SECRET

[redacted]

(86)

18 Sept 70

AM

[redacted] Situation Report # 2

The following actions have been taken as of 0830 hours 18 September 1970:

A. Organizationally:

1. The initial personnel of the two Headquarters units are already on board. Additional staffing of these units is proceeding slowly as needed so that the fewest number of persons possible will be aware of and involved in all phases of this activity.

[redacted] has obtained his visa and will depart Washington on [redacted] September after being briefed by the DDP regarding instructions to COS/Santiago [redacted]

3. No reply has been received from the Ambassador regarding [redacted] TDY.

4. Preparation of the [redacted] office space was completed the morning of 17 September and is ready for use.

Approved for Release
July 2000

[redacted] [redacted]

SECRET

B. Operationally:

1. Military:

(a) The [redacted] was contacted by one of our senior staff officers. The [redacted] agreed to communicate immediately with [redacted] to provide us with assessment of Chilean vulnerabilities and possible means to attack them. The [redacted] have also been asked to sound out [redacted] to see where he stood on the obvious options. A reply is expected by Sunday.

(b) [redacted] has contacted key military leaders in Chile and is acting as a link between them and the Station [redacted] There is a coup possibility now in the wind which calls for Frei's authorization to take the following steps:

(1) resignation of the Cabinet,

(2) formation of a new Cabinet composed entirely of military figures,

(3) appointment by Frei of an acting president,

(4) Frei's departure from Chile.

2. Political/Economic:

(a) [redacted] is to be briefed on 18 September by representatives of [redacted] to determine possible economic vulnerabilities of the Chilean economy.

(b) If a meeting can be arranged with [redacted] for 18 September, [redacted] will visit [redacted] to request that [redacted] attempt to persuade his counterpart in Chile not to endorse or otherwise recognize Allende's election.

3. Propaganda:

A propaganda guidance cable was sent on 17 September to [redacted] with instructions on how to exploit the information reported [redacted] regarding the Communist Party's systematic attempt to gain control of all mass media in Chile.

[redacted]