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17 March 1964

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MEMORANDUM TO: SHERMAN KENT

FROM : LA STAFF,

SUBJECT : CHILE: AN OLD FEAR REVIVED

1. The most disturbing development following the

Communist-Socialist Popular Front (FRAP) victory in the 15 March

Chilean by-election is the possible disintegration of the rest of center

Democratic Front (FD). As for the election itself, FRAP and the lection

Christian Democratic Party (PDC) both made impressive gains;

however, FRAP, by winning, can make the most mileage out of the election by claiming that it was a "plebiscite" for the September presidential election.

- 2. FD presidential candidate, Julio Duran, has already announced his resignation from the race. This action gives the FD, which is composed of the Radical, Conservative, and Liveral Parties, three alternatives:
 - 1) It may choose a new candidate (Duran was never an entirely satisfactory candidate), perhaps losing some segments of its member parties.
 - 2) It may reject Duran's resignation, perhaps losing some segments of tts parties.
 - 3) It may dissolve and the individual parties align themselves either with the PDC or FRAP.

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Course 1 or 2 would not drastically alter the current presedential odds, favorable to the PDC. Course 3, however, would present an entirely new election outlook. The Conservative and Liberal Parties would align themselves with the PDC, and the bulk of their followers would probably follow. The Radical Party would probably either split between the PDC and FRAP or else take no formal stand at all. In any case, the chances are better than even that the majority of the Radical vote -- perhaps a large majority -- would go to FRAP. Such a development would significantly import ve FRAP's chances, and depending on the size of the Radical support, might result in the election of a Communist-Front president.

3. It is present practically impossible to make a hard estimate in the current wark state of flux, but we believe that the FD parties will, at least, explore fully the possibility of remaining in the race before wink disintegrating and seeking an accomodation, which would certainly place them in secondary positions, with with either FRAP or the PDC.