

*The 1964 presidential race*

## **Election Operation In Chile**

**T.F. Schmidt**

*This article is based on a study submitted in May 1965 by a member of the former Plans and Evaluation Group of the Covert Action Staff of the Directorate of Operations (DO). It was prepared from material submitted by operating elements of the DO.*

In the spring of 1964 the US Government looked at Chile with concern and apprehension. In the presidential election to be held in September, for the first time in Latin American history either a Christian Democratic Party or a Marxist-controlled front appeared assured of gaining power legally. Ostensibly, the campaign was a three-way race. But the issue was bound to be decided between 53-year-old Senator Eduardo Frei, leader of the Christian Democrats, and Doctor Salvador Allende, 56-year-old standard bearer of the Popular Action Front (FRAP). The so-called Radical Party led by Senator Julio Duran, aged 46, appeared to have a fair chance before March 1964. In March, however, Duran's right-wing coalition with the Liberals and Conservatives was destroyed after an unexpected FRAP by-election victory. Thereafter, the Liberals and Conservatives threw their support behind Frei, leaving Duran with only his faithful Radicals. Thus the campaign narrowed to a struggle between the moderately left Frei and Allende, who was so far left that about half his FRAP support came from the Communist Party. If Allende should win, and his chances did not look bad in the spring, the sheer weight of communist influence in FRAP might have resulted in a communist-dominated regime in Chile. This would give Moscow and Beijing a southern hemisphere satellite and base of operations potentially more useful than Cuba in the northern hemisphere; such a base would multiply US problems in Latin America.

One of the most dangerous aspects of such a development would, perhaps, be that of establishing a Marxist government in a Latin American country by

manipulating the existing and legal democratic process. It would present a workable alternative to the use of violence and insurrection practiced in Cuba. Even if there were no chain reactions in Argentina, Bolivia, Brazil and Colombia, counteracting communist appeals to such countries to follow the "example of Chile" would become much more costly and difficult.

### **The Copper Question**

In 1964, copper accounted for some 80 percent of Chilean exports, while taxes on it contributed an estimated 20 percent of the fiscal budget. Two American-owned companies; Anaconda and Kennecott, supplied 65 percent of Chile's foreign revenue. Both Frei and Allende promised changes in policies affecting foreign copper companies. Frei, a former college professor and founder of the National Falange, the predecessor of the Christian Democratic Party, had worked hard to build up his party until it became the largest vote-getter in municipal elections with 22.6 percent of the ballot in 1963. The Christian Democrats were moderately socialist and, in foreign affairs, stubbornly independent. Frei insisted on a redistribution of wealth: roughly 2 million peasants were outside Chile's money economy, while 2.5 percent of the landowners controlled 75 percent of the land.

Frei opposed nationalization of the copper mines on the grounds that it was not economically feasible. Instead, he proposed putting the marketing of copper under state control and to raise yearly capacity from the then prevailing 600,000 tons to 1 million tons. He also wanted to encourage more foreign, but not US, investments and to try to reduce US influence in the economy.

## A Political Physician

Allende initially promised the nationalization of the copper industry. He subsequently toned down his threat to include only the major companies, and he promised to compensate them. But Chile, suffering from galloping inflation, could not afford to pay just compensation. Allende's proposed nationalization might have forced the US to invoke the Hickenlooper Amendment, which would have forced suspension of the annual \$100-million US aid program for Chile. Although FRAP was widely advertised as a fraternal six-party coalition of socialists, communists, and populist groups, the Communist Party was the strongest element. It accounted for nearly half of FRAP's strength, and the socialists accounted for another 45 percent.

The program worked out by Allende in cooperation with the communists called for land reform and a variety of social improvements. On the face of it, there was little difference, except for the copper question, between Allende's and Frei's programs. But how far could the communists push Allende? The communist program called for taking over all banks, insurance companies, and foreign-owned firms. There was much else about Allende that was disturbing. He admired Fidel Castro, he made frequent visits to Moscow and Beijing, and he often used the US as a whipping boy.

Pre-election estimates gave Frei a substantial margin. But such estimates did not include the 700,000 undeclared voters, of which 500,000 were new voters. Previous voting records could not project their preference.

## The Special Group

As early as April 1962, CIA had presented two papers on Chile to the Special Group, an element of the National Security Council that cleared CIA covert action proposals. The first paper proposed to support the Christian Democratic Party covertly and securely to help it draw popular support away from the FRAP and to strengthen it for any further coalition. The proposal asked for [redacted] and it was approved with the caveat that the Chilean recipients of the subsidy must not know the true source of this support. The second paper proposed a subsidy of [redacted] per month to enable the leader of the Radical Party to devote full

time to politics. This was considered desirable, because policymakers might want the Radical Party to form a coalition with the Christian Democrats in preparation for the 1964 election.

(b)(3)(n)  
(b)(1)

## Picking a Candidate

(b)(3)(n)  
(b)(1)

## Coordination

CIA's covert political efforts to elect Frei involved close and continuous coordination of policy at the upper levels of the US Government. This coordination included the White House, but it was mainly conducted between appropriate working levels of CIA and the State Department, both in Santiago and in Washington. CIA was responsible for carrying out this program. The Department of State was kept fully informed on all relevant matters, participated in overall planning, and voted on those operational decisions of CIA which had policy implications. Throughout the program, the Special Group was kept fully informed and approved modifications, mainly involving additional funding. In total, the Special Group approved [redacted] for the elections.

(b)(3)(n)  
(b)(1)

Secret

In Santiago, coordination was effected through a special election team made up of the Deputy Chief of Mission (DCM), the Embassy's political and economic counselors, and senior CIA station officers. This team was set up in April 1964 and deliberately kept small, with other government representatives (b)(1) heads attending as required. As of mid-May this team met daily, with the DCM acting as a permanent member and the Ambassador chairing it whenever he felt it necessary.

### Helping the Christian Democrats

The problems of the Christian Democratic Party were largely those of insufficient funds and lack of experience in conducting a major campaign. Previously, most Christian Democratic campaigns tended to be local affairs rather than operations on a national scale. FRAP had people with experience in conducting competent political campaigns on the national level and at the grass roots. It also appeared to be well funded, with indications that its subsidies came from abroad.

US funds provided to Frei were used to employ full- and part-time workers in urban, rural, and slum areas, as well as to pay for equipment and training, and to make mass propaganda possible. On two occasions, Frei intended to reduce his campaign propaganda drastically and to discharge a large number of party workers because of lack of funds. It was only an increase in the CIA subsidy that permitted him to cancel these proposed retrenchments. The US Government provided more than half of the money expended by the pro-Frei forces, according to a reliable estimate.

The next step was to strengthen Frei's inefficient party organization. To fill the gaps in its support from women's groups, a women's organization under CIA guidance was affiliated with Frei's campaign committee. During the next five months, it succeeded in opening 91 executive branch offices throughout the country, which helped to increase Frei's already strong appeal to female voters. An estimated 150,000 women voters were thus influenced. Helped by specially trained and selected "activists," these women's committees operated largely in the poorer suburbs and slum areas. They led anti-communist discussions, explained voting procedures and the electoral law, and

provided free sewing, typing, and first-aid lessons. Largely, thanks to their efforts, an unprecedented 46.6 percent of women voters were persuaded to go to the polls.

(b)(3)(n)  
(b)(1)

A far-reaching effort also was made to try to mobilize Protestant voters for Frei. These had been largely pro-Allende, because most of them belonged to the underprivileged classes.

### Keeping the Radicals In

How to keep Duran in the race was a problem throughout the campaign. Had the Radical Party withdrawn its own candidate in favor of endorsing Allende, the latter would have received the bulk of the Radical Party votes and added respectability. Such respectability would have tended to deprive the anti-Allende forces of their most effective campaign charge that Allende was a tool of the communists.

A CIA operation countered efforts made by FRAP to secure Duran's withdrawal and Radical Party endorsement of Allende. When the Radical Party executive committee met on 10 May 1964, it was only CIA's 11th-hour financial and political action support which enabled Duran to withstand attacks against his candidacy and to frustrate a drive to get Radical Party endorsement of Allende.

Throughout the campaign, subsequent FRAP attempts to force Duran's withdrawal were beaten off by Duran and his associates. To ensure that keeping Duran in the race did not create a mechanism which would siphon off critically needed votes from Frei, CIA's assistance to Duran was designed only to enable him to hold his party together.

(b)(3)(n)  
(b)(1)

(b)(1)  
(b)(3)(n)

held true for large segments of the Liberals, the Conservatives, the Radicals, the Protestants, and Freemasons. Realizing this, Santiago Station directed its many independent press and radio contacts to stress the theme that the choice facing the voters of Chile was one between communism and freedom. A propaganda attack was launched to portray Allende as a willing tool of Castro-communism.

(b)(3)(n)  
(b)(1)

Joint CIA and

Moreover, Frei had to be urged periodically to control some of his more passionate followers who were needlessly attacking the Conservative and Liberal Parties thereby causing friction. It was also the (b)(3)(n) (b)(1) as well as the other independent groups, which carried out the bulk of the anti-communist and anti-Castro propaganda effort.

Christian Democratic propaganda presented Frei as a wise, sincere, high-minded statesman, a good family man, capable of solving Chile's economic and social problems. Frei was helped by the fact that his public appearances and public personality came close to what the average Chilean thought a president should be. In this propaganda effort, CIA contributed only the funds necessary to support a large-scale campaign and wide distribution of material. The Christian Democratic Party did a good job of handling propaganda themes and style.

(b)(1)  
(b)(3)(n)

### Allende's Image

Allende tried to show that he was a man of the people who would expropriate natural resources and means of production, take from the rich and give to the poor, establish a "scientific" Marxist regime, and free Chile from US "imperialism." The communist role in FRAP was played down in its propaganda, as were Allende's previous admiring remarks about Fidel Castro, the Soviet Union and China. His alleged moderation was stressed, although FRAP's propagandists couched most of their material in Marxist terms.

The aim of most of CIA's propaganda operations was to call this Allende/FRAP image into question and to try to substitute a more menacing image. CIA prepared a detailed study on Allende covering what was known of his background, personalty, and activities in order to find his vulnerable spots. His number-one vulnerability remained communist sponsorship of him and of FRAP. In 1954, Allende had gone on a grand tour of the communist bloc. He had also visited Cuba several times since Castro had come to power. Therefore, it was easy to insinuate that Allende was a willing communist tool. In addition, it was possible to

### Communism Versus Democracy

Well before the beginning of 1964, it was clear that the Chilean voter wanted a change. Frei was no propaganda match for Allende, who promised essentially the same changes as Frei, but better and faster. The polls showed a majority of the voters to be anti-communist. But Allende appeared insufficiently identified with communism to ensure his defeat. Frei thus was unable to portray the election as a battle between communism and democracy. Yet it was precisely the presentation of the choice in these simplified terms which was recognized as the emotional issue which might induce Chile's anti-communist majority to vote for Frei, even though his religious and political ideology was distasteful to many of these people. This

~~Secret~~

depict Allende as a man of overwhelming personal ambition, a calculating schemer who had joined with the communists long ago and was now committed to serve their interests.

### Intelligence Support

No single factor compares in importance to intelligence and its evaluation, both before and during the election campaign. Without the detailed data acquired continuously, neither election strategy and tactics nor the overall concept of these complex political action operations could have been developed successfully. Information continuously produced by Santiago Station sources was augmented by US Embassy reporting and information from the press. Collection and evaluation of information as the campaign developed was indispensable in keeping separate but complementary operations going effectively.

(b)(3)(n)  
(b)(1)

### Financial Support

Providing Frei, the leaders of his party, and other contacts with large sums of (b)(3)(n) in a secure and secret manner was difficult (b)(1) separate fund transfers to the Christian Democrats were made without detection.

(b)(3)(n)  
(b)(1)

### Well-Meaning Allies

Parallel to the official US concern about the outcome of the presidential election, there developed at about the same time among US corporations with substantial holdings in Chile, particularly the Anaconda Copper Company, a disposition to work on their own to ensure the defeat of Allende.

(b)(3)(n)  
(b)(1)

(b)(3)(n)  
(b)(1)

Another development which required delicate political handling involved Julio Duran and a rightist group, the "Legion of Liberty," which was plotting to take power by an armed coup if Allende won. It also envisaged the possibility of trying to seize power in the event that Frei, once elected, should enter a leftist coalition. Duran acted as a spokesman for the plotters, who wanted to assure themselves of US recognition once they had seized power. This move had to be carefully discouraged and an effort made to persuade a majority of this group to abandon its plans in favor for working for Frei's election.

### Ensuring A Majority

CIA's covert financial and political assistance made the difference between an ample plurality and the absolute majority Frei received. CIA's covert action effort contributed at least (b)(3)(n) to Frei's margin of victory of approximately (b)(1) votes. Without these votes, the US would have been faced with difficult problems resulting from the likely subsequent efforts by Chile's Congress to select a president. In such an event, FRAP would have had an opportunity for maneuvering both in Parliament and in the streets and, if successful, could have seized power. Frei was the first candidate in Chile since 1942 to gain an absolute majority. Eighty-seven percent of the registered electorate voted, less than 1 percent of the ballots were invalidated, and the election proceeded with complete calm and order.

It took two years' advance planning by CIA to mount this successful election operation. No shortcuts or pat formulas would have been a substitute for the hard work that had to be done. All segments of the electorate had to be mobilized, and CIA was largely responsible for stimulating this mobilization and keeping it going until election day. Throughout the campaign, both in Santiago and in Washington, officers had to have the ability to change and modify operational tactics in the face of frequently changing situations.

### **A Communist Setback**

Chile's Communist Party and its allies, with their thesis of the "Peaceful Route to Power," received a serious setback. Allende, however, nearly tripled his 1958

vote. He increased his percentage of the electorate from 29 to 39, confirming that Chilean Marxism remained a powerful force.

The most important campaign issue contributing to Allende's defeat was the people's fear of communism, which was exploited and dramatized during the campaign. Nationalistic Chileans were determined not to let their country become a second Cuba. Both Allende and the communist press admitted that fear of communism was the dominant factor in FRAP's defeat. The democratic press commented that Fidel Castro had been the big loser in the election.

*This article is classified SECRET.*