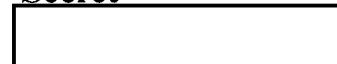




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# **Chile: Political Prospects**



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**An Intelligence Assessment**

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December 1981*

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# Chile: Political Prospects

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## **An Intelligence Assessment**

*Information available as of 1 November 1981  
has been used in the preparation of this report.*

This paper was prepared by [redacted] of the  
Office of African and Latin American Analysis.  
Comments and queries are welcome and may be  
addressed to the Chief, South America Division,  
ALA, [redacted]

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This paper was coordinated with the National  
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**Chile: Political Prospects**

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**Key Judgments**

The prospects for orderly government in Chile for the remainder of the decade are good, but in the longer term its chances are not as bright as the current stability might suggest.

A new constitution guarantees President Augusto Pinochet nine more years in office and gives him the option of standing for an additional eight-year term. Barring a crisis, such as a severe economic downturn, Pinochet is likely to remain in power, largely on his own terms, for the remainder of the decade.

Perhaps the most significant threat to continued orderly government over the long term is that which is inherent in one-man rule. No successor has been groomed and, if Pinochet left the scene abruptly, the military would have trouble replacing him. A period of government by military junta, dominated by the Army, probably would ensue.

Pinochet probably will continue on the course he has pursued since seizing power from Marxist President Salvador Allende eight years ago, that is:

- Attempt to construct a political system that is both stable and resistant to a resurgence of Marxism.
- Continue efforts to stamp out leftist political and guerrilla movements.
- Revitalize the economy with a basically free market approach.

Two key factors have contributed to Pinochet's success so far—he has cultivated the military, and he apparently has persuaded most Chileans that he is the only sure alternative to the chaos that prevailed during Allende's tenure. The improved economy and the disarray and distrust among opposition political forces have further enhanced his prospects for staying in power.

Chile will face serious problems, however, in resuming democratic government. The political polarization that has existed in Chile for several decades has been deepened by the repressive policies and controversial programs of both Allende and Pinochet. Political institutions have been damaged by the prolonged ban on political activity, and it is uncertain how the political tensions of the past two decades will be vented. Leftist groups, especially those adept at maneuvering clandestinely, have remained active and would pose a threat to weak democratic political and labor organizations.

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Chile at present faces no foreign policy problem that is likely to shake Pinochet's regime or force him to make a major shift in domestic policies. Pinochet's stronger domestic position in recent years has lessened his concern about international approval; at the same time, Chile's standing in the international community has improved. Recent US moves that could lead to warmer relations, such as the Congressional lifting of sanctions against Chile, have been especially well received in Santiago.

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## Chile: Political Prospects [REDACTED]

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In September 1980 the Chilean people approved a new constitution devised by the government of President Augusto Pinochet. In line with the new constitution, Pinochet was inaugurated in March 1981 to begin a transition process from military rule to pluralistic politics that is to last until 1990, when he will have the option of standing for an eight-year term as a civilian president. While Pinochet has a high sense of commitment to resolving chronic political and constitutional problems, his transition plan is likely to increase polarization and leave the country poorly prepared for a resumption of democratic government.

**The Pinochet Transition Scheme**

Pinochet appears motivated by three factors:

- A desire to cling to power.
- A deep revulsion against former President Salvador Allende and the Marxism he represented.
- A commitment to establish a political system that will preclude a resurgence of Marxist leadership.

The political system envisioned in Pinochet's new constitution is basically democratic and, except for banning Marxist parties, does not differ radically from the pluralistic system of the past. To avoid the executive-legislative stalemates that had long plagued Chilean politics, the constitution strengthens the position of the president and precludes the election of minority party presidents by requiring a runoff between the leading candidates. [REDACTED]

The transitory articles that will govern the period until 1990, however, are not conducive to a successful return to democracy. Rather than a phased return to elective rule, the articles allow Pinochet to continue to ban political activity until 1989. The junta will then nominate a president who is to be approved in a plebiscite for an eight-year term. Only then will congressional elections be called. Pinochet, who is now 65, probably assumes that with the power of incumbency and his ability to keep a strong opponent from



Figure 1. Gen. Augusto Pinochet casts his vote in the national constitutional plebiscite, September 1980. [REDACTED]

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emerging, he will easily be nominated and approved in the plebiscite. Should the junta's nominee be rejected—which seems unlikely under current circumstances—the military government would continue to rule for one year and then would convoke general elections. [REDACTED]

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**Historical Perspective**

Pinochet justifies the long period of continued restriction on political activity as necessary to restructure the political system. Chile traditionally has had a fragmented political spectrum in which any one party only rarely won a parliamentary majority. Constitutional provisions allowing the election of a president with only a plurality of the popular vote further encouraged the tendency toward narrow-based minority governments. Allende was elected in 1970, for example, with only 36 percent of the vote. Coalition governments were commonplace and, given shifting party alliances, often unstable. Opposition groups in congress impeded decisive executive action, and by



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Figure 2. President Augusto Pinochet reads oath of office during inauguration of new constitution, March 1981 [redacted]

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the 1940s, despite the country's reputation as one of Latin America's most successful democracies, many Chileans had come to view their political process as ineffective. [redacted]

Disillusionment led many voters to distrust all politicians and political parties, while some turned to the Communists and Socialists in the hope that these nontraditional parties could solve Chile's problems.

Marxists had a strong base of support in the labor movement, which they controlled from its inception in the 1920s. As Chilean trade unions grew into some of the largest and most powerful in Latin America, leftist electoral influence also expanded. Communists and Socialists polled more than one-fifth of the vote in each of the seven presidential and congressional contests between 1958 and 1973, a record unmatched elsewhere in Latin America during that period. [redacted]

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<sup>1</sup> Chileans hoped this trend might be reversed when Eduardo Frei of the Christian Democrats came to office in 1964 with an absolute majority of the vote and the apparent political strength to tackle basic economic and constitutional reforms. Although Frei accomplished a considerable portion of his program, political antagonisms probably increased during his administration because he was unable to fulfill the high expectations of his working and middle class supporters. Moreover, his policies alarmed entrenched conservatives. Indicative of the increasing polarization, extremist groups of both the right and left began operating in Chile during his administration. [redacted]

In 1970, the left at last elected Salvador Allende, who had come in second twice before. Under Allende, however, poorly managed public finances and the rapid nationalization of private industry led to breakdowns in public services, severe shortages of consumer goods, and an inflation rate that was among the

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highest in the world. The conflict between the executive, the congress, and the courts was aggravated by the formation of paramilitary groups backed by Allende's extremist supporters. Despite these conditions, however, 43 percent of the electorate voted for Allende's coalition of Communists, Socialists, and several smaller parties in the congressional elections that were held only six months before the coup in September 1973 that ousted Allende and led to his death. [redacted]

The military turned on Allende's followers with unprecedented ferocity. Several thousand leftists were killed during and immediately after the coup, and many tens of thousands fled into exile or went into hiding. Political activity was ruthlessly stamped out, and any expression of Marxism was, and remains, vigorously prohibited. [redacted]

#### The Realities of Governing

From the beginning, the military regime appears to have had a clearer understanding of what it wanted to destroy from the past than what it might create in its stead. For example, Pinochet has been unable to devise a satisfactory substitute for the traditional parties. Intrigued with the corporate system of representation in Franco's Spain, Pinochet approved the formation of a National Unity Movement in 1975, which he probably hoped to use as an electoral vehicle for his own future civilian candidacy. The Movement generated little popular enthusiasm, however, and Pinochet dropped the idea. The new constitution permits the formation of political parties, and junta members have said that they will be allowed to resume their political activities by the end of the transition period. [redacted]

Part of the difficulty stems from the military's suspicion that the left still has a strong base of support that would surface should controls be lifted. Although many Chileans are grateful for an end to the chaos of the Allende years, it is probably true that the left still retains the support of the third of the electorate it has historically controlled. [redacted]

The military's problems are compounded by the legacy of hatred created in the bloody aftermath of Allende's ouster. The regime's fear of revenge restricts its ability to create ground rules for resuming

political activity. Improvements in the military government's human rights record during the past five years have not diminished the hostility of the families and political groups persecuted in the early years. The continuing restrictions on political activity and the regime's continued harassment of even its non-Marxist critics have created other enemies. Any political system the regime ultimately creates is unlikely to be wholly able to satisfy the military's need for protection from retribution. [redacted] 25X1

Another factor complicating the transition is Pinochet's own apparent desire for a lifetime presidency. Although he has not publicly acknowledged this goal, his actions suggest he will not quit office as long as his health holds up, his military backing remains strong, his civilian opponents remain divided and ineffective, and the economy continues to produce gains for the average Chilean. [redacted] 25X1

#### Pinochet's Military Base

The Chilean military had prided itself on its reputation as one of the most professional and apolitical armed forces in Latin America. Chilean soldiers are well trained, have relatively high morale, and have an enviable record of success in the country's foreign wars. The Chilean military has taken charge of the government only three times since the 1830s; only Uruguay of the South American countries has spent fewer years in this century under military rule than Chile. [redacted] 25X1

From the start, Pinochet has maneuvered shrewdly and successfully to maintain the crucial support of the military—in particular the Army, which is the largest and most powerful of the services. Although Pinochet's hardline policies and capricious, personalistic style of government have generated some concern within the military, this does not represent a threat to his rule. [redacted] 25X1

Nonetheless, many officers almost certainly would prefer more moderate policies than Pinochet has pursued. A definite, so-called *blando-duro* (soft-hardline) division exists among them, with perhaps a majority of those in the Navy and Air Force sharing

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the bland sentiments. Military blandos believe that Pinochet's highly authoritarian regime is inconsistent with Chile's democratic tradition. Many of them fear that the forced depoliticization of the country will eventually increase polarization, rather than diminish it. In the Army, whose officers are more directly under Pinochet's influence, institutional loyalty and concern for careers encourage a tougher position in line with regime policies. [redacted]

Pinochet's sometimes highhanded manipulation of the military establishment itself is offensive to some officers, both blandos and duros. Pinochet insists on making all major appointments within the government and the Army, basing his choice more on loyalty to himself than ability and service records. In recent Army promotions to general officer, for example, two outstanding colonels were passed over in favor of less capable men more closely associated with Pinochet. [redacted]

Despite some criticism of such tactics, most officers share Pinochet's concerns about reducing leftist influence, building a sound economy, and providing constitutional safeguards against political instability and Marxism. Moreover, Chilean officers place an unusually high value on discipline and thus tend to obey Pinochet's orders. Finally, military attitudes are strongly influenced by evidence of public acceptance of the regime. Two referendums and the twice-yearly Gallup polls commissioned by the government have been favorable, helping to keep Pinochet's credibility high. [redacted]

The absence of a strong counterweight to Pinochet within the military also deters the growth of dissidence within its ranks. For example, Gen. Raul Benavides, who took Pinochet's seat as the Army representative on the junta in March when the new constitution elevated the President to a position above the ruling council, is an unassertive officer with a consistent record of support for Pinochet. Of the other junta members, National Police Chief Cesar Mendoza and Adm. Jose Merino of the Navy seldom voice forceful opposition. Air Force Chief Jorge Matthei is more outspoken but keeps his criticism within bounds. He is aware of the limited clout of the

Air Force in comparison with the Army and is mindful that his predecessor, a Pinochet critic with ties to centrist politicians, sank into oblivion after being dumped from the junta three years ago. [redacted] 25X1

#### **The Toothless Politicians**

Even if the ban on political activity had not muzzled them, Chile's politicians are so divided and lacking in confidence that they might not present a viable alternative to Pinochet's continued rule. Antagonisms between political groups have consistently impeded efforts to form a cohesive and effective opposition. The National Party, the chief conservative party, scorns both the centrist Christian Democrats and the radical leftists and has voluntarily submitted to the political ban. The majority of Christian Democrats reject both accommodation with the government and alignment with the extreme left. The Communists and Socialists, longtime rivals for votes and control of the labor movement, cannot agree on a common anti-regime strategy. The Communists favor a broad anti-regime front and an accord with the Christian Democrats, but are unlikely to succeed in this effort. [redacted] 25X1

In this confused and polarized political situation, Pinochet plays on popular fears of a return to the chaos and leftwing extremism of the Allende days. He undercuts centrists by continually reinforcing the widespread perception that they, along with the left, were to blame for the political, economic, and social deterioration that preceded the coup. [redacted] 25X1

**Conservatives.** A significant factor in the relative ease with which Pinochet maintains control is the consistent support given him by Chilean conservatives, who traditionally have constituted about one-third of the electorate. The National Party played an active role in opposing Allende and, by the time of the coup, most of its leaders favored not just Allende's overthrow, but more fundamental political changes, such as outlawing the Communist Party. While many leading individual conservatives are outspoken regime apologists, the National Party has been even more valuable to Pinochet simply by complying with his ban on public political activity. Its president, Sergio Onofre Jarpa, has insisted that the party abide by the prohibition, despite misgivings among some members. [redacted] 25X1

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Most conservatives are in basic agreement with the government's notions of political restructuring and are willing to accept restrictions on their political activity as long as they lead to a reversal of the leftist trends of the precoup years. The regime's free market economic policies also appeal to National Party leaders, who include some of the country's top industrialists. For the most part, the industrialists are content to ignore politics and tend to their business affairs during a period of expanding economic opportunities. [REDACTED]

While the Nationals' solid support for the regime furthers political stability for the moment, their renunciation of politics bodes ill for the future of the party system that will be needed if civilian government is to return. Formed only seven years before the coup when two main conservative groups merged, the party does not have sufficiently strong foundations to survive a lengthy period of neglect. National Party leaders probably assume that Pinochet will reward their support by maneuvering them into advantageous positions to inherit power, but their lack of organization could prove costly. They may find themselves without an effective voice and without workable ties to other political parties, leaving the one-third of the electorate whose allegiance they hold with no viable party to represent its views. [REDACTED]

**Christian Democrats.** Former President Eduardo Frei's centrist Christian Democratic Party (PDC), which also represents approximately one-third of the voters, originally backed the coup as necessary to end the Allende debacle. The party moved into the opposition, however, once the repressive nature of the regime became clear. Furthermore, it became evident shortly after the coup that the military would not give the PDC access to power. Although they try to avoid unnecessarily antagonizing the military government, Christian Democrats have defied the ban on political activity by circulating party documents, holding leadership meetings, and generally keeping the party machinery in working order. [REDACTED]

PDC leaders have been discredited by Pinochet's charge that they were stooges who aided Marxism by carrying out socialist economic policies when they



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Figure 3. Eduardo Frei, former President and present leader of Christian Democratic Party. [REDACTED]

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were in office, and who then failed to prevent Allende's election.<sup>2</sup> Frei, who won the presidency in a landslide in 1964, is probably still Pinochet's most serious potential rival and is the most frequent target of Pinochet's criticisms. [REDACTED]

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It is not clear how successful an unfettered PDC would be in organizing an opposition, but the results of the constitutional plebiscite—won by the government by a 2-to-1 margin—suggest that most centrists as well as conservatives voted in favor of the constitution. While the lack of a clear alternative gave an unfair advantage to the regime, the outcome suggests the government may have been successful in discrediting the party and may have made inroads into PDC control of the center. [REDACTED]

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Demoralized by the margin of the constitution's passage, as well as by what they see as Pinochet's growing international acceptability, Christian Democrats seem uncertain how to proceed. Some PDC leaders initially believed the party should attempt to

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<sup>2</sup> Allende's election was decided in congress because no candidate won a popular majority. The Christian Democrats, following a long established custom, voted for Allende, the front-runner at the polls. [REDACTED]

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reach an accommodation with the government. (Despite his attacks, Pinochet had once indicated an interest in having the party's support—if it could be secured at little cost.) These leaders hope such an accommodation now would lead Pinochet to speed up democratization. They are particularly anxious because their most popular leader, Frei, is 70 years old and may not be able to lead the party much longer. [REDACTED]

Other Christian Democratic Party chiefs, given their gloomy political prospects, believe the party has little to lose by aligning itself with the Communist Party or other elements of the former Allende coalition. The PDC has occasionally cooperated with the leftist parties since Pinochet took over, but has never formed a permanent alliance. The Communists, who favor such an accord, argue that only a broad front of all antiregime forces has a serious chance of forcing Pinochet to make concessions. [REDACTED]

Frei, who has maintained control of the PDC's disparate elements for 25 years by skillfully balancing opposing factions, is likely to reject accommodation with either the left or the regime. The majority of Christian Democrats probably will follow Frei's lead and continue their policy of independent defiance, recognizing that any course they choose has little chance to bring about a major political opening in the near future. [REDACTED]

**The Left.** The Chilean left is likely to be a greater concern for future governments than for the current military regime, whose powerful position and repressive policies have held it in check. Many leftist leaders, particularly in Allende's Socialist Party, were killed during and immediately after the coup, and within two or three years security forces had largely neutralized the Movement of the Revolutionary Left (MIR) and other semiterrorist groups. Of the major leftist organizations, the Communist Party, which had a well-established clandestine network, escaped with the least damage to its leadership and party apparatus. [REDACTED]

Forced to operate largely from abroad, surviving leftist leaders have been unable to direct a successful opposition movement. The negative image of the left in the eyes of most Chileans impedes its efforts to gain

new adherents or to form an alliance with centrists. Old grudges between Communists and Socialists, and the Socialists' own internal factionalism, have hampered attempts to unify existing leftist support. [REDACTED] 25X1

Leftist guerrilla movements have been even less effective in mobilizing public opposition to the regime. The MIR spent several years rebuilding itself abroad, recruiting adherents among Chilean exiles. Many of the recruits received training in Cuba or the Middle East. In 1979 the MIR launched its largest terrorist campaign since the early postcoup period. It carried out numerous bank robberies and attacks on public buildings and was probably involved in several murders. The campaign, however, failed to generate popular support, and security forces have continued to round up members of MIR cells. Moreover, the MIR's activity in Chile continues to be undercut by the defection of exiles who return from overseas and find economic conditions better than they expected. [REDACTED] 25X1

Many of these returnees simply fade out of the guerrilla movement. Others continue to take part in attacks, largely on targets of opportunity, but so far have proved to be no threat to the regime. [REDACTED] 25X1

The MIR's actions, in fact, may be serving the cause of the government more than that of the left. The MIR has kept alive the specter of the extremism of the Allende days and given proof of the need to continue restrictions until the terrorist threat is ended. [REDACTED] 25X1

[REDACTED] 25X1

The MIR has yet to make a concerted effort to go after key government officials or members of the foreign business or diplomatic communities. Were it to do so, it might indeed begin to undermine the public confidence upon which the regime's economic success rests. [REDACTED] 25X1

Despite its ineffectual role against the military government, the left still has a power base among labor and youth and could again exercise considerable influence. Although avowed Marxists probably will not reenter politics for years, they could have a significant impact through the infiltration of other parties. The Communist Party is particularly adept at [REDACTED] 25X1

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Figure 4. Chilean soldier opens door to 4-foot shaft leading to underground compartment used to hide guerrillas and store food, arms, and medical supplies. [REDACTED]

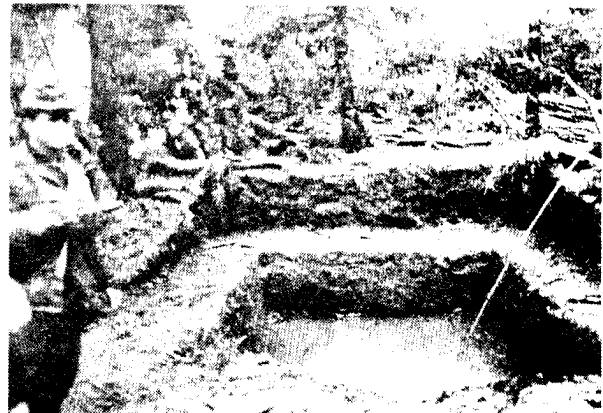


Figure 5. Construction had begun on a second underground compartment about 6 by 12 feet at the time of the raid. [REDACTED]

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maneuvering in a restrictive environment. It was banned from 1948 to 1958, but on the day the ban was lifted, six congressional deputies left their seats among the other parties to form the Communist congressional caucus. [REDACTED]

If the prospects for a more liberal political environment do not improve, more leftists may turn toward violence as the only way to oust Pinochet. Communist Party Secretary General Luis Corvalan, who before the coup publicly advocated the electoral path to power, has now endorsed violence. The Cubans maintain contact with many leftists, providing training and logistic support to the MIR, and possibly to other groups, while the Soviets and East Germans give funds to a wide range of Chilean exiles. [REDACTED]

#### The Economy and Labor

A chief factor in public acceptance of the Pinochet regime has been its success in revitalizing the economy and satisfying the needs of consumers who well remember the economic disruptions and severe shortages under Allende. To maintain public approval, however, the government must weather an anticipated economic downturn and continue to check unrest among Chile's historically activist labor unions. [REDACTED]

The government's economic recovery program has brought dramatic improvements. In contrast to the capital flight, triple-digit inflation, and near breakdown in many sectors of the economy during Allende's last two years, Chile has averaged a 25X1 8-percent growth rate since 1975, inflation has fallen to approximately 8 percent, and goods and services are now generally available. Urban unemployment, once a major concern, has dropped below 10 percent this year. [REDACTED] 25X1

Low world market prices for copper, Chile's chief export, coupled with high interest rates and oil prices, probably will slow the growth rate to 5 to 6 percent for the next year or so. This level is respectable for a developing country with limited petroleum resources 25X1 and is not likely to cause widespread popular dissatisfaction. Should the need arise, Chile's good credit standing would enable it to get foreign assistance. [REDACTED]

Austerity measures initiated in 1975 caused considerable hardship among workers, some of whom lost their jobs as noncompetitive businesses closed when tariffs were lowered. Despite the generally free market outlook of the regime, wages were controlled in 25X1

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the mid-1970s and did not keep pace with the rise in costs as price controls were lifted. Greater equilibrium in prices and wages, however, has been established during the past two or three years, as the inflation rate has fallen and austerity measures have been eased. [redacted]

At the time of the coup, the labor movement in Chile was controlled by giant, sectorwide confederations that served as power bases for leftist union bosses and a means of mobilizing support for Allende. Although a majority of Chilean workers were non-Marxist, the national labor leadership, particularly in the largest confederation, was dominated by Communists and Socialists. [redacted]

Most non-Marxist union leaders backed the military government initially and accepted the tight restrictions it put on labor as a necessary hardship. As the years passed with labor still circumscribed, however, some became critical of the regime, and both centrists and leftists have gained at the expense of regime-appointed labor chiefs. The right to strike, collective bargaining, and most union elections have now been restored under a regime-dictated labor code enacted two years ago. This may enhance rather than dampen the Chilean labor unions' potential for general political activism, especially if the economy were to turn sour and unemployment begin to rise. [redacted]

**Foreign Policy**

Chile at present faces no foreign policy problem that is likely to shake Pinochet's hold on power or force him to make a major shift in domestic policies. [redacted]

Chileans generally view with approval their return to international acceptability following their pariah-like treatment during Pinochet's first few years. Human rights violations had given the regime a negative image and impeded its efforts to buy weapons and acquire loans. Pinochet saw anti-Chilean sentiment as a product of Soviet propaganda, but his desire to regain good standing abroad influenced his decision to reduce repression after 1976. To his frustration, however, the improvement was not acknowledged and, when the UN's annual human rights resolution again

condemned Chile in 1977, Pinochet responded by holding a popular referendum. Chileans rejected the UN findings by a 3-to-1 margin and, in so doing, gave Pinochet a resounding vote of confidence. [redacted]

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Pinochet now feels less concerned about international disapproval because of his stronger domestic position. The economic recovery program has attracted foreign investors and placed Chile in a better bargaining position with its creditors. Furthermore, a number of governments, either because they gradually have recognized the improvement in human rights conditions in Chile or simply because they have resigned themselves to Pinochet's hold on power, have upgraded state-to-state relations. For example, Britain last year restored ambassadorial-level relations and lifted its embargo on arms sales to Chile. [redacted]

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Pinochet regards the change in US administrations in January 1981 as the most favorable foreign policy development in years. Bilateral relations had reached an all-time low in 1979 when Santiago turned down a US request for the extradition of three former Chilean security officials indicted in the assassination of former Ambassador Orlando Letelier in Washington. Pinochet apparently decided the rewards for cooperating with Washington were not sufficient to risk alienating those in the Army who would have been seriously embarrassed if former security chief Manuel Contreras, a career Army officer and the chief target of the US probe, had been punished. [redacted]

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Recent US moves that could lead to warmer relations, such as the Senate's lifting of sanctions against Chile, have been well received in Santiago. Pinochet has publicly praised the "good rapprochement" between the two countries, Chile has resumed participation in the annual inter-American naval exercises, and the military services have indicated an interest in resuming cooperation with their US counterparts. [redacted]

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Chile's most pressing foreign policy problem is its longstanding dispute with Argentina over the Beagle Channel, where Santiago is particularly vulnerable because of Argentina's clear military superiority. Papal mediation of the dispute is at a standstill following Argentina's rejection of the Pope's proposal that would have awarded the islands in question to

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Chile. Even if the mediation effort were to break down entirely, however, it probably would not harm Pinochet's domestic standing as Chileans almost universally support the government's position. [REDACTED]

#### Prospects

Authoritarianism will dominate the Chilean political scene for the next several years. Pinochet has no intention of leaving office, and for the foreseeable future he has no reason to expect a crisis worse than those he has already weathered. [REDACTED]

Pinochet is not a political sophisticate, but he has sound instincts. He has unerringly pursued the two policies that are crucial to his survival: he has cultivated the support of the military, and he has persuaded a majority of Chileans that he is the only sure alternative to chaos. The government's victory in the constitutional plebiscite in 1980 and the current demoralized state of the opposition indicate that this approach still works. [REDACTED]

Although forces beyond his control, particularly unforeseen economic adversity, could alter the situation, the relatively stable state of the economy and the country's improving international prospects offer considerable protection for Pinochet. In these circumstances, he is not apt to make major policy shifts. His public statements give no sign that his political ideas have evolved to any extent over the years. His strengthened position in fact has convinced him that his policies have been vindicated. At present, there are no apparent negative or positive incentives sufficiently strong to encourage him to hasten the political opening. [REDACTED]

Perhaps the only significant threat to the regime is that inherent in one-man rule. Pinochet is 65 and appears to have no serious health problems. He has not groomed a successor, however, and if he were to pass from the scene unexpectedly, the military would have trouble replacing him. It might resort to junta rule, at least initially; the Army, as the most powerful service, would probably retain its dominance. [REDACTED]

No matter when Pinochet leaves office, Chile probably will face major difficulties in restoring democratic government. It is unlikely to make the difficult transition with the same success as Spain after Franco. Pinochet shows no signs of gradually easing controls, as Franco did beginning in the 1960s, or of designating a successor. [REDACTED]

Chilean politics have long been polarized. Pinochet believes he is cooling the overheated atmosphere by banning political activity, but he may be increasing, rather than decreasing, the polarization. His transition plan does not offer an opportunity to heal the political wounds of the last 10 years nor does it provide an outlet to vent accumulated tension. No gradual growth in civilian participation is envisioned such as that which was a major factor in Peru's successful return to democracy last year. [REDACTED]

In contrast, Pinochet's planned retention of a complete political ban until the end of the transition period gives civilian politicians no time to rebuild their constituencies or restructure their rusty parties. Many politically conscious Chileans share former President Frei's fear that the enforced inactivity is likely to sap the strength of democratic political and labor organizations and could redound to the advantage of the left, especially those groups more adept at operating clandestinely. In sum, the long-term prospects for Chile are not as bright as the current stability would suggest. [REDACTED]

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