

~~SECRET~~
SECURITY INFORMATION

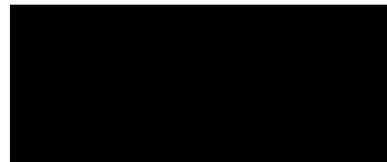
CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

19 September 1952

STAFF MEMORANDUM NO. 270

MEMORANDUM TO THE BOARD

1. The attached draft memorandum for the Director of Central Intelligence was prepared by [REDACTED] after consultation with O/CI. It has not been discussed with OIR people. 25X1A9a
2. The O/CI Intelligence Officer in charge of Chilean affairs will be available to meet with the Board if the Board wishes.



25X1A9a

DOCUMENT NO. 24
NO CHANGE IN CLASS.
 DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: _____
AUTH: HR 70-2
DATE: 13/2/80 REVIEWER: 19360

~~SECRET~~

SECRET
SECURITY INFORMATION

CENTRAL INTELLIGENCE AGENCY
OFFICE OF NATIONAL ESTIMATES

19 September 1952

PROPOSED MEMORANDUM FOR DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: Significance of the Election of Ibanes as President
of Chile

1. The Chilean Congress is virtually certain on 24 October to select Carlos Ibanes as President of Chile.
2. A hostile Congress will probably prevent Ibanes from making immediate radical changes in Chilean domestic or foreign policy.
3. Ibanes would have little to gain from an attempt to assume dictatorial powers in view of the excellent chance that his supporters will gain control of Congress in the March 1953 elections.
4. In order to divert public attention from swiftly rising prices and economic dislocations, Ibanes will continue between now and March to advocate:
 - a. greater concessions to labor and the establishment of a Peronista-type labor confederation;
 - b. further demands on US copper interests;
 - c. a neutralist of "third position" policy for Chile in the East-West struggle;
 - d. closer relations with Argentina, particularly Latin American economic solidarity against the "imperialistic" pressure of the great powers.
5. Even with a friendly Congress, Ibanes is not likely to press for immediate nationalization of the copper industry. He is likely, however, to demand abrogation of the US-Chilean Mutual Assistance Agreement.

SECRET

~~SECRET~~

6. Ibanez will also probably re-establish diplomatic and some commercial relations with the USSR and some of the European Satellites.

- 2 -

~~SECRET~~