

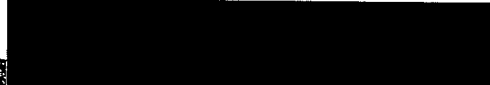


Director of
Central
Intelligence

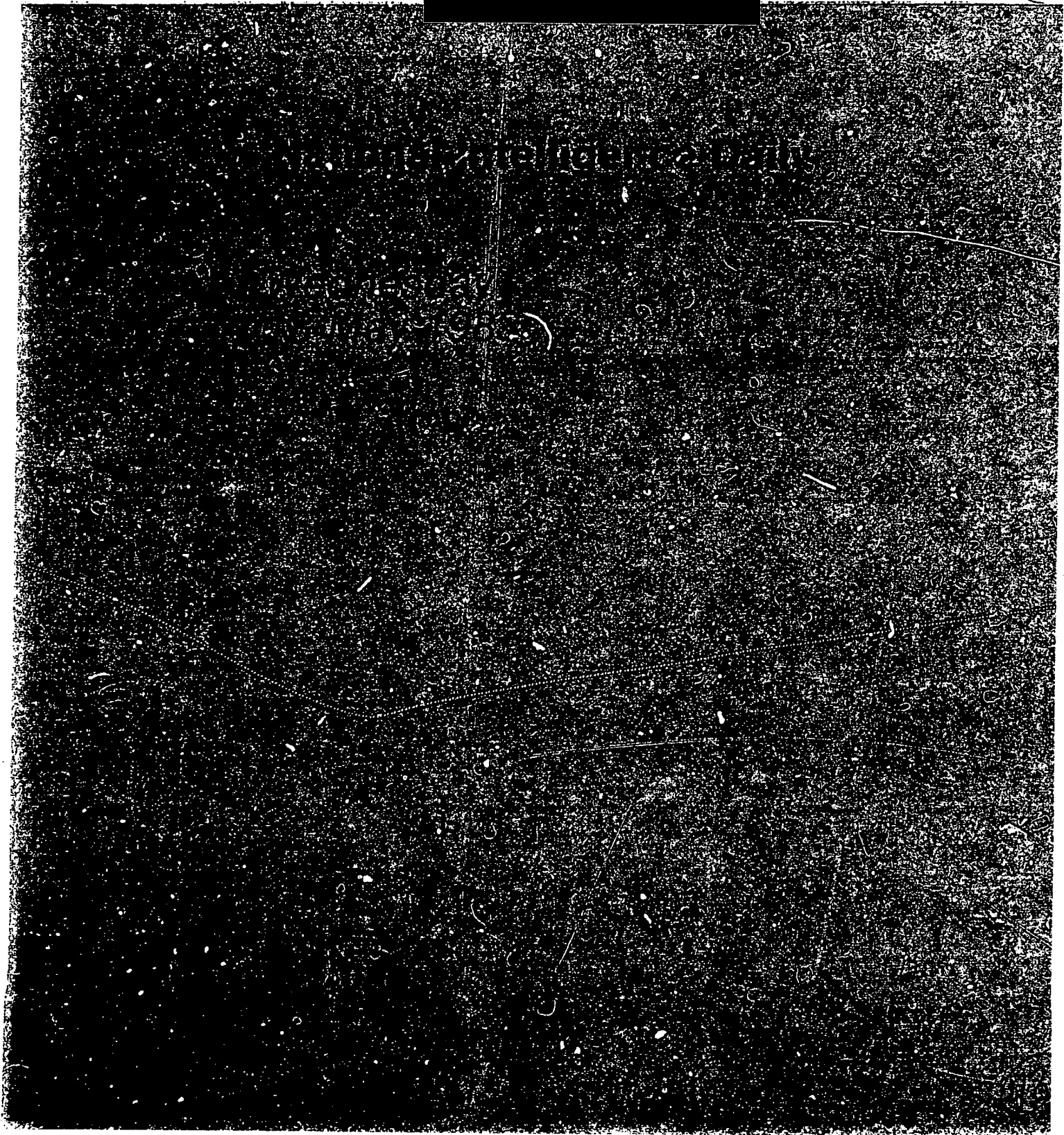
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CHILE: Government Crackdown

The government's firm response to the "Day of National Protest" last week indicates that President Pinochet will continue to be tough in dealing with critics of his economic policies and advocates of an accelerated transition to democracy. [REDACTED]

The demonstrations were the most extensive since military rule began in 1973. Various groups staged largely nonviolent protests against wage cuts, the economic crisis, and restrictive social and political policies. Police killed two youths and arrested 350 people. [REDACTED]

The regime arrested 300 people during sweeps last weekend through several Santiago neighborhoods and banned news broadcasts by a radio network that had reported on the protests. Organizers of the activities will be prosecuted. [REDACTED]

Before the crackdown, several progovernment spokesmen and the country's largest newspaper—also progovernment—publicly discussed the regime's declining popularity. They said the government would have to take constructive, moderate initiatives to cope with growing opposition activities and public disenchantment. [REDACTED]

Comment: The protests will widen a longstanding split in Pinochet's cabinet. Hardliners charge that the protests are part of an international conspiracy and emphasize the need to stand firm. Moderates warn that repressive policies can polarize society and cost the government crucial support. [REDACTED]

Pinochet presumably hopes the tough tactics that have succeeded in the past will help prevent a second day of protest next month. Continued harsh actions probably will alienate some moderate supporters. Pinochet can still count on solid backing from the Army, however, and is in no immediate danger. [REDACTED]