

Washington Said to Have Authorized A 'Get-Rougher' Policy in Chile in '71

By SEYMOUR M. HERSH
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WASHINGTON, Sept. 23—

The Nixon Administration, in what amounted to a change of its clandestine policies toward the regime of President Salvador Allende Gossens of Chile, officially authorized the Central Intelligence Agency to begin supplying financial and other aid to anti-Allende factions in mid-October, 1971, highly reliable intelligence sources said today.

The Administration directive, characterized by one insider as an order to "get a little rougher," resulted in direct C.I.A. involvement six weeks later in the first large-scale, middle-class demonstrations against the Allende regime. Dr. Allende was overthrown last September in a coup d'etat in which he lost his life.

The street demonstrations, known as the "march of the empty pots," led to a series of violent clashes between supporters and opponents of Dr. Allende's Marxist coalition Government. More than 100 persons were injured before the Chilean Army could impose a curfew and restore order.

Timing Is Unexplained

Journalists later characterized the demonstrations, initiated by middle-class housewives protesting food shortages, as the most violent since Dr. Allende became President in September, 1970.

The Times's sources were unable to explain why the Administration chose that October to step up its clandestine activities against Dr. Allende, but the following factors were cited in interviews:

¶ In late September, 1971, the Chilean Government announced that it would not pay compensation for nationalized American copper assets, a step that threatened to cost two major corporations more than \$500-million.

¶ A change in ambassadors took place on Oct. 12, 1971, with Edward M. Korry, a Kennedy Administration appointee, being replaced by Nathaniel M. Davis, a career diplomat who was experienced in Soviet Affairs. Mr. Korry had been made Ambassador to Ethiopia in 1963.

¶ A series of intelligence reports relayed from the United States mission in Santiago to Washington included allegations that Cuban arms were being smuggled to Chilean civilians; also that Soviet technicians, contrary to Dr. Allende's public assurances, had been sent to investigate the research

and techniques of the American corporations at the copper mines.

"It was a series of a lot of little things," a first-hand source recalled. "Signs that the leftists in the Allende Government were in the ascendancy."

According to administration sources with first-hand knowledge, the change in American clandestine policies toward the Allende Government was communicated to Mr. Davis shortly after arrival in Chile on Oct. 13, 1971. Mr. Davis, who was reassigned to the State Department late last year, refused to comment today.

Another Ford Administration official, however, denied that there had been any direct C.I.A. involvement in the street demonstrations in December, 1971. "So far as I know, there was no direct or indirect support for that protest," the official said.

He acknowledged, however, that it was "possible; that some funds distributed to other anti-Allende groups in Chile could have been spent to further the protests.

'Get a Little Roughed'

One Administration official with first-hand knowledge of the events in Chile summarized the message sent to Ambassador Davis as saying, in effect, "from now on you may aid the opposition by any means possible." Another source said simply that the Ambassador had been told to "get a little rougher."

Other sources said that the subsequent success of the women's march in December, in a turnout that apparently surprised the unprepared Allende administration, was greeted with great pleasure by C.I.A. operatives in the United States Embassy.

The demonstrations led to the short-term suspension of three radio stations and an Opposition newspaper, as well as a "get-tough attitude" by the Allende administration toward dissenters, according to newspaper reports at the time.

The Times's sources were unable to specify who had signed the instructions forwarded to Ambassador Davis. But in previous interviews, high-ranking intelligence sources have said that all clandestine C.I.A. activities in Chile were authorized by the 40 Committee, a high-level intelligence review panel headed by Secretary of State Kissinger, then President Nixon's adviser for national security.

The New York Times reported on Friday that the C.I.A. had secretly financed striking labor groups and trade unions in Chile for more than 18 months before the overthrow of Dr. Allende, and that most of the

more than \$8-million authorized for clandestine C.I.A. activities in Chile was used to provide strike benefits and similar aid to middle-class workers who opposed the Marxist President.

President Ford and Secretary of State Kissinger have publicly declared, however, that the agency's clandestine operations were aimed only at supporting opposition newspapers and politicians that were in danger of being suppressed by the Allende Government.

'Ambassador in Charge'

All the C.I.A.'s activities in Chile were conducted under the direct authority and supervision of Ambassador Davis, The Times's sources said. "The Ambassador is in charge of these operations," a well-informed source said, noting that Mr. Davis had previously served as a United States representative to Bulgaria and as Ambassador to Guatemala.

Another source confirmed Ambassador Davis's direct involvement in the C.I.A. activities. "The Ambassador has to get their hands a little dirty," the source said.

The sources did confirm that the intelligence agency's covert activities had been confined to support of opposition newspapers and political parties during Mr. Korry's ambassadorship, from 1967 to Oct. 12, 1971.

Mr. Korry, a political appointee, did not have the confidence of Secretary of State William P. Rogers and Attorney General John N. Mitchell, the sources said. Mr. Mitchell was one of the six members of the 40 Committee while he was in the Nixon Cabinet.

Korry Gives His Side

In a brief telephone interview today, Mr. Korry said that he had not authorized, nor had he been aware of any direct C.I.A. participation in street demonstrations or other overt anti-Allende actions while he was the Ambassador of Chile.

He added, however, that he had met with President Allende shortly before leaving Santiago and had warned the President to begin compromising on key economic and other issues with the United States.

"I told him that the consequences of deliberately provoking the United States would be inescapable," Mr. Korry said from his home in Briarcliff Manor, N. Y. "I wasn't thinking of the C.I.A. at all."

On Sept. 28, 1971, President Allende announced that he had approved the deduction of \$774-million of what he described as excess profits from compensation that the Chilean Government had agreed to pay to the Anaconda Company and the Kennecott Copper Corporation,

The Allende decision was announced shortly before the beginning of negotiations on compensation between the Chilean government and the two concerns, whose interest in three large copper mines had previously been expropriated.

A day later, the New York Times quoted United States officials as saying that Dr. Allende's decision, which angered the American business community, would undoubtedly spur "get-touch" moves by the Nixon Administration.

It was reported that senior American policy-makers were concerned that if the United States continued to appear "soft" toward underdeveloped countries that expropriated private American assets, a rush of similar actions would be precipitated in Africa, where American firms had private investments valued at the time at \$3-billion.