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DENIED IN FULL

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(209)

[REDACTED]

[REDACTED]

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[REDACTED]

(classification)

[REDACTED]

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1. [REDACTED]

[REDACTED]

2. PRESIDENT AUGUSTO PINOCHET IS AGAIN CONSIDERING DISSOLUTION OF THE JUNTA STRUCTURE. HE BELIEVES THAT THE PERUVIAN GOVERNMENT MODEL IS MORE PRACTICAL AND HE HOPES THAT SOMETIME IN 1976, CHILE CAN ADOPT A MODIFIED VERSION OF THE PERUVIAN SYSTEM, WHEREIN THERE IS CLEARLY ONLY ONE LEADER AND THE HEADS OF THE OTHER MILITARY SERVICES ARE JUST THAT AND NOTHING MORE.

3. PINOCHET IS AWARE THAT THERE ARE GRUMBLINGS IN THE AIR FORCE AND THE NAVY REGARDING HIS MODE OF GOVERNING AND HIS

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[REDACTED]

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(classification)

[REDACTED]

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LACK OF BETTER COORDINATION WITH OTHER MEMBERS OF THE JUNTA, BUT HE DOES NOT CONSIDER THIS SENTIMENT A PROBLEM. HE BELIEVES THE ARMY IS ALMOST 100 PERCENT UNITED BEHIND HIM, WHICH IS WHAT REALLY COUNTS. IN ADDITION, HE DOES NOT BELIEVE THAT THE DISCONTENT IN THE OTHER SERVICES IS SUCH THAT ANY SERIOUS THOUGHT IS BEING GIVEN TO AN ATTEMPT TO REMOVE HIM.

4. WITH REGARD TO HIS RELATIONS WITH GENERAL GUSTAVO LEIGH, AIR FORCE MEMBER OF THE JUNTA, PINOCHET REALIZES THAT AT SOME POINT HE MUST CONFRONT THE CONSTANT CHALLENGE LEIGH REPRESENTS TO HIS AUTHORITY AND, IN EFFECT, DISSOLVE THE JUNTA. RELATIONS BETWEEN THE TWO ARE GETTING PROGRESSIVELY WORSE, AND LEIGH OPPOSES PINOCHET ON PRACTICALLY EVERY ISSUE WHICH COMES BEFORE THE JUNTA. IN ADDITION, LEIGH SEEMS TO GO OUT OF HIS WAY TO LEAK INFORMATION HELD TIGHTLY WITHIN THE JUNTA (NOT FURTHER SPECIFIED).

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5. [REDACTED]

6. RELATIONS BETWEEN PINOCHET AND LEIGH ARE BECOMING

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INCREASINGLY STRAINED, AND LEIGH BELIEVES THAT PINOCHET IS BECOMING MORE ISOLATED FROM THE JUNTA AND IS MOVING TOWARDS A DICTATORSHIP ROLE. LEIGH STILL BELIEVES IN THE IMPORTANCE OF MAINTAINING THE UNITY OF THE JUNTA, HOWEVER, AND HE WILL CONTINUE TO ATTEMPT TO AVOID AN OPEN BREAK WITH PINOCHET.

7. PINOCHET'S CRITICS, BOTH MILITARY AND CIVILIAN, WITHIN THE GOVERNMENT BELIEVE THAT HE IS OVER-EMPHASIZING THE MARXIST THEME IN HIS SPEECHES. THESE CRITICS EVEN SPECULATE THAT CHILE'S INTERNATIONAL IMAGE AND RELATIONSHIPS MIGHT BE CONSIDERABLY IMPROVED IF PINOCHET WERE REMOVED AS PRESIDENT.

[REDACTED] COMMENT [REDACTED]

[REDACTED] SAID THAT HE [REDACTED] BELIEVE THAT THERE IS LITTLE EXCUSE FOR MAINTAINING EITHER THE STATE OF SIEGE OR THE CURFEW GIVEN THE GOVERNMENT'S CONTROL OF THE SECURITY SITUATION. HE ADDED, HOWEVER, THAT PINOCHET HAS BEEN EXTREMELY CAUTIOUS ABOUT LIFTING THE MEASURES BECAUSE HE HAS BEEN INFLUENCED BY EXPRESSIONS OF CONCERN FROM THE DIRECTORATE OF NATIONAL INTELLIGENCE (DINA) THAT IT COULD NOT GUARANTEE ITS ABILITY TO MAINTAIN SECURITY GIVEN THE DANGER OF STRIKES AND OTHER LABOR UNREST IF THE

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[REDACTED]

[REDACTED]

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[REDACTED]

STATE OF SIEGE IS RELAXED.)

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8. [REDACTED]

[REDACTED]

[REDACTED]

9. [REDACTED] PINOCHET INSTRUCTED ALVARO PUGA, DIRECTOR OF PUBLIC RELATIONS, TO PREPARE A ROUGH DRAFT OF A NEW STATUTE GOVERNING THE OPERATION OF THE MILITARY JUNTA. PINOCHET SAID THAT UNDER THE PRESENT STRUCTURE, NO CONCEPT OF GOVERNMENT EXISTED. RATHER, WHAT EXISTED WAS AN UNACCEPTABLE PLURALISM WITHIN THE EXECUTIVE POWER. REFERRING TO THE AUGUST 1975 CRISIS IN THE JUNTA, FOLLOWING WHICH HE AGREED TO GREATER CONSULTATION WITH THE OTHER MEMBERS, PINOCHET SAID THAT HE WANTED THE NEW DRAFT STATUTE TO PLACE ALL EXECUTIVE POWER IN THE PERSON OF THE PRESIDENT.

10. [REDACTED] PINOCHET'S INSTRUCTIONS WERE ISSUED FOLLOWING HIS RECEIPT OF THE RESULTS OF THE MOST RECENT GALLUP POLL, IN WHICH HE RECEIVED VERY HIGH MARKS FOR HIS CONDUCT OF THE PRESIDENCY. [REDACTED]

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[REDACTED]

[REDACTED] PINOCHET RECEIVED THE POLL

[REDACTED]

[REDACTED]

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[REDACTED]

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RESULTS ON THE SAME DAY THAT HE RECEIVED A REPORT FROM THE
ADVISORY COMMITTEE TO THE JUNTA (COAJ), WHICH COVERED ECONOMIC,
SOCIAL, INTERNATIONAL AND INSTITUTIONAL PROBLEMS, AND WAS VERY
CRITICAL OF GOVERNMENT POLICIES IN THESE FOUR AREAS.

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11. [REDACTED] PRIOR TO RECEIPT OF THE REPORT, PINOCHET HAD LEARNED THAT IT WOULD BE NEGATIVE, PARTICULARLY WITH REGARD TO ECONOMIC POLICIES, AND THAT IT CONTAINED SERIOUS CRITICISM OF SERGIO DE CASTRO, MINISTER OF ECONOMY. [REDACTED] WITH BOTH THE POLL AND THE COAJ REPORT IN HAND, PINOCHET CAME DOWN ON THE SIDE OF THE POLL. PINOCHET SAID THAT WHILE HE REALIZED THE PROBLEMS WHICH MOST AFFECTED THE POPULACE WERE ECONOMIC IN NATURE, THE GOVERNMENT'S IMAGE CONTINUED TO BE GOOD AND SHOWED THAT THE PEOPLE UNDERSTOOD AND ACCEPTED THE NEED TO CONTINUE WITH THE AUSTERITY MEASURES. PINOCHET REITERATED HIS SUPPORT FOR DE CASTRO AND THE ENTIRE ECONOMIC TEAM AND SAID THAT HE WAS TIRED OF CRITICISMS AGAINST THE POLICY, PARTICULARLY FROM WITHIN THE NAVY AND THE AIR FORCE.

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12. [REDACTED] COMMENT: [REDACTED]

[REDACTED]
[REDACTED] GENERALS ANIBAL LABARCA, HEAD OF COAJ, AND JULIO CANESSA, CHIEF OF THE ADMINISTRATIVE REFORM COMMISSION (CONARA), AND COLONEL GASTON FRIEZ, GENERAL MANAGER OF THE CHILEAN COPPER CORPORATION (CODELCO), AND

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[REDACTED]

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OTHER GOVERNMENT OFFICIALS WHO FAVOR MODIFICATION OF THE ECONOMIC AUSTERITY PROGRAM MET WITH PINOCHET TO OUTLINE THEIR CRITICISMS AND PROPOSALS WHICH WERE CONTAINED IN A 48-PAGE REPORT. PINOCHET WAS NOT AT ALL RESPONSIVE TO THEIR ARGUMENTS [REDACTED]

13. (EMBASSY COMMENT: THE AMBASSADOR HAS SEEN THIS REPORT AND BELIEVES IT PROBABLY REFLECTS ACCURATELY THE INCREASING TENSIONS WITHIN THE JUNTA'S LEADERSHIP STRUCTURE. HE NOTES THAT THE REPORT CAREFULLY AVOIDS EDITORIAL JUDGMENT AND AGREES THAT FURTHER INFORMATION WILL BE REQUIRED BEFORE ANY FIRM CONCLUSIONS CAN BE DRAWN FROM THE INFORMATION DISCLOSED.)

14.

[REDACTED]

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