

History Extended Essay

An Investigation into the Causes of US Intervention in Chile

Research question:

To what extent was containment of communism the primary reason for intervention in Chile?

Personal code: gns379

Session: May 2018

Word Count: 3996

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Introduction

Known as the first 9/11, the Chilean coup d'état of 1973 was an overthrow of President Salvador Allende Gossens instigated by the United States (US), despite his democratic election three years previously. The Nixon administration's economic and military intervention – blatant interference in Chile's internal affairs – caused huge international uproar. Not only did it cause the death of the Marxist President when he chose suicide over capture, it also gave rise to the Pinochet regime and its atrocious crimes against humanity, earning this historical event much infamy.

Evaluation of the coup's causes could provide insight into her altruistic democracy-loving character, or serve as evidence to her imperialistic self-serving nature. Orthodox historians such as Henry Kissinger focus on the former, supporting the US government's claims of protecting the Allied countries from the communist threat and liberating Chile from socialism; revisionists such as Lubna Qureshi focus on the latter, arguing that the Nixon administration was actually motivated by maintenance of US investments in copper and other companies. This essay shall incorporate these arguments in an investigation into the political and economic causes of the Chilean coup, contending that "containment of communism" was merely a veil hiding what actually drove US intervention in Chile: financial gains. Therefore, this essay effectively disagrees with Henry Kissinger and Kristian Gustafson on their fallacy that the US government played no part in Allende's ousting.

Chile and US Intervention

Founded in 1818, the Republic of Chile was a prosperous nation due to its abundance in copper and nitrate.¹ However, most of its population remained poor as its mineral wealth was exploited by Westerners. This reliance on foreign exports, combined with national indebtedness made Chile economically vulnerable from the beginning.²

Since the 1898 Spanish-American War in which Cuba became a US protectorate, the US had intervened in Latin American internal affairs numerous times, the grounds being the 1823 Monroe Doctrine, or more accurately, the Roosevelt Corollary to it. Originally, the doctrine aimed to deter European colonisation of American nations, but Roosevelt added that a country's "chronic wrongdoing" would "force the United States, ... to the exercise of an international police power".³ However, America's past excuse of "the white man's burden" to exploit foreign lands raised suspicions towards Roosevelt's true purposes; he used it as moral justification for dominion over weaker states, an action to be repeated by his successors. Although lacking any standing in law, domestically or internationally, interpositions were legitimized by this doctrine, an example being the 1965 invasion of the Dominican Republic.⁴ Thus, the Monroe Doctrine paved the way for future meddling in Chile.

Furthermore, the context of the Cold War seemed to justify US interference. In 1947, President Truman pledged to support the resistance of "attempted subjugation by armed minorities or by outside pressures", that is, communism and the Soviet Union (USSR).⁵ Following, she embarked on a global mission of "containment" – covert operations to prevent Soviet "expansionism". "Expansionism" was loosely defined as any suspected

¹ Sater, William F., *The History Teacher*, Vol. 14, No. 3, Special Issue on Teaching Latin American History (May, 1981), 328

² Collier, Simon, and Sater, William F., *A History of Chile, 1808-2002, Second Edition* (2004: Cambridge University Press), 204-5

³ Our Documents. "Transcript of Theodore Roosevelt's Corollary to the Monroe Doctrine (1905)."

<https://www.ourdocuments.gov/doc.php?flash=true&doc=56&page=transcript> (accessed September 9, 2017).

⁴ Rosenfelder, Mark. "U.S. Interventions in Latin America." <http://www.zompist.com/latam.html> (accessed September 9, 2017)

⁵ University of Missouri. "Truman Library: Truman Doctrine."

https://www.trumanlibrary.org/whistlestop/study_collections/doctrine/large/documents/pdfs/5-9.pdf (accessed September 9, 2017)

communist infiltration of another country. To orthodox historians, it justified US intervention, but to revisionists, it was an ideology hiding imperialistic goals. To illustrate this, revisionists reference American *funding* of Chilean communists to support their attempts to takeover mines, pressurizing President Gabriel Gonzalez Videla into dependence on American coal.⁶ There were many similar instances of interference, especially vis-à-vis Eduardo Frei's presidency (1964-70).

“We believe that Frei will win by a clear majority ,”⁷ the Central Intelligence Agency (CIA) predicted before the 1964 elections, and they were correct. This was because the US government had “authorized over \$3 million ... to prevent the election of a Socialist/Communist candidate”. Further, the 1975 Church Senate Committee found that “American businessmen [had] offered to provide \$1.5 million ... to prevent Allende from winning”, demonstrating a history of corporate intrusion in Chile's affairs. The US was rewarded for their efforts, for Frei put private interests before the commoners',⁸ for example, lowering taxes for the American copper companies.⁹ These disastrous policies precipitated an appalling disparity in income: by 1968, the wealthiest 2% of the population collected almost 50% of Chile's profits, while the poorest 28.3% earned less than 5%.¹⁰ As a result, 40% of the Chilean population suffered from malnutrition by 1970, causing widespread mental retardation amongst impoverished youngsters.¹¹ To battle this, Allende would later introduce welfare policies such as allocating half a litre of milk to every child each day.¹²

⁶ Loveman, Brian. *Chile: The Legacy of Hispanic Capitalism*, 3rd ed. (Oxford: Oxford University Press, 2011), 218-220

⁷ Chile Document 268. “Memorandum Prepared in the Central Intelligence Agency,” September 1, 1964, FRUS, 1964–1968.

⁸ Qureshi, Lubna Z., *Nixon, Kissinger, and Allende: U.S. Involvement in the 1973 Coup in Chile* (Lanham: Lexington Books, 2009), 27, 29

⁹ *Ibid.*, 35

¹⁰ Hersh, Seymour M., *The Price of Power: Kissinger in the Nixon White House* (1983: Summit Books), 259

¹¹ Morris, David J., *We Must Make Haste—Slowly: The Process of Revolution in Chile* (New York: Vintage, 1973), 239.

¹² Meller, Patricio, *The Unidad Popular and the Pinochet Dictatorship* (London: Palgrave Macmillan UK), 40

In September 1970, Allende won the Chilean presidential election with 36.2% of the popular vote¹³ as a candidate of *Unidad Popular* (Popular Unity), a coalition of Socialists and Communists. Allende had united them in the fight to end the exploitation of the workers;¹⁴ he promised to complete the nationalisation of copper, since “... [in] 50 years more than \$3 billion has left the country by way of copper profits. Now, with nationalization, we will retain \$90 million annually.”. Of course, these pledges alarmed American bureaucrats and businessmen, but “lulled by the polls that predicted an Alessandri victory”, they interfered significantly less in said election.¹⁵ However, last-minute attempts were made to remove Allende, including \$250,000 offered to the Chilean Congress to veto the election (which was rejected).¹⁶

Violation of Chilean sovereignty was insufficient, and Nixon expanded intervention to financial blockade. Beginning in fall, 1971, the US government halted loans from the Agency for International Development (USAID) and the Export-Import Bank (EXIM) to Chile.¹⁷ Second, it used its domination of the World Bank and the Inter-American Development Bank (IDB) to cut off their loans to Chile.¹⁸ Third, it suspended investment and export guarantees.¹⁹ These measures devastated Chile’s economy for, being a Third World state, Chile heavily relied on foreign loans to finance its development as she lacked internal sources of investment and could not save much.²⁰ During the 1960s, the organisations above had sent over \$1 billion southward, now Allende struggled to carry out reforms with dwindling funds. Then, America, the main supplier of copper mining machine components, now halted its supply to Chile, greatly impacting industrial profits because buying from intermediaries was much more expensive.²¹ Effects on Chile included stagnation of economic growth, inflation

¹³ Kissinger, Henry A., *The White House Years*, (Boston: Little, Brown and Company, 1979), 774

¹⁴ Qureshi, *Nixon, Kissinger, and Allende*, 23-4

¹⁵ Kissinger, *White House Years*, 666.

¹⁶ Qureshi, *Nixon, Kissinger, and Allende*, 71

¹⁷ Memorandum from Kissinger to President Nixon, “Status Report on Chile.” Box H-220, Folder 2, NSDM 93, Nixon Presidential Materials Project.

¹⁸ *Ibid.*

¹⁹ *Ibid.*

²⁰ Qureshi, *Nixon, Kissinger, and Allende*, 115

²¹ Arrate, Jorge. Interview with Lubna Qureshi. *Nixon, Kissinger, and Allende: U.S. Involvement in the 1973 Coup in Chile*. Santiago, Chile, June 20, 2005.

and shortages,²² destabilising Allende's political base, as well as forcing him to turn to Second World countries for trade and aid.²³ The latter defeated the entire purpose of containment and having been cited from Kissinger's own memorandums, it shows his understanding of this, thus revisionists conclude that intervention was for financial purposes. However, Kissinger denied these, claiming American had "left open ... the door" by maintaining a trickle of humanitarian aid to Chile.²⁴ The orthodox argument shall be further explored in the next chapter.

²² Ffrench-Davis, Ricardo, *Economic Reforms in Chile: From Dictatorship to Democracy* (Michigan: University of Michigan Press, 2002)

²³ Memorandum of Meeting Held in Dr. Kissinger's Office, August 5, 1971. Participants: Dr. Kissinger, Chilean Ambassador Orlando Letelier, Pedro Valdes, and Arnold Nachmanoff. White House Special Files, [CF] CO 33 Chile [1971–1974], Box 28, Nixon Presidential Materials Project.

²⁴ Kissinger, Henry A., *Years of Upheaval* (Boston: Little, Brown and Company, 1982), 463

The Orthodox School

For orthodox historians, the intervention in Chile was part of the battle against communism. It aimed to contain a rising Communist power which was strategically beneficial to the US in the Cold War, and defended her national security that the Allende administration threatened. Secondly, the intervention strived to free the people of Chile from a failed, unpopular leader.

With Cuba under socialist rule from 1959, Washington was wary of another American country turning “red”. The small island nation had threatened American citizens with the Cuban Missile Crisis, and bureaucrats feared the threat a country double its size could pose. Allende had also openly attacked the US in his campaign speeches, denouncing “American monopolies” and their “imperialist exploitation”, suggesting potential hostilities in the future. The representatives present at his inauguration ceremony – the PRC, East Germany, Cuba, North Vietnam – demonstrated the anti-American path ahead of the administrations.²⁵ Kissinger highlighted the presence of Puerto Rican “independentistas” in particular, for they conducted violent uprisings²⁶ and hinted at Chile’s future aggression in solidarity with such parties. As US Ambassador to Chile Edward Korry (1967-71) summed up, “the Allende Govt [sic.] ... would be committed ... to policies that treated US imperialism as public enemy number one”.²⁷ Yet as a US diplomat, Korry would have been limited in his appraisal of US actions as defending them was part of his agenda. Curiously, when safely behind closed doors, Korry acknowledged the revisionist argument that US actions constituted as imperialism. Nevertheless, Allende’s political inclinations caused the United States to act first, believing the best defence was a good offence.

²⁵ Kissinger, *The White House Years*, 790.

²⁶ Staudenmaier, Michael, *Puerto Rican Independence Movement, 1898–Present*, 2766-2774.

²⁷ Edward Korry, Cable to Secretary of State, August 10, 1970. Senior Review Group Meetings, Box H-47, Nixon Presidential Materials Project.

The orthodox argument continues that Allende's election was not truly democratic. His 1970 election had only been supported by 36.2% of the vote which was not a majority, and what's more, "a decline from the 38.9% he had received from the 1964 elections" according to Kissinger.²⁸ Protests and strikes plagued his administration, for example the cacerolazos that began in 1971 where thousands of housewives marched, banging their pots and pans, because of terrible food-shortages which even affected affluent Chileans.²⁹ According to orthodox analyst Arnold Harberger, the majority of Chileans actually favoured the military coup.³⁰ However, both Kissinger and Harberger's claims lacked supporting evidence. Though Kissinger's claim did match official statistics³¹, Harberger's assertion can only serve as a first-hand account. Even so, these facts portray an inadequate Allende with a small base of support, confirming that, from both internal and foreign perspectives, Chile needed a change in government through intervention.

What caused the most alarm was a communist Chile's effect on the international order. According to the domino theory, if a domino in a line of dominos were to fall, the next would quickly follow suit, and the next and the next. This, the principle states, is analogous to the effect of a communist country on neighbouring states.³² As Chile bordered three other countries struggling with socialist movements (Peru, Bolivia, Argentina), it was probable that through aid, political influence and heightened morale, Chile would trigger the "toppling" of these states, turning half of South America "red". This mass departure from "the free world" could undermine the Western Alliance.³³ However, skeptics of the domino theory dismiss it as a slippery slope argument because national conversion to socialism could not be caused solely by some foreign influence. This is supported by the

²⁸ Kissinger, *The White House Years*, 745.

²⁹ ColdWarWarrior. "CIA, Chile & Allende". Documentary clip taken from YouTube video, 10:22. Posted [February 2009]. <https://www.youtube.com/watch?v=8R7MNnoYktM>

³⁰ Harberger, Arnold. Interview. PBS. "Arnold 'Al' Harberger". Commanding Heights. http://www.pbs.org/wgbh/commandingheights/shared/mini-text/int_alharberger.html. October 2000.

³¹ Nohlen, Dieter, *Elections in the Americas: A data handbook, Volume II* (Oxford: Oxford University Press, 2005), 262.

³² The American Presidency Project. "Dwight D. Eisenhower: 73 - The President's News Conference." <http://www.presidency.ucsb.edu/ws/?pid=10202> (accessed September 17, 2017)

³³ Kissinger, *The White House Years*, 779.

theory of complex causation which states outcomes are produced by a combination of multiple factors.³⁴ As a political scientist, Kissinger should have been familiar with this and agreed, in the post-Vietnam period, that the domino theory was unfounded.³⁵ What is significant is whether US policy-makers agreed with it, for if they indeed disagreed and used it to hide other intentions, the orthodox view would be refuted. Belief is difficult to prove, but in Kissinger's works like *Diplomacy*, he seems to believe it is "valid".³⁶ Allende himself may have confirmed fears of communism's contagiousness in a 1970 campaign speech, declaring: "Cuba in the Caribbean and a Socialist Chile in the Southern cone will make the revolution in Latin America."³⁷ Thus, the orthodox argument seems to contain an element of logic that cannot be discounted.

Moreover, the State Department's conviction of monolithic communism³⁸ meant Allende was seen as yet another Soviet puppet to be knocked down in the larger picture of the Cold War. The Chilean Communist Party, whose program *Unidad Popular's* platform was largely based on, had "welcome[d] the Soviet invasion of Czechoslovakia", aligning itself with America's rival.³⁹ Meanwhile, in the 1950s, Allende had represented Chile in diplomatic trips to the USSR and communist China where he became enlightened in his Marxist beliefs.⁴⁰ Orthodox historians like Mark Hove believe these visits sowed the seeds for future subversion to the Soviet Bloc, for "even the most apparently 'independent' Communist parties ... follow the Soviet lead in foreign policy without significant exceptions".⁴¹ This was not simply speculation, for Korry reported that Chile "had the objective conditions to permit a unique constitutional transition to a communist state by an Allende government".

³⁴ Braumoeller, Bear F., "Causal Complexity and the Study of Politics," *Political Analysis* 11, no. 3 (August 1, 2003): 209-233.

³⁵ Langridge, Donald L., "Was the Domino Theory Wrong? Communist Internationalism and the Vietnam War," USAWC Strategy Research Project. <http://oai.dtic.mil/oai/oai?verb=getRecord&metadataPrefix=html&identifier=ADA309186>. (accessed October 22, 2017)

³⁶ Kissinger, Henry A., *Diplomacy* (New York City: Simon & Schuster, 1994), 628, 701.

³⁷ Kissinger, *The White House Years*, 777.

³⁸ Selverstone, Marc J., *Constructing the Monolith: The United States, Great Britain, and International Communism, 1945-1950* (Harvard: Harvard University Press, 2009)

³⁹ Kissinger, *The White House Years*, 761

⁴⁰ Hove, Mark T., "The Arbenz Factor: Salvador Allende, U.S.-Chilean Relations, and the 1954 U.S. Intervention in Guatemala," *Diplomatic History* 31, no. 4 (September 2007): 633. Stallings, Class Conflict and Economic Development in Chile, 643.

⁴¹ Kissinger, *The White House Years*, 766

⁴² Additionally, American intelligence revealed the “substantial covert funds”⁴³ that were funneled to Allende from various communist parties, presumably under Soviet orders. John Lewis Gaddis agrees American officials feared Chile would become an “authoritarian Soviet satellite”,⁴⁴ for the National Safety Council had predicted the Soviets would send Allende “military equipment” and “guidance”,⁴⁵ and even use Chilean ports for the “maintenance and replenishment of Soviet combatant ships and submarines”,⁴⁶ in so establishing a strategically advantageous position from which an attack on the US or its allies could be conducted. As a leading researcher in Cold War history and containment, Gaddis’s opinion is well-supported by primary sources (archives, manuscripts, interviews)⁴⁷ and revered in intellectual circles, adding legitimacy to the orthodox belief that the US had acted to prevent the spread of communism and retain the international order.

Even in peacetime, interposition would have been justified because it was for the well-being of Chileans. As Roosevelt’s Corollary stated: “All that [the United States] desires is to see the neighboring countries stable, orderly, and prosperous.” In the 1970s, Chile was mired in foreign debt of over \$4 billion⁴⁸ and suffering from severe inflation that reached 350% according to Kissinger. Harberger’s contention that Allende exacerbated these problems through “silly” policies such as controlling consumer prices⁴⁹ combined with CIA belief that the Chilean military had no urge to prevent Allende’s ascension to power in 1970,⁵⁰ showing that Allende’s failures had compelled the coup. Once again, these claims are without citations, raising skepticism over their credence.

⁴² Ibid., 759

⁴³ Ibid.

⁴⁴ Gaddis, John L., *Strategies of Containment: A Critical Appraisal of American National Security Policy during the Cold War* (New York: Oxford University Press, 2005)

⁴⁵ Memorandum from Viron Vaky to Kissinger, “SRG Meeting–October 17 NSSM 97–Chile,” October 16, 1970. Box H-048, Senior Review Group Meetings, Nixon Presidential Materials Project.

⁴⁶ Review of U.S. Policy Toward Latin America: Response to National Security Study Memorandum 108. March, 1971. H-Files, SRG Group Meetings, Box H-59, Folder 2, Nixon Presidential Materials Project.

⁴⁷ Gaddis, *Strategies of Containment*, 455-6

⁴⁸ Allende, Salvador G., *Chile: No More Dependence! Salvador Allende's Appeal to the World's Conscience at the General Assembly of the United Nations* (Nottingham: Bertrand Russell Peace Foundation, 1973), 3.

⁴⁹ Harberger, Arnold. Interview. PBS.

⁵⁰ Korry, Edward, “When Klatch Means Country,” Memorandum from U.S. Embassy in Santiago to Secretary of State, Confidential 307. NSC Files, Country Files, Latin America. Folder 1: Chile Wrap-up and Postmortem, Nixon Presidential Materials Project, National Archives II, College Park, Maryland.

Furthermore, both claimers are Americans who failed to present the Chilean perspective, and neither of them are strictly historians, only individuals involved in events of the time. As an economist who advised Pinochet's government,⁵¹ Harberger would have protected the name of his employer to retain his job. Likewise, Kissinger's position of responsibility meant he was an architect of the interposition and extremely powerful, giving him the reasons (preserving his reputation) and means to assert a biased version of the truth. Nonetheless, orthodox analysts maintain that the US had sought intervention to help liberate fellow Americans from an incompetent leader.

In summary, the orthodox view claims the Nixon administration had interfered in Chile in response to communism – the threat it posed to the United States, the international order, and the Chilean population. Their firm belief in the ends justifying the means motivated this action.⁵² Nixon's own proclamation during the 1970 invasion of Cambodia best explains the causes of US action:

"If, when the chips are down, the world's most powerful nation, the United States of America, acts like a pitiful, helpless giant, the forces of totalitarianism and anarchy will threaten free nations and free institutions throughout the world."

⁵¹ Valdes, Juan G., *Pinochet's Economists: The Chicago School of Economics in Chile* (1995: Cambridge University Press), 181-2.

⁵² Gaddis, *Strategies of Containment*, 335

The Revisionist School

The revisionist view spearheaded by Lubna Qureshi and John Sloan criticise the orthodox view for exaggerating the extent of USSR involvement and the effects of communism. It holds that the containment policy was merely a guise for collusion because the US government had no interest in countries other than herself, and intervened purely because its economic hegemony over Chile (and South America) was jeopardized under Allende's policy of nationalization.

Despite American fear-mongering, Chile was nowhere near being a Soviet satellite. Even without the rivalry with the USA, Moscow would have been reluctant to aid Chile because it had not begun "socialist construction". Ideologically, Chile was still in the stage of "national democracy" and had yet to nationalise its resources, banks, means of communication, etc., to accumulate adequate capital to "build socialism".⁵³ Thus, Sloan stated: "[though] the Kremlin was pleased with the Allende victory, [it] was not ... committed to guarantee the survival of the Popular Unity government".⁵⁴ Accordingly, Soviet economic aid was limited, including only small projects such as building a wheat mill in Valparaiso in 1973.⁵⁵ Although orthodox historians point out that Chile was the second largest American beneficiary of Soviet aid, this is not substantial evidence for Allende's pro-USSR stance as little aid was given to American countries save Cuba.⁵⁶ Indeed, Washington had "no proofs" of whether Allende was receiving aid at all, according to National Security Advisor McGeorge Bundy.⁵⁷ Other factors also limited Moscow's attention on Chile: Chile's remote location (compared to Cuba's proximity to Florida) discouraged overspending on a country unlikely to influence the geopolitical status quo; with the success

⁵³ Noguee, Joseph L. and John W. Sloan, "Allende's Chile and the Soviet Union: A Policy Lesson for Latin American Nations Seeking Autonomy," *Journal of Interamerican Studies and World Affairs* 21, no. 3 (August 1979): 351-3.

⁵⁴ *Ibid.*, 353.

⁵⁵ *Ibid.*, 356.

⁵⁶ *Ibid.*, 353-4

⁵⁷ Chile Document 257. Memorandum for the Record. "Minutes of the Meeting of the Special Group, 12 May 1964," FRUS, 1964-1968, Volume 31, South and Central America; Mexico. www.state.gov/r/pa/ho/frus/johnsonlb/xxxi/36308.htm.

of detente and subsequent financial benefits (trade embargoes lifted)⁵⁸, the USSR was reluctant to overstep its bounds in Latin America, recognized as part of Washington's sphere of influence. Even the CIA director remarked: "the Chilean Socialist Party ha[d] more in common with the leaders of the Third World, who follow a policy of non-alignment",⁵⁹ conflicting with their ostensible conviction of the necessity of containment. However, contemporary readers should appreciate the stress of the Cold War that Americans were under. With the failure of anti-communism in Vietnam fresh in their minds, their "apprehensions [were] heightened by ... a Soviet attempt to build a nuclear submarine base in the Cuban port of Cienfuegos"⁶⁰, fearing nuclear war. Even so, these were worries of the speculating commoner, not policy-makers holding intelligence reports assuring them these fears were uncorroborated. As Qureshi observed: "Chile simply was not part of the Soviet sphere of influence." Consequently, Soviet hegemony was neither the valid, nor the actual reason for U.S intervention in Chile.

Regarding orthodox arguments that Allende's presidency was illegitimate and unpopular, revisionists contend that these were only apparent due to the shenanigans of the Chilean and American elite. Albeit Allende's minority vote of 36.2%, Jorge Alessandri had won the 1958 elections with even less: 31.6%.⁶¹ If intervention was based on the principle "majority wins", why wasn't it implemented then? Moreover, the upper echelons of Chilean society had plotted the large-scale protests with American backing. Taking the orthodox example of the March of the Empty Pots and Pans, it was organized by privileged Christian Democrats.⁶² Although orthodox historians indicated that working-class women with genuine discontent had formed the bulk of demonstrators,

⁵⁸ Encyclopedia of the New American Nation. "Embargoes and Sanctions - Cold War Sanctions"

<http://www.americanforeignrelations.com/E-N/Embargoes-and-Sanctions-Cold-war-sanctions.html> (accessed September 3rd, 2017)

⁵⁹ State Department Research Study, "Chile: Is Allende the Prelude To a Communist Victory?" Bureau of Intelligence and Research. October 1, 1970, Senior Review Group Meetings, Box H-48, Nixon Presidential Materials Project.

⁶⁰ Kissinger, *White House Years*, 690.

⁶¹ Nohlen, *Elections in the Americas*, 262

⁶² Power, Margaret, *Right-wing Women in Chile: Feminine Power and the Struggle against Allende, 1964-1973* (University Park: The Pennsylvania State University Press, 2002), 148

some of these protestors expressed regret in interviews with Margaret Power, believing they had been manipulated by politicians.⁶³ Most importantly, the root of these protests were US financial blockades, from which the shortages that had arisen. Thus, orthodox beliefs that interposition was for the good of Chileans are unfounded – the apparent mass resistance against Allende was due to opposing forces' scheming.

The financial blockade's cause was also the root cause of US intervention in Chile. Allende had proposed the expropriation of foreign copper mines and it was passed as a constitutional amendment by the Chilean Congress in July 1973.⁶⁴ This threatened American corporations with plants in Chile, for example, the Chilean government withheld \$675 million from the Kennecott.⁶⁵ The real conflict was over the amount of compensation these companies could receive. When International Telephone & Telegraph (ITT) found that Chitelco, of whom they had owned 70%, was now completely taken over by the Chilean government, they demanded \$153 million in reimbursement, but the government appraised Chitelco at \$24 million only. (If the US really cared for Chileans' welfare, they would have welcomed expropriation for the cost of telephone service decreased by 33% as a result.⁶⁶) Ultimately, some \$1 billion of American investments were at stake,⁶⁷ thus the intervention aimed to regain these losses by reversing the nationalization under a new regime.

Worryingly, the close ties between corporate and government leaders suggest the high degree of influence corporations have on the administration, leading to finance being the chief focus of US foreign policy. Qureshi argues that Kennecott likely colluded with the Nixon administration to influence European banks into labelling

⁶³ Ibid.

⁶⁴ Noguee and Sloan, "Allende's Chile and the Soviet Union," 346.

⁶⁵ 1971 Annual Report of the Kennecott Corporation and the 1972 Annual Report of the Kennecott Corporation, Historical Corporate Report Collection of the Walter A. Haas School of Business, University of California, Berkeley.

⁶⁶ Transcript of Address by Ambassador Letelier at American University Conference, April 30, 1971. Embajada de Chile, Estados Unidos 1971, Archivo, Santiago, Chile.

⁶⁷ National Archives, Nixon Presidential Materials, NSC Files, NSC Institutional Files (H-Files), Box H-29, NSC Meeting, Chile, 11/6/70, 1

Chile as a bad credit risk, scaring off her customers and causing her loss of \$200 million in potential credit.⁶⁸ Meanwhile, ITT had offered the CIA a donation of \$1 million to oppose the UP.⁶⁹ In 1975, the Church Committee also revealed that Edward Gerrity, senior vice president of ITT's public relations division, had met with a CIA head to effectively plan the economic blockade on Chile. Discussion details included the cutting off of assistance and delivery of spare parts, as well as a list of companies to be invited to join the scheme.⁷⁰ The committee also uncovered the fact that ITT had offered the CIA millions of dollars for operations against the Allende administration.⁷¹ As this information was obtained by a Senate Committee, it is valuable because perjury was punishable by incarceration, deterring falsehood. These facts demonstrates the close collaboration between the government and corporations to undermine Allende's presidency, suggesting that the latter's business interests moulded the policies of the former.

However, this was not what threw Washington into a frenzy. Just as the US used Japan as a model state to demonstrate the superiority of capitalism over communism, Nixon's advisors feared Chile's successful expropriation would inspire other countries under US hegemony to resist them. Growing American reliance on raw material imports from its virtual colonies meant she was unwilling to risk such an outcome.⁷² This was stated by Kissinger: "Chile would probably become a leader of opposition to us, ... a focal point of support for subversion [of US domination] in the rest of Latin America".⁷³ Written in a memorandum to Nixon, this is reliable information as it was classified at the time, allowing the author to express his thoughts candidly. Thus, the US intervened to maintain its control over Latin America.

⁶⁸ Qureshi, *Nixon, Kissinger, and Allende*, 91

⁶⁹ *Ibid.*, 69

⁷⁰ *Ibid.*, 68

⁷¹ *Ibid.*, 69

⁷² Memorandum from John Connally to the President, August 10, 1971. H-Files, SRG Meetings, Box H-59, Folder 7, Nixon Presidential Materials Project.

⁷³ National Archives, Nixon Presidential Materials, NSC Files, NSC Institutional Files (H-Files), Box H-29, NSC Meeting, Chile, 11/6/70, 2

Finally, the imperialist roots of the interposition are revealed in the case study of Portugal. In 1974, a popular left-wing coup d'état overthrew the previous conservative regime to establish a socialist government.⁷⁴ Although the Portuguese administration was just as communist as that of Allende,⁷⁵ Washington did not intervene. Qureshi remarked, “what was intolerable in Latin America was easily tolerated in Europe”, for the US considered Latin America to be under her sphere of influence; its governments were to be her puppets and its resources were her own. This is demonstrated in an NSC report conveying their enjoyment in having, from Latin America, “approximately \$12 billion in US direct investment, a favorable balance of payments, and a flow of important raw materials”.⁷⁶ Being a highly secret document, the writer had no reason to lie about its contents, credibly showing the materialistic goals of US intervention in Chile. Thus, as Qureshi concluded, “[the Nixon administration’s] concerns about [Chile] were economic.”

In closing, the revisionists criticise orthodox historians for focusing so much on the USSR’s aggressive nature that they do not realise the US was just as expansionist. The revisionist view holds that the US intervened in Chile to retain its resources and financial benefits, and containment was only a guise to maintain the righteous image of the US government.

⁷⁴ Mario Del Pero, “I limiti della distensione. Gli Stati Uniti e implosione del regime portoghese,” in *Contemporanea* 8, no. 4 (October, 2005).

⁷⁵ Qureshi, *Nixon, Kissinger, and Allende*, 4

⁷⁶ A Study of U.S. Policy Toward Latin America: Prepared by National Security Council Interdepartmental Group for Inter-American Affairs (NSC-IG/ARA), March 1969, 4.

Conclusion

In conclusion, the balance of evidence indicates that the revisionist argument is highly probable. The orthodox reasons given, such as US attempts to act for the greater good, have been generally disproved by declassified information or lacked credibility in the first place. Causes like fears of the communist spread have some legitimacy, but the revisionist argument is much more persuasive as it takes into account the long-term, America's imperialistic actions since the Monroe Doctrine, and the short-term, Allende's expropriation of US companies. Additionally, the corporations' close relations with the government imply their influence over US foreign policy which would obviously be finance-centric. However, the revisionists' complete rejection of the orthodox domino theory fails to reflect the paranoiac American atmosphere surrounding "Red Scare", and the two views can be merged in a compromise. The US was not containing communism per se, but rather the ideas of independence that threatened American business interests in Chile; instead of fearing that countries would fall into Soviet hegemony, the US feared countries would break away from *American* hegemony. Therefore, the cause of the 1973 American intervention in Chile was, to a large extent, the regaining of corporate interests lost under Allende's reforms.

This investigation touched on many topics that deserve further exploration, for example, looking at intervention from an ethical perspective and how weaker states can defend themselves from superpowers. Also, what did intervention reveal about Cold War politics – did polarization enable the two powers to use each other as excuses to expand their empires? Additionally, the relationship between corporations and governments, its advantages and disadvantages, and whether it should be checked or encouraged can be discussed. Lastly, in historiography, is a school of thought still legitimate when the evidence it is based on is wrong? In that case, is the debate still valid or is the opposing view correct by default?

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