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DENIED IN FULL

DOCUMENT DATED 13 December 1974

APPROYED FOR RELEASE DATE \_\_\_\_UN\_1\_1\_1999

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DURING A MEETING ON - DECEMBER.

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THAT THE GOVERNMENT WAS VERY CONCERNED OVER THE WIDENING GAP IN RELATIONS WITH THE PDC. NOTED THAT IN THE PAST SEVERAL MONTHS MANY PDC MEMBERS HAD RESIGNED FROM GOVERNMENT POSTS AND ASKED IF COULD EXPLAIN HHAT APPEARED TO BE CONTINUING PDC ACTS OF HOSTILITY TOWARD THE GOVERNMENT.

RESPONDED THAT THERE WAS CURRENTLY A STRONG SENSE OF UNREST WITHIN THE PDC OVER THE EXPULSION FROM CHILE OF LEFTHING PDC LEADER RENAN F U E N T E A L B A. AND THE CONTINUED DETENTION OF CLAUDIO H U E P E. ANOTHER LEFTHING PDC LEADER. FOR ALLEGED INVOLVEMENT WITH THE HOVEMENT OF THE

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SECRET

(diagra gontrole)

REVOLUTIONARY LEFT (MIR). SAID, HOHEVER, THAT THE CRITICAL FACTOR AFFECTING RELATIONS WAS THE ACTIVE CAMPAIGN BY RIGHTHING ELEMENTS WITHIN THE GOVERNMENT TO ATTACK PDC MILITANTS WITHIN THE GREMIAL MOVEMENT AND WITHIN THE RANKS OF THE PUBLIC ADMINISTRATION. ASKED TO PREPARE FOR HIM A MEMORANDUM STATING CONCRETE EXAMPLES OF THEIR CHARGES.

THE INTERNATIONAL IMAGE OF THE GOVERNMENT. HE SUGGESTED THAT THE GOVERNMENT HOULD FAVOR APPOINTING KEY PDC PERSONNEL TO THE HINISTRY OF FOREIGN AFFAIRS TO HELP CARRY OUT SUCH A PROGRAM.

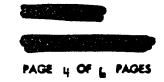
REPLIED THAT AT PRESENT THE PDC COULD NOT CONSIDER ANY DIRECT SUPPORT OF THE GOVERNMENT. SUGGESTED THAT RESOLUTION OF INTERNAL ATTACKS AGAINST THE PDC BY ELEMENTS HITHIN THE GOVERNMENT, IMPROVEMENT OF THE GOVERNMENT'S HUMAN RIGHTS POSITION AND MODIFICATIONS OF BASIC ECONOMIC POLICY, WERE NECESSARY STEPS FOR THE GOVERNMENT TO TAKE.

REQUESTED THAT

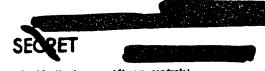
INSURE THAT THE QUVERNMENT'S JUDICIAL BRANCH,

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INCLUDING THE OFFICE OF THE COMPTROLLER GENERAL, RETAIN TOTAL
FREEDON OF ACTION HITH REGARD TO LEGAL ACTIONS. WHILE DISCUSSING
THE GENERAL QUESTION. SAID THAT HE PERSONALLY FAVORED
A POLICY TO RELEASE IMPORTANT POLITICAL PRISONERS ON THE
CONDITION THAT THEY REMAIN HITHIN CHILE AND REFRAIN FROM ALL
POLITICAL ACTIVITIES.

- STUDYING THE POSSIBILITY OF CREATING A PLAN OF NATIONAL SALVATION

  ("PLAN DE SALVACION NACIONAL"). HE SAID THE GOVERNMENT REMAINS

  VERY CONCERNED OVER THE THREAT OF EXTERNAL AGGRESSION AND THAT

  SUCH A PLAN HOULD CALL UPON ALL CHILEANS TO UNITE BEHIND THE GOVERNMENT

  IN THE FACE OF THIS THREAT. HAINTAINED

  EARLIER POSITION REGARDING COOPERATION WITH THE GOVERNMENT.
- TALKED WITH

  OUTLINED FOR HIM THE SUBSTANCE OF THE MEETING WITH

  AND EXPLAINED THE REASONS FOR THE PDC POSITION. SAID

  HE WOULD TRY TO MEDIATE THE DIFFERENCES BETWEEN THE GOVERNMENT

  AND THE PDC. HE SAID MEDIATION WAS NECESSARY BECAUSE THE THO

  MUST COME TO SOME FORM OF AGREEMENT FOR A UNITED APPROACH TO

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(disern controls)

THE VARIOUS PROBLEMS AFFECTING THE GOVERNMENT. SAID THE ECONOMIC OUTLOOK FOR CHILE IN 1975 WAS VERY BAD.

7. COMMENT!

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