

Democratic Peace and Covert War: A Case Study of the U.S. Covert War in Chile

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A body of scholarly work organized around “Democratic Peace” demonstrates that democracies rarely if ever wage war against other democracies, although occasionally they may do so against non-democracies. The United States (U.S.), however, has engaged in covert wars against other democratically-elected governments. Do the so-called Democratic Peace findings carry over to the somewhat murkier realm of covert war? By analyzing the U.S. covert war against Chile in the early 1970s, this paper looks for implications of covert wars waged between democracies for Democratic Peace scholarship. Arguably, there are two strands of causal logic to Democratic Peace. One attributes the absence of war among democracies to democratic institutional constraints: the restraining effects of public opinions or those of the checks and balances embedded in a democratic state’s domestic political institutions (institutional/structural explanation). Other theories posit that democratic norms and culture — peaceful conflict resolution norms and culture shared by elites — account for the absence of war between democratic states (normative/cultural explanations). If the nonviolent norms of elites in democracies were sufficient, the U.S. should not have resorted to covert war as well as overt war to resolve conflict with democratic Chile. The paper demonstrates that the findings on the U.S. covert war against Chile undermine the cultural/normative explanation of Democratic Peace.

Key Words: *U.S. Foreign Policy, U.S. Intelligence Policy, International Relations Theory, Cold War History*

1. INTRODUCTION: THE CURRENT STATUS OF THE DEBATE IN DEMOCRATIC PEACE SCHOLARSHIP

A body of scholarly work organized around the “Democratic Peace” (hereafter, DP) demonstrates that democracies rarely if ever wage war against other democracies, although occasionally they may do so against non-democracies.¹ However, previous researches (Van Evera 1990; Forsythe 1992) demonstrate that the United States (U.S.) has engaged in covert wars against other democratically-elected governments. Do the so-called DP findings carry over to the somewhat murkier realm of covert war? If they do not, what does this covert war finding tell us about the competing explanations and divergent interpretations of DP? By examining the American covert war against Chile in the early 1970s, this paper attempts to evaluate DP proposition in general and the elites’ norm-oriented explanation of DP in specific.

Democratic Peace is a “strong probabilistic observation, rather than absolute law” (Russett & Starr 2000: 93) that assesses that democracies rarely fight one another, although

¹ Despite the growing number of views that the monadic effect of democracy is real, the term Democratic Peace has been used conventionally to sum up the phenomenon that democracies rarely fight each other. Thus, I will limit use of the term, Democratic Peace, to the dyadic, joint effect of democracy in this paper.

they may aggress against non-democratic states. The strong empirical findings of DP scholarship have withstood a host of tests employing different rating schemes for democracy and advanced quantitative techniques.² In addition to the joint effect of democracy, proponents of DP now claim that, generally speaking, democracies are inherently more peaceful — the monadic proposition that was once rejected even by the most ardent proponents of DP.³ The basic DP proposition has served as a platform for the development of a variety of theories other than the dyadic, joint effect of democracy. DP has served as a “progressive” research program in Lakatosian sense since it has led to the discovery of truths and answers to unsolved puzzles in the field of International Relations. Russett and his colleagues now seek to move beyond the DP toward Kantian peace, suggesting that economic interdependence and international organizations — the other two legs of the Kantian tripod — are also crucial, independent factors leading to peace.⁴ Nonetheless, scholars remain divided on the mechanism whereby democracies attain and retain peace among themselves.

Arguably, there are two strands of causal logic to DP (Maoz and Russett 1993; Layne 1994). One attributes the absence of war among democracies to democratic institutional constraints: the restraining effects of public opinion or those of the checks and balances embedded in a democratic state’s domestic political institutions (institutional/structural explanation). Other theories posit that democratic norms and culture — peaceful conflict resolution norms and culture shared by elites (Dixon 1993; 1994; 1998) or mass public (Owen 1994; 1997) in democracies — account for the absence of war between democratic states (normative/cultural explanations). Admittedly, it is not always appropriate to separate institutional and cultural explanations. To some scholars, the definition of institution consists of norms of proper behavior and rules defining role expectations. As Ray (1995: 37) argues, “the distinction between the cultural and the structural explanation of democratic peace does not seem either stark or crucial, nor does the evidence seem to indicate that one is clearly superior to the other.” The two factors may be complementary; “culture conditions institutions, and institutions shape culture (Russett and Starr 2000: 99).”⁵ Nonetheless, as Maoz and Russett (1993) point out earlier, these two explanations emphasize the two different facets of democracies that may be responsible for the DP phenomenon. The tension between the structural and cultural explanations has its roots in two fundamentally different approaches seen in political science. The structural model is based on fundamentally economic, rationalist assumptions about the nature of politics, and the normative model is premised upon sociological and social psychological assumptions. The structural explanation

² According to Russett and Starr (2000), the DP result is robust even when using the rating scale of Vanhanen (1984; 1990). Vanhanen’s scale of democracy is one of a handful of longitudinal efforts outside Western academic circles to rate democracy cross-nationally.

³ “Though there are elements of plausibility in the argument that democracies are inherently peaceful, it contains too many holes, and is accompanied by too many exceptions, to be usable as a major theoretical building block” (Russett 1993: 30-31).

⁴ See for example, O’Neal and Russett (2001).

⁵ To a certain extent, this dichotomous approach to explain DP has hampered the development of sound theories. First, as Russett and Starr (2000) point out, a contending approach tends to obscure interactive and overlapping dynamics of culture and institution that lead to peace among democracies. Second, as Most and Starr (1989) and Russett and Starr (2000) suggest, each explanation can be relevant in different contexts.

focuses on the interaction between self-interested rational actors and the democratic political institutions. The motivation to stay in power affects the elites' foreign policy decisions, whereas the public merely wants to avoid the costs incurred by war. From this perspective institutions are important in strategic context, imposing constraints on self-interested behavior, whereas institutions in normative theories not only constrain but also constitute the behavior and preferences of political actors.

At an earlier stage in the development of DP theories, it appeared as if the institutional/structural explanations had been rejected in favor of normative/cultural explanations on the grounds that democracies historically have been just as war-prone as non-democracies (Layne 1994). The previous consensus was that an institutional constraint argument in its most straightforward form can only explain the monadic level phenomenon — democracies are inherently more peaceful than non-democracies.⁶ Although theoretically rich and deductively well-constructed, this monadic-level explanation had not been empirically supported by many scholarly works.⁷ As a result, the explanations based on democratic norms and culture came to bear much of the burden of proof for the DP. A near-consensus emerged that the dyadic phenomenon of DP can only be confirmed by “shared” norms or culture in paired democracies. For example, upon reviewing the research on the DP proposition, Chan concluded that “normative explanations of the democratic peace have been shown to be more persuasive than structural explanations” and that “normative explanations have fared better in research” (Chan 1997: 77-78). Is the normative argument indeed superior in its explanatory and predictive capacity to the institutional one as Maoz and Russett (1993) once pointed out? What are the implications of democracies' use of covert wars for this near-consensus in DP scholarship?

2. IMPLICATIONS FOR DP OF COVERT WAR FINDINGS

Forsythe (1992) claims that the U.S. has resorted to the covert use of force against elected, arguably democratic governments in Iran (1953), Guatemala (1954), Indonesia (1958), Brazil (1960s), Chile (1973), and Nicaragua (1980s). **Emphasizing the importance of democracies' covert war findings for the DP scholarship, Russett (1993: 121) asks: “If democracies rarely use force against each other overtly, what about the circumstances ... in which the United States assisted or organized covert forcible actions against elected government?”** Nonetheless, both **Forsythe and Russett** conclude that these findings cannot serve as counter-examples of DP phenomenon for two reasons. First, the target countries of the U.S. covert wars did not qualify as mature liberal democracies. **For instance, Russett points out that “these (target) governments were not fully democratic” (Russett 1993: 121).** Sophisticated DP theories claim that well-established democracies will virtually never fight each other, whereas well-established democracies and extremely autocratic states are most likely to wage war against each other. Similarly, a highly democratic state and a state near the middle of the democratic/autocratic spectrum

⁶ Bueno de Mesquita and his colleagues, in a recent article to *American Political Science Review*, claim that institutional-constraint argument in its most basic form *can* explain dyadic phenomena of democratic peace (Bueno de Mesquita *et al.* 1999a).

⁷ Several scholars have maintained that democracies in general are more peaceful than non-democracies. See Rummel (1997) and Benoit (1996).



might be considerably more likely to enter into war. Thus, they claim that it can come as no surprise that a well-established democracy (such as the U.S.) would use mid-level covert force (as with overt force) against states that fall in the middle of the democracy/autocracy spectrum. Democracy ratings of Polity98 and Vanhanen's dataset seem to support Forsythe's claim. Among the six states in Forsythe's cases, only Chile (1972) and Brazil (1960) fared well in terms of the democracy/autocracy scale at the time of U.S. covert intervention (See Table 1).

Table 1. Democracy Scores for Selected States According to Polity98 and Vanhanen's Poliarchy Dataset

Country	Year	Polity98		Vanhanen's Index of Democracy
		DEMOC.	AUTOC.	
Iran	1952	3	4	0.53
Guatemala	1953	4	2	5.45
Indonesia	1957	2	3	8.76
Brazil	1960	6	0	9.99
Dominican Republic	1963	8	0	13.08
Chile	1972	6	0	19.78
Nicaragua	1984	1	2	11.45
U.S.A.	1995	10	0	23.41
France	1995	10	0	33.77
Canada	1995	10	0	27.22
Spain	1896-1898	6	2	1.18

Second, covert war does not qualify as full-blown inter-state war. **Russett asserts that "these (U.S. covert wars) were not wars, openly fought by military units of the United States."** Most DP researchers have adopted the definition of "interstate war" devised by the Correlates of War project, which stipulates that only military conflict between independent states producing at least 1,000 battle deaths (i.e., the deaths of soldiers) will count as an interstate war. Even though the target states of the US covert wars had been genuinely democratic, the American covert war engagement in these countries does not contradict dyadic phenomena of democratic peace postulates because covert war is far less intense than open inter-state war both in terms of lives and financial resources expended. In sum, **Forsythe and Russett** dismiss the covert war findings on definitional grounds — the target countries were not genuine, liberal democracies and the incidents failed to produce sufficient battle deaths to qualify as interstate wars. To what extent is such claim valid? The following case study of American covert war in Chile will attempt to evaluate the adequacy of such conclusion.

I selected the U.S. covert war in Chile because it was one of the most multifarious and extensive covert interventions undertaken by a democratic power. U.S. covert activities in Chile were so extensive **and destructive** that one scholar points out that "covert involvement with economic and military and 'expert' support for opposition forces can develop to a point where the distinction between such activities and open war becomes fairly academic" (Sorenson 1992: 405). The Chilean case may be the "crucial case" (Eckstein 1975) for DP theory in the sense that Chile at the time of U.S. covert intervention was generally regarded

as a mature democracy, and the magnitude of the covert action programs almost equaled that of an overt military engagement. Unlike other cases of U.S. covert action, the Chilean case is not lacking in reliable resources, including U.S. Senate Reports and declassified documents. After the U.S. covert involvement in Chile was revealed to the public, both the Senate and the House established special committees (Church and Pike committees, respectively) to investigate the soundness of the U.S. intelligence activities. The Senate Select Committee published 14 books, one of which is an in-depth case study of Chilean operations. The Senate Report, although censored in parts by the CIA, is authoritative and dependable. Many of the government's secret documents (now declassified) relating to the Chilean case are also available.⁸

3. A BRIEF HISTORY OF THE CASE: THE U.S. COVERT WAR IN CHILE

A series of U.S. covert operations in Chile can be discussed in accordance with the three distinct phases of Chilean politics: PHASE I: 1958-1964 (presidency of Jorge Alessandri); PHASE II: 1964-1970 (presidency of Eduardo Frei); and PHASE III: 1970-1973 (the years of Salvador Allende Gosen). Covert actions can be grouped into three major categories: propaganda, political action, and paramilitary activities.⁹ Most of the covert activities enacted in Chile fall into the categories of propaganda and political action.¹⁰

3.1. Phase I (1958-1964)

The U.S. decision to use covert force to interfere in the domestic politics of democratic Chile developed as early as 1958, when Salvador Allende Gosen came within 3 percentage points of winning the Chilean presidency; alarmed by Allende's strong electoral showing and political potential, the decision-making elites in the U.S. government concluded that the democratic electoral process alone should not determine the results of the oncoming presidential election of 1964, and hence the fate of Chilean politics. Since the late 1950s, operational relationships with key political parties had been established and organizational mechanisms to influence key sectors of the population had been installed.¹¹ In 1961, in order to prevent Allende from ascending to the Chilean presidency, the Kennedy administration

⁸ These declassified government documents were collected through the efforts of Peter Kornbluh and the National Security Archive (a nonprofit research group that has sought to uncover secret records since 1985). They are posted on NSA's web site (www.seas.gwu.edu/nasarchive).

⁹ Covert action is generally defined in the U.S. as the attempt by a government to influence events in another state or territory without revealing its involvement. For more on the definition and general discussion of covert action, see Treverton (1987), Prados (1996), Knott (1996), and Richelson (1999).

¹⁰ Track II operation and the CIA's role in kidnapping General Schneider (and possibly instructing the 1973 coup) may belong to the realm of paramilitary activities. *Hearings: Covert Action*, the Select Committee to Study Governmental Operations with Respect to Intelligence Activities (U.S. Senate), vol. 7 (Washington, DC: U.S. Government Printing Office, 1975-76), p. 8; hereafter *Hearings: Covert Action*.

¹¹ Thus, it can be argued that both of Nixon's predecessor Democratic administrations (Kennedy and Johnson) had displayed at least a passing interest in subverting Chilean democracy. *Hearings: Covert Action*, p. 11.

organized an electoral committee comprised of high-ranking officials from the White House, the State Department, and the CIA.¹² In Santiago, a parallel Election Committee was established to coordinate the government's efforts. The anxiety of the Kennedy administration and U.S. corporations with large investments in Chile increased toward the end of Alessandri's presidency as the vote for the Left coalition (FRAP: Frénte de Accion Popular) rose significantly in a special congressional election held in the traditionally conservative rural province in 1963 (Gil 1966: 242-244). The U.S. sensed a possible move toward the candidate of the FRAP coalition, Salvador Allende, in the upcoming 1964 presidential elections.

U.S. covert actions in PHASE I came together during the 1964 election campaign. The Kennedy administration's covert interventions aimed at influencing the outcome of the 1964 presidential election took a variety of forms, but largely they were composed of two major elements. The first was direct funding of the candidate of the Christian Democratic Party, Eduardo Frei, and the second was a massive propaganda campaign against Allende.¹³ It is estimated that nearly \$4 million was spent by the CIA on some 15 covert action projects for the 1964 election. However, other sources claim that approximately \$20 million in U.S. money was funneled into the Frei campaign.¹⁴ The extent to which the U.S. covert action affected Chilean politics during PHASE I may be debatable, but as Helms pointed out, the U.S. covert operations had been "very successful;" it appears that they facilitated the impressive victory of Eduardo Frei, who gained the Chilean presidency with 56% of the total vote, compared to Allende's 39%.¹⁵

3.2. Phase II (1964-1970)

Many of the earlier covert action programs of PHASE I continued during this period. Special attention was paid to the congressional elections of 1965 and 1968. In the latter election, 22 candidates were selected by the CIA, of which 9 were elected. Thirteen FRAP candidates lost the election, owing in part to the U.S. covert intervention.¹⁶ In general, the aim of covert actions undertaken during this period was to influence the political development of the various sectors of Chilean society.

The U.S. had spent nearly \$2 million on some 12 covert action programs from the time Frei rose to the Chilean presidency until another presidential campaign was set in motion in 1970. Initially the Nixon administration was not fully committed to undermining Allende's third bid for the presidency. September 1970 would prove a testing time for Nixon and Kissinger, and the new Republican administration was busy grappling with other foreign

¹² The electoral committee was comprised of the Assistant Secretary for Inter-American Affairs, Thomas Mann; the Western Hemisphere Division Chief of the CIA, Desmond Fitzgerald; and Ralph Dungan and McGeorge Bundy from the White House. *Covert Action in Chile, 1963-1973*, a Staff Report of the Select Committee to Study Government Operation with Respect to Intelligence Activities (U.S. Senate; Washington, DC: U.S. Government Printing Office, 1975), p. 16; hereafter *Covert Action in Chile*.

¹³ *Hearings: Covert Action*, p. 11.

¹⁴ See Laurence Stern, "U.S. Helped Beat Allende in 1964," *Washington Post*, April 6, 1973. See also Petras and Morley (1975: 20).

¹⁵ Interview with Richard Helms conducted in April 1992. Quoted from Andrew (1995: 370).

¹⁶ *Hearings: Covert Action*, p. 12.

policy imperatives.¹⁷ In his memoir, Kissinger (1979: 665) acknowledges an initial lack of concern for the Chilean situation: “Until well into 1970 I did not focus on the dangers (of Allende regime).”¹⁸ Besides, those who favored a more proactive U.S. role were hesitant to challenge the State Department’s predisposition against the interventionist policies toward Chile. The State Department, particularly its Latin American Bureau, disparaged both the likelihood and the danger of an Allende victory. Despite the foreboding of some key members (most notably Edward Korry, the U.S. Ambassador to Chile), the *40 Committee* decided to follow the official policy line of the State Department not to support any single candidate, but to instead wage “spoiling” operations — massive propaganda and “scare” campaigns — against Allende.¹⁹ The Senate Study on *Covert Action in Chile* (p. 13) estimates that roughly \$1 million was spent on these activities. These efforts notwithstanding, on September 4, 1970, Allende won 36% of the popular vote; Alessandri, the runner-up, received 35%. Because no candidate received a majority, the Chilean Congress would decide the president between the top two candidates on October 24. Under Chilean democratic tradition Allende, who had obtained the most popular votes, was certain to be elected.

The efforts of the Nixon administration to prevent Allende from assuming the Chilean presidency proceeded on two tracks. Track I included covert political, economic, and propaganda offensives to encourage the opponents of Allende to forestall his assumption of the presidency. Track II was intended to induce the Chilean military to move against Allende, in effect inciting a military coup.²⁰ The contents — and the decision-making processes — of two-tracked policies will be discussed at greater length in Chapter 3. Despite these efforts, on October 24, Allende was confirmed by the Congress and was inaugurated on November 3, 1970.

3.3. Phase III (1970-1973)

U.S. covert activities during this period were directed at preventing the consolidation of the Allende government. The means implemented far exceeded those used in 1964 for money, propaganda, and political manipulation. According to the Senate Report, more than \$7 million was approved for the 40 Committee’s use to subvert the Allende government. More than half of that was spent in support of opposition political parties.²¹ In addition, large amounts were channeled into the opposition media, notably *El Mercurio*, to help continue the

¹⁷ The Vietnam War was Nixon’s biggest concern at that time. Later, the Nixon administration faced the crisis in Jordan (which was played out in the full glare of public attention) and the problem of a possible Soviet submarine base in Cuba.

¹⁸ Kissinger (1979: 662-663, 665) attributed this initial lack of zeal to bureaucratic politics and inefficiency.

¹⁹ The predecessor of the 40 Committee is the 303 Committee under the Johnson Administration, which itself evolved from the Special Group (5412) under the Kennedy Administration.

²⁰ Track II, initially aimed at inciting military coup against Allende, was never terminated, even after the Nixon administration failed to mobilize enough support from the Chilean military. To achieve the policy goal of bringing down the Allende regime, the Nixon administration continued pressing Track II. In the end, Track II subverted the entire system of democratic Chile, rather than just bringing an end to the legitimate presidency of Allende per se.

²¹ It should be noted that because dollars would be exchanged into escudos in the black market, this sum would go many times as far in Chile as in the U.S.

ongoing propaganda campaign. Support for the private sector organizations was also very active during this period. The most prominent example of this effort was funding *Patria y Libertad* (Fatherland and Liberty), the fascist, right-wing paramilitary group headed by a former public relations person from the Ford Motor Company, Frederico McDonald, who later became Pinochet's press secretary. On the economic front, the U.S. government assistance program decreased substantially and the loan totals from international banking organizations plummeted as well. While the U.S. government moved to isolate and ostracize Allende's civilian government, it simultaneously solidified its ties with the Chilean military in an attempt to foment a military coup by providing military equipment and advisers and by training military personnel in the U.S. On September 11, 1973, Allende was overthrown by the military coup and died — the presumed cause of death was suicide. CIA headquarters cautioned that there had been no 40 Committee approvals for the U.S. to become involved in coup plotting. The Senate Report also suggests that there was no *direct* U.S. involvement in coup plotting. Nevertheless, other evidence suggests that the efforts of the CIA consisted of more than collecting information and monitoring events.²²

4. COVERT ACTION AND NORMATIVE EXPLANATION OF DP

Across its many variants, normative DP arguments emphasizing the elite's norm posit that peaceful norms or cultures of conflict resolution shared by decision-making elites in democracies account for the absence of war between democratic dyads. For example, Dixon asserts that: "democracy-settlement hypothesis examined . . . rests on explanatory logic emphasizing norms of conflict resolution held by democratic leaders" (Dixon 1994: 14-32). According to the logic of this theory, elites in democracies follow the same peaceful norms of conflict resolution as have been developed within their domestic political processes, when they get involved in conflict situations with other democracies. Elites in democracies do not follow these norms of peaceful conflict resolution with non-democracies because "democratic norms can be more easily exploited to force concessions than can nondemocratic ones." This fear explains why democratic leaders may adopt "nondemocratic norms in dealing with nondemocracies" (Russett 1993: 35). Risse-Kappen (1995) also postulates that decision makers in democracies externalize peaceful conflict resolution norms within their states when embroiled in conflicts with other democratic states. **In sum, democracies' foreign policies toward other kindred democratic states are fundamentally different from those between democracies and non-democracies.**

Nevertheless, if democratic leaders developed positive identification toward one another and the elites' peaceful conflict resolution norms were sufficient, why then did the U.S. fight a covert war against democratic Chile while precluding war itself? The fact that the American decision makers resorted to the covert use of force against democratic Chile seems to undermine the validity of DP and particularly its elite's norm-based interpretation.

4.1. The Magnitude of U.S. Covert War in Chile

Some might claim, as **Russett and Forsythe** do, that findings on the U.S. covert war in Chile do not undercut an elite's norm theory on several grounds. First, they might argue that

²² *Covert Action in Chile*, p. 39. See also Treverton's testimony, *Hearings: Covert Action*, p. 12.

the covert actions in Chile had been minimal and did not come close to meeting the standard of interstate war, thereby negating its relevance to DP scholarship. American decision-making elites involved in Chilean covert operations have argued along this line of reasoning. After the revelations of covert action in Chile, they downplayed in unison the impact that U.S. covert actions had on Chilean society. Most of all, the decision-making elites uniformly denied that there had been any ongoing efforts to oust Allende after his inauguration. Nixon in his memoir points out that “having been informed that our efforts (to promote military coup in 1970) were probably not going to be successful . . . I instructed the CIA to abandon the operation” (Nixon 1979: 490). Kissinger also claims that covert action to promote military coup was canceled in 1970:

The effort was terminated by me on October 15 (at the meeting with Karamessines and Haig) . . . The CIA was heavily involved in 1964 in the election, was in a very minor way involved in the 1970 election, and since then we have absolutely stayed away from any coups (Kissinger 1979: 674, 676).

But a declassified memorandum of that October 15 meeting undermines Kissinger’s claim. At the meeting, Kissinger was quoted as demanding “that the Agency should continue keeping the pressure on every Allende weak spot in sight — now . . . and into the future until such time as new marching orders are given.”²³ Kissinger’s marching orders *were* conveyed to the field. A CIA cable issued on the following day notes:

It is firm and continuing policy that Allende be overthrown by a coup . . . efforts in this regard will continue beyond this date. We are to continue to generate maximum pressure toward this end utilizing every appropriate resource . . . It is imperative that these actions be implemented clandestinely and securely so that the USG (U.S. government) and American hand be well hidden.²⁴

Karamessines recalled:

Track II was really never ended . . . What we were told to do was to continue our efforts. Stay alert, and to do what we could to contribute to the eventual achievement of the objectives and purposes of Track II. That being the case, I don’t think it is proper to say that Track II was ended.²⁵

David Atlee Phillips also confirmed to Nathaniel Davis that Karamessines was right in that the White House never canceled Track II.²⁶ Contrary to the claims of Nixon and Kissinger, the U.S. government continued its efforts through the CIA to bring down Allende and the UP government by inciting military coup.

²³ CIA, *Memorandum of Conversation of Meeting with Henry Kissinger, Thomas Karamessines, and Alexander Haig*, October 15, 1970. p. 2.

²⁴ CIA, *Operating Guidance Cable on Coup Plotting*, October 16, 1970. p. 1.

²⁵ *Alleged Assassination Plots*, p. 254.

²⁶ See Davis (1985: 313). Phillips was not only the head of the CIA’s task force on Chilean operations during the Track II period, but also chief of the CIA’s Latin American clandestine operations between June 1973 and the time of the Chilean coup. Thus, he was in an excellent position to know the facts.

4.2. Economic Destabilization Program and the Allende Fiasco

A closer examination of the nature and characteristics of U.S. covert war in Chile will lead to a better understanding of the magnitude of the American secret war in Chile and the ways in which it impacted the Chilean society. It is critical to note that the covert action taken through the CIA was only one in a series of covert programs in which the U.S. engaged in Chile. Another part of the covert program was an invisible economic blockade to make the “economy scream.” One of the ways to galvanize the Chileans into repudiation of the UP government was to reduce Chile to economic and political chaos. Kissinger in his memoir goes to great lengths to show that the U.S. covert intervention had little to do with the economic fiasco of the Allende administration: “The United States was hardly the crucial determinant of events. It was Allende who brought the economic and political system so close to breakdown” (Kissinger 1982: 405). He further argues that it was Chile’s lack of creditworthiness and the results of Allende’s economic mismanagement, not the external factors, which destroyed the Chilean economy. Indeed, it was debated to what extent the U.S. government’s economic blockade had inflicted damage on the Chilean economy or whether such policy even existed. The official position of the U.S. government was that Chile’s inability to obtain loans and credit was a reflection of its poor credit risk. Kissinger (1982: 380) even argued that “we supported two loans from the Inter-American Development Bank (IDB)” as a benign gesture to Allende. But the declassified NSC records and a memo show conclusively that, after the inauguration of Allende, the Nixon administration moved quietly and quickly to shut down multilateral and bilateral foreign aid to Chile, intervening at the World Bank, IDB, and the Export-Import Bank to curtail or terminate credits and loans to Chile. In a memo prepared by Kissinger for the National Security Council(NSC), he explicitly stated that the U.S. policy toward the new Allende government was to reduce existing U.S. assistance and investments.²⁷

Table 2. U.S. Grants and Loans to Chile, 1953-1984 (\$US millions)

	Eisenhower (53-60)	Kennedy (61-63)	Johnson (64-68)	Nixon (69-73)	Ford (74-76)	Carter (77-80)	Reagan (81-84)
Economic aid							
Loans	53.1	239.8	386.3	57.3	159.7	14.3	0.1
Grants	58.9	53.2	70.9	40.3	23.9	54.6	23.3
Subtotal	112.0	293.0	457.2	97.6	183.6	68.9	23.4
Military aid							
Loans	-	-	9.1	38.4	15.0	-	-
Grants	47.0	58.5	33.3	7.2	1.7	-	-
Subtotal	47.0	58.5	42.4	45.6	16.7	-	-
Eximbank and other loans	95.1	91.0	249.3	33.4	141.8	46.0	-

²⁷ *National Security Council, National Security Decision memorandum 93, Policy Towards Chile, November 9, 1970. p. 2.*

Table 3. U.S. Grants and Loans to Chile, 1953-1984 (\$US millions)

	Ibanez (53-58)	Alessandri (59-64)	Frei (65-70)	Allende (69-73)	Pinochet (74-84)
Economic aid					
Loans	40.3	350.2	346	-	174.1
Grants	28.8	97.5	77.2	19.8	101.8
Subtotal	69.1	447.7	423.2	19.8	275.9
Military aid					
Loans	-	0.7	19.4	27.4	15.0
Grants	34.0	80.2	26.2	5.6	1.7
Subtotal	34.0	80.9	45.6	33.0	16.7
Eximbank and other Loans	50.7	150.7	262.7	4.7	187.8

Source: U.S. Overseas Loans and Grants and Assistance from International Organizations. Obligations and Loan Authorizations. Office of Public Affairs, Agency for International Development, Washington, D.C. (1989)

Tables 2 and 3 show that the Nixon administration substantially changed the direction of both economic and military policies toward Chile that were followed in the preceding years. During the Kennedy and Johnson administration (1961-68), there was an escalation in the flow of economic and military aid under the broad framework of “Alliance for Progress” programs. However, during the Nixon presidency (1969-73), loans and grants to Allende drastically plummeted, in sharp contrast to those received by two preceding Chilean regimes. In contrast to the cuts in economic aid, military aid was greater than in preceding years, which indicates that the Nixon administration maintained a close relationship with the Chilean military while distancing itself from the UP government. How an economic blockade fitted into the strategy for subverting Allende is made clear by the ITT papers:

There is only thin tendril of hope of an upset based on a sharp and unlikely switch in voting sentiment among the Christian Democrats A more realist hope is that a swiftly deteriorating economy (bank runs, plant bankruptcies, etc.) will touch off a wave of violence resulting in a military coup.²⁸

The socialist experiment of the UP government certainly worked to disorient the existing Chilean economic order, which had been highly dependent on U.S. aid and foreign capital. In this sense, Allende was not free from criticism.²⁹ But it should be noted that Allende inherited an already deteriorating economy. For 4 years before Allende became president, the

²⁸ Senate Committee Hearings on the *International Telephone and Telegraph Company and Chile, 1970-1971* (U.S. Government Printing office, Washington, D.C., 1973) Part 2, p. 622.

²⁹ However, Boorstein basically exonerates Allende from this criticism. “The crisis was a maneuver of the imperialists, the monopolists, and the large landholders, probing for ways to get around the electoral victory of the people. It was artificial: Nothing basic in the economy justified it. Confusion was being sown deliberately.” See Boorstein (1977: 77).



economy had been stagnating. The private enterprise system had been already distorted by 30 years of rapid inflation and mismanagement by the government.³⁰ The essence of economic crisis that Allende's Chile faced was a balance of payments problem. For 6 months after Allende took office, the economy was in relatively good shape. During the first 4 months of 1971, prices rose only by 5.8%, about a third of the increase seen during the same period under Frei's rule. The increase in production, decline in unemployment, and relative price stability continued through most of 1971. The overwhelming victory of the UP government in the 1971 election owed much to the improving economic situations (Boorstein 1977: 111). Then, the UP government encountered a balance of payments problem and, subsequently, a high rate of inflation. It would be an exaggeration to assert that external forces destroyed the dynamic Chilean economy, while the UP government was doing an excellent job of managing it. However, a series of U.S.-choreographed blockade programs played a critical role in disabling the Chilean economy. Allende often described the U.S. policy as "an always oblique attack, covert, sinuous, but nonetheless harmful for Chile" (Stater, p. 184). Senate Reports absolve the U.S. of direct involvement in the 1973 coup. But the overthrow consisted of much more than the final military action. It was a long, complicated operation involving the mobilization of anti-UP forces and economic, political, and psychological, as well as military, warfare. The combination of CIA covert action and economic blockade clearly propagated the seeds of military coup by leading Chilean society toward growing disorder.

Indicating the huge impact that the American covert war had on Chile, Sorenson argues, "covert involvement with economic and military and 'expert' support for opposition forces can develop to a point where the distinction between such activities (i.e., covert war) and open war becomes fairly academic (Sorenson 1992: 405)." Given the magnitude of American covert war and its impact on Chile, it is hard to substantiate the claim that the Chilean case does not undermine DP and its normative explanations.

4.3. U.S. Covert Action and Democracy in Chile

One might also argue that the U.S. covert action in Chile actually validates the DP postulate and its elites' norms-based explanation rather than undermining them, since the U.S. covert action was designed to promote Chilean democracy. Indeed, upon revelation of the American chicanery in Chile, key U.S. government officials asserted that the purpose of the U.S. covert action was to salvage and preserve democratic norms and institutions that socialist dictator Allende was readily demolishing. For instance, the Ford administration took great pains to defend the previous administration's covert engagement in Chile on grounds that its aim was to preserve democracy by assisting and encouraging democratic force in Chile. Kissinger makes similar claims throughout his three-volume memoirs, arguing that it was Allende who was stifling Chilean democracy. He argues that the U.S. merely attempted to rescue and protect Chilean democratic institutions that Allende's "dictatorship" was about to destroy: "We believed then — I am convinced, correctly — that democratic institutions in Chile would have been destroyed without our assistance." He continues: "Chilean democracy was 'destabilized' not by our actions but by Chile's constitutional President." "These covert activities . . . were designed to enable democratic parties and a free press to survive" (Kissinger 1979: 659; 1982: 382-383; 1998: 314). If these public statements of

³⁰ CIA, *Briefing by Richard Helms for the National Security Council, Chile*, November 6, 1970.

American decision-makers had been true, the American covert war in Chile would have served as an example supporting DP postulate. These public statements notwithstanding, their assertion that the U.S. covert activities in Chile were meant to save democracy can be hardly substantiated.

4.3.1. Allende and Chile's Democracy

First of all, Chile, during the rule of Allende was considered to be a stable democracy and Allende was not a would-be totalitarian ready to break ties with a long tradition of Chilean democracy and constitutionalism. In fact, Chile in the late 1960s was described by most of the American political scientists as not only the oldest, but also the most stable democracy in Latin America. In 1970, over 80% of the eligible voters of Chile participated in the national election that led to the installation of the Allende administration. There had been only three brief interruptions of civilian rule, the last being in 1925, and since 1932 Chile had elected civilian presidents without any military interludes. Although a self-declared Socialist, Allende was elected by a widely recognized open and fair democratic electoral process. Chile's long and stable democratic tradition had induced respect for legalism and constitutionalism that permeated important sectors of the society. The UP government was profoundly committed to this position. It is important to note that during Allende's rule the democratic state apparatus remained virtually intact. There had been neither a civil war nor a revolution, nor any crisis within the ruling class. The democratic social order, the political parties, the armed forces, and the capitalist economy all remained intact. The UP program would be carried out within the law; Allende consistently ordered his followers to remain calm and disciplined. It is alleged that ITT officials commented ruefully about the UP's unwillingness to be provoked (Boorstein 1977: 73).

Before the coup took place, the CIA also reported that Allende was *not* threatening the democratic processes of Chile (*Washington Post* 5/26/1977). There were charges that Chile's press was being harassed by Allende, but the *New York Times* reported: "There appears to be more press freedom in practice in Chile at this time than in many other Latin-American countries, including Brazil . . . There is no sector of political opinion that is not able to make known its views" (*New York Times* 1/31/1971). "Salvador Allende had his unsavory qualities," points out a scholar who is rather critical of Allende, "nevertheless, his actions remained within constitutional bounds" (Carpenter 1985). Birns pointed out: "Not a single political prisoner could be found in jail, not a single newspaper was censored by the civilian authorities and opposition political parties could rage at will against the Government."³¹ According to the rating of the Polity98 Dataset, Chile under Allende's rule (1970-73) was as democratic as Chile during Frei's presidency (1964-70) in every category (see Tables 4).

Table 4. Democracy Scores for Chile (1958-88) Polity98*

Period	Democ	Autoc	xpreg	xrcomp	xropen	xconst	parreg	parcomp
58-64	5	0	3	3	4	4	2	3
64-70	6	0	3	3	4	5	2	3
70-73	6	0	3	3	4	5	2	3
73-88	0	7	1	0	0	1	4	1

³¹ Laurence Birns, in a column to the *New York Times*, September 15, 1974.

In his interview with the *New York Times* after he rose to the presidency, Allende emphasized his plan to adhere to the democratic way: “There are many Latin Americans who do not believe that the electoral process of bourgeois democracy can produce good government. They would favor power achieved only by a revolution of the masses, by the armed struggle. A victory by the electoral route will be difficult for us, but it is the best way by far for Chile” (*New York Times* 10/4/1970).

Nathaniel Davis, the U.S. Ambassador to Chile during Allende’s last 2 years, asked of the validity of Allende’s statement: “Was Salvador Allende a democrat? . . . Was he sincere when he presented his vision of the Chilean Way? . . . I believe the answer is “yes.” . . . most of his positions were consistent with this assertion” (Davis 1985: 51). Allende sought transformation through the “Chilean Way”; he attempted to execute the reform legally, without violence, and through an established Chilean democratic framework.³² In fact, the Chilean tradition held that the right way to do things was constitutionally. A majority of Chileans, including many who had voted against Allende, favored his being allowed to take office because he had won a clean, democratic election. “Most Chileans were proud of their country’s tradition of stability and democracy; they felt that democracy was their right and they supported it and worked to improve it” (Boorstein 1977: 47). According to a declassified government document, “Frei, the Chilean political elites, and the Chilean military” comprised the three key elements of Chile that could put pressure on Allende. But, to the disappointment of the Nixon administration, each of these elements had hastened to rationalize its acceptance of an Allende presidency. A CIA report ruefully pointed out: “Their palliative was the built-in checks and balance of Chile’s demonstrated reverence for democracy and constitutionality.”³³ In addition, the public opinion at the grassroots level rallied behind Allende’s ratification; the forces opposing an Allende presidency within Chile could not move swiftly and openly to unseat him because of the “existing climate of public opinion (supporting Allende).”³⁴

4.3.2. *Promoting Democracy?*

Secondly, the U.S. covert action was clearly not limited to helping anti-Allende forces to survive. As a declassified government document suggests, the covert action and “propaganda was tailored to generate concern about Chile’s future.” Their objectives had been purely offensive, not defensive.³⁵ The means of intervention — encouraging and financing a military coup, political propaganda campaigns, economic warfare — were hardly the sorts of actions we would associate with non-violent, cooperative, decision-making norms. The covert manipulations of the democratic process by massive secret funding and operations to divide and weaken political parties clearly violated the principle of popular sovereignty.

³² This was also the observation of Nathaniel Davis: “He would achieve the transition without violence, without the dictatorship of the proletariat, and without the millions of deaths experienced elsewhere when the road to socialism was traversed by force” (Davis 1985: 1).

³³ *Report of CIA Chilean Task Force Activities*, p. 6. In fact, Track I (Frei reelection gambit) proved to be futile because the Christian Democratic Party (to which Frei belonged) refused to entertain ad hoc political consideration. Alessandri also asked his followers in Congress not to vote for him but to ratify Allende.

³⁴ *Briefings by Richard Helms for the National Security Council, Chile*, p. 7.

³⁵ *Report of CIA Chilean Task Force Activities*, p. 4.

The evidence suggests that the Chilean elites were confident of the integrity of their democratic political system, whereas American elites (most notably Kissinger) certainly harbored the utmost distrust toward the electoral process of Chile and a profound disrespect for Chilean democracy. To the American elites, the primary concern was the economic and ideological aftereffect of Allende's road to socialism, not the preservation of the democratic tradition of the Chile. The *mere existence* of the Allende government posed a threat to U.S. national interests from this perspective. Allende's basic foreign policy tactic concerning the U.S. was to minimize the conflicts that could be caused by implementing the reform program; he exerted extreme caution in order not to instigate unwanted conflicts with the U.S. It was the Nixon administration's perception of what Allende represented, not anything Allende had done to the U.S., that determined the direction of U.S. policy toward Allende's Chile. The assertion that covert action was to promote democracy in Chile might have been more convincing had there been any record of similar concern for democratic opposition in South Korea, South Vietnam, Bolivia, or Taiwan in the early 1970s (and in post-Allende Chile for that matter), where the press was severely censored and political oppositions were harshly repressed. Although the U.S. covert action might have been intended to oust a Chile's constitutional president, in the end it served to destruct the *entire* Chilean democratic institution, including the political parties that the American elites claimed to support.³⁶ According to the stipulations of elite-norm explanations of democratic peace, democratic elites respect the democratic political processes present in other democratic states and show concern for the democratic potential of their counterparts. Foreign policies of one democracy toward other democracies would reflect these normative concerns and respect. To further the narrowly defined interests of the U.S., however, American elites at the decision-making level proved more than willing to disrupt the democratic political process of Chile and to help the installation and consolidation of a brutal dictatorship. What follows are several examples of how the U.S. covert action impeded Chilean democracy.

Disruption of Democratic Electoral Process.

The U.S. covert operation was a major factor in almost every election in Chile from the late 1950s to 1973. The 1964 presidential election of Chile was of great concern to the Kennedy administration. Subsequently, the Kennedy administration became involved in the 1964 election on a massive scale. The CIA contributed about \$3 million dollars to Frei, the candidate of the Christian Democratic Party. This undoubtedly affected the choice of the Chilean people and helped the impressive victory of Frei.³⁷ A series of covert efforts were undertaken to disrupt the choice of the Chilean people in the 1970 presidential election, the CIA running a massive "spoiling" operation against Allende.

On September 4, 1970, Allende achieved a plurality with 36.2% of the popular vote in the Chilean presidential election. Immediately after the 1970 election, and before Allende's confirmation, funds had been authorized to bribe Chilean Congressmen to block Allende from taking office.³⁸ Kissinger notes in his memoirs that 36% of the popular vote is hardly a mandate for the change that Allende was to undertake:

³⁶ For an extensive discussion of policy backfires, see LaFeber (1983).

³⁷ *Covert Action in Chile*, p. 11. Other sources contend that the secret funds funneled to Frei amounted to \$20 million. See Adam Schesch and Patricia Garrett, "The Case of Chile," in Frazier eds. (1978: 51).

³⁸ Nonetheless, this plan was discarded, because it seemed to be unattainable.

Allende represented a break with Chile's long democratic history and would become President not through an authentic expression of majority will but through a fluke of Chilean political system.

Kissinger (1979: 654; 1982: 411) challenged the legitimacy of Allende on the grounds that "he (Allende) never had a *majority* mandate to impose to the transformation." Kissinger is also quoted as having said at a secret White House meeting, on June 27, 1970, that:

I don't see why we need to stand by and watch a country go Communist due to the irresponsibility of its own people . . . The issues are much too important for the Chilean voters to be left to decide for themselves (*Washington Post* 9/10/1974).

What Kissinger neglected to mention was that only once in the 20th century, from 1964 to 1970, has Chile had a majority President. In a multi-party country such as Chile, victory by an absolute majority in a presidential election is rare and the candidate with a plurality usually becomes the president.³⁹ A year after Allende was inaugurated, his party won in municipal elections over 50% of the vote, which solidified the legitimacy of the Allende regime. Even in a congressional election held in March 1973, Allende's UP won 8 more seats, raising his plurality to 43.4%.⁴⁰

Violation of the Norm of Free Press

When two democracies come into conflict, normative DP theory predicts that elites will accept the news media on the other side as a legitimate institution, not as an element to be influenced, and respect the freedom of the press. Nonetheless, in addition to corrupting the electoral process, the U.S. government tried to manipulate the Chilean news organizations, to undermine the legitimate government of Chile. From the late 1950s until Allende was overthrown in 1973, the U.S. engaged in a variety of media operations. During this period, the CIA Station in Chile subsidized wire services, conservative magazines, and weekly newspapers. Journalists on the CIA payroll came to Chile from at least 10 different countries for on-the-scene reporting. The most prominent instance of media operation was covert support for *El Mercurio*, the most influential newspaper of Chile at the time.⁴¹ CIA's media operation scored a huge success: "*El Mercurio* and other media outlets supported by the

³⁹ Besides, most presidential democracies adopt the plurality rule to elect the president. See Juan Linz, in Linz and Valenzuela, eds. (1994). It is noteworthy that the voter turnout ratio in Chile had been higher than that in the U.S. In the 1970 election, more than two thirds of eligible voters participated. The U.S. electoral process to select president is indeed idiosyncratic in that a presidential candidate who gains more popular votes can actually lose the election by the dubious Electoral College system.

⁴⁰ This was an impressive victory given the CIA intervention. Allende commented: "Never in the history of Chile has a popular movement had the increase we have had. We have ceased being the Government that represented only a third of the people and become a majority." Speech of June 16, 1971. *New York Times*, June 17, 1971. In this election, the opposition coalition received 56%. The opposition had expected to win at least 62% in order to impeach Allende. The election result might have sent the opponents of Allende a clear sign that they could not count on the democratic electoral procedure to bring down Allende.

⁴¹ *Report of CIA Chilean Task Force Activities* also notes that: "CIA mounted a propaganda campaign centered on 'El Mercurio.'" p. 7.

agency had played an important role in setting the stage for the 1973 military coup.”⁴² Roxborough also points out:

El Mercurio might announce, quite out of the blue, that a shortage of detergents was just around the corner; their readers would then rush out and buy up whatever detergents they could find, thereby depleting stockpile and creating an artificial shortage (Roxborough et al. 1977: 106).

Kissinger argued the opposite; he claimed that it was Allende’s government that had attempted to infiltrate and suppress the opposition mass media. The aim of the CIA covert media operation was to preserve the freedom of the press. Counter to Kissinger’s claim, however, the U.S. media operations were not limited to keeping the opposition media groups from being suppressed by the Allende government. By publishing alarming headlines, the U.S.-controlled means of mass communications contributed substantially to social unrest, and even played a role in economic sabotage by artificially creating shortages of consumer goods. A 1-day shutdown of *El Mercurio* was made possible by a libel law passed during the previous Frei regime. The 1-day shutdown occurred only a couple of months before the 1973 military coup. The International Press Association (IPA) pointed out that that was the first attempt to silence the opposition news media since Allende had been elected (*New York Times* 9/20/1974). During all 3 years of the Allende government, the opposition continued to publish newspapers, magazines, and books and to control a large number of broadcasting stations. Although the anti-government press or opposition parties resorted to inflammatory tactics, Allende seldom stepped outside the law. Whatever the pressures Allende occasionally brought on the opposition press, he did not impose any censorship. It is true that, in an effort to make his presidency appear palatable, Allende and his supporters attempted to exert influence on the information media. But it is important to note that the CIA media operation began well before Allende began to exert this influence.

Promotion of Violence

Elite norm-based DP theory would not expect elites in democracies to engage in promoting terrorist activities or instigating rebellion against other democratically elected governments. Aside from propaganda and electoral shenanigans, the U.S. government also condoned and facilitated violent acts against the Chilean democracy and its leaders. Although Kissinger accused the Allende government of carrying out terrorist outrages and of financing them, it was actually the U.S. that had not only condoned repression and terrorism, but also had incited the active use of them. For example, the CIA provided machine guns and grenades to the ultra-rightist military group that kidnapped Chilean Army Commander Rene Schneider, whose respect for constitutionalism was viewed as an obstacle for the military coup. It is alleged that the CIA also offered \$100,000 for a successful kidnapping of Schneider (Davis 1985: 9). **Hersch (1983: 258-259)** argues, on the basis of statements by a Navy-enlisted man who worked in the National Security Council, that one of the options under consideration by the CIA was the assassination of Allende himself.

U.S. covert hands were also behind the violent strikes and demonstrations. One notable example was sponsoring the “October Stoppage,” which seriously disrupted the Chilean economy. The Chilean Trucker’s Union, which was heavily subsidized by the CIA, went on

⁴² See **Schesch and Garrett (p. 43)** and *Covert Action in Chile*, p. 8.

strike, creating social and economic turmoil in the later Allende years.⁴³ In Chile, trucks carry most of the food and goods from the ocean to the central valley and the city. Philip Agee (1975: 309), in his book *Inside the Company: CIA Diary*, writes of the truckers' federation that it "can stop the country completely." The CIA attempted to influence the political development of various sectors of Chilean society outside of the formal electoral process from 1964 to 1973. The CIA succeeded in infiltrating, organizing, and manipulating various ultra-leftist organizations and leftist splinter parties during Allende's presidency. The CIA also created mass opposition organizations. One notable example was helping to found *Patria y Libertad* (Fatherland and Liberty), a fascist paramilitary organization, providing it with \$38,500 in 1970.⁴⁴ The purpose of all these efforts was to influence the direction of political events in Chile.

The U.S. role in the 1973 coup remains controversial because many of the government documents on that subject are still highly classified. A Senate Intelligence Committee Report asks: "Was the United States *directly* involved covertly in the 1973 coup in Chile?" The committee found no evidence that it was. But it should be noted that the committee did not reveal information on its own. Its reports were "all carefully considered by the committee and the executive branch working together to determine what information could be declassified and revealed without damaging national security."⁴⁵ Given the situation, however, it seems clear that the U.S. role was not limited to mere information collection. For example, Jack Kubisch penetrated the group that might have mounted a successful coup and was in close contact, through an intermediary, with its leader. A situation report written by a U.S. Naval attaché (Patrick Ryan) reflects the U.S. perspective toward the coup; Ryan characterizes the day of military coup as "our D-Day."⁴⁶

4.3.3. *The U.S. Policy toward Pinochet Compared*

The hostile attitude of the U.S. toward the democratically elected Allende government stands in sharp contrast to her more benign policy toward the Pinochet dictatorship. The repression of democracy and the violation of human and civil rights characterizes Pinochet's rule from 1973 to 1990. However, the number of U.S. covert action programs in Chile plummeted significantly, and Pinochet's atrocities were relatively overlooked by the U.S. government.⁴⁷ On December 2, 1998, upon the U.S. government's decision to release files on crimes under Pinochet, the *New York Times* reported that: "The C.I.A. worked closely with Chile's secret police in the 1970's when more than 3,000 people were believed to have been killed." The newly declassified government documents suggest that the U.S. secret agency was indeed in close collaboration with Pinochet's secret forces, including the promise of surveillance of subjects inside the U.S.⁴⁸ According to a declassified FBI note, DINA

⁴³ Kissinger, however, argues that the U.S. covert force had nothing to do with the trucker's strike.

⁴⁴ See *Covert Action in Chile*, p. 9.

⁴⁵ Excerpts from the final report of the U.S. Senate Intelligence Committee, cited from the *New York Times*, April 27, 1976. See also Boorstein (1977: 178, 254).

⁴⁶ *Department of Defense, U.S. Milgroup, Situation Report #2*, October 1, 1973.

⁴⁷ *Covert Action in Chile*, p. 16

⁴⁸ *FBI Report to Chilean Military on Detainee*, June 6, 1975. The newly declassified documents prove that the U.S. "had detailed reports of widespread human rights abuses by the Chilean military, including the killing and torture of leftist dissidents" immediately after the coup. See the *New York Times*, July 1, 1999.

(Directorate of National Intelligence), the national intelligence arm of Pinochet's military government, was responsible for the assassination of Orlando Letelier, the former Chilean ambassador to the U.S., who had been critical of Pinochet. The note suggests that the U.S. intelligence community was well aware of these DINA operations and other "Operation Condor" activities.⁴⁹ Michael Townley, the DINA agent responsible for the assassination, is now in the American Federal Witness Protection Program. However, some of the CIA records detailing clandestine operations after the coup as well as the agency's involvement in the 1970 coup remain still highly classified. Peter Kornbluh said of the released documents: "The CIA has much to offer here, and much to hide. They clearly are continuing to hide this history" (*Washington Post* 7/1/1999).⁵⁰

Collaboration through intelligence liaisons was not the only avenue for the American decision-making elites to aid the Pinochet dictatorship. A newly declassified government record proves that the U.S. economic credits, long denied to Allende, cascaded upon Chile under Pinochet's rule, which received handsome sum of money as well as almost half the foodstuffs authorized by the Food for Peace program for Latin American. In a memo sent to the Secretary of State, Jack Kubisch reported on new economic assistance to Pinochet's Chile just authorized by Nixon: "Private U.S. and Canadian banks have already pledged \$141 million in new financing . . . we announced our second CCC credit to Chile — \$24 million."⁵¹ The U.S. also joined the Club of Paris in rescheduling the payment of Chile's international debts. Nixon's successor, Gerald Ford, acted generously as well, providing Pinochet with more than \$160 million in economic aid, \$23 million in grants, and \$18.5 million in military assistance. Additionally, the Export-Import Bank lent Chile \$141 million, while the World Bank and the Inter-American Development Bank extended another \$300 million in credit (see Tables 1 and 2).

The Nixon and Ford administrations became Pinochet's guardians in the international community. While much of the world — as well as U.S. public opinion — turned back to Pinochet's repression of democracy, Santiago and Washington generally enjoyed cordial relations. Kissinger asserted that the "change in government in Chile was on balance favorable — even from the point of view of human rights . . . The Chilean junta was being judged with exceptional severity while it faced near-civil war conditions" (Kissinger 1982: 412). When U.S. Ambassador to Chile, Popper, mentioned the human rights issues during a July 22, 1974 meeting on military aid with the Chilean junta, Kissinger rebuked him and complained at the effort to link together such unrelated issues as human rights and military aid in high-level diplomatic talks. He reportedly said: "Tell Popper to cut out the political science lectures!" (*New York Times* 9/27/1974). Pinochet had to resort to openly terrorist dictatorship, which the U.S. had helped to establish and consolidate, because the coup went against the majority will of the Chileans, not against a small ruling clique. To rule against the

⁴⁹ Operation Condor was a South American (Chile, Paraguay, and Argentina) joint intelligence operation designed to "eliminate Marxist terrorist activities in the area." In reality, it served as Pinochet's intelligence arm to track, capture, and kill his opponents. Declassified FBI cables suggest that the killing of Letelier may have been carried out under the auspices of Operation Condor. *FBI, Directorate of National Intelligence (DINA)*, January 21, 1982; *FBI, Operation Condor Cable*, September 28, 1976.

⁵⁰ "Documents Show U.S. Knew Pinochet Planned Crackdown in '73," *Washington Post*, July 1, 1999.

⁵¹ *Department of State, Chilean Executions*, November 16, 1973.

mass of the people, it takes repression and terror. Repression and terrorism may not be directly related to the democratic process, but democracy cannot flourish in their midst.

5. CONCLUSION

By examining the nature and contents of American covert war in Chile in the early 1970s, this paper attempted to assess the implications of covert war findings for the democratic peace scholarship and its competing interpretations.

First, elites' non-violent norms of conflict resolution were not sufficient to induce the core decision-making elites in the U.S. to settle the conflict with another democratic state, Chile, in a peaceful manner. Second, democratic decision-makers opted to use secret warfare, whose consequences were as detrimental as open warfare for the target countries.⁵² Although the overt use of American force was not applied, the U.S. launched an equally, if not more, destructive brand of covert warfare in Chile that was responsible for the demise of Chilean democracy and the rise of a military dictatorship that would kill more than 60,000 Chileans. The claim that the case of American covert war against Chile does not undermine DP postulate because the American secret war does not qualify as interstate war can hardly be substantiated. Third, the case study of this paper proves that the decision-making elites in the U.S. had no qualms about undermining democratic elements in Chile. The American elites asserted that the U.S. covert action in Chile was designed to promote Chilean democracy. Normative theory of DP also stipulates that mature democracies such as the U.S. would preserve the democratic elements and respect the democratic political processes in other states. The foreign policy of mature democracies toward other states would reflect such concern. Nonetheless, the claim of the American elites proved to be merely an ideological smokescreen to camouflage the real policy objectives of overthrowing the Allende government. Therefore, it is also hard to substantiate the assertion that American secret involvement in Chile in effect supports the elites' norms-based explanation rather than undermines it.

If the normative interpretations of the democratic peace are to bear the burden of proof for the absence of war between democracies, democracies' distinct conflict resolution mechanisms enunciated by normative interpretations should (be applicable?) be at work in democracies' diplomatic relations with democracies as well as with non-democracies. According to the normative explanation of DP, norms of peaceful conflict resolution shared by leaders in paired democracies prevent conflicts between democracies from escalating into wars. Leaders in democracies do not follow these norms of peaceful conflict resolution with non-democracies because of the "fear of being exploited" (Russett 1993: 35). However, the case study included herein demonstrates that the Allende government had neither the resources nor the intention to exploit the goodwill of the American leaders. Throughout the conflicts between the U.S. and Chile, it was the elites in the latter who appealed more to the peaceful conflict resolution norm in earnest and solicited goodwill from the leaders in the former; it was the Chilean elites who could use the language of democratic norms and culture more comfortably. The conflict between the U.S. and Chile escalated into covert, if not overt,

⁵² As Marlene Dixon (1985) pointed out, to the Americans, the low-intensity, covert warfare strategy (LIS) against Nicaragua might have been less intense than was conventional warfare; to the Nicaraguans, however, there was "nothing low-intensity about it (LIS)."

use of force, not because Chile was “non-democratic” and was suspected of exploiting the democratic norms, but because the mere existence of Allende regime was perceived as a threat to “national interests,” which were narrowly defined by a small number group of U.S. elites.

Twelve days after Allende’s victory in Chile’s democratic presidential election, Nixon made an impressive speech at Kansas State University, on September 16, 1970:

There are those who protest that if the verdict of democracy goes against them, democracy itself is at fault, the system is at fault — who say that if they don’t get their own way, the answer is to burn a bus or bomb a building.

Elite norm-based explanation of DP would not predict that democratic leaders would protest the “verdict of democracy,” particularly in a well-established democratic state such as Chile. Nonetheless, in the case of Chile, Nixon and the other key U.S. decision makers had themselves been such protesters of the “verdict of democracy.”⁵³ The preferred weapons of the protest in the Chilean example included disrupting the economy and aiding the military coup in a covert manner, as opposed to bombing a bus or building in the full glare of the public eye. After Pinochet unseated Allende, political parties were suppressed, public liberties were abolished, and the Chilean Congress shut down. Immediately following the coup, Pinochet banned the seven political parties and tortured and killed those who supported Allende. However, most of the U.S. covert action programs in Chile, of which the purported aim was to preserve democracy, were terminated. “The U.S. commitment to democracy in Chile was put to the test,” points out Sigmund, but “it failed that test” (Sigmund 1993: 47). The American elites preferred a military dictatorship that unabashedly served the U.S. permanent interests in the region to a democratically-elected government that was in conflict with the narrowly defined U.S. national interests.

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⁵³ *Public Papers of the Presidents, Nixon 1970* (Washington, DC: U.S. Government Printing Office, 1971) p. 758.

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