

Junta Seizes Power in Chile -- Allende Suicide Reported

U.S. Is Keeping Hands Off

Washington

United States officials were not surprised by the Chilean armed forces revolt yesterday but they declined to comment for the record so as to avoid even the hint of commitment or involvement in the overthrow of President Salvador Allende.

Reports from the U.S. embassy in Santiago said none of the 2800 American citizens in Chile appeared to have been harmed in the uprising, a State Department official said.

The U.S. embassy, which lies directly opposite the large presidential palace, was hit by small arms fire.

About 2300 of the Americans reside in and around Santiago and half of these are government employees and dependents. The rest are businessmen, students and missionaries.

POSTURE

The U.S. government, which had a record of interfering in Chilean politics, principally with money, before Allende came to power in 1970, has maintained the posture of a disinterested bystander since then, except for protests against his expropriation policy.

The expropriations, principally of American-owned copper mines and the IT&T Communications, have reduced U.S. investments from \$750 million, just before Allende came to power on the Socialist ticket, to under \$70 million today.

The coup reports caused copper futures to rise 3 cents to 78.40 cents on the New York mercantile exchange. But a U.S. official warned against the idea that a new regime might restore

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nationalized property to Americans.

"They haven't got any money anyway," the official said, "and all parties support nationalization. So any Anaconda Copper shareholder who thinks he is going to get his money back is going to be disappointed."

CRITICAL

The most critical element in Washington's attempt to be evenhanded toward the Chilean developments is military aid and cooperation.

Four U.S. Navy vessels, which had been headed for Chile yesterday from Peru to participate in joint hemisphere naval maneuvers, were redirected away from Chilean ports as soon as news of the revolt came, a State Department official said.

The U.S., which provided \$1.7 billion in economic and military aid to Chile from 1946 through 1970, continues to give assistance in both

fields to the Santiago government.

In fiscal 1973, Chilean military credits were justified by Washington as "an important means of demonstrating our continuing interest in the well-being of the Chilean population and of maintaining long-standing and friendly relations between the U.S. armed forces and their Chilean counterparts."

It was noted here that the Allende government welcomed the military aid and rejected offers of Soviet arms.

The Nixon Administration is distressed that Chile, with a long record of democratic constitutional practice, had proved unable to resolve the current crisis by parliamentary means.

There had been no armed forces interference in Chilean politics since 1932. Allende's term was to have run until 1976. Washington officials expect the military leaders to try to restore at least some parliamentary

rule soon. "There is no Nasser, no colonel in the Chilean armed forces," an American analyst remarked.

PREDICTION

U.S. diplomatic and intelligence analysts predicted three weeks ago that some kind of military coup would occur "in the next couple of weeks," as one put it.

They based the forecast on increasing nervousness in the armed services over the expansion of armed factory workers bases around Santiago and said this was catalyzing sentiment among military commanders to clean out these bases.

Point three in the proclamation of the military junta against Allende yesterday named the factory groups as a reason for the revolt, describing: "The constant increase of armed paramilitary groups organized and trained by the 'pro-Allende' popular unity which will bring the people of Chile into an inevitable civil war."

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