DCI BRIEFING FOR
14 SEP WSAG MEETING

THE SITUATION IN CHILE

I. Resistance to the military takeover stiffened on 12 and 13 September. Violence has caused many casualties on both sides.
A. A few leftist snipers are still holed up in government buildings, and armed groups of workers are refusing to vacate some of the factories they have occupied for many months.

II. The military leaders have quickly taken over most levers of economic and political control.
A. The cabinet—nearly all military officers—seems designed primarily to regain control of government operations from Allende supporters.

1. The ministers are to be advised by businessmen. These men may be responsible for making policy, while the military officers administer.
B. Congress has now been dissolved—not simply recessed—and the judicial process taken over by the military.

1. The anti-Allende political parties so far are being kept at arms length, but have announced their support for the junta.

C. The junta will seek technical and financial assistance from the US, Japan and West Germany within the next week.

D. In addition, Chilean professionals and technicians living abroad will be asked to return.

III. The economy is a shambles that will take many months to restore to even minimum productivity.

A. The distribution system, especially transportation from ports and farms, is in chaos after the long truck strike and railroad bombings.

B. Short supplies of fuel, raw materials, spare parts, and food are worsened by the distribution breakdown.

C. Industrial productivity was greatly damaged by worker occupations, inefficient management after nationalization, and the shortages.
1. Several large factories in Santiago have been destroyed in the effort to root out resisters to the coup.

IV. Until order is restored and Allende supporters dislodged from copper mines, factories, farms and other state enterprises, reconstruction cannot even begin.

IV. Army General Pinochet seems firmly in place as junta president for the foreseeable future.

A. So far he is showing himself to be decisive as well as prudent.

1. He appears to have a grasp of the main problems in US-Chilean relations, and a desire to remain on good terms.

2. The priority concerns are to restore order and economic normalcy. Political reform apparently will wait.

V. Leftist extremists will not easily give up efforts to mobilize the 43% of Chileans who supported Allende.

A. They are already operating clandestine radios calling Allende's death a martyrdom that must be avenged.
B. Chilean geography lends itself to the protection of insurgents in remote areas.

VI. Most international reaction—including that of the Soviet Union—has been critical, with strong emphasis on Allende's constitutional election and his death.

A. This reaction may be prolonged, particularly in Latin America.

B. Governments that approve the coup have remained silent.
TO GENERAL SCOWCROFT

FROM: Jeanne W. Davis

SUBJ: Attendance at WAAG Meeting on Chile, Wednesday, September 12, 10:00 a.m.

The following are the desired participants in tomorrow's WAAG Principals Only meeting. Since DOD and CIA both want to bring two people, you may want to let State bring one additional.

State: Mr. Rush
One other: Yes _ No ___

Defense: V/Adm. Ray Peet, Acting Deputy Asst. Sec., ISA
V/Adm. George M. Wallace, Director, Inter-Amer. Reg., ISA

JCS W/Adm. John P. Weinl

CIA Mr. Colby ___
David Phillips, Chief, Western Hemisphere Division

NSC Staff: Bill Jorden
Larry Eagleburger
Dick Kennedy
Jeanne Davis

Approve ___ As amended ___

UNCLASSIFIED
**Unclassified**

**Subject:** WSSG minutes of 14 Sept 73 re Chile - LA

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<td>Staff Secretary</td>
<td>Memo for Pres.</td>
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<tr>
<td>Far East</td>
<td>No C/Y needed</td>
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<td>Sub-Saharan Africa</td>
<td>Reply for appropriate action</td>
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<tr>
<td>Mid East / No. Africa / S. Asia</td>
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Date: 9/18

To: HAK/CY

INFO: Info

SUBSEQUENT ACTION REQUIRED (OR TAKEN):

- Field

SUBSEQUENT ROUTING/ACTIONS:

- Dispatch
- Notify
- Special Disposition
- Or Record Comment:

MICROFILM & FILE MARKS:

- M/F/D: By
  - CYS For: SA
  - ORIG: WH
  - TO: PA
  - NS: EP
  - DESTROY: BY

UNCLASSIFIED

Cross Ref #: Joined by Log #

See #: For Final Action & Filing

Suspense C/Y Attached