

# CIA Role In Chile Outlined

## \$13 Million Was Spent on Covert Work

By Laurence Stern  
Washington Post Staff Writer

Details of a "massive" campaign of clandestine operations over a 10-year period to block the election and then to 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, some \$8 million was allocated to propaganda and support of political parties; \$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 from Sept. 9, 1971, to April 11, 1972. The report also 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 Augustin Edwards, conferred with top officials of the Nixon administration on the day—Sept. 15, 1970—that President Nixon ordered the CIA to help mount 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 some \$700,000 into that country's presidential popular election in 1970 in behalf of conservative candidate Jorge

See CHURCH, A21, Col. 4

### CHURCH, From A1

Alessandri—Allende's principal opponent.

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

The actual contributions of ITT and other American companies, the report disclosed, was given with the CIA's advice on how to "safely channel" the money into the 1970 campaign. ITT contributed about \$350,000 of the total amount, according to the committee.

Sen. Frank Church (D-Idaho), chairman of the intelligence panel, estimated that the \$3 million pumped into Chile during the 1964 election would be the equivalent to 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 Lyndon B. Johnson and Barry Goldwater together during the U.S. presidential campaign that year.

In the 1964 Chilean election, the report revealed, more than half of the campaign costs of Christian Democrat Eduardo Frei were financed by the United States without Frei's knowledge. That year, as in the previous 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 United States did not only concern itself 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 the 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 Sept. 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 propaganda manipulation of the press to large-scale support for Chile's political parties, from public opinion polls to attempts to foment a military coup."

The report asserted that there was no evidence the United States 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 advisers opposed American funding of the truckers' strike that precipitated the final economic crisis of the Allende administration, setting the stage for the Sept. 11 coup.

The CIA recommended that the truck owners' 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 \$2,800 to the strikers.

The CIA provided \$38,500 for the controversial right-wing paramilitary organization Fatherland and Liberty "in an effort to create tension and a possible pretext for intervention by the Chilean military." The organization was publicly calling for the armed overthrow of Allende's government.

The report, based on access to national security documents, said that the covert activities carried out in Chile were apparently not made available to the CIA intelligence analysts responsible for preparing National Intelligence estimates on Chile.

This meant that those U.S. officials responsible for preparing national estimates on Chile "appear not to have had access to certain information which could have added to, or substantially revised, their assessments and predictions. That flaw

was telling," the report said.

The committee heard testimony yesterday from two former ambassadors to Chile, Edward M. Korry and Ralph Dungan, as well as former Assistant Secretary of State for Inter-American Affairs Charles Meyer.

Korry evoked laughter from the audience when he declared that "under Ambassador Dungan and me, Chile made more social progress than any other country in Latin America."

Korry, in a heavily emotional presentation, accused Church and the committee of conducting a political "pornoflick" rather than an objective inquiry. He was ambassador during the 1970 U.S. intervention.

Dungan, the ambassador from 1964 to 1967, described the intervention "as we now see in hindsight a national disgrace." He added, however, that the excesses occurred under "imprecise congressional mandates, haphazard oversight and money provided by Congress."

The general outlines of the CIA interventions in 1964 and the 1970-1973 period have been reported in the press. What the new committee report provided was precise detail and documentary evidence.

It also demonstrated, through citation of national security documents that were declassified for the committee, that the U.S. policy-making community was split on the 1970 interventions with the State Department taking a dim view of intervention and the Pentagon, White House and the U.S. ambassador to Chile, Korry, supporting it.

In describing the scope of CIA-financed propaganda activity, the report detailed what it called a "spoiling operation" against Allende's leftist coalition in 1970 that included production of hundreds of thousands of posters and leaflets; extensive press and radio campaigning; sign-painting some 2,000 walls with the firing squad slogan "su paredon" (your wall), and conducting a terror campaign showing large photographs of Soviet tanks in Prague.

In one week during the 1964 campaign, the report said, "a CIA-funded propaganda group produced 20 radio spots per day in Santiago and on 44 provincial stations; 12-minute news broadcasts five times daily on three Santiago stations and 24 provincial outlets; thousands of cartoons and much paid press advertising."