

## New Report

Longer story filed  
CIA (d)

# 10 Years of U.S. Intrigue in Chile

Washington

Details of a "massive" clandestine operation over a 10-year period to block the election and then overthrow the government of the late Salvador Allende in Chile were revealed yesterday by the Senate Intelligence Committee.

In a report on what it called an "extensive and continuous" program of covert operations conducted during the Kennedy, Johnson and Nixon administrations, the committee report estimated that the United States spent \$13.4 million in Chile between 1963 and 1973.

Of this amount \$3 million was allocated to "propaganda" and support of political parties, and \$4.3 million was spent to support and influence the mass media of Chile.

Central Intelligence Agency expenditures to one anti-Allende newspaper, *El Mercurio*, amounted to \$1.5 million over a seven-month period from Sept. 9, 1971, to April 11, 1972.

The report said that CIA evaluators had concluded "that *El Mercurio* and other media outlets supported by the agency had played an important role in setting the stage for the Sept. 11, 1973, military coup."

The owner of *El Mercurio*, wealthy Chilean businessman Agustin Edwards, conferred with top officials of the Nixon Administration on the day — Sept. 15, 1970 — that President Nixon ordered the CIA to help put together a military coup d'etat as a means of preventing Allende's election.

The report revealed that the International Telephone and Telegraph Corp. and other U.S. multinational firms based in Chile funneled \$700,000 into that country's presidential popular election in 1970 in behalf of conservative candidate Jorge Alessandri — Allende's principal opponent.

It had previously been disclosed that it had offered through one of its directors, former CIA Director John McCone, the sum of \$1 million to thwart the Allende election but that the money had been declined by the agency.

The actual contributions of it and the other American companies, the report disclosed, was given with the CIA's advice on how to "safely channel" the money into the 1970 campaign.

It contributed about \$350,000 of the total amount, according to the committee.

Senator Frank Church (Dem-Idaho), chairman of the intelligence panel, estimated that the \$3 million pumped into Chile during the 1964 election would be the equivalent of an expenditure of \$60 million in the United States — allowing for differences in population. That, Church noted, was more than twice the reported amount spent by U.S. candidates Lyndon B. Johnson and Barry Goldwater together during the

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U.S. presidential campaign that year.

In the 1964 election, the report revealed, more than half of the campaign costs of Christian Democrat Eduardo Frei were financed by the U.S. without Frei's knowledge. That year, as in the last four elections in Chile, Allende was a candidate. The CIA spent more than \$2.6 million in Frei's behalf in the 1964 presidential race.

The U.S. did not concern itself only with presidential elections in Chile but congressional contests as well. In February, 1965, the 303 committee, which at that time passed on covert operations, approved \$175,000 to support 22 congressional candidates in Chile selected by the U.S. ambassador and CIA station chief, according to the report.

In describing the CIA-directed propaganda to influence the outcome of the 1970 election the report cited the case of a *Time* magazine article cover story that was changed as the result of a CIA briefing.

"According to CIA documents," the committee said, "the *Time* correspondent in Chile apparently had accepted Allende's protestations of moderation and constitutionality at face value. Briefings requested by *Time* and provided by the CIA in Washington resulted in a change in the basic thrust of the *Time* story" on Allende's September 4 popular victory.

The pattern of covert financing, according to the report, spread through the entire political and economic sector of Chile, encompassing trade unions, business organizations, right-wing extremist groups, and farm organizations.

Funds provided by the CIA, the report said, "financed activities covering a broad spectrum from simple propaganda manipulation of the press to large-scale support for Chile's political parties, from public opinion polls to direct attempts to foment a military coup."

The report asserted that there was no evidence the U.S. was "directly involved, covertly" in the 1973 coup against Allende. "However the United States sought, in 1970, to foment a military coup in Chile," the committee staff concluded.

"After 1970 it adopted a policy of both overt and covert opposition to Allende and it remained in

intelligence contact with the Chilean military including officers who were participating in the coup plotting."

Similarly, the report said that top U.S. national security managers opposed American financing of the truckers' strike which precipitated the final economic crisis of the Allende administration, setting the stage for the September 11 coup. The CIA did recommend that the truck owner strike be supported with a \$25,000 grant, but the proposal was never approved.

The CIA did rebuke a Chilean cover organization that passed on \$2800 to the strikers.

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