

Books

Two Views of Allende's Chile

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Since the overthrow of Salvador Allende's government in Chile in September, 1973, two sharply contrasting analyses of the events leading up to the coup have appeared in this country. In *Chile's Marxist Experiment* (Halstead Press; 225 pp.; \$8.95) Robert Moss of the London *Economist* asserts that the "temporary" termination of constitutional democracy "was a tragedy for Chile but there must be no confusion about where the responsibility lies. It lies with Dr. Allende and his fellow-Marxists." For Gary MacEoin, the Irish-born writer of many books on Ireland and Latin America, however, the "violent counterrevolution which ended the effort to create a just social order in Chile within the framework of constitutional democracy" demonstrates, as the title of his book implies, that there is *No Peaceful Way* (Sheed and Ward; 230 pp.; \$6.95) to "decent living levels for the two-thirds of mankind who lack them," and that Allende's overthrow was part of "the grand design to return Chile to its former status as an economic satellite of Western capitalism"—on the basis of Washington's "program, obviously carefully planned well in advance, to reintegrate Chile into its sphere of influence."

These opposing points of view reflect the polarization of opinion in Chile itself during the last eighteen months of the Allende regime. Each side had its own radio stations, newspapers, television, schools, trade unions, peasant syndicates, professional groupings—and its own version of Chilean history and politics. The contradictory accounts of Chilean politics between 1970 and 1973 in these two books give some of the flavor of the intensity of the feeling on both sides that made a nonviolent resolution of their differences almost impossible.

For Robert Moss the Chilean coup was the result of "a clear popular mandate for military intervention" after Allende had repeatedly violated the constitution, bypassed the Congress, refused to obey court orders, attempted to subvert the opposition media, and encouraged the extreme left to organize themselves into a "full-fledged guerrilla force" which "they hoped would be able to take on and defeat the armed forces in

the event of civil war"—a feat "they might have managed if the military had waited longer to intervene." The Allende government had "plunged Chile into the worst social and economic crisis in its modern history, characterized by a Weimar rate of inflation" through establishment of bureaucratic ("Stalinist") state control over 80 per cent of Chile's industrial production and the indiscriminate seizure of agricultural lands, which were then worked by "peasants drafted for service on state-run farms under the eye of government bureaucrats." Allende's observance of constitutional democracy "was merely a tactical matter"; "the central issue was always power, not efficiency or social justice." The decision of the armed forces to move against Allende was taken "painfully and reluctantly" after they had participated in three of his cabinets. It had "nothing to do with Washington."

Most of these assertions will be familiar to those who have read or heard the defenders of the coup. New even for Chile specialists, however, is the account of the negotiations between Allende and the American ambassador, Edward Korry, concerning the payment of compensation for the partially American-owned copper mines that were nationalized in 1971. According to Moss, who appears to rely on Korry as his source, the Ambassador offered Allende an arrangement whereby the companies would be compensated in twenty to twenty-five-year Chilean bonds, which were to be guaranteed by the American Government up to the amount of the investment guarantee insurance taken out earlier by the companies with the Overseas Private Investment Corporation. Here as in other cases, Moss claims, Allende was prevented by the left wing of his own party from working out a face-saving compromise that could have prevented the continuing confrontations with the U.S. Government and the copper companies following his announcement that no compensation would be paid for most of the nationalized mines.

A second area in which Moss has special expertise is the internal politics of the military. Thus he is able to give us the exact vote of the generals (18-6) against joining the Allende government in June, 1973. (They did join in August.) As Moss's article in the March, 1974, issue of *Encounter* indicates, he seems to enjoy special access to the military, particularly the navy, and the book is particularly useful in reflecting their thinking in the period preceding the coup.

Less useful are some of his assertions about the civilian politicians. It is simply not true that there was an agreement before the 1970 election committing the Christian Democrats to vote for Allende in the Congress if he won a plurality in the popular vote. (Christian Democratic support came only after lengthy post-election negotiations over the addition of a Statute of

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Democratic Guarantees to the constitution.) It is an inadequate and inaccurate explanation of the leftward movement of the non-Marxist parties in the Allende coalition to say that they were "colonized" by the Communists. Washington may have had "nothing to do" with the coup itself, but we now know it had a great deal to do with the circumstances that led up to that decision. One of these was the CIA's support of the Fund for Liberty, which prevented the only private paper company from passing into state hands. Another was its indirect financing of the two lengthy strikes that created economic chaos during Allende's last year. As the aftermath of the coup indicated, the extreme left was far from being a "full-fledged guerrilla force," although large quantities of arms had been illegally imported and hidden by both the left and the right. (In the case of the left, there is proof of Allende's connivance and assistance as early as March, 1971.) The charges by the Catholic University Law School that 5 per cent of the pro-Allende vote in the March, 1973, elections was fraudulent are transparently false to anyone who reads the lawyers' thoroughly unconvincing report published in the junta *White Book* on the coup.

To turn to *No Peaceful Way* after reading *Chile's Marxist Experiment* is like going to another country. Moss's power-mad Marxist guerrillas are transformed by MacEoin, who writes from the point of view of the Catholic left, into defenders of the oppressed who are trying to create "a world built on a new man, the 'new man' first envisaged by St. Paul." Frei won the presidency because of U.S. money and "the votes of a substantial majority of women." The opposition in Congress "drowned Allende's program in a swamp of legalisms and parliamentary maneuvers." The 1973 elections were a "striking success for the UP coalition," since its vote rose to 43 per cent from 36 per cent in 1970 (conveniently ignoring the 49.7 per cent it received in 1971). Arms were accumulated by the left in only "nominal" quantities and in response to an arms buildup by the extreme right. In the external sector the U.S. imposed an "orchestrated" credit cutoff of all but military aid and a small AID program; the Chilean military were acting at the behest of their "Pentagon mentors"; and a U.S. weather plane (in Argentina!) coordinated communications for the coup. The American Embassy refused to assist American citizens threatened by the coup. And the postcoup atrocities by the Chilean military were the result of "the teaching they had received...at various academies conducted by the Pentagon."

At several points MacEoin correctly identifies the issue posed by the election of a government committed to radical social and economic change through democratic means—how to mobilize the potential majority of the "have-nots" so that they can get an adequate share of the benefits of modern life. His solution, however, which he claims is that of "a growing number of

Catholic thinkers around the world," "that the Marxist analysis—in particular, its insistence on class warfare as a fact—alone provided the key to understanding the social, political, and economic reality of dependent countries like Chile," seems wrongheaded. For the failure of the Allende experiment can be related precisely to his deliberate intensification of the class struggle, which mobilized an opposition majority against him that in turn invited and legitimized military intervention. Populist nationalism or socialism of the type Allende was attacking when he announced in February, 1971, "I am not President of all Chileans" can mobilize majority support on the basis of an appeal to patriotism above partisan or class divisions. But a straight Marxist class appeal has never succeeded in doing so, least of all in as "bourgeois" a country as Chile, where a poll cited by Moss found that 80 per cent of the population consider themselves to be "middle class."

Is it the difference between apologists for the left and the right, or between an Irishman and an Englishman, that accounts for the fact that there are about ten times as many factual errors in MacEoin's book as Moss's? To note only those affecting his main thesis: Since male and female votes are reported separately in Chile, we know that Frei received majority support among men as well as women in 1964. The Christian Democrats did not move "immediately to open opposition" in 1970, but were undecided until at least mid-1971. To say that in 1970 "an overwhelming majority" of Chileans voted "for a president who promised to start the country on the road to socialism" is either wrong—Allende received 36.2 per cent of the vote—or misleading, since without saying so it includes the vote for the Christian Democrats who were attacked earlier as tools of the oligarchy. The determination of the excess profits of the copper companies was made by the President, not the Controller General. The Chilean foreign debt in 1970 was \$2.6 billion, not \$3 billion, as stated throughout the book. Zig-Zag Publishers were taken over after they failed to pay the workers a huge wage increase decreed by the Allende government. The U.S. Government Food for Peace Program was not stopped in 1970; in fact, its shipments increased during the Allende period. Agricultural production increased in 1971, not because of the agrarian reform, but because plantings had been completed before Allende came to power. (It declined 5 per cent in 1972 and 15 per cent in 1973.) The Controller General did not rule that government take-overs of industry were illegal "each time Allende took over an industry," but only in forty-three out of about five hundred cases—all of which were overruled by a cabinet "decree of insistence." In 1971 and 1972 the International Monetary Fund made export shortfall loans to Chile in the amounts of \$39.5 million and \$42.8 million without any conditions concerning Chile's "internal economic decisions." There was a U.S.-inspired credit squeeze (not an embargo) on Al-

lende, but, as Moss demonstrates, it was far from complete or effective, particularly since Allende received large loans from Western Europe and from other Latin American countries (among them, Brazil), as well as from China, the USSR, and Eastern Europe, which helped increase Chile's indebtedness between 1970 and 1973 by \$800 million. MacEoin repeatedly refers to the opposition Confederation of Democratic Parties (CODE) as the United Democratic Federation (FDU). In citing the results of a poll taken before the runaway inflation of the twelve months preceding the coup, he indicates that "60 per cent of Chileans" favored Allende, whereas the published figures list 21 per cent as rating the government's performance as "good," 36 per cent as "fair," and 43 per cent as "poor." The presidential palace was bombed at noon, ~~not~~ 11 A.M., and Allende probably died as a result of suicide and certainly not in "hand-to-hand" fighting along with his armed personal guard—which, by the way, was established in September, 1970, not March, 1973.

Since each of these books presents a distorted, partisan, and exaggerated view of what transpired in Chile, how are we to determine what really happened there between 1970 and 1973? Until more objective accounts are published the easiest rule of thumb is to assume that *both* are correct. Allende presided over a coalition that included an important sector committed to the inevitability of armed confrontation with "the forces of reaction," and by their words and actions helped to make that prediction a self-fulfilling prophecy. Apart from Allende's problems with domestic strikers and international credit, his government's conduct of economic affairs was incredibly mismanaged, and the

uncontrolled inflation (323 per cent in July, 1973) of the last twelve months was chiefly the result of massive deficit-spending, both for the regular government budget and for subsidizing the state-controlled sectors of industry and agriculture. The military and the civilian politicians who opposed him were not mere U.S. puppets. The opposition comprised a broad majority coalition that included many peasants and workers as well as members of the middle and upper classes.

Yet it is also true that Allende's task was made much more difficult by the now substantiated efforts of the CIA to use its financial resources to subvert his government in ways involving much more than merely the assistance mentioned by President Ford to mass media in danger of being taken over by the Allende government. The lower classes in Chile and elsewhere in the Third World are often victims of exploiting oligarchs and landowners, sometimes in league with multinational corporations, as the ITT papers on Chile clearly show. Following the assassination of the army commander in chief in October, 1970, the extreme right had greatly increased the import of arms and had embarked on a campaign of violence and subversion three months before the coup. And finally, the political threat of the establishment of Marxist totalitarianism on the left has been eclipsed by the harsh reality of a repressive dictatorship on the right, which has announced it intends to hold power for at least another generation. As Chile joins so many other nations in the Third World under military rule, we can only be saddened that in the explanations of how it happened it is once again the victim of the excessive partisanship and hyperideologization that contributed so largely to the Chilean tragedy.

The Modern World System by Immanuel Wallerstein

(Academic Press; 416 pp.; \$16.50)

Martin Green

This book seems already to have made its mark—very deservedly—so I shall not spend much of my time expounding its merits, but pass on to characterize and criticize it. I shall just associate myself with the general praise for its breadth of scope, depth of knowledge, size of concepts, and, above all, its suggestive combination of political with economic and sociological material. And I should, for the sake of those who have not

heard of it, summarize before I begin to criticize.

The modern world system, whose establishment is the subject of this book, can be characterized by its difference from empire. Empires had been a feature of the world scene throughout its history; their economic strength lay in their monopolies of trade and their inward flow of tribute and taxation; their weakness lay in their bureaucracies, which absorbed so

much of these profits. The world system by which Europe came to dominate the modern world made its surplus appropriation by other means, for which three preconditions were necessary: a huge geographical expansion, new forms of labor control, and strong state systems in the core countries. Wallerstein invites us to watch the establishment of these conditions during the sixteenth century.

The first of these is quite familiar. But Wallerstein argues that besides mere expansion this was a construction, dividing the world up into zones of unequal development. The main zones he names are the core (the countries of northwest Europe), the semiperiphery (the countries of southern Europe), and the periphery (eastern Europe and the Americas). Beyond the