

Conversation: 517-004

Date: June 11, 1971

Time: 9:37 - 10:36 a.m.

Location: Oval Office

Participants: Richard Nixon, H.R. Haldeman, and Henry Kissinger

Following a meeting regarding U.S. policy on expropriation on the Presidential yacht Sequoia on June 10, 1971 (details of which have yet to be declassified) the Administration's hard-line position gradually began to take shape.

A number of important meetings took place the day after the Sequoia meeting. During this first meeting, Nixon and Kissinger discussed Chilean attempts to secure new loans and renegotiate their existing obligations. Nixon fumed over the unwillingness of the Congress to do more for Brazil, which, in contrast to Chile, was led by "friends" of the United States. Nixon and Kissinger also discussed the assassination of the former Chilean Cabinet Minister, Edmundo Pérez Zujovic, on June 8, 1971 by a Chilean anarchist group, Vanguard of the People. Nixon and Kissinger chuckled at the Allende's accusation that the CIA had orchestrated the assassination, noting that Zujovic was a conservative opponent of Allende, and probably the last person the U.S. Government would want to assassinate. Besides, as Kissinger noted, the CIA was too "incompetent" to pull off such an operation, recalling that the last person whom the CIA assassinated had lingered for three weeks before expiring.¹

Rather, both Nixon and Kissinger feared that Allende was behind the assassination and would use the event as a fraudulent casus belli to declare martial law and establish a "one-party government." Kissinger brought up the example of Hitler again, asserting that Allende was gradually taking control of the media and eliminating the military as an independent actor by "building them up while neutralizing them." Although Nixon shared Kissinger's fears, oddly enough, he opposed establishing closer ties with the Chilean military, since he believed U.S. efforts to cultivate it had heretofore been an abject failure. Finally, the President instructed

¹ It is impossible to positively identify the target referred to by Nixon and Kissinger based on the content of the conversation, although the person in question may have been the former Commander-in-Chief of the Chilean military, General René Schneider. Schneider died three *days* after a botched kidnapping attempt by right-wing elements of the Chilean military on October 22, 1970. The botched kidnapping was the third attempt by two different groups within the Chilean military, both of which had ties to the CIA. See: U.S. Department of State Freedom of Information website, "Hinchey Report: CIA Activities in Chile," online: <http://foia.state.gov/Reports/HincheyReport.asp#15> <accessed March 20, 2010>. See also: Peter Kornbluh, *The Pinochet File: The Declassified Dossier on Atrocity and Accountability* (New York: The New Press, 2004), 22–35.

Kissinger to bring in Secretary of the Treasury John Connally for meeting in the Oval Office, since Nixon was sympathetic to Connally's position of taking a hard line on expropriation.

[Underlined text denotes material that was published in *Foreign Relations of the United States, 1969-1972, American Republics, 1969-1972, v.E-7* (2009), but for which the audio portion is toned out (i.e., the content was not declassified when the audio was released in October 1999 but the transcript was declassified for the *FRUS* volume published in 2009).]

[...]

[517-004_Clip1](#) (1.6m, 1:41)

Nixon: But, the point is, for example, in this whole economic area, Connally is taking a very strong line. I want you—I don't know whether you got my little note, the one I approved, the one that was on the bottom of one other page you sent in, with regard to the Chilean thing. Connally is against the thing regarding Chile. Last night, he explained at length why he was against it—

Kissinger: I'm—I [unclear]—

Nixon: And, he's the only department that's against it. Everybody else is for the \$10 million. Now here's his argument: His argument is that, for example, [in] Guyana, we have \$500 million worth of contracts with Guyana on bauxite and so forth.² They're ready to expropriate if Chile gets away with it, [and] the Jamaicans—The Jamaicans are [*willing to expropriate*] and so forth and so on. His point is that if we go down the line of slapping the wrists of people who kick us in the ass, that we're going to get more and more of it. He's afraid of the virus. Bill [Rogers] took a—on this one—he took a completely soft line last night, and he said, “Well, it's the law; it's our law. We'll always give loans to people if they compensate us for expropriation.” But, the point about that [is]: maybe it is the law, but expropriation, as we find, is not a very pleasant experience for any American business. And countries—and, basically—And American businessmen aren't about to go into countries that do one or the other. The other thing where Bill, also,

² Guyana was, at the time, the world's fourth-largest producer of bauxite (the raw material out of which aluminum is produced), and the local bauxite industry was dominated by two firms: the Reynolds Metals Company and the Aluminum Company of Canada (Alcan). In January of 1971, Guyana's Prime Minister, Forbes Burnham, pledged that his government would “pursue relentlessly the policy of owning and controlling our natural resources.” Thomas Johnson, “Burnham Firm on Guyana Autonomy,” *New York Times* (January 11, 1971), 2.

I think, needs Flanigan is his total—it seems to me, almost total lack of comprehension of the seriousness of the Peterson report thing.

[...]

[517-004 Clip 2](#) (4.2m, 4:24)

Nixon: Getting back to Guyana, and all these other things—I marked on that [Chile]—I took the, the least—as usual, the little bit pregnant option: \$5 million rather than 10 million—

Kissinger: Well, you have no choice about that, Mr. President. That’s my recommendation, because the five million has already been promised. The question was whether we would let them pyramid the 5 into 20, as State wanted, by using them as security for loans. And, then, there was an intermediate recommendation of making—letting them pyramid the 5 into 10. I feel—I’d just give them the 5 straight out, as military [*aid*]—

Nixon: I’ve asked that you call Connally on that, and you should today.

Kissinger: Right.

Nixon: Because he said he was—He said, “I’d better get over to talk to Henry,” and you know it’s—

Kissinger: Well—

Nixon: If you [unclear]—

Kissinger: —I can explain to him we have no choice about the 5 million—

Nixon: None, none.

Kissinger: —but that’s the absolute minimum.

Nixon: We have taken the absolute minimum. Now, the other point is [unclear]—

Kissinger: But on these 707s—

Nixon: [*All right,*] the 707s?

Kissinger: Whether we want Ex-Im—

Nixon: Ex-Im Bank?

Kissinger: Ex-Im Bank. Here, the argument is the following: Now, we talked to [Henry] Kearns that he could attach banking conditions to it.³ The Chileans are trying to play it into a political issue and saying we are withholding it for pol—on political grounds. I've talked to Kearns—

Nixon: Fine.

Kissinger: He can attach banking conditions, which, if they don't come across on expropriation, enable us to prevent the thing from coming through. What they will do is receive the application and process it over a period longer than the expropriation hearings.

Nixon: Connally's feeling is this: He feels—and he, his gut reaction may be right, Henry, that the effect on the rest of Latin America, whatever we hear from State and the rest, is going to be bad for us to quit screwing around and being so soft on the Chileans.

Kissinger: I have no problem with it—

Nixon: Second, he believes that, as far as American public opinion is concerned, the American people are just aching for us to kick somebody in the ass, and that he wants us to do it.

Kissinger: Well—

Nixon: Now, here I am, approving both the [unclear]—You see, State, goddamnit, they never are against anything.

Kissinger: Well, Mr. President—

Nixon: They're never been against anything—

Kissinger: —you know my view on the Chilean situation—

Nixon: —except against aiding Pakistan.

Kissinger: Yeah, and Brazil. But, on the Chilean thing, I've always been for a harder line. We have a pretty good pretext now, because they've just—there's just been an assassination of—

Nixon: I saw that.

Kissinger: —of the right-wing Christian Democrat.

Nixon: I know.

Kissinger: And the sons-of-bitches are blaming us for it. He was—

Haldeman: Blaming the CIA? [Laughs]

³ President of the Export-Import Bank, 1969-1973. The bank ultimately the Chilean Government's request for \$21 million of loans and loan guarantees to purchase two Boeing 707s and one 727. Benjamin Wells, "U.S. Export Bank Refuses Chile Loan to Buy 3 Airlines," *New York Times* (August 12, 1971), 1.

Kissinger: They're blaming the CIA.

Nixon: Why the hell would we assassinate him?

Kissinger: Well, a) we couldn't. We're—

Nixon: Yeah.

Kissinger: CIA's too incompetent to do it. You remember—

Nixon: Sure, but that's the best thing. [Unclear].

Kissinger: —when they did try to assassinate somebody, it took three attempts—

Nixon: Yeah.

Kissinger: —and he lived for three weeks afterwards.

Nixon: Yeah.

Kissinger: But, the—But why would we assassinate him? He's our—

Nixon: Yeah.

Kissinger: —strongest supporter there. And they have used it to impose martial law and to engage in a violent attack on us—

Nixon: Are they? Then let's give—let's let them have it.

Kissinger: So, I think we should use that as a pretext—

Nixon: Well, you—Will you take any papers I've signed on Chile and re-evaluate them? The other one that's in there is the military assistance. Now, the military, of course, here, comes up with the idea, "Well, they're our only friends," and so forth. I haven't seen the military in Chile do anything for us. I'm inclined not to help them militarily.

Kissinger: Well, the 5 million we've already told them, so that we can't withdraw—

Nixon: All right. All right.

Kissinger: But, we can prevent their pyramiding it into twenty, which is the current proposal.

[Pause] The funny thing is [that] they have twisted your instruction to keep contact with the military into a relationship where we do more for the Chilean military than for any other military in Latin America. We've had more admirals and generals in Chile than in Brazil. [Laughs] So, they're almost [unclear]—

Nixon: They know damn well what I'm trying to get at, and they don't want to do it. Well, let's change it. Do you know what I mean?

Kissinger: Oh, they know—

Nixon: I was—Just watch those things. But, if you could give Connally a call today and be sure —

Kissinger: I'll call him in transit.

Nixon —be sure—Yeah, well, just be—sometime today, be sure he understands what we're doing, because I saw he was, he was against it and everybody else was for it, and so forth.

[...]

[517-004_Clip 3](#) (2m, 2:04)

Nixon: Well, if you would let Connally know why we are doing what we're doing on Chile. But, let me say, on all future actions toward Chile I prefer a harder line. And incidentally, on the military, I'm not for—I'm not for doing more for the Chilean military. I don't—I think this guy has got a stranglehold on that country. [Unclear]—

Kissinger: Mr. President, that man is heading for a one-party government as fast as he effectively can—

Nixon: I think this murder proves it.

Kissinger: Oh, yes. But, even before that, when we had that meeting on the Ex-Im Bank, I went around the table; I asked everyone, "Is Allende moving slower than you expected or faster?" Everyone agreed that he's moving faster. Everyone agreed that he's heading for a one-party state. He's getting control of the press. He's isolating the military.

Nixon: Right.

Kissinger: He's treating the military just like Hitler did. He's—

Nixon: Yeah.

Kissinger: —building them up while neutralizing them. And then, he'll—Once he's got—He's already taken over the police.

Nixon: Yeah.

Kissinger: They'll—There'll never be another free election in Chile.

Nixon: Now, I know all the argument, of course, is that if we get out, then we lose our stroke there. And then, the Russians will be—have to come in, and so forth and so on. The point is that

he's just going to weave us in. And the point—And also, that treating him well is going to encourage others to go do likewise. That's what I'm more concerned about.

Kissinger: Right. That's the point.

Nixon: Connally's concerned about it. So, that's my line. Will you remember? And hit it—?

Kissinger: I'll remember with enthusiasm—

Nixon: Because, you see, these papers come in, Henry, and they're too far down the line, Henry. And I'll initial the goddamn things, but I want you to know whatever I initial, my view is that I don't want to do anything for Chile. Nothing.

Kissinger: I want you to know that by the time they come in here, I've already pulled them back about—

Nixon: [Unclear]—

Kissinger: —a hundred percent from what they—

Nixon: Well, what concerned me about this paper was that it said Connally was the only one that opposed it. [Commerce Secretary] Maury Stans was for it, and everybody else was for it.

Kissinger: Well, Stans is for anything that gets dollars.

Nixon: Yeah, I know. He doesn't know anything at all.

Kissinger: I mean, Stans, for a conservative Republican, he's the softest on any of these trade matters—

Nixon: I know.

BEGIN WITHDRAWN ITEM NO. 8

[National Security]

[Duration: 1m 3s]

FOREIGN AFFAIRS

END WITHDRAWN ITEM NO. 8

[517-004_Clip4](#) (2.9m, 3:01)

Nixon: Now, the Brazilians are fighting us because of some fishing thing. They say our relations are the worst in fifty years. I don't believe that. It can't be that important.

Kissinger: No, no.

Nixon: They're still coming up for their trip, aren't they?

Kissinger: Yeah. But, we haven't treated the Brazilians right, Mr. President. They've—

Nixon: How?

Kissinger: Well, they have been on our side—

Nixon: Throughout, I know.

Kissinger: Throughout. They have a government—

Nixon: The only ones who helped in World War II, Bob, you know.

Kissinger: And—

Nixon: Now, there's Brazilians living in Italy. It fought well, too.

Kissinger: That's right. And they've had a government which is essentially pro-U.S.

Haldeman: Yeah.

Kissinger: The two-hundred-mile limit, they're triggered into by all the other countries. They can't be—but, they haven't enforced it. But, State has been hacking away at them, because they're a military government.

Nixon: Who's our ambassador?

Kissinger: [William] Rountree.

Nixon: Well, he'll do what we say, right?

Kissinger: He'll do what we say.

Nixon: [Unclear].

Kissinger: But he's just gotten there. They had that jerk Elbrick there.⁴

Nixon: Well, let's change [unclear]—

Kissinger: And—

Nixon: That jackass.

Kissinger: And, now, Congress refuses to ratify the International Coffee Agreement, because of their two hundred-mile limit. And that's what's driving the Brazilians up the wall.

Nixon: Well, get the message to the Brazilian ambassador: "Forget—Don't, don't look at what our Congress does, but look at what we do. That, we are just the best friend Brazil has had in this office."

Kissinger: Right.

⁴ Charles Burke Elbrick, U.S. Ambassador to Brazil, 1969-1970.

Nixon: “And he’s pro-Brazil all the way. We’ll show it when we have our, our—” Why don’t you do that? Let’s—

Kissinger: That’s right.

Nixon: —tell him to pass the word.

Kissinger: And what—when they come up, Mr. President, we ought to set up some special—

Haldeman: [*Is that pretty soon?*]

Kissinger: September.

Haldeman: It’s not ‘til September?

Kissinger: We should set up some special consultation arrangement with them.

Nixon: Yeah.

Kissinger: Of course, one of the places that has to be cleaned out is that Latin American outfit.

Nixon: Sorry?

Kissinger: Uh—

Nixon: You mean [Charles] Meyer?

Kissinger: Meyer, and all the people below him. Meyer is just a weakling. But, this Latin American outfit is left-wing New Deal.

Nixon: That’s right.

Kissinger: They were great Alliance-for-Progress men. And, the other day, when Somoza was here, Meyer told me, full of pride, that they told Somoza that if he doesn’t watch out, he’s going to have the fate of his father, and he’s got to be more liberal.⁵ Now, who the hell are we to start lecturing—?

Nixon: For Christ sakes! What the hell are we to tell him that?

Kissinger: Exactly.

Nixon: Well, hell, I want him to survive.

Kissinger: They wouldn’t tell this to Allende when he came up. Well, I’ll call Connally this morning [unclear].

⁵ Anastasio Somoza Debayle, President of Nicaragua from 1967-1972 and 1974-1979.

Nixon: [Unclear] Well, I guess that's—I think you've got to give [unclear] a call. Call in the ambassador, today, for Brazil. Tell him that we want to set up a special channel. Bring him in to shake my hand.

Kissinger: Ok—

Nixon: How would that be?

Kissinger: I'll—

Nixon: Is he a trustworthy fellow?

Kissinger: [text not declassified] I think the best way to do this—

Nixon: [Unclear]—

Kissinger: —is to send Walters down soon.

Nixon: Soon.

Kissinger: He knows Médici.⁶

Nixon: All right, fine. But—

Kissinger: [Unclear]—

Nixon: All right, I'd get a hold of Walters.⁷ We've got to go out and get that thing on that job anyway. And how is that coming? I'm sure we—

Kissinger: I think that's set. I have to check.

Nixon: Well, we've got to get Christian out of there.

Kissinger: I think it's set. But we need Walters in Paris, and he doesn't want to leave—

Nixon: Yeah.

Kissinger: —before the end of the year—

Nixon: Yeah. Fine. End of the year? Well, all right, here's what you do: get a hold of Walters now and have him fly over to the Mexican—to the Brazil meetings.

Kissinger: Right.

Nixon: Fair enough?

Kissinger: Fair enough.

[517-004_Clip5](#) (680k, 0:42)

⁶ Emílio Garrastazu Médici, President of Brazil, 1969-1975.

⁷ Vernon Walters, U.S. Military Attaché in Paris, later Deputy DCI and ambassador to the United Nations and the Federal Republic of Germany.

Nixon: You call in their ambassador—

Kissinger: And express our warm feelings.

Nixon: And, and—And say, “The President wants him to know that they must not—that all this—that we are—that we—that the President feels very strongly, and he will have a special—is going to have a special emissary go down to see them.” Ok? That wouldn’t be a problem, would it? Or, even if you put it in his letters.

Kissinger: Yeah.

Nixon: All right.

Kissinger: Well, I can say something about your special interests.

Nixon: Yeah, and that I brought it up this morning, and that I was terribly concerned about this. I don’t want this fishing thing to get them all disturbed. That the Congress thing—just leave it alone. I consider, consider Brazil our biggest investment in the Americas.

Kissinger: Right.

Nixon: I think it’s good. I think if you get Walters a text of the plan, he goes down.

Kissinger: Right. I’ll write that up. [Unclear]—

Nixon: And incidentally, you know, you realize, Henry, if we get Walters in here we could use him for [unclear]—

Kissinger: Oh, Christ. We can [unclear]—

Nixon: —all over the world.

Kissinger: Oh, yes—

Nixon: And that’s what we should be doing.

Kissinger: And he could set up a network for us of—where we have trustworthy fellows everywhere.

[text not declassified]

[Kissinger and Haldeman left 10:36 am]