

ORIGINAL ARTICLE

# Salvador Allende and Argentine Military Rule: Domestic Politics, Geopolitical Factors and Transnational Dimensions, 1970–3

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## Abstract

The 1970 election of Salvador Allende as president of Chile gained international attention, as a declared Marxist came to power through elections, offering an alternative to Castro's Cuba. In Argentina, governed by a right-wing dictatorship, the initial fear was transformed into a policy of rapprochement. In the midst of the Cold War, the historical Argentine–Brazilian rivalry was stronger than both military regimes' anti-communism. General Alejandro Lanusse decided to support Allende's Chile to balance Brazil's influence, but also as a way to control the domestic repercussions of Allende's victory, especially the rise of revolutionary slogans and the circulation of guerrillas. This article traces the network of national, international and transnational factors that influenced a surprising bilateral relationship.

**Keywords:** military dictatorship; Unidad Popular (Chile); Salvador Allende; Alejandro Lanusse; guerrilla movements; Latin American Cold War

## Introduction

The Chilean general elections of 1970 represented the fourth time that Salvador Allende had contested the presidency, this time as the candidate of a left-wing coalition, the Unidad Popular (Popular Unity, UP).<sup>1</sup> In the days preceding the election, he had not emerged as a clear favourite. In Argentina, the dictatorship established after the 1966 military coup considered his victory unlikely. For this reason, the UP's triumph caused surprise and also apprehension: a self-declared Marxist

<sup>1</sup>The UP was an alliance formed by the Partido Comunista, Partido Radical and Partido Socialista (Communist, Radical and Socialist parties) and three lesser groupings, the Movimiento de Acción Popular Unitaria (Movement of Unified Popular Action, MAPU), a left-wing party that broke away from the Partido Demócrata Cristiano (Christian Democratic Party) in 1969, the Partido Social Demócrata (Social Democratic Party) and Acción Popular Independiente (Independent Popular Action). The shared programme had to satisfy moderate sectors as well as the most radical currents of socialism.

had come to power by popular vote, offering a democratic alternative to Fidel Castro's Cuba and a model that could be exported to other countries in Latin America.

Given the binary politics of the period, Chile's left-wing democratic government's relations with Argentina's right-wing dictatorship might have been expected to be tense at best, but an unexpected working relationship was to be established between Santiago and Buenos Aires during Allende's presidency. The productive working relationship is evident in presidential visits and agreements signed, including an important bilateral loan. How and why did this happen? Part of the explanation emerges through the renewal of study and research on the Cold War in Latin America. For a long time, the Cold War historiography focused on studying the macro level of the dispute between the United States and the Soviet Union, depicting it as a universal process of mutually exclusive options. This focus drew attention away from the analysis of other international relationships of the period, which were alternative spaces in which some antagonists nonetheless established mutually beneficial connections. Recent research on the Latin American Cold War has thrown light on the activities of local actors who possessed significant degrees of autonomy and diverse foreign policies.<sup>2</sup> Other studies analyse the transnational movement of ideologies and political movements of both Left and Right that transcend the state's centrality as an analytical reference point, and point to Latin American experiences that have cut across global scenarios.<sup>3</sup>

Inspired to look beyond the currents of interpretation that have focused on the global actors of the Cold War,<sup>4</sup> this article incorporates aspects of these trends just mentioned and offers a more multi-layered interpretation of the 'excellent'<sup>5</sup> relationship between Chile and Argentina in the early 1970s. Along with the geopolitical reasons that explain this bilateral cooperation,<sup>6</sup> this article also examines the transnational dimension offered by the image of Allende's Chile as a regional 'refuge' for guerrilla groups and their spread to Argentina. Likewise, it shows how this threat from Allende's Chile became part of a foreign-policy strategy of the Argentine dictatorship. We argue that Chile served different Argentine

<sup>2</sup>Tanya Harmer, *Allende's Chile and the Inter-American Cold War* (Chapel Hill, NC: University of North Carolina Press, 2011); 'Brazil's Cold War in the Southern Cone, 1970–1975', *Cold War History*, 12: 4 (2012), pp. 659–81; María José Henríquez, *¡Viva la verdadera amistad! Franco y Allende, 1970–1973* (Santiago: Editorial Universitaria, 2014); Haruko Hosada, *Castro and Franco: The Backstage of Cold War Diplomacy* (London: Routledge, 2019).

<sup>3</sup>Examples are Lily Pearl Balloffet, 'Argentine and Egyptian History Entangled: From Perón to Nasser', *Journal of Latin American Studies*, 50: 3 (2018), pp. 549–77; Mariana Perry, *Exilio y renovación: Transferencia política del socialismo chileno en Europa Occidental, 1973–1988* (Santiago: Ariadna, 2020).

<sup>4</sup>Gilbert M. Joseph, 'Border Crossings and the Remaking of Latin American Cold War Studies', *Cold War History*, 19: 1 (2019), p. 149.

<sup>5</sup>In June 1971 the Chilean ambassador to Argentina told the Buenos Aires press that if he had to 'characterise the relations between our country and yours, I would use the word excellent'. 'De la diplomacia', *Revista La Nación*, 19 June 1971, p. 29. The same term that the French political scientist Alain Rouquié would use to describe the relationship. Alain Rouquié, *Poder militar y sociedad política en la Argentina*, vol. 2: 1943–1973 (Buenos Aires: Emecé, 1987), p. 289. The original edition in French, *Pouvoir militaire et société politique en République Argentine*, was published in 1978.

<sup>6</sup>Joaquín Fernando and Michelle León, '¿Antinomia entre democracia y gobierno militar? Chile y Argentina en el momento de incertidumbre (1955–1973)', in Pablo Lacoste (ed.), *Argentina-Chile y sus vecinos* (Córdoba: Caviar Bleu, 2005), p. 133.

purposes that were interlinked in an audacious strategy. Domestically, the desire was to avoid the UP's destabilisation by supporting it both in international organisations and through credits and economic agreements. The aim of this support was to rebut the arguments of those who claimed that inequality and misery could only be overcome by insurgency, either internal or transnational. A stable Chile, which did not become a revolutionary hub, would facilitate the strategy of the third president of the Argentine dictatorship, General Alejandro Lanusse, to return Argentina to democracy. On the other hand, the complementarity between Argentina and Chile in some industrial sectors such as the automotive industry would allow the Argentine government to diversify markets. This approach would serve the double purpose of fostering integrated economic development and neutralising transregional insurgencies that were strengthening Argentina's domestic guerrillas. Furthermore, using its relationship with Chile, Argentina could approach the Pacto Andino (Andean Pact)<sup>7</sup> economically and geopolitically, counterbalancing Brazil and thus repositioning Argentina, and its president Lanusse, in the region. This explanation, rather than considering the rapprochement with Chile as an abandonment of the historical link with the Atlantic countries of the subregion,<sup>8</sup> fits with the idea of a foreign policy that sought to expand trade and political relations,<sup>9</sup> on the one hand, and reinforced a process of priority relations with the neighbouring region, on the other.<sup>10</sup> Despite their different political views and paths to power, Lanusse also upheld principles similar to those of Allende: non-intervention in internal affairs, self-determination, ideological pluralism. These developing world demands, of which Allende would become a symbol, added to the Argentine attempt to improve its position in the region. In this context, the historical Argentine–Brazilian rivalry proved stronger than the anti-communism shared by the two military dictatorships.

From Chile's perspective, good relations with Argentina helped it avoid political-economic isolation and enabled it to show a moderate face both nationally and internationally. Pragmatism was evident in another aspect of the relationship, also transnational in nature: the interest of multinational companies in the region, particularly in the automotive sector, which both Chile and Argentina hoped to exploit. In this sense, an interpretation of Allende's foreign policy that gives primacy to an ideal of international conduct represented by the socialism of the Marxist countries, that would guide Chile towards a revolutionary world order, is called into question.<sup>11</sup> Rather, we can observe aspects of foreign policy that were

<sup>7</sup>The Andean Pact, which included Colombia, Chile, Ecuador, Peru, Bolivia and Venezuela, was created in 1969 in response to the slow progress made by the Asociación Latinoamericana de Libre Comercio (Latin American Free Trade Association, ALALC), with the hope of achieving greater commitment from its members. See, also, footnote 98.

<sup>8</sup>Miguel Ángel Scenna, *Argentina–Chile, una frontera caliente* (Buenos Aires: Editorial de Belgrano, 1981), p. 206.

<sup>9</sup>Mario Rapoport and Claudio Spiguel, 'Modelos económicos, regímenes políticos y política exterior argentina', in José Flávio Sombra Saraiva (ed.), *Foreign Policy and Political Regime* (Brasília: Instituto Brasileiro de Relações Internacionais, 2003), p. 192.

<sup>10</sup>José Paradiso, *Debates y trayectoria de la política exterior argentina* (Buenos Aires: Grupo Editor Latinoamericano (GEL), 1993), p. 162.

<sup>11</sup>See Joaquín Fermandois, *Chile y el mundo, 1970–1973: La política exterior del gobierno de la Unidad Popular y el sistema internacional* (Santiago: Ediciones Universidad Católica de Chile, 1985).

guided by a ‘principled pragmatism’.<sup>12</sup> Or rather, following Tanya Harmer’s argument, it was a responsive external action rather than a fully coherent strategy.<sup>13</sup> This is precisely what happened in the relationship with the Argentine dictatorship.

This is a history written from the perspective of the state and its interests, which takes into account transnational factors that affect foreign-policy decision-making, such as the guerrilla movement across borders. The research is based on documents from diplomatic archives (the Argentine Foreign Ministry and the Ministries of Foreign Affairs of Chile and Spain) that are read not only as sources about the state, but at the same time for the light they throw on the role of non-state actors.<sup>14</sup> This article is organised both chronologically and thematically. It begins by examining early bilateral contacts and concerns about guerrilla movements. It then analyses the foreign policy of the Lanusse government, the degree of alignment with the Allende administration and the conditioning of domestic and transnational factors – such as the guerrillas – as well as external ones like regional geopolitics. The Argentine–Chilean relationship in this period was a surprising one characterised by bold initiatives, but it failed to completely sideline ideology.

### The First Bilateral Contacts of the ‘Antagonists’

Shortly after the UP’s win, alarm about where the process might lead produced a Chilean right-wing exodus and the Argentine embassy in Santiago responded to numerous requests from people hoping to settle in the country.<sup>15</sup> But the Chilean events had an even more worrying impact on Argentina’s domestic politics. There was no concrete political plan to end the military dictatorship with a return to democracy and scarcely a year had passed since the outbreak of ‘the Cordobazo’, in late May 1969, a popular rebellion inspired by combined worker–student demands in the second most important city in the country.<sup>16</sup> Although put down by the police and army, over time, the uprisings gave way to a revolutionary blueprint of ‘armed struggle’ and several groups would adopt this position, including Marxist–Leninists, Trotskyist–Guevarists and the left-wing sectors of Peronism, the populist movement led by General Juan Domingo Perón after the Second World War. Since his expulsion from the government in 1955, Perón had been determined to return to politics. In May 1970, society and the dictatorship were shocked by the assassination of former president Pedro Aramburu, perpetrated by the Montoneros guerrilla organisation of Peronist origin, which precipitated the fall of General Juan Carlos Onganía, then president, who was forced to resign

<sup>12</sup>Carlos Fortín, ‘Principled Pragmatism in the Face of External Pressure: The Foreign Policy of the Allende Government’, in Ronald Hellman and John Rosebaum (eds.), *Latin America: The Search for a New International Role* (New York: John Wiley, 1975); Claudia Kedar, ‘Salvador Allende and the International Monetary Fund, 1970–1973: The Depoliticisation and Technocratisation of Cold War Relations’, *Journal of Latin American Studies*, 47: 4 (2015), pp. 717–47.

<sup>13</sup>Harmer, *Allende’s Chile*, p. 31.

<sup>14</sup>Pierre-Yves Sautier, *Transnational History* (New York: Palgrave Macmillan, 2013), pp. 130–1.

<sup>15</sup>Juan Bautista Yofré, *Misión argentina en Chile: 1970–1973* (Buenos Aires: Sudamericana, 2000), pp. 74–5.

<sup>16</sup>James Brennan and Mónica Gordillo, ‘Working Class Protest, Popular Revolt, and Urban Insurrection in Argentina: The 1969 Cordobazo’, *Journal of Social History*, 27: 3 (1994), pp. 477–98.

by his peers. Roberto Levingston, who as military attaché in Washington was distant from the events, was appointed to replace him. Despite being the army chief and *éminence grise* of the ruling junta, Lanusse chose not to take on the post.<sup>17</sup> Reasons of professional decorum were adduced, but also that he had ambitions to be elected constitutional president when democracy returned.<sup>18</sup>

At this point, the Argentine military were looking for routes back to the activity of political parties, to stop the anti-dictatorial resistance and terrorist actions, as well as make good their promise of a return to democracy. In this context, Allende's election raised concerns about the political solutions possible in Argentina: particularly troubling was the possibility that elections would lead to a resounding victory of the Left directly or via a Trojan horse within Peronism. For the extremely divided opposition in Argentina, moreover, the Chilean electoral formula of the UP was an example of the strength that could be achieved with unity.<sup>19</sup> Some leaders of the Encuentro Nacional de los Argentinos (National Meeting of Argentines)<sup>20</sup> recognised that the UP's victory gave 'the peoples of Latin America who fight for their freedom and national independence' a path to follow.<sup>21</sup>

Even before winning the presidency for the UP, Chilean–Argentine bilateral relations were important for Allende. As a senator, in April 1969 he had travelled discreetly to Madrid to meet with Perón. Cognisant of the exiled former president's enduring popularity in Argentina, Allende's objective was to foster a productive link between the two countries, should he be elected president.<sup>22</sup> It would be another member of the military, an anti-Peronist and a liberal, however, who would make the singular Argentine–Chilean rapprochement possible. On a private visit to Washington, on 15 September 1970, General Lanusse met with the director of the CIA, Richard Helms, and refused to collaborate with Helms to prevent Allende from taking office.<sup>23</sup> On the fourth of that month, the UP candidate had won the election without gaining an absolute majority. In such cases the Chilean Constitution provided that 50 days after the vote count – on

<sup>17</sup>Liliana de Riz, *Historia Argentina: La política en suspenso, 1966–1976* (Buenos Aires: Paidós, 2007), p. 86.

<sup>18</sup>Robert A. Potash, *El Ejército y la política en la Argentina, 1962–1973: De la caída de Frondizi a la restauración peronista*, vol. 2: 1966–1973 (Buenos Aires: Sudamericana, 1994), pp. 170–4.

<sup>19</sup>Confidential communication, Ambassador to Ministerio de Relaciones Exteriores (hereafter MRE), 27 Oct. 1970, Archivo Histórico Ministerio de Relaciones Exteriores de Chile (hereafter AHMRECH), Vol. 1744, N° 1557/131.

<sup>20</sup>Driven by the Partido Comunista (Communist Party), that electoral alliance brought together disparate sectors of *socialistas* (socialists), *peronistas* (peronists), *radicales* (radicals), popular organisations, movements for the defence of public liberties, and independent personalities. Gonzalo de Amézola, 'La izquierda de los moderados: Partidos políticos tradicionales entre 1970 y comienzos de 1971 en Argentina', *Signos Históricos*, 7: 14 (2005), pp. 74–107.

<sup>21</sup>Confidential communication, Business Attaché to MRE, 9 Feb. 1971, AHMRECH, Vol. 1778, N° 220/18.

<sup>22</sup>Fermín Chávez and Armando Puente, *Visitantes de Juan Perón: Década 1963–1973* (Buenos Aires: Instituto Nacional Juan Domingo Perón, 2010), p. 361. It would not have been Allende's first visit to see Perón: the Spanish ambassador in Buenos Aires mentions a previous one. Confidential communication to the Ministerio de Asuntos Exteriores (hereafter MAE), N° 500, 22 May 1964, Archivo Ministerio de Asuntos Exteriores de España (hereafter AMAE), R. 7537/47.

<sup>23</sup>Tim Weiner, *Legado de cenizas: La historia de la CIA* (Madrid: Debate, 2007).

24 October 1970 – the Congress must choose between the first two candidates. By tradition, the vote favoured the candidate with the most votes, but on this occasion the constitutionally required 50 days were used for all sorts of manoeuvres to halt the confirmation of Allende.<sup>24</sup> Lanusse's refusal can be read in different ways. Prone to a latent anti-US feeling, he was concerned that the destabilisation that would follow in Chile from a refusal to recognise the UP victory would incite leftist groups in an already turbulent Argentina.<sup>25</sup> It was also a gesture aimed at easing pressures that might prompt Allende to 'seek more welcoming arms'<sup>26</sup> – as the Argentine ambassador in Washington expressed it to State Department officials – by leaning towards the Soviet bloc in the same way that Cuba had done in the early 1960s.

Although their content was not known at the time, Lanusse's meetings in the United States alarmed the UP leadership, which was waiting nervously for the Argentine dictatorship's reaction to its victory.<sup>27</sup> To this tension was added Chilean concern about a possible US intervention in pending border issues with Argentina that could have triggered a conflict between Chile and Argentina.<sup>28</sup> Although there had been no major disputes over the long border since the beginning of the twentieth century, 1958 saw the start of a string of border incidents. In 1965 there was an armed clash between police in the Patagonian zone known as Laguna del Desierto, but the most serious unresolved issue involved the demarcation of the Beagle Channel, which connects the Atlantic with the Pacific Ocean in the extreme south of the continent.

In this context, Allende appointed an experienced diplomat and personal friend, Ramón Huidobro, as ambassador in Buenos Aires. As a sign of the intended good relationship, on 16 September 1970 Huidobro's Santiago house was the venue chosen by as yet unconfirmed president Allende for a meeting with the Argentine ambassador, Javier Teodoro Gallac, in the spirit of mutual respect between the governments and with the desire to increase trade.<sup>29</sup>

After being ratified as the president by Congress on 24 October 1970, Allende resumed the approach that had begun during the government of his predecessor, President Eduardo Frei, turning his personal attention to the border situation.<sup>30</sup> In December 1970, Allende telephoned Levingston to 'express his wish to settle the problems related to the Beagle as soon as possible', inaugurating what the Chilean press called the 'direct line' between the presidential seats of La Moneda, in Santiago, and the Casa Rosada, in Buenos Aires.<sup>31</sup> But in the first meeting between Chilean ambassador Huidobro and Levingston, the topic of conversation

<sup>24</sup>Sebastián Hurtado, 'El golpe que no fue: Eduardo Frei, la Democracia Cristiana y la elección presidencial de 1970', *Estudios Públicos*, 129 (Summer 2013), pp. 105–40.

<sup>25</sup>'Revelaciones de una historia sobre la Central de Espionaje de Estados Unidos: Cuando Lanusse se negó a colaborar en la caída de Salvador Allende', *Clarín*, 8 Feb. 2009.

<sup>26</sup>Harmer, *Allende's Chile*, p. 143.

<sup>27</sup>'El general Lanusse consulta con Washington y Lima', *Madrid*, 14 Sept. 1970.

<sup>28</sup>Harmer, *Allende's Chile*, p. 143.

<sup>29</sup>Yofré, *Misión argentina en Chile*, p. 78.

<sup>30</sup>Fermandois, *Chile y el mundo, 1970–1973*, p. 123.

<sup>31</sup>Encrypted cable, Embassy to MRE, 23 Dec. 1970, Archivo Histórico de Cancillería de la República Argentina (hereafter AHCRA), Fondo E, N° 965.

was different: the Argentine president warned the ambassador against any leftist propaganda that might come from Chile, so that ‘what happens in Chile is a matter for Chileans and what happens in Argentina a matter for Argentines. [...] [E]xpress to President Allende that I am prepared to maintain this independence most jealously’.<sup>32</sup>

### The Transnational Guerrilla Movement

The international press reflected this concern that Allende’s election would fuel transnational left-wing activity in Argentina. The Spanish newspaper *Madrid* stated: ‘The Argentine military chiefs, who are intensely anti-Marxist, fear that political-social subversion will infiltrate their borders from Chile’, and with the dictatorship beleaguered ‘by urban violence and social discontent’, their domestic weakness would prevent any military action against Chile, ‘a vacuum that the Bolivian guerrilla groups would exploit’.<sup>33</sup> It was an exaggerated vision, but a reflection of the fragility which the Argentine authorities saw in the future bilateral relationship, in part caused by a palpable fear of clandestine border activity by the armed groups remaining from Ernesto ‘Che’ Guevara’s activities in Bolivia who had fled to Chile.

Even earlier, after the triumph of the Cuban Revolution, Guevarist ideas about guerrilla struggle, with disruptive potential, had begun to influence the Chilean Left. According to Aldo Marchesi, a kind of rear-guard of the Ejército de Liberación Nacional de Bolivia (Bolivian National Liberation Army, ELN-B) was in formation, with a group of Chileans, called Elenos, and Argentine militants trained in Cuba, who were ready to support Guevara’s guerrillas in Bolivia.<sup>34</sup> With the defeat of this movement and Guevara’s death in October 1967, democratic Chile, under Frei and later Allende, which was surrounded by military dictatorships, had become a refuge for persecuted revolutionaries.<sup>35</sup>

In December 1970, the arrival in Chile of two such revolutionaries, the renowned French writer Régis Debray and the Argentine painter Ciro Bustos, alarmed the Argentine embassy in Santiago. Accused of being part of ‘Che’s’

<sup>32</sup>Strictly confidential communication, Ambassador to MRE, 24 Feb. 1971, AHMRECH, Vol. 1778, N° 279/27.

<sup>33</sup>*Madrid*, 14 Sept. 1970, p. 7.

<sup>34</sup>The ELN-B was created by Ernesto ‘Che’ Guevara in the Bolivian highlands on 25 March 1967, with the aim of developing a guerrilla *foco* that would spread the revolution throughout South America. See Aldo Marchesi, ‘“El llanto en tu nombre es una gran traición”: Lecturas políticas y emocionales de la muerte de Ernesto Guevara en el Cono Sur (1967–1968)’, *Políticas de la Memoria*, 18 (Dec. 2018), p. 130. On the Elenos, see Pedro Valdés Navarro, *El compromiso internacionalista: El Ejército de Liberación Nacional. Los elenos chilenos 1966–1971. Formación e identidad* (Santiago: LOM, 2018), p. 15. The Elenos (the ELN’s Chilean section) were, in the majority, members of the Socialist Party. They formed the core of Allende’s first security group, during the 1970 presidential campaign. Among them was Salvador Allende’s daughter, Beatriz. See Tanya Harmer, *Beatriz Allende: A Revolutionary Life in Cold War Latin America* (Chapel Hill, NC: University of North Carolina Press, 2020). The ideas of a rural guerrilla under the responsibility of military cadres, a popular army and the creation of the conditions for a successful uprising were laid out in various texts by Guevara and popularised by Régis Debray in his book *¿Revolución en la revolución?* (1966).

<sup>35</sup>Eduardo Labarca, *Salvador Allende, biografía sentimental* (Santiago: Catalonia, 2007), p. 226.

guerrilla force, Debray and Bustos had been imprisoned in Bolivia in 1967 but were released by the government of General Juan José Torres. They flew into Chile in a police aircraft, suggestive, at the very least, of government tolerance. Bustos arrived without documentation and only carried a 'tourist card' issued by the Chilean Ministry of the Interior that was valid for 15 days and on whose expiry he would have to choose to seek asylum or leave the country.<sup>36</sup> Debray's presence was welcomed enthusiastically by different sectors linked to the UP, but Bustos' statements to the Chilean press – reproduced by Argentine diplomats in their dispatches to Buenos Aires – worried Allende's Foreign Ministry. Bustos said: 'I believe that Chile is another torch that has been lit to illuminate the remainder of the brother peoples of the continent', while he warned that 'only the armed struggle will save Argentina [...] agreements with officialdom, never'.<sup>37</sup> The Chilean under-secretary of foreign affairs considered these remarks offensive to the Argentine government, with which Chile wanted to 'continue maintaining cordial relations'.<sup>38</sup> Bustos was officially warned not to publicly comment any further on the internal politics of neighbouring countries.<sup>39</sup>

In this period, cross-border movement between southern Chile and Argentina was also monitored by the Argentine embassy in Santiago. In January 1971, Gallac reported on the entry of about 300 Argentine university students who had joined 'summer missions' (voluntary work undertaken during their vacation to improve low-income and poor neighbourhoods and areas). But Gallac reported that the Argentine students, along with the Marxist students of the Federación de Estudiantes de Chile (Chilean Student Federation), were also undergoing 'political indoctrination' and spread statements against the Argentine government.<sup>40</sup>

The ambassador instructed his junior, the minister counsellor<sup>41</sup> Andrés Gabriel Ceustermans, to make an 'observation' trip to the south of Chile. Ceustermans reported that he perceived a 'climate of fear and nervousness'.<sup>42</sup> The minister counsellor also reported that militants from the Movimiento de Izquierda Revolucionaria (Movement of the Revolutionary Left, MIR), the Vanguardia Organizada del Pueblo (People's Organised Vanguard, VOP) and the UP coalition-member Movimiento de Acción Popular Unitaria (Movement of Unified Popular Action, MAPU), together with 'elements that have come from Brazil, Cuba and Argentina, as well as "artists" and "intellectuals"', are doing so-called "summer volunteer work".<sup>43</sup> He described how they were involved in an intense campaign of

<sup>36</sup>Secret cable, Embassy to MRE, 24 Dec. 1970, AHCRA, Fondo E, AH/0033, N° 972.

<sup>37</sup>Secret cable, Embassy to MRE, 28 Dec. 1970, AHCRA, Fondo E, AH/0033, N° 977.

<sup>38</sup>Secret cable, Embassy to MRE, 28 Dec. 1970, AHCRA, Fondo E, AH/0033, N° 978/979/980.

<sup>39</sup>Encrypted cable, Embassy to MRE, 28 Dec. 1970, AHCRA, Fondo E, AH/0033, N° 983.

<sup>40</sup>Restricted communication, Ambassador to MRE, 28 Jan. 1971, AHCRA, Fondo E, AH/0027, N° 27.

<sup>41</sup>A minister counsellor is a diplomatic corps official belonging to the Argentine Foreign Service, who may replace the ambassador when absent.

<sup>42</sup>Secret memorandum, 26 Feb. 1971, AHCRA, Fondo E, AH/0027.

<sup>43</sup>*Ibid.* The MIR, founded in 1965, was a Chilean revolutionary group of political and social action, opposed to the traditional Left. The young members, more radicalised, prevailed at the end of 1967, putting an end to the heterogeneity of the group and becoming a reference point for the radical, extra-parliamentary and revolutionary Chilean Left. The VOP was a Chilean armed group of the extreme Left that represented the insurrectionary path towards socialism. It was created in 1968 when it separated from the MIR because it was considered bourgeois.



psychological action among the region's workers, 'a real "brainwashing" and a subsequent indoctrination to incite revolt, disorder, chaos; [...] not respecting the property rights of large or small owners'.<sup>44</sup> Ceustermans also warned about the existence of guerrilla schools: '[I]n the locality of Pucón, I was able to confirm reports that on both sides of the road that leads to the Carririñe pass (90 km from San Martín de los Andes) there was a training camp for guerrillas trained by Cuban elements'.<sup>45</sup> His memorandum offered no evidence beyond hearsay, which he justified noting that 'the tactics of guerrilla indoctrination action' require 'quick changes of location to avoid detection'.<sup>46</sup> Moreover, 'the particular topography of the region'<sup>47</sup> made the camps difficult to detect. However, proven antecedents did exist. After the creation of the MIR in 1965, the discovery in mid-1967 of a guerrilla school in Nahuelbuta, a mountainous area in southern Chile, led to a police stakeout and the eventual arrest of several MIR leaders. These arrests intensified the organisation's confrontation with the Frei government, which in turn pushed the MIR towards clandestine activity and existence.<sup>48</sup>

The MIR's activities – for example, encouraging peasants to take over lands – were an issue that Gallac raised directly with Allende, who told Gallac that he was planning on dealing with them when the right moment arrived. The president stressed that he could talk with them 'because some of their leaders are good men and they also understand politics, I trust that over time I will turn them into good socialists'.<sup>49</sup> Allende confided that this expectation was based on family, as well as political knowledge, since the son of one of his sisters belonged to the organisation.<sup>50</sup> This nephew, Andrés Pascal Allende, was one of his links with the organisation; his sister Laura and daughter, Beatriz, also had MIR connections.<sup>51</sup> During the presidential campaign the MIR had expressed complete distrust about the electoral – and peaceful – process to achieve power. But in the period between the elections and Allende's confirmation as president, some of its militants went on to form the Guardia de Amigos del Presidente (Guard of President's Friends, GAP) – bodyguards responsible for Allende's security, who worked outside the formal state apparatus – reinforcing the Elenos of the original group. Gallac himself mentioned the 'dangerous impunity' enjoyed by this 'civil guard' in communications with Buenos Aires.<sup>52</sup> According to Cristián Pérez, the irresponsible behaviour of some of the MIR militants who participated in the GAP – for example, assaults to steal money – alarmed 'the most reactionary sectors of the Armed Forces', unleashing criticism from Allende's domestic opposition.<sup>53</sup> This criticism caused MIR militants to abandon the GAP in April 1972. On leaving, they took

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<sup>44</sup>*Ibid.*

<sup>45</sup>*Ibid.*

<sup>46</sup>*Ibid.*

<sup>47</sup>*Ibid.*

<sup>48</sup>Carlos Sandoval Ambiado, *MIR (una historia)* (Santiago: Sociedad Editorial Trabajadores, 1990), p. 35.

<sup>49</sup>Secret memorandum, Ambassador to MRE, 11 Feb. 1971, AHCRA, Fondo E, AH/0027, N° 50.

<sup>50</sup>*Ibid.*

<sup>51</sup>Labarca, *Salvador Allende, biografía sentimental*, pp. 208–9.

<sup>52</sup>Communication, Ambassador to MRE, 3 June 1971, AHCRA, Fondo E, AH/0027, N° 217.

<sup>53</sup>Cristián Pérez, *Vidas revolucionarias* (Santiago: Editorial Universitaria – Centro de Estudios Públicos (CEP), 2013), pp. 113–14.

half of the GAP's weapons with them, further damaging their already brittle relationship with Allende and the UP.<sup>54</sup> From that moment on, as indicated by Marchesi, the MIR become more militant and sought a closer relationship with the Uruguayan Movimiento de Liberación Nacional – Tupamaros (National Liberation Movement – Tupamaros, MLN–T), the Argentine Partido Revolucionario de los Trabajadores (Revolutionary Workers' Party, PRT) and the Argentine Ejército Revolucionario del Pueblo (People's Revolutionary Army, ERP), organisations which were all in agreement with MIR's position on armed struggle.<sup>55</sup>

In the opinion of the Argentine embassy, both the MIR and the Chilean army's young officer class were able to 'influence the political process'.<sup>56</sup> The former from the extreme Left and the latter as guarantors of the defence of the constitutional order, although their loyalty to the UP government had raised speculation since the day Allende won.<sup>57</sup> In both cases the challenge fell to Allende. Would he be able to 'correct minds predisposed to violence by attracting them to legalistic reasoning?' 'Could he obtain from the latter [the young officers] the support he was going to need?'<sup>58</sup> among those who, according to the embassy, there was some disagreement about the political process. The question was whether the president's democratic record and bargaining capability would be enough to control the road to socialism, in an environment increasingly polarised both between Left and Right and within the Left itself.<sup>59</sup> Despite Allende's assurances, given in early 1971, that he could and would control the MIR, Gallac still thought it surprising that some members of the government and UP parliamentarians publicly supported the MIR's existence and activities.<sup>60</sup>

The MIR, moreover, was not alone in creating insurgent training camps; the Partido Socialista Chileno (Chilean Socialist Party, PS), part of the UP coalition, had also organised at least one. In May 1970, in the middle of the presidential campaign, a guerrilla training centre established by 'la Organa', a PS group, was dismantled in Chaihuín (also in southern Chile). The episode triggered a controversy and the general secretary of the PS at the time, Aniceto Rodríguez, dissociated the party from the training centre.<sup>61</sup> Yet, in January 1971, la Organa's fusion with the Elenos – in practice another faction of the PS – led the PS leadership to endorse armed struggle.<sup>62</sup> Although it became the majority position of the

<sup>54</sup>Cristián Pérez, 'Salvador Allende, apuntes sobre su dispositivo de seguridad: El Grupo de Amigos del Presidente (GAP)', *Estudios Públicos*, 79 (Winter 2000), p. 55.

<sup>55</sup>Aldo Marchesi, *Hacer la revolución: Guerrillas latinoamericanas, de los años sesenta a la caída del muro* (Buenos Aires: Siglo XXI, 2019), pp. 132–3.

<sup>56</sup>Restricted communication, Ambassador to MRE, 17 March 1971, AHCRA, Fondo E, AH/0027, N° 110.

<sup>57</sup>Robinson Rojas, 'Las Fuerzas Armadas chilenas', *Causa ML*, N° 21, July–Aug. 1971.

<sup>58</sup>Restricted communication, Ambassador to MRE, 17 March 1971, AHCRA, Fondo E, AH/0027, N° 110.

<sup>59</sup>*Ibid.*

<sup>60</sup>Restricted communication, Ambassador to MRE, 17 May 1971, AHCRA, Fondo E, AH/0027, N° 185.

<sup>61</sup>Bayron Velásquez, 'La Organa y la escuela de guerrilla de Chaihuín (1968–1970): Leninización y guevarización del socialismo chileno', *Izquierdas*, 49 (April 2020), p. 426.

<sup>62</sup>*Ibid.*, pp. 428–9.

party, this did not make the peaceful alternative, as a route for the construction of socialism, disappear inside the party.

During his February 1971 trip to observe the political and social situation in the south of Chile, minister counsellor Ceustermans became aware of this discrepancy between the armed or peaceful route. He had seen graffiti attacking the UP and revealing 'a total defiance on the part of the extreme Left' that accused the government of being made up of 'old bourgeois like other governments of the past' and called for 'total revolution'.<sup>63</sup> Furthermore, Ceustermans commented, 'I have even seen posters reading, "Allende, the first *momio* [mummy] of the country",<sup>64</sup> signed by the MIR. Other posters said, "The vote gave us the government, the rifle will give us power."<sup>65</sup> Ceustermans took the view that the ultra-left groups were using the 'traditional communist' strategy that aims to 'discredit the legal regime with a view to breaking the political order'.<sup>66</sup> But there were differing views on armed versus peaceful route within the UP coalition. Another embassy official, Counsellor César Márquez, also evaluated the Chilean Communist Party's attitude. In his opinion, the communists 'with their firm orthodoxy' seemed to be in no hurry to change the country's structures and preferred to support the president and the UP, seeking to project a moderate and wait-and-see attitude.<sup>67</sup> In fact, for the Chilean Communist Party some guerrilla movements, whether rural or urban, were even considered 'petty-bourgeois adventures'.<sup>68</sup>

The next strain on the bilateral relationship was generated not by left-wing militants but by no less than the Chilean minister of agriculture and MAPU member Jacques Chonchol. Former agrarian-reform advisor to Fidel Castro and a main actor in a similar process under the Frei administration, Chonchol had been a professor at Universidad Católica de Chile (Chile's Catholic University) until his ministerial appointment in November 1970. The Argentine embassy categorised him among those who sought to accelerate the process of change; he was a person 'who has come to be known as an agent who exacerbates land seizures'.<sup>69</sup> Invited in April 1971 to the popular Vendimia festival that celebrates the grape harvest in the city of Mendoza, the Chilean minister, acting outside protocol, met with a university student group at his hotel. It was a time of large-scale youth gatherings against the Argentine dictatorship, and the Argentine Foreign Ministry complained that this meeting was, in fact, clandestine subversive instruction and protested at what it considered an intervention in the internal affairs of Argentina. In Santiago, both the Chilean foreign minister, Clodomiro Almeyda, and the minister of the interior, José Tohá, assured Gallac that they rejected 'the action of groups and

<sup>63</sup>Secret memorandum, 26 Feb. 1971, AHCRA, Fondo E, AH/0027.

<sup>64</sup>*Ibid.* 'Momio' is a pejorative term used in Chile to refer to right-wing persons.

<sup>65</sup>*Ibid.*

<sup>66</sup>*Ibid.*

<sup>67</sup>Restricted communication, Ambassador to MRE, 17 March 1971, AHCRA, Fondo E, AH/0027, N° 110.

<sup>68</sup>Joaquín Fermandois, *La revolución inconclusa: La izquierda chilena y el gobierno de la Unidad Popular* (Santiago de Chile: CEP, 2013), p. 111.

<sup>69</sup>Restricted communication, Ambassador to MRE, 17 March 1971, AHCRA, Fondo E, AH/0027, N° 110.

individuals that in one country or the other act to the detriment of the good relations that both governments wish to maintain'. Almeyda was emphatic: 'What happened in Mendoza will not happen again.'<sup>70</sup> Confidentially, Gallac learned of the stern rebuke that Chonchol had received from Allende, who found his lack of prudence in endangering bilateral relations extraordinary.<sup>71</sup>

### Lanusse's Argentina and Allende's Chile

Not long after taking office in June 1970, Levingston faced urban guerrilla attacks on small towns, as well as assaults on cash trucks, in the province of Buenos Aires, which sought to undermine the climate of normalisation that the dictatorship wanted. In addition, tensions soon arose between General Levingston and the junta of the commanders-in-chief, which wielded all political power in the country. Levingston resisted being a mere administrator and there were disagreements over the extension of his mandate. Levingston wanted to remain in power, postponing the restoration of democracy and any call for elections. But a new popular uprising – also in Córdoba in March 1971, against the conservative governor appointed by Levingston – provoked the reaction of the unions and students and, threatening to become a second Cordobazo, triggered his removal. Under pressure from the main military leaders, Levingston resigned, and on 26 March 1971 Lanusse was sworn in as president. Huidobro himself observed that the replacement was beneficial for the bilateral relationship: '[W]hen President Lanusse took over, we found the path open to fulfil the objectives that had been set for me. The domestic political motives guiding the new government greatly served to bring the two presidents closer together and into agreement with one another.'<sup>72</sup>

Lanusse announced his proposal for a 'Great National Agreement', which promised an electoral solution to the dictatorship and restoration of the constitutional order in, at most, three years. The domestic strategy had its equivalent in foreign policy: in the Southern Cone, on the one hand, the Brazilian anti-communist dictatorship increased its economic development at the expense of the parity of forces with the Argentine dictatorship. On the other hand, the left-wing nationalist military regimes of Peru and Bolivia as well as the socialist government of Chile showed active experiences of national autonomy, and Argentina moved towards this direction. Lanusse wrote sometime later that, beneath the slogan of 'non-intervention in another's internal affairs', it was necessary 'to generate the image of an independent [foreign] policy, without prejudices, without ideological barriers, and able to gain the support of the bulk of the population'.<sup>73</sup> Some progress had been made in that direction with Levingston and his foreign minister Luis María de Pablo Pardo, who remained in his post and was to enjoy a special political rapport with Lanusse. As a professor of international law, de Pablo Pardo considered it

<sup>70</sup>Restricted communication, Ambassador to MRE, 18 March 1971, AHCRA, Fondo E, AH/0027, N° 116.

<sup>71</sup>Restricted communication, Ambassador to MRE, 24 March 1971, AHCRA, Fondo E, AH/0027, N° 120.

<sup>72</sup>Confidential communication, Ambassador to MRE, 14 May 1973, AHMRECH; quoted in Fermandois and León, '¿Antinomia entre democracia y gobierno militar', pp. 135–6.

<sup>73</sup>Alejandro A. Lanusse, *Mi testimonio* (Buenos Aires: Lasserre, 1977), p. 240.

imperative to overcome ideological positions which damaged national interests in South America.<sup>74</sup> The Argentine magazine *Panorama* observed that the minister understood ‘the foreign policy of this time’ as the ‘death of ideologies’.<sup>75</sup>

In pursuit of these general aims, on 29 March 1971 Gallac visited Allende to deliver a letter from Lanusse. Although the conversation was about the Beagle Channel dispute, in the meeting Allende referred to the measures he had taken to address Levingston’s concerns, including those relating to the Chonchol episode. Allende also referred ‘amicably’ to reports his government had received about anti-UP Chileans training in the Argentine province of Neuquén, ‘groups that were involved in activities aimed at causing difficulties in Chile’.<sup>76</sup> In Allende’s words, by working together, both countries were in a position to ‘pre-empt possible conflicts caused by armed individuals who could provoke them’. Allende closed the conversation emphatically: ‘[I]n Chile [...] there are only the existing armed forces, and any other group, commanders etc., will be inexorably suppressed’.<sup>77</sup> It was a comment that reinforced the Chilean government’s guarantees to control subversive activity.

Seen from the Chilean perspective, collaboration could be reinforced from another angle. For Ambassador Huidobro, Argentina’s concern for Brazilian hegemony over the region had reached the point of ‘evidently influencing the internal politics of Argentina. And even more, it frankly confirms the value of this country’s greater rapprochement with Chile, as a way of counteracting the high levels of influence that Brazil is able to achieve in the Latin American area.’<sup>78</sup> Thus, the consensus over anti-communism, which Argentina shared with Brazil, was of lesser importance than the geopolitical legacy of the past, the rivalry for supremacy in the Southern Cone renewed from the 1930s onwards.<sup>79</sup> With the military dictatorship of 1964, Brazil had installed an enormous hydroelectric capability with potential impact on the entire La Plata Basin, on the course of its rivers and the economies of its component countries: Argentina, Bolivia, Brazil, Paraguay and Uruguay.<sup>80</sup> In contrast, the governments of Buenos Aires had allowed many of their great infrastructure projects to stagnate.

As part of this rivalry for supremacy, Argentina and Brazil competed for allies, in particular to facilitate the supply and exploitation of minerals, oil and gas, which explained the Argentine government’s overtures to Bolivian President Torres. Moreover, the leftist profile projected by the Bolivian military dictatorship did not prevent the signing of important agreements: a cooperation agreement on

<sup>74</sup>Mario Rapoport and Graciela Sánchez Cimetti, ‘Luis María de Pablo Pardo: Un ideal geopolítico y la ruptura de las fronteras ideológicas, 1970–1972’, in Mario Rapoport (et al.), *Historia oral de la política exterior argentina (1966–2016)* (Buenos Aires: Editorial Octubre, 2016), pp. 357–89.

<sup>75</sup>‘Las ideas, la guerra y el estilo’, *Panorama*, 225, 17 Aug. 1971.

<sup>76</sup>Restricted communication, Ambassador to MRE, 30 March 1971, AHCRA, Fondo E, AH/0027, N° 125. We have not yet found further sources that corroborate this communication. Nevertheless, it is plausible given the movement to Argentina of Chileans opposed to Allende.

<sup>77</sup>*Ibid.*

<sup>78</sup>Confidential communication, Ambassador to MRE, 20 May 1971, AHMRECH, Vol. 1779, N° 773/117.

<sup>79</sup>Bruno Fornillo, ‘Centralidad y permanencia del pensamiento geopolítico en la historia reciente de Sudamérica (1944–2015)’, *Estudios Sociales del Estado*, 1: 2 (2015), pp. 124–5.

<sup>80</sup>*Panorama*, 106, 6–12 May 1969.

the peaceful use of nuclear energy was ratified,<sup>81</sup> and in July 1971 the foreign ministers of Bolivia and Argentina signed a joint declaration in Buenos Aires on economic, cultural, scientific and technical cooperation.<sup>82</sup>

The rapprochement of Lanusse's Argentina towards Allende's Chile was perhaps more surprising. It was expressed in concrete actions, such as support for Santiago's nomination to host the third United Nations Conference on Trade and Development (UNCTAD) in 1972; progress in the talks on the Beagle Channel dispute;<sup>83</sup> support during the negotiations of the Paris Club;<sup>84</sup> and the creation of four new Argentine consulates (Arica, La Serena, Puerto Montt and Puerto Aysén) in May 1971.<sup>85</sup>

But the master move fell to the Chilean Foreign Ministry. At the beginning of June 1971, during the inaugural meeting of the bilateral Joint Commission for Physical Integration,<sup>86</sup> the Chilean delegation proposed that an agreement be reached on the legal regime governing the hydrological basins the nations shared.<sup>87</sup> The issue caught the interest of the Argentine foreign minister, de Pablo Pardo, who travelled to Santiago and signed with the Chilean foreign minister, Almeyda, the 'Acta de Santiago sobre Cuencas Hidrológicas' ('Santiago Act on Hydrological Basins').<sup>88</sup> Both leaders gained from this agreement. Allende 'not only achieved the blessing of a clearly anti-Marxist military regime',<sup>89</sup> but also dodged the Brazilian goal of demarcating ideological frontiers in South America, which would have isolated Chile. The Argentine magazine *Primera Plana* lauded the Chilean foreign minister but saw his Argentine counterpart as no less audacious for 'such a spectacular position of dialogue with Allendian Marxism'.<sup>90</sup> Lanusse gained prestige by 'negotiating with a constitutional republic and taking the first step of its opening to the Pacific and towards the recovery of lost continental leadership'.<sup>91</sup> What is more, de Pablo Pardo delivered an official invitation for Allende to meet Lanusse in Argentina.

The Marxist president and the dictator met in Salta on 23 and 24 July 1971. One day before the meeting began, on 22 July, the ambassadors of Argentina and Chile signed an agreement in London, by which Her Britannic Majesty's government, acting as arbitrator, appointed a five-member arbitral court to resolve the Beagle

<sup>81</sup>Republic of Argentina, Law N° 18.814, 14 Oct. 1970.

<sup>82</sup>*La Nación*, 13 July 1971.

<sup>83</sup>Communication, Ambassador to MRE, 2 June 1971, AHCRA, Fondo E, AH/0027, N° 214.

<sup>84</sup>The Paris Club, created gradually from 1956, is an informal group of official creditors whose role is to find coordinated solutions to the payment difficulties experienced by debtor countries.

<sup>85</sup>Report on Chile, 23 Oct. 1972, AHCRA, Fondo E, AH/0028.

<sup>86</sup>The Integration Commission was created by the Joint Declaration of Presidents Onganía and Frei on 10 Jan. 1970. Its mission was to coordinate and promote physical integration projects, especially the improvement of roads and border crossings. Samuel Fernández, 'La integración de Chile y Argentina, un largo proceso en marcha', *Revista Chilena de Derecho*, 17: 2 (1990), p. 376.

<sup>87</sup>Confidential communication, Ambassador to MRE, 6 Aug. 1971, AHMRECH, Vol. 1779, N° 1175/174.

<sup>88</sup>'Use of river and lake waters shall always be done in an equitable and reasonable way', in Fermandois, *Chile y el mundo, 1970-1973*, p. 126.

<sup>89</sup>*Primera Plana*, 440, 6 July 1971.

<sup>90</sup>*Ibid.*

<sup>91</sup>Confidential communication, Business Attaché to MRE, 19 Oct. 1971, AHMRECH, Vol. 1780, N° 1579/226.

Channel dispute, culminating 13 years of negotiations.<sup>92</sup> For both governments, the meeting was a demonstration of the principle of ideological pluralism, and even the leaders' statements reflected shared foreign-policy views. Progress on the Beagle controversy, and on a labour agreement that would protect the pensions of Chilean workers in Argentine Patagonia, as well as the promotion of industrial complementarity agreements, showed an understanding that the converging development of both economies would strengthen the Pacto Andino and give new life to the Asociación Latinoamericana de Libre Comercio (Latin American Free Trade Association, ALALC), dating from 1960.<sup>93</sup> The importance was underlined, also, of the role that the Consejo Especial de Coordinación Latinoamericana (Special Council for Latin American Coordination, CECLA), created in 1963 to deal with trade negotiations within the United Nations, could play in coordinating the defence of regional economic interests.<sup>94</sup>

Huidobro believed that the Salta meeting would have a 'crushing' impact on defenders of 'ideological frontiers', that it was 'a blow to the Brazilian diplomatic offensive that wanted to structure a "Holy Alliance" in Latin America and is a warning for the United States'.<sup>95</sup> Lanusse gained prestige 'not among the Argentine oligarchy or some right-wing military, nor among the guerrilla nuclei, but among the overwhelming majority of the country'.<sup>96</sup> There was admiration for the general's decision to 'acquire the characteristics and profile of a politician and an image that in some respects was close to the sympathies of the masses'.<sup>97</sup> Allende was able to demonstrate a similar pragmatism to the middle classes in Chile.

### Geopolitical and Domestic Complex Scenario

In a region of unstable equilibria, the scenario was to change abruptly as events in neighbouring countries shifted the regional context. In August 1971, General Hugo Banzer's right-wing coup d'état in Bolivia shattered the image of Peru, Chile and Bolivia as an ideological front in the Pacific, weakening Argentina as a pluralist counterweight to Brazil,<sup>98</sup> and reinforced the less liberal sectors within the dictatorship.<sup>99</sup> Banzer, whom the international press described as a 'fascist', established a repressive dictatorship, pushing the regime's opponents, considered 'active

<sup>92</sup>Fernandois, *Chile y el mundo, 1970–1973*, p. 126.

<sup>93</sup>*Análisis*, 541, 27 July–2 Aug. 1971. The ALALC came into existence in 1960, with the purpose of creating a free-trade zone, with complementarity agreements in some industrial fields and the harmonisation of economic policies.

<sup>94</sup>Rafael Pedemonte, 'Desafiando la bipolaridad: La independencia diplomática del gobierno democratacristiano en Chile y su acercamiento con el "mundo socialista" (1964–1970)', *Estudios Ibero-americanos*, 44: 1 (2018), pp. 186–99.

<sup>95</sup>Confidential communication, Ambassador to MRE, 6 Aug. 1971, AHMRECH, Vol. 1779, N° 1175/174.

<sup>96</sup>*Ibid.*

<sup>97</sup>*Ibid.*

<sup>98</sup>Ramiro Sánchez, *Brasil en Bolivia: Lecciones de un golpe militar* (Santiago: Librería y Ediciones Letras, 1972), pp. 34–5.

<sup>99</sup>Confidential communication, Ambassador to MRE, 25 Aug. 1971, AHMRECH, Vol. 1780, N° 1269/184.

Marxists', into regional exile.<sup>100</sup> Attempting to stem offers of asylum, the Argentine Secretaría de Informaciones del Estado (Secretariat of State Information, SIE) warned of the need to 'avoid Argentina becoming a base of operations for extreme-left revolutionary elements whose actions compromise the stability of friendly governments and even of the country itself'.<sup>101</sup>

Further contributing to the shifting regional context, in Uruguay, after a feverish electoral campaign between July and September 1971, the Colorado Party candidate, Juan María Bordaberry, won a contested victory over the Frente Amplio (Broad Front), a leftist coalition similar to the UP. Above all, after the electoral results, the passage of political militants to Chile via Argentina gained momentum, among them the Tupamaros, an urban guerrilla group founded in the mid-1960s.<sup>102</sup> Brazilian intervention appears in both cases, encouraging the coup in Bolivia and electoral fraud in Uruguay.<sup>103</sup> The Argentine reaction was to strengthen its links to the Pacific countries: on 13 October 1971 Lanusse set off on a tour of Peru and Chile.

In Antofagasta, northern Chile, Lanusse met once again with Allende. A main topic to address was the countries' changing economic relations. Because of Chile's deteriorating ties with the United States – the main supplier of imported goods to Chile – Argentine exports increased by 123 per cent in 1971 compared to 1970.<sup>104</sup> The conversations were about Chile's import needs and the financing conditions of Argentina. Although it was, above all, food and industrial inputs, Argentina wanted to incorporate capital goods (such as tractors, trucks and turbines) into its exports. In this scheme, Chile was considered a member of the Pacto Andino and a gateway to a broader market.<sup>105</sup>

The Lanusse–Allende meeting in Antofagasta also shows the link between Argentine domestic politics and the renewed international strategy of downplaying the 'Brazilian model's' attractiveness for the traditional Right.<sup>106</sup> The Argentine government hoped to show 'home-grown and foreign businessmen' that such a path was only possible for Brazil because of its 'limited social development', while in Argentina living standards would unleash a chain of 'cordobazos'.<sup>107</sup>

<sup>100</sup>Secret memorandum, Latin American Department to General Directorate of Politics, 9 Sept. 1971, N° 323, AHCRA, 863.

<sup>101</sup>Strictly secret communication, Secretary for State Information to MRE, 23 Dec. 1971, AHCRA, 863.

<sup>102</sup>See Clara Aldrighi and Guillermo Waksman, *Tupamaros exiliados en el Chile de Allende: 1970–1973* (Montevideo: Mastergraf, 2015).

<sup>103</sup>See Luis Alberto Moniz Bandeira, *Fórmula para el caos: La caída de Salvador Allende (1970–1973)* (Buenos Aires: Corregidor, 2011).

<sup>104</sup>Memorandum, Argentine Embassy, 19 July 1972, AHCRA, Fondo América del Sur, N° 19.

<sup>105</sup>Letter, Under-Secretary of Foreign Trade to Under-Secretary for International Economic Relations, 28 Sept. 1972, AHCRA, Fondo América del Sur, AH/0019, N° 45/72.

<sup>106</sup>Confidential communication, Business Attaché to MRE, 19 Oct. 1971, AHMRECH, Vol. 1780, N° 1579/226. The 'Brazilian miracle' logged a growth rate of 14 per cent of GDP in 1973. Benefitting from the size of the internal market and regional expansion, the strategy was to increase the supply of goods and services with aggressive industrialisation policies and investment in infrastructure financed from external debt. One of the model conditions was that the strong state intervention held wages down and prohibited strikes. See Jeffrey A. Frieden, 'The Brazilian Borrowing Experience: From Miracle to Debacle and Back', *Latin American Research Review*, 22: 1 (1987), pp. 95–131.

<sup>107</sup>*Panorama*, 225, 17 Aug. 1971.



Antofagasta was also the scene of some surprising statements. Lanusse offered Argentine mediation in the event of disagreements between the United States and Chile over copper compensation,<sup>108</sup> indicating his ambition for leadership in the subregion.<sup>109</sup>

A few hours before his meeting with the Argentine president, Allende had announced Fidel Castro's upcoming visit to Chile to left-wing militants, mostly university students, seeking to discourage demonstrations against Lanusse.<sup>110</sup> Visits by both Lanusse and Castro highlight this Chilean balancing act, which was perceived by Argentine conservative sectors as a threat to the region.<sup>111</sup> There was increasing nervousness among those who had, from the start, seen the relationship with Allende's Chile as a 'channel for guerrilla penetration and subversion'.<sup>112</sup>

While Lanusse was facing military discontent with his political plan, guerrilla activity was increasing and the economy was deteriorating. At the same time, constant warnings were coming from Santiago about the challenging domestic situation there. In May 1971, Gallac predicted that Chile was entering a stage of anarchy or a 'general crisis of authority'.<sup>113</sup> On the very days that de Pablo Pardo visited Santiago, former Chilean president Frei confided to the Argentine ambassador that only a miracle would save Chile 'from the most horrific economic catastrophe in its history and from its conversion to Marxism-Leninism'.<sup>114</sup> In September 1971, Jorge Alessandri, another former president, declared that Allende 'is being dragged by the current of the extreme Left', yet at the same time 'his orders are not being carried out'.<sup>115</sup>

From the perspective of the Argentine embassy, the implementation of democratic socialism was being undermined from within the UP coalition, as well as by other ultra-left groups.<sup>116</sup> While Allende declared himself to be committed to the legal route to socialism, allaying fears, especially in the army, the secretary general of the PS criticised Allende for the slowness of the process, advocating violent revolution. The MIR's leader, Miguel Enríquez, promoted revolution as well as openly referring to his own efforts to infiltrate the armed forces and recruit support. Although Gallac's vision of the future was gloomy, other voices in Chile trusted Allende and his 'long political experience in a democratic regime', his 'conception of man and his ideals' and his 'liberal and masonic tendency', as well as sharing the

<sup>108</sup>In 1971 President Allende's government nationalised the partly US-owned copper companies that made up the large copper mining sector. This move gave rise to a sharp conflict between Chile and US companies. See Carlos Fortin, 'Compensating the Multinationals: Chile and the United States Copper Companies', *Institute of Development Studies Bulletin*, 7: 1 (1975), pp. 23–9.

<sup>109</sup>Confidential communication, Business Attaché to MRE, 19 Oct. 1971, AHMRECH, Vol. 1780, N° 1579/226.

<sup>110</sup>Fernandois, *Chile y el mundo, 1970–1973*, pp. 128–30.

<sup>111</sup>Marcelo Sánchez Abarca, 'La visita de Fidel y sus efectos políticos: ¿Polarización, disputa o solidaridad en el Socialismo Latinoamericano?', *Pacarina del Sur*, 12: 45 (Oct.–Dec. 2020).

<sup>112</sup>Confidential communication, Business Attaché to MRE, 19 Oct. 1971, AHMRECH, Vol. 1780, N° 1579/226.

<sup>113</sup>Restricted communication, Ambassador to MRE, 17 May 1971, AHCRA, Fondo E, AH/0027, N° 185.

<sup>114</sup>Restricted communication, Ambassador to MRE, 22 July 1971, AHCRA, Fondo E, AH/0027, N° 295.

<sup>115</sup>Restricted communication, Ambassador to MRE, 7 Sept. 1971, AHCRA, Fondo E, AH/0027, N° 179.

<sup>116</sup>Secret communication, Business Attaché to MRE, 26 Aug. 1971, AHCRA, Fondo E, AH/0027, N° 357.

conviction that the armed forces would not act 'as long as the government continues to show a legal face'.<sup>117</sup> Prior to Lanusse's trip to Antofagasta, this was the opinion of the Argentine Foreign Ministry, which recognised that Allende was weathering 'the storms with the greatest skill'.<sup>118</sup>

Nonetheless, Argentine concern about 'subversion' became part of foreign-policy decisions: the transnational guerrillas were to be deactivated. In February 1972, a high-level government committee produced a report on the impact of the situation of the different bordering countries on Argentina's 'internal front'.<sup>119</sup> One concern was the Uruguayan guerrilla movement and its interconnection with Argentine 'subversives'. Since the Tupamaros justified their activities because of social inequalities and the economic erosion of the middle and working classes, it was believed that 'Argentina's main contribution to enable correction of this deterioration must be in the economic field'.<sup>120</sup> If Uruguay was to develop, 'not only will the bases on which subversion justifies itself be limited, but as a reflection and immediate consequence, our political actions will benefit'.<sup>121</sup> Chile, of course, was also a cause for concern. Although Santiago showed interest in maintaining good relations with Argentina, motivated by the chaotic situation of its economy, 'the mere existence of the Chilean political, social and economic experience works by its presence and proximity to excite subversive activity on our internal front'.<sup>122</sup> The solution proposed was audacious: it was necessary to support the UP government to prevent its radicalisation, as well as taking a 'polite but extremely firm attitude against the attempts of activists or groups organised for subversive or merely doctrinaire action to infiltrate our country', while an economic policy would be 'receptive', meaning opening credit lines for Chilean purchases and not blocking imports, without showing 'that our attitude of solidarity is self-interested'.<sup>123</sup> This approach would serve the double purpose of fostering integrated economic development and neutralising transregional insurgencies that were strengthening Argentina's domestic guerrillas.<sup>124</sup> But would accelerated development be enough to neutralise the guerrillas or isolate them within each society?

In terms of wider international politics, the region could see the emergence of the 'Brazilian phenomenon' (based on trade liberalisation) and the 'Andean Group phenomenon' as two different ways of imagining political and economic ties.<sup>125</sup> The Andean Pact meant a development strategy based on joint industrial planning, and the transition from national to regional import substitution, while

<sup>117</sup>Restricted communication, Ambassador to MRE, 15 Sept. 1971, AHCRA, Fondo E, AH/0027, N° 400.

<sup>118</sup>Secret memorandum N° 354, 21 Sept. 1971, AHCRA, General Directorate of Politics, Fondo E, AH/0018.

<sup>119</sup>Communication, Foreign Ministry to President of the Republic, 10 Feb. 1972, AHCRA, Fondo E, AH/0050. The government committee consisted of the under-secretary of foreign relations, José María Ruda; the director general of politics, Ambassador Guillermo de la Plaza; the secretary of the embassy, Ernesto Malpede; and the head of the SIE, Capt. (Rt.) Carlos Viganó.

<sup>120</sup>*Ibid.*

<sup>121</sup>*Ibid.* Appendix 2.

<sup>122</sup>*Ibid.* Appendix 3.

<sup>123</sup>*Ibid.*

<sup>124</sup>*Ibid.*

<sup>125</sup>Félix Peña, 'El Grupo Andino: Un nuevo enfoque de la participación internacional de los países en desarrollo', *Estudios Internacionales*, 6: 22 (1973), pp. 44–81.

expanding countries' internal markets and developing industries that would serve as engines for future growth.<sup>126</sup> For Argentina, the Brazilian exporting industrial model was on a comparatively greater scale, and a take-off like that was impossible for Argentina to achieve on its own. Then, steering a course towards the Pacific countries offered a political-diplomatic opportunity, as well as an economic-commercial one.<sup>127</sup> The Chilean automotive sector provides an insight into one such economic-commercial opportunity.

### Chile as a Gateway to the Andean Pact

The Allende government proposed a transformation of Chile's previous model of production and the creation of three areas of the economy: social (run by the state), private and mixed, which were partnerships between the state and foreign companies. The automotive industry was the first area in which this mixed approach was attempted; the sector was considered by the government as a means to develop national technological value, and the Corporación de Fomento de la Producción del Estado Chileno (Chilean State Production Development Corporation, CORFO)<sup>128</sup> made various international tenders, including a dual one – in October 1971 – to manufacture diesel engines and develop a plant to produce trucks in a joint venture with CORFO.<sup>129</sup> At the same time, US companies, such as Ford, were leaving the country.

The double tender was based on the 'Common Regime of Treatment of Foreign Capital of the Andean Pact', or 'Decision 24' as it is known colloquially. The measure, one of the most controversial taken by the Andean Pact, involved an invitation to convert foreign companies into joint ventures (51 per cent of national capital, or 30 per cent if the state was the partner).<sup>130</sup> Despite criticism, especially from the United States,<sup>131</sup> the CORFO approach caught the interest of nine international automotive companies, including the Italian FIAT SpA and its Argentine branch FIAT Concord.<sup>132</sup> Contribution of capital for the truck plant would be of Italian origin, but technological aspects, the exchange of pieces and parts, would be done through FIAT Argentina.<sup>133</sup> The joint Italian–Argentine proposal rated top in CORFO's discussion of bids.<sup>134</sup> But the Spanish state company Pegaso emerged as a serious competitor, as part of a strategy designed by the Franco dictatorship for the Ibero-American market, by offering better credit conditions.<sup>135</sup>

<sup>126</sup>Hal Brands, *Latin America's Cold War* (Cambridge, MA: Harvard University Press, 2010), p. 134.

<sup>127</sup>María Cecilia Míguez, 'Argentina y el Pacto Andino en la década de 1970: Política interna y relaciones internacionales', *Ciclos en la historia, la economía y la sociedad*, 52: 1 (2019), pp. 33–62.

<sup>128</sup>CORFO is a state body created in 1939, responsible for promoting industrial activity.

<sup>129</sup>Memorandum, FIAT Concord to MRE, 9 Aug. 1972, AHCRA, Fondo América del Sur, AH/0019.

<sup>130</sup>Ricardo Ffrench-Davis, 'Pacto Andino y libre comercio', *Estudios Internacionales*, 10: 38 (1977), p. 8.

<sup>131</sup>Ernesto Tironi, 'La Decisión 24 sobre capitales extranjeros en el Grupo Andino', *Estudios Internacionales*, 10: 38 (1977), p. 20.

<sup>132</sup>Other companies interested in the CORFO approach included Nissan, Scania-Bavis, Berliet, Mercedes Benz, BLM, Mercedes Argentina, Chrysler Argentina and Pegaso.

<sup>133</sup>Memorandum N° 19, Report on Meeting of the Special Commission on Argentine–Chilean Coordination, July 1972, AHCRA, Fondo América del Sur, AH/0019.

<sup>134</sup>FIAT Concord memorandum, 9 Aug. 1972, AHCRA, Fondo América del Sur, AH/0019.

<sup>135</sup>Henríquez, *¡Viva la verdadera amistad!*, pp. 130–6.

Both of these offers meant taking advantage of Chile's membership of the Andean Pact and access to a market of 50 million people. The Chilean embassy in Buenos Aires had been warning how the traditional concept of integration – 'national development first and regional integration later' – applied during the four years of Onganía and the few months of Levingston, was being rethought. Although Onganía's foreign minister, Juan B. Martín, had initiated a rapprochement with the Andean Pact, Lanusse's government went beyond statements of intent. The shift was related to the group's significance for Argentina: in 1967, 1968 and 1969, it had become, respectively, the third-, second- and third-largest world market for Argentine products. In 1969 alone, the trade balance gave it a surplus of around US\$76 million, an important figure considering that 'the increase in [Argentina's] industrial exports to the European Common Market and Brazil will not rise significantly as far as industrialised products are concerned'.<sup>136</sup> Chile, then, was an important gateway to the Pact market. In early 1972, given the increase in Chilean purchases of consumer goods, Argentine commercial banks were authorised to grant better terms for financing operations with Chile. In the opinion of the Argentine Foreign Ministry, the trade ties between the two countries became 'the best in many years [...] an achievement that was a national objective'.<sup>137</sup>

However, Argentina's foreign-policy approach involved a delicate balancing act, which had to consider border disputes on a bilateral level. In March 1972, Argentina denounced the 1902 General Arbitration Treaty – a framework for settling border differences dating from the beginning of the twentieth century – thus disappointing Santiago. A solution was found in the signing of the 'General Treaty for the Judicial Settlement of Controversies', by which both countries would submit possible disagreements to the International Court of Justice, eliminating arbitration by the British Crown. If, according to Joaquín Fernandois, this denunciation was intended as a show of force,<sup>138</sup> it is also possible to interpret the denunciation as a concession by Lanusse to the nationalist sectors within Argentina.

### The Failed Bet of Both Leaders

With the contest and competition between FIAT and Pegaso in full swing, an unexpected event took place that was a reminder of the ideological difference between the governments and how interlocked the domestic and the external fronts were. In Argentine Patagonia, on 15 August 1972, a group of guerrillas escaped from Rawson prison. Six of the escapees managed to hijack an airliner and divert it to Santiago. The Lanusse government requested their preventative detention and extradition. According to the opposition Chilean magazine *¿Qué Pasa?*, two divergent positions took shape. On the one hand, Allende – supported by his foreign minister, Almeyda – was leaning towards submitting the six escapees to the 1959 Ley de Extranjería (Aliens Law) and an extradition hearing.<sup>139</sup> The purpose of

<sup>136</sup>Confidential communication, Business Attaché to MRE, 8 Feb. 1972, AHMRECH, Vol. 1806, N° 162/27.

<sup>137</sup>Communication, Latin American Department to General Directorate of Politics, 16 Aug. 1972, AHCRA, Fondo E, AH/0028.

<sup>138</sup>Fernandois, *Chile y el mundo, 1970-1973*, p. 129.

<sup>139</sup>Martín Gaudencio, *Interceptado en Trelew* (Buenos Aires: Imago Mundi, 2011), p. 203.

'not irritating the Argentine Republic or transforming Chile into a paradise for terrorists' was a position that 'almost won the battle: in fact a decree had been drafted to place the guerrillas at the disposal of the Supreme Court'.<sup>140</sup> To buy time, Allende suggested trying the six in Chile for the crime of air piracy, but the proposal was unsuccessful inside the UP. On the other hand, in contrast to Allende's position, asylum and transfer to Cuba was demanded by the MIR – 'which got its bellicose hordes out onto the streets' – and by the general secretary of the PS, who threatened to leave the government over the issue.<sup>141</sup>

Events intervened, however, and a week after the escape of the six fugitives, 16 others who had not managed to flee and had been recaptured were murdered at the nearby Argentine naval base Almirante Zar de Trelew on 22 August. Upon hearing this news, Allende decided to grant asylum to the six guerrillas in custody and send them immediately to Havana. As *¿Qué Pasa?* saw it, the Chilean position showed Allende's 'alarming political weakness' in the face of 'internal violence', and, if he gave in to MIR and PS demands, he risked one of his greatest successes, the understanding with Lanusse.<sup>142</sup>

The escape from Rawson prison coincided with a worsening economic and political situation in Chile. In April 1972, multitudinous marches for and against the UP assembled in Santiago; the black market thrived amid a scarcity of goods, while international financial reserves dwindled and different international loans failed to materialise. As inflation grew, the government took measures aimed at increasing production that involved curbing the pace of nationalisation. For the MIR and the most radical sector of the PS, this spelled reformism, intensifying disputes, especially with the Communist Party within the UP.<sup>143</sup> It was in this context that the Argentine guerrillas arrived.

While the press followed the events closely, Allende communicated his decision to send the guerrillas to Cuba on radio and television. Having received the official note, Gallac travelled to Buenos Aires to report on the situation. The Argentine government accused its Chilean counterpart of ignoring international treaties. In Santiago, the embassy's business attaché, Gustavo Figueroa, predicted greater evils to come: Argentina should see the 'Chilean way' as a 'socialist revolution plain and simple', one that from that moment on could ignore treaties or agreements, as required by 'the conveniences of its domestic front'.<sup>144</sup> He foresaw 'even future tolerance of the action of guerrilla groups that will surely try to exploit the solidarity shown to them by the Popular Unity government again'.<sup>145</sup>

The magazine *Chile Hoy*, representative of various sectors of the Left, speculated about Lanusse's alleged lack of interest in the guerrillas' return to Argentina, 'where

<sup>140</sup>*¿Qué Pasa?*, 72, 31 Aug. 1972, p. 7.

<sup>141</sup>See María Cecilia Míguez and Jorge Núñez, 'La fuga del Penal de Rawson, la Masacre de Trelew y las relaciones bilaterales entre Argentina y Chile: Tensiones y acercamientos durante la dictadura de Lanusse (agosto 1972)', *Prohistoria: Historias, políticas de la historia*, 33 (June 2020), pp. 203–31.

<sup>142</sup>*¿Qué Pasa?*, 72, p. 9.

<sup>143</sup>Alfredo Sepúlveda, *La Unidad Popular: Los mil días de Salvador Allende y la vía chilena al Socialismo* (Santiago: Penguin Random House, 2020), pp. 121–32.

<sup>144</sup>Secret communication, Business Attaché to MRE, 28 Aug. 1972, AHCRA, Fondo E, AH/0040, N° 424.

<sup>145</sup>*Ibid.*

the climate of tension is rising by the moment'.<sup>146</sup> However, both his status and plans for a return to democracy had been questioned even before the prison escape. Secret contacts between Perón's and Lanusse's emissaries caused distrust among anti-Peronist officer cadres, even precipitating the resignation of Foreign Minister de Pablo Pardo in June 1972, who was replaced by Levingston's former interior minister, Brigadier Eduardo MacLoughlin. Finally, in the context of a legitimacy crisis that could not find a solution, Lanusse called presidential elections for March 1973, excluding himself as a candidate and, by appealing to a residence clause, proposing the same for Perón.<sup>147</sup>

Amid this complex situation, Huidobro urged bilateral relations to be rebuilt from a damage 'whose measure is still impossible to assess'.<sup>148</sup> While the Lanusse government was considering economic reprisals, the Chilean response emphasised that the case would not set a precedent, and the director general of the Foreign Ministry was sent to Buenos Aires. As a sting in the tail, in Argentina the far-right organisation Federación y Soberanía (Federation and Sovereignty) made threats towards the Chilean consulate in Mendoza,<sup>149</sup> and in Chile the MIR disparaged Almeyda as a 'revolutionary foreign minister who donned a toff's frock coat' in his attempt 'with stealthy diligence' to re-establish ties with Argentina.<sup>150</sup>

Allende's decision also reinforced Chile's role as an unintentional coordination hub for different guerrilla groups.<sup>151</sup> In Santiago, although imprisoned, the Rawson escapees met with the MIR leadership and, after passing through Cuba, some of the escapees – PRT and ERP members – returned to Chile. There, in November 1972, the first trilateral meeting of Southern Cone insurgent forces (MIR, PRT–ERP, MLN–T) was held to coordinate efforts. Agreements, tasks and the future leadership of the Junta de Coordinación Revolucionaria (Revolutionary Coordination Board, JCR) were established.<sup>152</sup>

At the height of the guerrilla dispute, Pegaso won the automotive tender and the competition with FIAT, thanks to a personal decision by Allende.<sup>153</sup> The formula to operationalise the agreement was specified in a US\$45 million loan from government (Spain) to government (Chile). Not only did this amount exceed UP forecasts, but the loan also included a free disposal clause for purchases in third countries.<sup>154</sup> Although Pegaso was a mixed company, Spain would be solely responsible for the entire financing of the plant, at least in its first phase.<sup>155</sup>

<sup>146</sup>'La masacre condenó a la extradición', *Chile Hoy*, 11, 25–31 Aug. 1972.

<sup>147</sup>Lanusse, *Mi testimonio*, pp. 303–26.

<sup>148</sup>Strictly confidential communication, Ambassador to MRE, 5 Sept. 1972, AHMRECH, Vol. 1807, N° 1157/234.

<sup>149</sup>Confidential communication, Ambassador to MRE, 8 Sept. 1972, AHMRECH, Vol. 1807, N° 1177/236.

<sup>150</sup>*¿Qué Pasa?*, 76, 28 Sept. 1972, p. 8.

<sup>151</sup>Marco Antonio Sandoval Mercado, *La Junta de Coordinación Revolucionaria (JCR): El internacionalismo proletario del Cono Sur, 1972–1977*, Master's thesis, Centro de Investigación y Docencia Económicas, Mexico City, 2016, p. 46.

<sup>152</sup>Marchesi, *Hacer la revolución*, p. 144.

<sup>153</sup>Very urgent secret telegram, Ambassador to MAE, N° 281, 7 Sept. 1972, AMAE, R. 10.432/1.

<sup>154</sup>Strictly confidential communication, Ambassador to MRE, 12 March 1974, AHMRECH, N° 371/33.

<sup>155</sup>Letter, Director General of International Foreign Relations to Ambassador, 23 Sept. 1972, AMAE, R. 10.432/1.

FIAT Italy had been able to get a group of European banks to offer the Chilean government a loan of US\$50 million.<sup>156</sup> At first, Allende's sympathies were with FIAT – the GAP's cars had even been a gift from the Italian firm – but Pegaso turned out to be the better partner.

It was FIAT, above all, that suffered the disappointment, since Argentina's 'receptive' policy towards Chile continued, due to the aspiration of economic sectors to promote certain local industries<sup>157</sup> or subsidiaries of transnational companies located in Argentina, such as General Motors – Argentina SA.<sup>158</sup> The automotive sector added value to exportable industrial products, bringing with it social repercussions such as increased employment opportunities.<sup>159</sup> Despite everything, Gallac returned to Santiago at the end of September 1972 with instructions to continue to support Argentine tenders with the Chilean authorities. 'Collaboration in the field of industrial complementarity and integration with Chile' was of 'reciprocal interest and benefit'.<sup>160</sup>

Around mid-October 1972, the Chilean government decided to favour Argentina with a mass purchase of automobiles and requested a loan of US\$35 million from Argentina for this purpose for CORFO's exclusive use.<sup>161</sup> The decision was taken soon after the creation of the Joint Pegaso–CORFO Company and could have been a form of compensation, but it might also be explained by the need to diversify support and by the importance of the bilateral link.

On 17 January 1973, an agreement was signed for Argentina to provide US\$100 million to the Central Bank of Chile – a figure considerably higher than that originally proposed – to finance Chilean imports of transport and capital goods, machinery and spare parts.<sup>162</sup> Although considered by Huidobro to be the most ambitious pro-export programme ever attempted by Argentina,<sup>163</sup> his was an exaggerated assessment and the cooperation was only an ephemeral success for both governments. By then, Perón had made a first trip back to Argentina, part of his strategy to end the military dictatorship and achieve a majority political consensus through the formation of a political front. Back in Madrid, Perón chose to designate Héctor Cámpora as his candidate, a faithful Peronist since his first presidency (1946–55), to head the Frente Justicialista de Liberación Nacional (Justicialist National Liberation Front), which won a comfortable victory on 11 March 1973.<sup>164</sup>

From the Chilean perspective, Peronism in the Argentine presidency offered favourable bilateral prospects, however likely 'the possibility that the strong

<sup>156</sup>Secret telegram, Ambassador to MAE, N° 277, 5 Sept. 1972, AMAE, R. 10.432/1.

<sup>157</sup>Míguez, 'Argentina y el Pacto Andino', p. 41.

<sup>158</sup>Letter, Embassy to Under-Secretary for Foreign Trade, 21 Aug. 1973, AHCRA, Fondo América del Sur, AH/0019, N° 297.

<sup>159</sup>Economic and Trade Relations, MRE, 4 June 1973, AHCRA, Fondo América del Sur, AH/0092.

<sup>160</sup>Letter, Under-Secretary for Foreign Trade to Under-Secretary for International Economic Relations, 28 Sept. 1972, AHCRA, Fondo América del Sur, AH/0019.

<sup>161</sup>Secret cable, Ambassador to MRE, 14 Oct. 1972, AHCRA, Fondo América del Sur, AH/0019, N° 992/993/994.

<sup>162</sup>The list included 3,500 pick-up trucks, 1,000 trucks, as well as cars and vans, patrol cars, jeeps, buses, semi-trailers, ambulances, tractors, an electric train for the El Teniente mine, diesel engines and agricultural machinery. Economic and Trade Relations, MRE, 4 June 1973, AHCRA, Fondo América del Sur, AH/0092.

<sup>163</sup>Confidential communication, Ambassador to MRE, 14 May 1973, AHMRECH, Vol. 1832, N° 627/91.

<sup>164</sup>De Riz, *Historia Argentina*, p. 122.

nationalism imbued in said movement may reconsider or accentuate issues that typically arise between neighbouring countries'.<sup>165</sup> Allende attended the ceremony of government handover in Argentina in May 1973 and the impressive popularity of the Chilean president in Buenos Aires heralded the strong bilateral relations, but time ran out. The 'Chilean road to socialism' came to an end with the military coup on 11 September 1973. Ironically, a report from a few weeks later, by the new occupants of the Chilean embassy in Buenos Aires, warned of the possibility of Argentina becoming 'a centre of continental guerrilla forces'.<sup>166</sup>

## Conclusions

This analysis of the relations between Allende's Chile and Lanusse's Argentina can be read in different ways. In the first place, it contributes to an interpretation of the Latin American Cold War as a process that occurred within a 'centennial cycle of reform and revolution',<sup>167</sup> as well as an inconclusive search for Latin America's own model of development that would meet the needs of its population.

Another important phenomenon is that, in a Cold War context, the historic Argentine–Brazilian rivalry was stronger than the two governments' shared anti-communism. The paradox was that a right-wing coup in Chile was not convenient for Buenos Aires because it would bring Chile closer to Brazil, but neither was left-wing radicalisation, because of the danger of domestic destabilisation. Despite alarmist signals about 'the Chilean road to socialism', Lanusse's government bet on Allende as a moderating factor. But the audacious foreign-policy strategy involved too many variables, as well as an over-optimistic view of possibilities in an ever-changing domestic and external scenario. However, Chilean–Argentine relations in this period offer an example of how a transnational factor, such as the spread of the 'armed struggle', ended up generating foreign-policy decisions. In this complex context, although economic logic helps to understand the bilateral relationship, it was above all a function of other urgent objectives.

The cultivation of bilateral links presented an opportunity for Allende and Lanusse to convey a message of pragmatism to their respective 'internal fronts' – although in both societies the most radicalised sectors were impervious to it – and to portray themselves as autonomous in their Latin American foreign-policy conduct. The détente promoted by global powers at that time was not replicable in the Southern Cone: neither Allende nor Lanusse seemed to read it correctly. But the brevity of the experience does not detract from the audacity of those who sought to implement it.

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<sup>165</sup>Confidential communication, Ambassador to MRE, 15 March 1973, AHMRECH, Vol. 1832, N° 334/57.

<sup>166</sup>Confidential communication, Business Attaché to MRE, 9 Oct. 1973, AHMRECH, Vol. 1833, N° 1814–191.

<sup>167</sup>Joseph, 'Border crossings', p. 155.



**Salvador Allende y el régimen militar argentino: Política interna, factores geopolíticos y dimensiones transnacionales, 1970–3**

La elección de Salvador Allende como presidente de Chile en 1970 ganó atención internacional, ya que un declarado marxista llegó al poder por vía electoral, ofreciendo una alternativa a la Cuba de Castro. En Argentina, gobernada por una dictadura de derecha, el temor inicial se transformó en una política de aproximación. En plena Guerra Fría, la histórica rivalidad argentino–brasileña fue más fuerte que el anticomunismo de ambos regímenes militares. El general Alejandro Lanusse decidió apoyar al Chile de Allende para equilibrar la influencia de Brasil, pero también como una manera de controlar las repercusiones internas de la victoria de Allende, especialmente el aumento de consignas revolucionarias y circulación de guerrilleros. Este artículo rastrea el entramado de factores nacionales, internacionales y transnacionales que influyeron una sorprendente relación bilateral.

**Palabras clave:** dictadura militar; Unidad Popular (Chile); Salvador Allende; Alejandro Lanusse; movimientos guerrilleros; Guerra Fría Latinoamericana

**Salvador Allende e o regime militar argentino: Política interna, fatores geopolíticos e dimensões transnacionais, 1970–3**

A eleição de Salvador Allende como presidente do Chile em 1970 ganhou atenção internacional, quando um marxista declarado chegou ao poder por meio de eleições, oferecendo uma alternativa à Cuba de Castro. Na Argentina, governada por uma ditadura de direita, o medo inicial se transformou em política de aproximação. Em plena Guerra Fria, a histórica rivalidade argentino–brasileira era mais forte do que o anticomunismo de ambos os regimes militares. O general Alejandro Lanusse decidiu apoiar o Chile de Allende para equilibrar a influência do Brasil, mas também como forma de controlar as repercussões internas da vitória de Allende, especialmente a ascensão de slogans revolucionários e circulação de guerrilheiros. Este artigo traça a rede de fatores nacionais, internacionais e transnacionais que influenciaram uma surpreendente relação bilateral.

**Palavras-chave:** ditadura militar; Unidad Popular (Chile); Salvador Allende; Alejandro Lanusse; movimentos de guerrilha; Guerra Fria Latinoamericana

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