as well as a series of middle-class shopkeepers' strikes and a taxi strike in the summer of 1973. Sources of this information, speaking to the New York Times, said that the Nixon Administration had not been seeking to force an end to Allende's presidency. Officials added that it was 'awfully hard' to keep control over local field operatives, particularly where large amounts of cash were involved. A number of sources state that the CIA was able to multiply its expenditure of approximately \$7 million against Allende by 800% by utilizing the black market. Sources say that the CIA had informers and agents in every major party in Allende's coalition but was unable to infiltrate the MIR (Revolutionary Movement of the Left). Less than half the money spent by the U.S. was given to opposition politicians; most went to striking unions and trade associations.

(GM 20,9,74; MS 20,9,74 pA8 c5-6)

Kissinger told the Senate Foreign Relations Committee that the concern of the U.S. was to defeat Allende's forces in the election of 1976 rather than the coup of 1973. Senators Lowell Weicker (R. Conn) and Howard Baker (R. Tenn) announced their introduction of a bill to form a Senate House committee to control more tightly the CIA and other intelligence agencies. Kissinger, replying to question by Senator Frank Church, stated that Allende was elected by only 37% of the vote, and "set about to establish what appeared to be a one-party government." Senator Fulbright announced that the Committee has voted to have a separate hearing on CIA-Chile questions after its staff assembles the relevant documents.

(GM 20,9,74 p10 c1-3; OC, TS, HCH same day; WFP 29,9,74 p7 c1-2)

A CIA officer told Time: "You buy votes in Boston; you buy votes in Santiago." (HCH 23,9,74 p4 c8)

Tougher anti-Allende operations were ordered by the Nixon Administration, in mid-October, 1971 in time for CIA direct involvement 6 weeks later in the first large-scale middle-class demonstration against Allende, the March of the Empty Pots. Circumstantial factors were cited: In late September, 1971 Allende's government announced it would not pay compensation to nationalized U.S. copper companies. On Oct. 12 U.S. Ambassador Edward Korry was replaced by Nathaniel Davis, a career diplomat experienced in Soviet affairs. U.S. security reports at this time alleged that Cuban arms were being smuggled in to Chilean civilians.

(GM 24/9/74) p.10 c7-9

House of Representatives defeated an attempt moved by Rep. Eliz. Holtzman (D. N.Y.) to restrict CIA activities abroad, by barring use of funds to undermine or destabilize any foreign government. 291-108.

(T.S. 23/9/74 p.A19 c1)

Sources said that Secretary of State Kissinger recently rebuked Ambassador David Popper (U.S. envoy in Chile) for having discussed torture and human rights issues during a meeting on military aid with Chilean officials. Some State Dept. officials say Kissinger's rebuke was a demonstration of the Administration's unwillingness to press fully the human rights issue with the junta ruling Chile. "Tell Popper to cut out the political science lectures" Mr. Kissinger scrawled on a cable reporting Popper's action.

(GM 27/9/74 p.15 c3-4)

Comment

Christopher Young of the Ottawa Citizen (21/9/74 p.6 c2-6) pointed out that the "Ford Doctrine" regarding foreign interference in the affairs of small powers, is more relevant to Canada than to Chile. He asks in reply to Kissinger's defence of the CIA in Chile, "What has the CIA ever done to stop one-party rule in right-wing military dictatorships? What is it doing to stop the savage repression of all opposition in Chile now?" He continues that Ford, who sought to put Watergate behind him, has extended the paranoia which caused it, to new limits. "the U.S. now makes official its belief that it has the right to stop people in other countries from choosing their own leaders and form of government as well."

The Montreal Star (23/9/74 pA6,2 edit) remarked on Kissinger's fumbling regarding Chile in front of the U.S. Senate foreign relations committee, complete with the noted arrogance of the Secretary of State. "Dr. Kissinger permitted himself a comment about the 'misguided' Chileans who, unhappily for them, knew no better than to elect a Marxist regime. Breathtaking isn't it? If only the U.S. Secretary of State had been invited to send in a few expert advisers to set them straight. But, of course, that's precisely what Washington did." This commentary followed up questions raised by the Star on the 21st, when it asked whether the Ford admisions did not indicate "how penetrating an illegal or clandestine apparatus can be even at home." (21/9/74 pB6, c1 edit).

The Ottawa Citizen viewed Ford's announcement as unfortunate. CIA type actions frequently create or exacerbate disputes and generate tensions leading to war. It ended with an appeal against "might is right" psychology at work. (18/9/74 p6c1) The Toronto Star and Globe and Mail both found the Ford doctrine unacceptable. The Globe quoted President Ford's justification and commented, "Unquestionably the CIA was wrong to intervene in this way. But Mr. Ford refused to criticize it. His response is unacceptable." (18/9/74 p6 c1-2) The CIA knows that it can continue meddling. Pearson would not accept De Gaulle's interference

and he criticized U.S. interference in the trade of U.S. subsidiary firms in Canada with China. The Globe connects the interference of the CIA with proposed aid (now shelved until CIDA budget is considered in the House) to African liberation movements. "Mr. Ford's refusal to condemn can be read only one way: that no nation on earth can feel itself secure from CIA meddling, Canada included. And that is simply intolerable."

The Star in an editorial, "A Chill from Chile" (17/9/74 pB4c2) also asked if Canada could find itself up against the CIA if it doesn't play economics by American rules, specifically referring to the three "socialist governments in Canada". Ford's admission "makes hash out of American championing of democracy abroad. Government by the people-- as long as it's approved by the CIA." In an article carried by the Globe but originally published in the New York Times (22/9/74 p16c3-6) Seymour Hersh traced the history of CIA 'dirty tricks' from 1947 through to the Chile coup, and including support for Magsaysay's campaigns against the Huks in the Philippines, the coup against Premier Mohammed Mossadegh in Iran in 1953, the 1954 coup against President Jacobo Arbenz of Guatemala, the 1958 support of rebels against President Sukarno and many others.