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THE INTERNATIONAL RELATIONS OF THE CHILEAN MILITARY GOVERNMENT: ELEMENTS FOR A SYSTEMATIC ANALYSIS

by Heraldo Muñoz
Instituto de Estudios Internacionales
Universidad de Chile

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ABSTRACT

The International Relations of the Chilean Military Government:
Elements for a Systematic Analysis

This paper analyzes the foreign relations of the Chilean military government from its accession to power in September 1973 until early 1980. Specifically, it focuses on the widespread assertion that, owing to its negative image, the Chilean military regime is isolated from the international community. The central thesis of the paper is that the Chilean military government is indeed in a situation of political isolation, but by no means in a position of economic isolation since the military regime and the local economic groups have considerably strengthened their ties with international capitalism.

The paper assumes that the external image of an underdeveloped country is essentially shaped by the existing dominant domestic project, the style of diplomacy, the world context, and the dependency condition of the country involved. From this perspective, it is argued that Chile's political isolation is a direct result of the establishment, since September 1973, of: (a) an authoritarian domestic scheme, (b) a praetorian-ideological style of diplomacy, and (c) the pursuit of a belligerent anticommunist foreign policy in a world context of détente.

THE INTERNATIONAL RELATIONS OF THE CHILEAN MILITARY GOVERNMENT: ELEMENTS FOR A SYSTEMATIC ANALYSIS

Heraldo Muñoz
Instituto de Estudios Internacionales
Universidad de Chile

I. Introduction

This paper deals with the foreign relations of the Chilean military government from its accession to power in September 1973 until early 1980. Specifically, it focuses on the widespread assertion that, owing to its negative image, the Chilean military regime is isolated from the international community. The central thesis of the paper is that the Chilean military regime is indeed in a situation of relative[1] political isolation, but by no means in a position of economic isolation.

Rather than present a descriptive account of the diplomacy of the period, we outline some basic elements for the systematic analysis of Chile's external position. Although here we are interested in the international relations of the military government, the development of a coherent set of generalizations about the sources of foreign policy in general, and about the problem of isolation in particular, should enable us to examine Chile's external position in other periods and--at least theoretically--the foreign relations of other Third World governments.

We assume that the international image of a country largely determines whether or not a nation experiences relative isolation from the world community. Obviously, a "negative" image implies isolation, while a "positive" image entails solidarity for the country in question. The international image of a nation is a function of--among other things--the material resources it wields. Countries with ample economic resources,[2] population, and/or geographic size usually enjoy great prestige in the international system. However, the mere possession of these material elements does not necessarily translate into positive images for the nations involved, and vice versa. The international position of a country is also a function of the values dominant in a given world system. At present, some of the values that are predominant internationally include: respect for the human rights of individuals, socio-economic justice, political participation, peaceful negotiation, economic and political stability, economic growth, and others. However, some of these values can be mutually contradictory (i.e., socio-economic justice vs. economic stability) and, thus, different actors will choose to emphasize different values. In short, a country's image often depends on the actors who conduct the evaluation. This, perhaps, is why the image of the present Chilean

government held, for instance, by the Office of Human Rights of the U.S. State Department is quite distinct from the image held by the Bank of America or Exxon.

In any case, it is argued here that the international position of a country is principally the result of three clusters of interconnected variables listed in order of importance: (1) the dominant domestic order, (2) the style of diplomacy, and (3) the international context. For the case of Chile we add a fourth factor characteristic of most underdeveloped nations: the country's condition of dependency.

(1) The dominant domestic order (DDO). This is the fundamental factor determining the international position of a state. Basically, this variable underlines the close interconnection between domestic and external policy. The DDO can be broken down into at least two dimensions: socio-political and economic. Both dimensions are intimately related, since the dominant socio-political order is often a reflection of a comprehensive economic scheme. Depending on the foreign policy objectives and the external audiences involved, a given country may choose to underline either the socio-political or the economic aspects of the dominant internal order.

In discussing the DDO, one should focus on the social actors that advance and/or maintain that order (i.e., corporations, groups, classes, fractions of classes). Clearly, different domestic orders are founded on different social actors. These actors play a vital role in shaping the external relations of a country according to their own interests and world-views. One should also pay attention to the different foreign non-governmental audiences or actors who may be particularly interested in stressing negative or positive aspects of the dominant domestic order of a nation.

It is necessary to place the analysis of the DDO within a historical framework so as to understand why a country's external image may shift radically from one moment to the next. For instance, the predominance of a democratic order in a given nation for an extensive period of time followed abruptly by authoritarianism--which contradicts the present dominant world values--will naturally provoke a negative reaction from the international community far beyond what would occur if in that country there had not existed a tradition of democratic rule.

In very broad terms, one can distinguish between authoritarian and democratic socio-political orders. Each of these two ideal types has different implications for a country's image abroad. By definition, authoritarianism limits political participation, popular dissent, and other fundamental civil rights; therefore, it implies a negative image. By contrast, a democratic order projects a positive world image.

With regard to economic orders, they range from planned socialism to laissez-faire capitalism. Since our frame of reference in this study is the capitalist world political economy, we will differentiate

only two: laissez-faire capitalism and regimented capitalism. Considering the context, both orders have positive implications for a country's international image. However, the laissez-faire version tends to be particularly attractive to international bankers, investors, and businessmen in general who may operate with fewer obstacles, and to countries seeking new markets. The regimented variety of capitalism is particularly esteemed by social-democratic sectors, and by countries where distributional criteria are important. Within the South American context, there seems to be a close association between authoritarianism and laissez-faire capitalism, since the implementation of the latter generally requires the control of trade unions, political parties, and all organisms that may protest against the social consequences of the scheme.

(2) The style of diplomacy. A country's foreign policy is not simply the product of a given set of internal objective conditions, but is also affected by subjective elements such as: the values or world-views held by its principal managers, the cultural legacy of the nation, and the unwritten norms of standard diplomatic behavior. The specific way all of these factors combine, and the manner in which they are advanced, constitutes the style of diplomacy of a given country.

The actors on which the dominant domestic order is founded play a critical role in determining the style of a nation's diplomacy. Theoretically, this style reflects the interests of these actors and, concomitantly, the external requirements of the internal order. However, the participation in the foreign policy process of other relevant actors who may not have fully internalized the dominant scheme can significantly affect the style of diplomacy, thus altering the harmonic relationship supposedly existing between DDO and style of diplomacy. Moreover, in some instances the style of diplomacy of a country is relatively independent from the interests and world-views of the dominant internal actors. In other words, despite radical changes in the DDO, the style of diplomacy maintains its autonomy, remaining essentially unaltered. The continuity of highly successful Brazilian diplomacy throughout different civilian and military regimes is a case in point.

For the purposes of this paper, we shall distinguish only two types of diplomatic style: the civilian-pragmatic and the praetorian-ideological. The civilian-pragmatic style is characterized by quiet negotiation, political compromising, respect for diplomatic immunity, and a rather vague, indirect language, and is practiced by professionals, largely civilians. This is the style which, by far, predominates in the contemporary international system. By contrast, the praetorian-ideological style is a direct, no-options-open style: it allows little room for negotiating and compromising, it is highly ideological and often accusatory in tone, and it is associated with military officials rather than career diplomats. Evidently, the exercise of the civilian-pragmatic style of diplomacy contributes to a positive international image for a country, while the praetorian-ideological style tends to damage a nation's image, particularly if the world context is characterized by international cooperation.

(3) The international context. This factor, equivalent to an intervening variable, shapes the foreign relations of a state and its international image in an indirect fashion. The image of a country improves or deteriorates to the extent that its foreign policy coincides or conflicts with the prevailing global trends. The more it conflicts, the more damage to the nation's image, and vice versa. We shall differentiate between two broad varieties of international contexts associated with specific historical periods: cold war (late 1940s to 1967), and detente (1968 to the present).

(4) The dependency condition. We assume that all underdeveloped countries experience--in varying degrees--a dependency condition, implying that self-generated development is virtually impossible and that, consequently, those nations must rely on a more dynamic external center to complete their economic cycles. The greater the "concentration of reliance" of an underdeveloped nation with regard to--for example--specific developed countries, the greater the vulnerability of that nation because of the difficulty it would have in adjusting to a sudden interruption of relations.[3]

However, external reliance is only one aspect of the dependency condition of periphery countries; dependency also implies the internal fragmentation of underdeveloped societies. The concept of dependency should be defined then as a structural condition in which a weakly integrated system cannot complete its economic cycle except by an exclusive (or limited) reliance on a more dynamic complement lying outside itself.

Instead of focusing solely on unified nation-states--in the "external reliance" perspective--the dependency approach concentrates on the transnational linkages between groups, banks, classes, and industries of the periphery and their counterparts in the centers. This emphasis of dependency is critical for the analysis of a country's foreign relations since, often, transnational ties and state-to-state transactions do not necessarily move in the same direction.

II. Authoritarianism, Economic Policy, and the External Relations of the Military Government

The military coup of September 1973 marked a profound transformation of Chilean economic and political life. With regard to the economic order, it shifted from a highly regimented type of capitalism to a laissez faire capitalism. For several decades the Chilean state had intervened in the economy in pursuit of: adequate insulation from externally generated economic shocks, stabilization, and allocative and distributional objectives. Among the most common features of the old model were: strategic state intervention in the production, distribution, and financial areas; controls on prices, wages, and interest rates; selective credit allocation; subsidies; tax exemptions; multiple exchange rates; and import quotas. The Pinochet government made a clear break with this approach.

> The import-substitution model of the past was rejected in favor of opening Chile to the world economy. The present authorities view the proper economic role of government as one of setting the overall rules of the game and otherwise facilitating the allocative decisions of the private sector. . . . Preferred policy tools are those which are general and indirect, and minimize distortions to the price system . . . the government expects to move towards distributional considerations once the economy is restructured.[4]

Following these objectives, the military regime introduced a severe austerity program relying on orthodox monetarist principles. Public expenditure was severely reduced, tariff and nontariff barriers were drastically lowered, prices and interest rates were progressively freed, exchange controls were largely eliminated, and foreign investment began to be actively encouraged.

The key actors behind the new order were the military and the financial-industrial sector of the local economic structure.[5] The latter were largely responsible for conceiving and overseeing the new socio-economic project, while the former were mostly in charge of executing the scheme and assuring its stability. El Mercurio summarized very appropriately the governmental division of labor that materialized between the two actors:

> . . . the military established public tranquility and ensured the full execution of the norms dictated by the government, while the civilians (the economic groups) accompanied by the military elaborated and applied an economic scheme of immense projections for the stability and development of the country.[6]

The need to secure the confidence of foreign investors was one of the first governmental priorities, and it led to the ending of land expropriations and to the return to the private sector of most of the enterprises seized under the Allende government. Regardless, these actions were a logical consequence of the new economic model.

All of these changes in the economic order were understandably well received by foreign bankers and investors. The economic plan of the junta coincided also with the orientation of the incumbent United States government. Hence, U.S.-Chilean relations during the 1974-1976 period were rather warm. The United States backed the rescheduling of Chile's debt in the Paris Club and--together with international financial institutions--allocated significant amounts of foreign aid to the military regime.

Moreover, a number of agreements were made during the second half of 1974 with U.S. companies which had been expropriated by the previous government. Compensation agreements were reached with Anaconda, Kennecott, ITT, and others.

TABLE 1

BREAKDOWN OF U.S. AND MULTILATERAL AID TO CHILE
UNDER GOVERNMENTS OF FREI, ALLENDE, AND PINOCHET
(U.S.$ millions)

	Frei (1964-1970)	Allende (1971-1973)	Pinochet (First 3 years: 1974-1976)
U.S. AID (direct)	397.5	3.3	41.3
P.L. 480 (Titles I & II)	108.6	14.7	122.6
Military Assistance	52.5	33.0	18.5
U.S. Export-Import Bank	278.0	4.7	141.4
World Bank	131.5	0.0	66.5
Inter-American Development Bank	208.7	11.6	237.8

SOURCE: Compiled from publications of the U.S. State Department, World Bank, and Inter-American Development Bank.

The Chilean government's desire to attract external finance was underlined by the introduction, in 1974, of Decree Law 600, a new foreign investment statute which set very favorable terms for new capital coming into the country.[7] The Decree Law clearly conflicted with Decision 24 of the Andean Pact, which limited external investment in the area and, thus, raised severe criticism among Chile's partners in the Cartagena Agreement. The incongruence between the military government's economic model and the subregional scheme led to Chile's withdrawal from the Pact in October 1976.

Chile's withdrawal from the Andean Group demonstrated that during that period Chile's foreign relations were subordinated to the requirements of the domestic economic scheme. In the last analysis, Chile's decision reflected the interests and influence of the economic groups in the determination of Chile's external policy. However, the decision to leave was facilitated by a coincidence of opinion--for different reasons--between the economic circles and the military in charge of conducting foreign affairs. On the other hand, the economic groups viewed the Pact as an obstacle to the rapid implementation of the new internal project of economic liberalization, while on the other the military saw no great political advantage in remaining in a Pact where most members were somewhat hostile to the Chilean regime.[8]

The success of the new economic scheme depended on more than just realigning external policy with domestic economic priorities: it relied heavily on the absence of local trade-union pressure for higher wages and, more generally, on the lack of organized political opposition. The role of the repression that followed the military coup became critical in terms of ensuring political stability, a fundamental condition for the success of the new order.[9]

The establishment of authoritarian rule translated into concrete measures such as: the declaration of a "state of siege," the abolition of Congress, the derogation of the constitution, the banning of all political parties, the suspension of most civil rights, and the unleashing of an unprecedented wave of institutional violence against dissenters. Not surprisingly, in the revised Fitzgibbon-Johnson index of democracy in Latin America, Chile dropped sharply from rank 2 in 1970 to rank 18 in 1975 (see Table 2).

TABLE 2

REVISED FITZGIBBON-JOHNSON INDEX: U.S. VIEW OF DEMOCRACY IN LATIN AMERICA,[a] 1945-75: FIVE KEY CRITERIA[b]

Country	Rank 1945	Rank 1950	Rank 1955	Rank 1960	Rank 1965	Rank[c] 1970	Rank 1975
Argentina	9	15	15	4	7	14	5
Bolivia	16	13	12	15	16	15	15
Brazil	12	6	4	6	10	17	16
Chile	3	2	3	3	2	2	18
Colombia	3	6	9	5	5	5	3
Costa Rica	2	4	2	2	1	1	1
Cuba	5	3	10	16	19	19	14
Dominican Republic	20	20	20	20	14	10	6
Ecuador	12	7	6	9	12	7	10
El Salvador	14	14	8	13	11	8	8
Guatemala	11	11	13	12	13	9	9
Haiti	19	17	14	18	20	20	20
Honduras	17	8	11	14	14	12	12
Mexico	7	9	5	7	6	6	4
Nicaragua	15	18	19	17	17	16	17
Panama	6	10	7	11	9	11	11
Paraguay	18	19	18	19	18	18	19
Peru	8	15	17	10	8	13	13
Uruguay	1	1	1	1	2	3	7
Venezuela	10	12	10	8	4	4	2

[a]Excludes Latin American respondents added to the survey beginning in 1970.

[b]The five criteria are: (1) free speech; (2) free elections; (3) free party organization; (4) independent judiciary; and (5) civilian supremacy.

[c]Calculated by Wilkie from data in Johnson's table 3204, cited in original source.

SOURCE: Kenneth F. Johnson, "Research Perspectives on the Revised Fitzgibbon-Johnson Index of the Image of Political Democracy in Latin America, 1945-1975," in James Wilkie and Kenneth Rudle (eds.), Quantitative Latin American Studies (Los Angeles: University of California, 1977), p. 89.

The erosion of Chile's old democratic tradition greatly affected the country's image abroad. The involvement of foreign citizens--some of them diplomats--in various incidents with the armed forces was critical in the early deterioration of bilateral relations with several countries. For instance, the roughing-up of the Swedish and French ambassadors in late 1973 when they sought to protect a hospitalized Uruguayan refugee culminated in the suspension of diplomatic relations between Chile and Sweden; relations between Colombia and Chile reached their lowest point in 1974 when Chilean Foreign Minister Ismael Huerta accused the Colombian ambassador of having close contacts with "communists and extremists"; and the arrest and torture of Sheila Cassidy, a British doctor, in 1975 for treating a wounded MIR leader motivated the recall of Great Britain's ambassador in Santiago. Similarly, the detention and/or expulsion of journalists from Le Monde, Newsweek, Corriere della Sera, Dagens Myheter, and others, had a direct negative impact on Chile's image abroad.

In 1974, Mexico broke relations with the Chilean junta following a visit to Chile by Mexican Foreign Minister Emilio Rabasa, in which he obtained exit visas for about 200 Chileans who had taken asylum in the Mexican embassy in Santiago. Prior to that, Mexico and the military government had negotiated a series of trade agreements that were automatically cancelled by Mexico after the rupture of diplomatic relations.

Many European governments, less enthusiastic than the Nixon or Ford administrations about the Chilean economic model, also began to reduce their contacts with the junta and, on several occasions, forced the Chilean government to reverse specific authoritarian measures. On October 11, 1974, for example, the Finance Committee of the French National Assembly decided to suspend a credit to Chile of U.S.$1.2 million because of "the continued detention of French citizens there." One week later, on October 18, 1974, the military government announced that seven persons of dual French-Chilean nationality would be released and allowed to return to France.[10] Similarly, the West German government granted a loan to the military regime for DM21 million--payment of which had been postponed because of the continued detention of political prisoners in Chile--only after the release on January 11, 1975 of Allende's foreign minister, Clodomiro Almeyda.[11] Also, following a visit to Chile in November 1974 by the West German minister of state for foreign affairs, the Chilean government announced that 14 political prisoners would be released and flown to West Germany. Prior to the visit, the West Germans had handed the military government a list with names of prisoners they wished to see released.

Towards 1976, Chile's relations with the United States--particularly with the U.S. Congress--experienced a decline. Previously, the U.S. government had had few public disagreements with the Pinochet regime. The one exception occurred when Chile, perhaps seeking Arab sympathy and investment, voted in favor of a proposed United Nations resolution that asked the General Assembly to declare Zionism a form of racism. On that occasion, the U.S. State Department sent a disturbing note to the Chilean government

expressing deep disappointment over the Chilean vote. A few days later, General Pinochet declared publicly that Chile would rectify its vote since it did not follow his own thinking on the matter.[12]

In 1976, the U.S. Senate and House of Representatives voted to suspend arms sales to Chile, and limited economic aid to U.S.$ 27.5 million unless it could be proven that Chile had made substantial progress in observing human rights. Subsequently, on October 21, 1976, General Pinochet announced that Chile did not wish to accept that restricted amount of U.S. assistance.[13] The progressive negative effect of the military government's domestic policy on Chilean-U.S. relations was openly recognized by U.S. Secretary of State Henry Kissinger in 1976 when he said that the human rights condition in Chile, as judged by the Inter-American Human Rights Commission, had "damaged the relations between the United States and Chile and would continue to do so."[14]

The election of Jimmy Carter marked a new stage in U.S.-Chilean relations.[15] The military government immediately assumed a rather defensive stance, especially considering that during the presidential campaign Carter had publicly criticized the Chilean human rights situation. Not surprisingly then, on November 17 and 18, 1976, shortly after Carter's election, the Pinochet government released more than 300 political prisoners. The releases came amid a growing debate within government circles over how to respond to international pressures and to the new Washington administration.

Carter's moral commitment to a policy of human rights--which flowed partly from the need to restore the confidence of Americans in their political system after Vietnam and Watergate--eventually translated into a deterioration of U.S.-Chilean relations. The Carter administration, for instance, voted in international organizations to condemn the Chilean government's record on human rights, officially received in Washington opposition leaders such as Eduardo Frei and Clodomiro Almeyda, and pressured the Pinochet regime to improve Chile's human rights condition. Responding to these pressures during a visit to Chile in August 1977 by Assistant Secretary of State for Inter-American Affairs Terence Todman, the military government dissolved the secret police organization DINA (Dirección Nacional de Inteligencia), and created a replacement, the CNI (Centro Nacional de Informaciones). In January 1978, when 12 Christian Democratic leaders were relegated to the north of Chile, U.S. and Belgian[16] pressure contributed to the suspension of the measure; in early March the Christian Democratic leaders were allowed to return to Santiago.[17]

A highly controversial event in the relations between the Carter administration and the Pinochet government was the Chilean "consultation" of 1978. Following the December 1977 U.N. General Assembly vote condemning violations of human rights in Chile, General Pinochet called on the Chilean people to participate in a national plebiscite, which took place on January 4, 1978, to determine whether

they supported him or agreed with the U.N. resolution. The plebiscite procedures were strongly criticized by the U.S. State Department on the basis that "the minimum guarantees of freedom of expression were lacking." The consultation results were interpreted by General Pinochet as "a repudiation of the United Nations" and encouraged him to declare that U.N. investigating committees would no longer be permitted to enter Chile. Subsequently, however, the military chief modified his statement, declaring that U.N. commissions could come to Chile "provided that they agree to work according to objective norms."[18] Finally, after some direct pressure from Carter himself and the U.S. State Department, the military government allowed the United Nations' Ad Hoc Working Group to investigate accusations of human rights violations in Chile during the second half of 1978.

Without a doubt, the most sensitive and critical event in recent U.S.-Chilean relations has been the Orlando Letelier murder case involving three Chilean military officers and former DINA agent Michael Townley. Townley, after being extradited to the United States, confessed to having participated in the assassination under the orders of DINA's former director, General Manuel Contreras. In October 1979, however, Chile's Supreme Court turned down a U.S. Justice Department request for extradition of the three officers and freed them immediately. Consequently, the United States temporarily recalled its ambassador in Santiago and announced a series of economic and diplomatic sanctions against Chile for failing to conduct a serious investigation into the charges against the Chilean officers. The measures included a complete suspension of military credits and supplies to Chile, reductions in U.S. military and diplomatic personnel in Santiago, and a ban on future financing of guarantees for U.S. projects in Chile by Eximbank or the Overseas Private Investment Corporation (OPIC).[19]

III. The Style of Diplomacy of the Chilean Military Government

As stated before, a country's style of diplomacy is the product of the combination of a series of subjective factors, including the cultural tradition of the nation, its prior diplomatic behavior, and the values or world-views held by the principal actors who control the foreign policy process. Taking all of these elements into account, it is possible to assert that from the 1950s to 1973 the predominant Chilean style of diplomacy was what we call a "civilian-pragmatic"[20] style, characterized by an emphasis on legalism, respect for the right of self-determination, practical recognition of international power realities, support of democracy both domestically and internationally, and the predominance of career diplomats in the management of foreign policy. The practical side of Chile's traditional international posture[21] is stressed by Orville Cope, who states that, although it is difficult to estimate the cultural and psychological biases of Chile's foreign policy elite, "during the Frei and the Allende administrations it seems that the careerist and the politician were realistically cognizant of the empirical basis of the international system."[22]

The radically new domestic order instituted by the military government from September 1973 onwards had a profound impact on Chile's conventional style of diplomacy. We have stated that the social actors on which a dominant domestic order is based play a transcendental role in determining the style of diplomacy of a given country--even though, occasionally, the style is relatively independent from the dominant internal actors. Theoretically, that style reflects the interests of those actors and, concomitantly, the external requirements of the internal order. Accordingly, the Chilean style of diplomacy since September 1973 should have reflected the interests of the financial-industrial groups who constitute the foundation of the present Chilean reality.[23] However, the intermediary role of the dominant executive actor--the armed forces--altered the supposedly harmonic link between dominant domestic order and style of diplomacy. Because the military forces were not the structural originators of the new model, and because they had not fully internalized the economic scheme, they imprinted their own technical experience and militant anticommunist world-view on Chile's foreign policy,[24] giving rise to what we call the "praetorian-ideological style."[25] As stated in the introduction, the praetorian-ideological style of diplomacy is a direct, no-options-open approach: it allows little room for negotiating and compromising, it is highly ideological, and it is associated with military personnel rather than career diplomats.

When the armed forces assumed power in 1973, practically all state agencies were reorganized on the basis of military personnel, both retired and in active service. The Ministry of Foreign Relations was no exception. According to Oscar Pinochet de la Barra, a former ambassador of the Frei and Allende governments, nearly 50 percent of the civilian personnel of the Foreign Ministry were removed immediately after the coup.[26] Many supporters of the military regime viewed this militarization of Chile's external relations--and of other typically civilian activities--as a grave error.[27] Robert Moss, for example, asserted that "one of the early mistakes of the junta was to fill most vacant positions with retired or serving officers . . . outside the economic sectors the armed forces established a virtual monopoly of the new administration, filling ambassadorships and even university rectorships as well as cabinet jobs."[28] It appears, then, that from 1973 to at least the end of 1977, "the Chilean diplomatic service had little or no influence on foreign policy decisions which reflected the attitudes and perspectives of a few ranking military officers."[29]

As stated above, the military personnel imprinted their own character on Chile's external policy and, hence, they radically transformed the traditional civilian-pragmatic style of diplomacy. In the first place, Chile's pragmatic approach to international relations was replaced by a militant anticommunist ideological posture. In the view of General Pinochet, the government of Chile had to declare "a direct war against international communism and against its Marxist-Leninist ideology."[30] The concrete enemy in this ideological war was "the Soviet Union and its satellites"; but also affected were many Western democracies supposedly "penetrated or infiltrated by Marxism."[31]

Secondly, quiet negotiation and compromise gave way to open confrontation in the treatment of bilateral disagreements. One such instance occurred in March 1974, when the British government announced that new export licenses would not be granted to Chile, that existing contracts would be reviewed, and that the servicing of engines of Chilean Air Force jets and the supply of spares by Rolls-Royce would be discontinued. Instead of seeking a compromise, the Foreign Minister of Chile, Admiral Ismael Huerta, violently declared that "Britain was not to be trusted as an exporting nation," and warned: "We will too have to revise to whom we sell copper--there is such a demand for it that we can select amongst those interested and will logically prefer countries that are friendly to us."[32] On the subject of Chile's foreign debt, Huerta's successor, Vice-Admiral Patricio Carvajal, similarly threatened in May 1975 that if Britain refused to accept the terms arranged by other creditors at the Paris Club, it could expect no payment at all from Chile.[33]

It is clear that throughout the first two years of military rule internal consolidation was the top priority of the Pinochet government. Foreign policy was secondary, and this facilitated the implantation of the praetorian-ideological style of diplomacy. Once the new national project was secured, however, the economic groups argued for a reevaluation of the importance of foreign policy, and pushed for a return to a civilian-pragmatic style of diplomacy.[34] This is not to say that there was an inherent contradiction between the financial-industrial sectors and the praetorian style of diplomacy. In fact, the economic groups supported authoritarianism and the praetorian-ideological orientation of Chile's external policy when their paramount priority was the consolidation of the new internal model. Once the consolidation stage was over, they pressured for a more efficient foreign policy style: one that would facilitate the strong external linkages required for the success of the laissez faire scheme.

One of the first indications of the disagreement between the economic sectors and the military over the official conduct of Chile's international affairs came in a November 1974 report of El Mercurio, certainly one of the most representative organs of the Chilean economic groups. The report underlined the scarce diplomatic representation of Chile in the Third World--which had earlier voted overwhelmingly in favor of a UNESCO resolution condemning the Chilean human rights situation--and the meager material resources allocated to the foreign service. In the same piece the Under Secretary of Foreign Affairs, Commander Claudio Collados, responded that the Chilean government's limited role in the Third World was "a problem of budget and priorities."[35]

One week later, El Mercurio went further in its criticism and warned, in two separate editorials, that the military government's external policy (a) had an exceedingly anticommunist, ideological orientation, and (b) lacked professionalism because of the excessive direct involvement of the military in its management. On the ideological issue the newspaper stated: "there is absolutely no reason why our diplomacy should seek to lead the

The growing criticism of the praetorian-ideological style of diplomacy on the part of the economic groups produced some limited results. In March 1977, for example, the Pinochet government sent Jorge Cauas, the former Minister of Economics of the military regime, as its ambassador to Washington. The designation represented a more direct involvement of technocrats and the economic sectors in foreign-policy making, and possibly a slight turn towards a civilian-pragmatic diplomatic style that could effectively address the external obstacles to the Chilean economic model.

The critical shift towards a more civilian-pragmatic foreign policy approach occurred one year later, in April 1978, when General Pinochet named Hernán Cubillos, a civilian,[44] as Foreign Minister, and when a decree was published reorganizing the Ministry of Foreign Relations. In addition to the criticism from the economic groups, there were two key reasons behind the shift: First, the December 1977 U.N. General Assembly vote condemning the continuing violation of human rights in Chile, after which Pinochet ordered the national consultation and declared that the government "would henceforth pursue a more aggressive and pragmatic foreign policy";[45] and, second, the deterioration of relations with Argentina[46] following her rejection on January 25, 1978 of the arbitration ruling on the Beagle Channel which awarded the islets of Picton, Lennox, and Nueva to Chile. In other words, the delicate international situation and the requirements of the economic scheme demanded the return of several retired career diplomats, and a softening of the praetorian-ideological style of diplomacy.

One interesting illustration of the new pragmatism of Chilean diplomacy was the attendance of a Chilean delegation at a meeting of the "Group of 77" held in Havana, Cuba, in December of 1979, in preparation for the Third General Conference of the United Nations Industrial Development Organization (UNIDO). Following the inaugural speech by Fidel Castro, the principal Chilean representative declared that "Chile shared the appreciation made by President Castro in the sense that there is a lack of political will on the part of industrialized countries which has impeded international cooperation,"[47] but, at the same time, stressed the importance of foreign investment. Subsequently, the Chilean delegation was invited to various unofficial gatherings, including a reception attended by the Cuban Prime Minister. The visit of the Chilean mission to Cuba was the first under the Pinochet government, and contrasted sharply with the refusal of Chile's Foreign Minister to attend the 1975 Ayacucho Commemoration in Peru because of the presence of the Cuban Foreign Minister.

In March 1980, an editorial of El Mercurio registered the change towards a more pragmatic, economically oriented, foreign policy in the following terms:

> . . . our country has come to adopt a pragmatic foreign policy, and perhaps it would be desirable to accentuate that pragmatism to the extent that our commercial position allows for more varied and numerous external contacts.[48]

world antisoviet or anticommunist movement, or to convince the Western countries about the errors of detente." It then addressed the question of professionalism in the following terms:

> Only a strictly professional diplomacy can strengthen the foreign service. The risks and difficulties of Chilean foreign policy require a professional diplomacy . . . the type of habits and discipline of a good diplomatic service demand flexibility, a spirit of conciliation and negotiation, the search for peaceful solutions. The military man is prepared professionally for the stage when the diplomat is no longer needed.[36]

Interestingly, one of the above-cited editorials stressed the essential importance of foreign policy because "external relations are not merely a matter of coexistence, but a vital area of interest so that the country can sustain itself politically and economically in the world."[37]

Subsequently, the journal Qué Pasa, another publication associated with the Chilean economic groups, also assumed a critical stance regarding the military regime's external approach.[38] In a long report concerning Chile's international isolation, the journal questioned particularly the undue involvement of the military in the management of Chilean foreign policy:

> Nobody argues that military officers can be as good ambassadors as any. But conversely, it seems doubtful that only one institution--and one not specializing in that field--can provide adequately more than half the high-ranking diplomatic service of a country, particularly in difficult moments.[39]

The most comprehensive critique of the praetorian-ideological style of diplomacy emanating from the economic circles was cogently presented in an extensive April 1978 editorial of Economía y Sociedad,[40] a publication sponsored by the Colocadora Nacional de Valores, a financial institution controlled by the Cruzat-Larraín economic group.[41] The editorial stated the following:

> The anticommunist cause as a fundamental parameter of international relations lost relevance since the end of the cold war, and today there are few governments interested in publicizing rejection of the communist model, even when they may struggle against it domestically. . . . It is time to rethink our foreign relations strategy. . . . It is necessary to elaborate a modern foreign policy as a function of well-defined national interests (and to define) a program of action characterized by an imaginative and pragmatic approach and by a professional execution.[42]

Moreover, the editorial concluded that "a new foreign policy should stress the economic dimension of international relations at the expense of ideological factors."[43]

The same editorial recommended that the military government should avoid anticommunism as a component of Chile's international approach, but that it should preserve it domestically to prevent "totalitarian infiltration."

The 1978 shift by no means signified the total replacement of the praetorian-ideological style by a modified version of the civilian-pragmatic style of diplomacy. What developed was an uneasy coexistence between two different approaches to the management of Chile's external affairs. The contradictions between the two styles were already apparent in the March 3, 1978 decree which reorganized the Ministry of External Relations. The decree[49] reiterated the functions of the Minister and his cabinet, of the Under Secretary and its Secretariat, but it also created the special post of Vice-minister--accompanied by a corresponding cabinet--with the rank of Minister of State. The Vice-ministry, assigned to former tank expert Colonel Enrique Valdés, was apparently designed as a military counterbalance of the civilian Minister and is responsible directly to the head of state.

One concrete evidence of the strain in military-civilian relations concerning the conduct of Chile's external affairs occurred in December 1978, when four Chilean diplomats and three merchant seamen were expelled from Peru, while the ambassador to Lima was declared persona non grata, on charges of spying for Chile. Foreign Minister Cubillos publicly accused the military personnel attached to the Chilean embassy in Lima of meddling in foreign policy matters. But General Pinochet overrode his Minister, and--in a policy decision typical of the praetorian style of diplomacy--sent General Herman Brady as his personal emissary to directly mend relations with the Peruvian Defense Minister. Although Brady knows several of Peru's top generals, he was unable to prevent the breakdown of diplomatic relations that followed.[50]

The uneasy coexistence between the two styles of diplomacy was further illustrated in early 1979 with the implementation of two rather contradictory measures. On the one hand, in a demonstration of the pragmatic approach, two high-ranking uniformed functionaries relinquished their respective posts as Director General of the Ministry and Head of the Administrative Division to two strongly qualified civilian career diplomats. But, at the same time, in a demonstration of the praetorian style, the Andrés Bello Diplomatic Academy graduated, together with its regular students, 16 former military officers who were immediately assigned to important posts in the Chilean foreign service.[51]

Undoubtedly, executive control of the foreign policy process is still largely in the hands of the military, and that implies that the praetorian-ideological style of diplomacy will endure despite the move towards pragmatism. A recent illustration was General Pinochet's speech commemorating the sixth anniversary of the military government, in which he equated "Soviet imperialism" with "American imperialism" and condemned the United States for (a) attempting to export its own political models to other nations, (b) applying its human rights doctrine in a selective fashion, and (c) not playing its due role of anticommunist world leader.[52]

IV. The Military Government's External Policy and the World Context

During the post-World War II period, the international system expanded considerably. New independent nations appeared, global and regional organizations were formed, and the rapid development of science and technology permitted noticeable increases in the level of interactions among the growing number of actors of the world system. Politically, the international system began to evolve from a highly centralized, cold war pattern of confrontation between two relatively monolithic blocs--led respectively by the United States and the Soviet Union--to a more decentralized, detente pattern characterized by the emergence of new regional powers, the re-emergence of Western Europe and Japan, a progressive disintegration of the ideological-political blocs, and a rapprochement between the United States and the Soviet Union.

Throughout the cold war period, Chile was unquestionably aligned with the Western bloc led by the United States. Chile's subordination to the United States translated into clear limits to Chilean external behavior. Occasionally, however, the administrations of the period were able to pursue specific independent courses of action, particularly regarding the defense of Chile's position on the Antarctic and on the maritime issue of the 200 miles (the González Videla presidency, 1946-1952), and on the renegotiation of a new agreement with the U.S. copper companies (the Ibañez presidency, 1952-1958).

The shift in the international context from cold war to detente facilitated the pursuit of a more autonomous external strategy on the part of the Chilean government. Under the Christian Democratic administration of Eduardo Frei, Chile reestablished diplomatic and consular relations with the Soviet Union, Czechoslovakia, Hungary, Bulgaria, Poland, and Rumania. The improvement of relations between Chile and these socialist countries led to the exchange of numerous trade missions and to some cooperation agreements. In 1968, for example, the Soviet Union expanded its sales of machine tools to Chile through credit extension and loaned U.S.$42 million for industrial development purposes.[53]

During the Popular Unity administration, the intensification of relations with socialist countries accelerated. By 1972 Chile had established diplomatic and consular relations with the People's Republic of China, the German Democratic Republic, North Korea, and North Vietnam; and had restored full relations with Cuba, broken in 1964 in compliance with a sanction resolution of the OAS Foreign Ministers' Conference.

Throughout both administrations, Chile further asserted its independent orientation in the new world order by establishing or strengthening relations with African countries such as Zambia, Zaire, and Nigeria, and with Asian nations such as India and Japan. Chile also played a growing role in international economic or political associations like CIPEC (Inter-Governmental Council of Copper

Exporting Countries), the Andean Pact,[54] and the Group of Non-Aligned Countries. In short, despite scarce economic resources, a small population, and geographic isolation, Chile "played an expanding role in inter-American and international affairs."[55] Following the elements of our analytical model, Chile was influential beyond its objective material means because of: (a) its democratic political institutions and processes, (b) its moderate style of diplomacy and the quality of the human resources in charge of foreign policy, and (c) the existence of a detente world context which facilitated the pursuit of contacts and attitudes considered "dysfunctional" in a cold war framework.

The accession of the military to power and its implementation of a praetorian-ideological style of diplomacy, founded on a militant anticommunism, clashed with the prevailing world context characterized by a relaxation of tensions between East and West. In the view of one author, the detente process constituted a "systemic obstacle" to the foreign policy orientation of the military government.[56] There was, therefore, a high degree of incongruence between Chile's national position and the concrete international political reality.

One of the first foreign policy decisions of the military junta after it came to power was the expulsion of Cuban diplomats and the severance of relations with Cuba. Subsequently, several socialist nations broke relations with the Chilean junta, including the Soviet Union, North Korea, North Vietnam, the German Democratic Republic, Poland, and other Eastern European countries.[57] More importantly, the new Chilean government launched an international campaign against detente, seeking at the same time to teach the United States and other Western nations about the disadvantages of political ambivalence. In the words of General Pinochet, there was "no place for a comfortable neutralism that carries the seed of suicide."[58]

Considering the United States' negative reaction to the proposed war on detente, the military regime also condemned the "soft" Western attitude toward communism. Vice-Admiral Patricio Carvajal, the former Minister of External Relations of the junta, openly acknowledged that "Chile's position, based on the values of Western Christian civilization, is antagonistic to communism and cannot be well received by the supporters of detente <u>à outrance</u>."[59]

Perhaps the clearest expression of the military government's rejection of detente was a March 1980 speech by General Pinochet in which he asserted: "the world is already involved in World War III. This is the only way to characterize the cruel communist expansion that, without a rest, spreads throughout the world and that has signified the death of millions of men in different types of combat."[60]

In sum, the contradiction between Chile's international orientation and the world environment is another significant factor

which has contributed to Chile's political isolation from the world community. The dependency condition experienced by Chile has further complicated the situation.

V. Dependency and the Military Government's International Position: Political Isolation, Economic Solidarity

Political Isolation. It is widely agreed that Chile before September 11, 1973 enjoyed a very positive international image and had "a good understanding with most countries of the world."[61] Since that date, however, Chile has become politically isolated from the international system.[62]

As a rough indicator of this progressive isolation, one should consider that Chile's diplomatic relations with U.N. member nations--which have multiplied over the years--dropped from 89 in 1973 to merely 69 in 1979:

TABLE 3

CHILE'S DIPLOMATIC RELATIONS WITH U.N. MEMBER COUNTRIES

	No. of countries in U.N.	Diplomatic relations with
Dec. 1973	137	89
Dec. 1979	152	69

SOURCE: United Nations.

In any event, to have relations with many countries is not always very important in terms of evaluating a nation's position in the international system. What matters more is the quality of those relations. For instance, Chile has diplomatic relations with the United States, but as is known, they are far from optimal. Another significant piece of information is that Chile has been consistently left out of the Latin American itinerary of world leaders such as West German Chancellor Helmut Schmidt, French President Giscard D'Estaing, King Juan Carlos of Spain, U.S. President Jimmy Carter, and U.S. Secretary of State Cyrus Vance.

At the regional level, Chile has not fared much better. In March 1978, Bolivia broke off relations with Chile on the grounds that the Chilean government had not shown enough flexibility over the problem of granting Bolivia access to the Pacific Ocean.[63] As mentioned before, relations between Peru and Chile at the ambassadorial level were suspended in January 1979 after the Chilean ambassador in Lima was declared persona non grata in connection with charges of Chilean spying. Relations with Argentina have been the worst in decades, particularly since the two almost went to war in 1978 over the Beagle Channel issue.

According to one analyst, the military government has violated the golden rules of Chile's foreign policy: (a) never have bad diplomatic relations with all three neighbors at the same time, and (b) keep the country in a position to avoid that likelihood or, in case of war, to conduct it under the best possible conditions.[64] Accordingly, Chile always encouraged a regional balance of power, cultivating friendship with Brazil as an insurance against Argentina and friendship with Ecuador as a counterweight against Peru. Lastly, good relations with the United States constituted another vital component of Chile's security system. Today, however, relations with Ecuador after the democratic restoration there have cooled, while Brazil's cultivation of a more liberal image abroad and recent move towards "democratization" has led it to shun the public company of Chile.

Perhaps the best evidence of Chile's political isolation was the unprecedented support obtained by Bolivia in its demand for access to the Pacific Ocean through Chilean territory. Although in the past Chilean diplomacy had always impeded discussion of Bolivia's landlocked status in international forums, a resolution of the Ninth OAS General Assembly of 1979, by a vote of 21 to 1 (Chile), recommended that the states involved initiate negotiations to give Bolivia a territorially sovereign access to the Pacific. The resolution mentioned the convenience of creating a port developed multinationally and the need to consider Bolivia's position of not granting territorial compensation.[65] The United States, which voted in favor, had already put pressure on Chile when, on June 21, 1979, President Carter singled out Bolivia's landlocked status as "a cause of conflict in the subcontinent."[66] Likewise, Chile was unable to gather any international support for its solid juridical stance on the Beagle controversy with Argentina, even after the arbitrator awarded the disputed islets to Chile.[67]

Chilean exiles, churches, labor unions, and intellectuals throughout the world have continually publicized the worst aspects of Pinochet's rule and have thus contributed to the military government's international isolation. But the role of these non-governmental actors should not be overemphasized, since there is a genuine international attitude of rejection of the military regime for having broken the long democratic tradition that characterized Chilean politics and society. A declaration by retired Air Force General Gustavo Leigh, a former member of the military junta, summarizes the present international political position of Chile:

> Chile has no friends in today's world. Consider the votes in the United Nations, the ILO, the OAS. In all the international votes on human rights Chile loses. Apart from Paraguay and Uruguay and perhaps a couple of countries in Central America, Chile has no friends in the world. . . . We do not have truly friendly relations with the countries of the Western hemisphere. . . . In fact, regarding foreign relations the situation is similar with all of the Western world, with few exceptions. Our image has not improved substantially since 1973, even though some people may argue otherwise.[68]

The military government's weak international position has combined with an existing condition of dependency to produce severe limitations to independent governmental action. These constraints go well beyond those "normally" experienced by periphery countries, and have raised doubts about Chilean national security.

We referred earlier to several policy reversals of the military regime attributable to external pressure in a context of political isolation. But the clearest example of how a dependent, politically isolated government must yield to foreign pressure was the executive appointment of José Piñera as Labor Minister to deal with a threatened boycott of goods to and from Chile proposed in Lima, on November 26, 1978 by the ORIT (Inter-American Regional Trade Union Organization) in protest of Chile's labor policies.

The proposed boycott was strongly backed by ORIT's leading member, the AFL-CIO. Interestingly, when Chilean Finance Minister Sergio de Castro was sent to Washington on December 10, 1978 for urgent direct negotiations with the U.S. labor organization,[69] George Meany--the late former president of the AFL-CIO--stated that he would not "waste time" talking further to the incumbent Labor Minister Vasco Costa, a hard-liner on labor control. Therefore, Costa was removed from the post and replaced by Piñera, who in his first meeting with Chilean trade-union representatives, on January 2, 1979, announced various reforms--including restoration of the right of assembly without previous permission--all of which led ORIT to postpone the application of the boycott.[70]

The effect of political isolation--in a dependency context--on Chilean national security has been, in some cases, more straightforward. In June 1978, for example, when rumors of war between Argentina and Chile abounded, the United States suspended shipment to Chile of 11 tons of bomb parts which had been ordered in 1974, after the International Longshoremen's and Warehousemen's Union (ILWU) at San Francisco refused to load them in protest against the condition of labor rights in Chile. This type of circumstance perhaps explains why Chile has the highest relative military spending in Latin America: approximately U.S.$750 million a year, or about 7 percent of GNP, compared with U.S.$180 million, or nearly 2.5 percent of GNP, under civilian governments.[71]

Economic Solidarity. In the Chilean case, then, it appears that the external aspect of dependency combined with political isolation has resulted in severe limits to autonomous action, despite the military government's attempts to reduce the "concentration" of reliance through, for example, the diversification of exports and trade partners. But as we stated earlier, external vulnerability is only one derivative of the dependency condition of less-developed countries such as Chile. Much more important are the linkages that develop between groups, classes, corporations, and banks of the periphery and their counterparts in the centers as a consequence of the structural coupling of backward and advanced economies. These transnational alliances solidified considerably after the 1973 coup, so that economically the Chilean military regime is anything but isolated.

The relations between the Pinochet government and foreign bankers, industrialists, and multinational corporations are indeed very cordial. In other words, Chile's economic image in the transnational business community is excellent. The Wall Street Journal,[72] Barron's,[73] and the U.S. Department of Commerce[74]--among others--have praised Chilean economic policy for having controlled inflation, lowered tariff barriers, achieved an 8 percent rate of growth, and offered favorable terms to foreign investment.[75]

Chilean officials are aware of the existence of transnational linkages and of Chile's positive economic image among international business circles. Therefore, Chile's foreign policy has been progressively directed to policy targets other than merely governments--including bankers, investors, and industrialists who can influence policy making in their respective countries. Chilean relations with the United States have deteriorated in the public political sphere while they have improved on the private economic side, revealing that, occasionally, the economic and political components of a relationship do not necessarily move in the same direction. One member of the military junta has described Chile's relations with the United States in a way which underlines our previous statement:

> . . . with the armed Forces we are on very good terms . . . with the State Department we are probably in very bad shape . . . with the economic circles we have excellent relations . . . I would say that Chile has good and bad relations with the United States, depending with whom they are.[76]

The relative decentralization of U.S. policy making vis-â-vis Third World countries[77]--compared with the high degree of centralization of U.S. decisions regarding the Soviet Union, for instance--adds to the divorce between the political and economic dimensions in U.S.-Chilean relations, and often leads to apparent contradictions. Thus, the U.S. ambassador in Chile, George Landau, reportedly used a trip to New York in 1979 to talk to the chief representatives of multinational corporations in order to reassure them that--despite the outcome of the Letelier case--economic relations with Chile would not deteriorate.[78]

Incidentally, Chile's growing external reliance on credits from private as opposed to public sources illustrates the good relations between the military government and transnational banking (see Table 4) while, at the same time, the size of that debt and its service creates some doubts about the future of the economic model.

Although, as we have stated, Chile's economic image in the world business community is quite positive,[79] there are some elements to suggest that there still is apprehension on the part of investors about becoming too deeply involved in a politically sensitive country such as Chile. For example, the entry of direct investment capital under the aegis of Decree-Law 600 was disappointingly low through January 4, 1980, despite the large backlog of projects approved by the Committee on Foreign Investments (CIE). According to the CIE, authorized investments between August 1974 and January 1980 amounted to U.S.$4.241 million, but materialized investments reached only 14.8 percent of that figure, or about U.S.$629 million (see Table 5).[80]

TABLE 4

CHILE'S EXTERNAL BORROWING: 1974-1978
(in millions of U.S. dollars)

	1974	1975	1976	1977	1978
Public Sources*	330.6	315.8	359.5	122.0	38.5
Private Sources	-	99.8	520.2	858.5	977.0

*Public sources include only U.S. bilateral aid, multilateral development assistance, and drawings on the resources of the IMF. Does not include non-U.S. bilateral assistance.

SOURCE: Institute for Policy Studies

TABLE 5

CHILE: FOREIGN DIRECT INVESTMENT PROJECTS BY SECTOR,
AUGUST 1974 to JANUARY 1980

Sector	Value* (millions U.S. $)	Percent
Mining	3,733.5	88.03
Industry	330.8	7.80
Services	138.2	3.26
Transport	11.2	0.26
Agriculture	10.7	0.25
Construction	9.5	0.22
Forestry	5.6	0.13
Energy and Fuels	1.3	0.03
Total Approved:	4,241.1	100.00
Total Materialized:	629	14.83

*The partial figures do not add exactly to the total approved because they have been rounded.

SOURCE: Compiled by the author from documents of the Committee on Foreign Investment.

It appears, therefore, that despite the declarations of a high Brazilian official that Chile is an interesting investment possibility "since the political risks there are low"[81] and the profits high,[82] the military government still needs to attract sufficient capital to sustain the high rates of economic growth contemplated in the model.

VI. Towards a Strategy to Overcome Political Isolation

Considering the cordial relations prevailing between the Chilean military government and the international business community, the former is seeking to overcome political isolation through the economic dimension. The goal of international political legitimization through the economic route is being pursued at two different levels: (a) at the governmental level, where the task is to demonstrate to foreign governments critical of the junta's authoritarian rule that the solid economic position of Chile merits a reassessment of bilateral relations on the basis of "objective," mutually advantageous considerations, and (b) at the private level, where the aim is to strengthen ties with bankers, corporations, and other economic actors of the developed nations so as to compensate for possible deteriorations of public bilateral relations with their governments, and so as to gain an indirect access to the official circles of those same countries. The governmental level is more commonly employed in the case of European countries, where there is a relatively high degree of coordination between the private and public sectors in the determination of foreign policy, while the private level is used particularly, although not exclusively, with regard to the United States, where there is generally a lower degree of harmonization between the private and public sectors in foreign-policy making.

This general strategy is, as we have already suggested, an essential functional component of the civilian-pragmatic style of diplomacy advocated by the Chilean economic groups. Of course, we do not mean to say that the economic model is a mere instrument designed to achieve specific foreign policy objectives but that, given its external orientation, it is highly functional to the present foreign policy goals of the military government. As one author put it:

> Chile's opening to the exterior with regard to imports, credits, and facilities for investment generates a diplomatic advantage: to insert Chile in a network of American, European and Japanese economic interests so strong as to make them forget certain conflictive aspects of internal policy and to cover the grave deficit in external security.[83]

The need to stress the economic dimension of Chilean foreign policy was one of the principal conclusions of the First General Meeting of Chilean Ambassadors held in Santiago, in March 1980. According to a high official of the Foreign Ministry, "there was a consensus among the ambassadors that one of the principal themes on the bilateral level is the need to promote the successful financial image of Chile, and the possibilities there are to purchase and invest in our country." The same official added that "in practically all Chilean embassies abroad there is already an economic section operating, which is our top priority."[84]

The 1979 visit of Foreign Minister Cubillos to Europe[85] constituted one of the clearest demonstrations of the approach to reducing political isolation through a civilian-pragmatic style of diplomacy with an emphasis on economic matters. In Spain, for example, discussions between Cubillos and Prime Minister Adolfo Suárez dealt particularly with Chilean exports of nitrate, coal, celulose, and fishmeal; Spanish sales of ships, investments in Chilean public services, and a forthcoming credit for U.S.$110 million. In France, Cubillos met with the National Council of Businessmen, confirmed a large sale of French arms to Chile for U.S.$160 million--including several "Mirages," helicopters, tanks, and missiles--signed an aeronautic agreement between the two countries regarding the South Pacific route, and received renewed expressions of interest from French officials in continuing with the Metro-subway project of Santiago.[86]

In practically all of the countries visited, however, Cubillos was quizzed openly about the Letelier case, the disappearance of political prisoners, and human rights in general. In France, he "was received in a furtive backstairs manner"[87] because of the local opposition generated by his presence, and was even lectured on "the right of Chilean political refugees to return to their homeland."[88] In West Germany, he was forced to cancel his press conference after his reception by Foreign Minister Hans Dietrich Genscher, at which he was again interrogated about human rights issues. Moreover, Cubillos was denied interviews with the Secretary of State for Economic Cooperation, with the conservative leader Franz Josef Strauss, and with the former Prime Minister Willy Brandt. To make things worse, Prime Minister Helmut Schmidt received Hortensia Bussi de Allende only a few days after Cubillos' visit to the FRG.[89]

Efforts to overcome political isolation through means other than economic interests have achieved success principally with regard to countries in a similar position to that of Chile,[90] including Uruguay, Paraguay, Grenada under the Gairy regime,[91] South Africa,[92] and South Korea.

An interesting effort to reduce political isolation has been the military government's search for closer contacts with Asian nations. An intended high point of this effort was to be the visit of General Pinochet to the Philippines on March 23, 1980. However, while Pinochet, accompanied by a high-level staff, was flying on his way to the Asian country, Ferdinand Marcos abruptly cancelled the invitation to his Chilean guest on the grounds that he had important business to attend outside Manila.[93] The unexpected change in plans forced Pinochet to return immediately to Santiago, and to suspend the 12-day trip which originally included stopovers in Fiji, Hong Kong, and New Guinea. Independent analysts interpreted the affair as an affront to Chilean dignity, attributable to Chile's negative image in the international system.[94]

The whole incident caused profound displeasure among government circles in Santiago, and led to the recall of the Chilean ambassador in Manila and to the dismissal of Hernán Cubillos as Chilean Foreign Minister. At the same time, the removal of the Minister sharpened and made public the rivalry between aperturistas (supporters of the military government who favor a relative liberalization of the regime and sided with Cubillos) and duros (supporters of tougher authoritarian measures who backed Pinochet's decision to fire Cubillos). Although it is too early to say whether the Philippine episode will signify a return to an undisputed praetorian-ideological style, it appears that control of the foreign policy process has shifted away from the economic groups and toward General Pinochet and the armed forces. This change is visible in the designation of a rather neutral new Foreign Minister--former ambassador to Spain René Rojas--who is largely a "technocrat" of Chilean diplomacy.

With regard to relations with Brazil, Chile has been more successful in the economic field than in the political sphere. Today Brazil is Chile's principal Latin American trade partner. Trade between the two nations reached U.S.$750 million in 1979--a 900 percent increase over the 1973 figure--a sum equivalent to Brazil's total trade with the Andean Pact.[95] Several Brazilian commercial missions have visited Santiago expressing particular interest in establishing joint ventures to exploit Chilean copper and oil. Politically, however, Brazil has carefully avoided a close partnership with Chile. According to the Jornal do Brasilia, the Brazilian government is not interested in breaking the web of political isolation surrounding Chile, and thus becoming identified with the Pinochet regime.[96] Consequently, the February 1980 arrest of four Brazilian students visiting Chile, on the grounds that they carried "literature classified as Marxist indoctrination,"[97] provoked an energetic protest from the Brazilian Lawyers Guild (OAB) and a complaint from the Brazilian Foreign Ministry.[98] The detention of the students evidenced the continued intolerance of the Chilean military government at a time when it was seeking to convince the world that restrictions of civil liberties in Chile were a thing of the past.

Commercial relations have also intensified with countries that are openly hostile to the military government, but this has not led to improvements in political relations. For example, trade between Chile and Mexico[99] and between Chile and Italy[100] has grown progressively over recent years, while diplomatic relations remain suspended, with no prospect of improving. Similarly, some socialist countries, such as Rumania[101] and Yugoslavia,[102] are quite interested in Chilean copper and have substantial commercial contacts with the military government. Unconfirmed reports suggest that the German Democratic Republic could be interested in establishing a trade office in Santiago. Interestingly, Chilean Minister of Planning Miguel Kast has publicly declared--in a clear demonstration of economic pragmatism--that he favors the resumption of commercial relations with both the Soviet Union and Cuba.[103]

In sum, it appears that the implementation of a civilian-pragmatic style of diplomacy which emphasizes the economic aspects of international relations may not be sufficient to offset the political isolation experienced by the Chilean military regime. Such a strategy could lead to warmer commercial relations with many countries, but not necessarily to warmer political relations--unless it was accompanied by effective changes towards democratization. Keeping the proportions, Chile conceivably could become similar to Spain under Franco: a nation enjoying cordial economic relations with a wide variety of countries, but at the same time a country politically isolated because of its authoritarian domestic order.

VII. Conclusions

We have asserted that the external image of an underdeveloped country is essentially shaped by the existing dominant domestic order, the style of diplomacy, and the world context. A country's dependency condition is also a critical additional factor in analyzing the international position of any periphery nation.

From this perspective we have attempted to show that the Chilean military government's position in the international arena can be defined as political isolation accompanied by economic solidarity. This situation can be explained in terms of the actors involved (i.e., nation-states, business groups), the levels of analysis implied (i.e., state-to-state, transnational), and the specific policies pursued by the military government. This case also suggests that there is often a relative independence between the economic and political components of a relationship. We conclude that Chile's political isolation is a direct result of the establishment since September 1973 of (a) an authoritarian domestic order, (b) a praetorian-ideological style of diplomacy, and (c) the pursuit of a belligerent, anticommunist foreign policy in a world context of detente.

The radically new domestic order instituted by the military regime differed sharply with the prior democratic order that characterized Chilean political life and went against many basic principles of the international community, particularly those dealing with the protection of human rights. The key actors behind the new order were the military and the financial-industrial sector of the local economic structure. The latter were largely responsible for conceiving and overseeing the new economic project, while the former were mostly in charge of executing the scheme and assuring its stability. Authoritarianism was particularly important when the paramount priority of the military government was the consolidation of the new internal order, but it is still a structural requirement for the success of the laissez faire economic model. Ironically, the persistence of the authoritarian order is the fundamental factor that explains the state of political isolation that characterizes the military regime's international relations.

The Pinochet government's adoption of a praetorian-ideological style of diplomacy also contrasted with the traditionally pragmatic style that previously characterized Chilean foreign policy, as well

as contrasting with the standard unwritten norms of diplomatic behavior. Originally, it was expected that the new style of diplomacy would not experience significant transformations or that it would be shaped largely by the generally pragmatic financial-industrial sectors. However, the intermediary role of the dominant executive actor, the armed forces, altered the supposedly harmonic link between dominant domestic project and style of diplomacy. Hence, the new style became a direct, no-options-open approach which further contributed to Chile's isolation from the world community.

Not surprisingly, a strain developed between the economic groups and the military over the conduct of foreign relations. Owing to pressure from the economic groups, and some conjunctural factors, a shift occurred in 1978 toward a more civilian-pragmatic style of diplomacy. The change, however, did not imply a displacement of the praetorian-ideological style, but rather the forging of an uneasy coexistence between two distinct approaches to the management of Chile's external affairs. The sequel of events that followed Pinochet's aborted visit to the Philippines in March 1980 may culminate in a resurgence of the praetorian-ideological style as the undisputed external approach of the military government.

The accession of the military to power and its implementation of a style of diplomacy founded on a militant anticommunism clashed with the prevailing international context characterized by a relaxation of tensions between East and West. The Chilean government's global campaign against detente conflicted with the overall policies of the United States and most Western powers, and therefore it signified a progressive alienation from potential allies.

In the economic dimension, however, the Chilean government is far from isolated. In fact, the military regime and the local economic groups have considerably strengthened their ties with international capitalism. Chile's economic image in the world business community is excellent. Chilean officials, especially those who lean toward the civilian-pragmatic style of diplomacy, are aware of this situation and have sought to overcome political isolation through an "economicist" foreign policy. The strategy is being pursued at two levels: (a) at the governmental level, where the task is to demonstrate to foreign governments critical of the junta's authoritarian rule that the solid economic position of Chile merits the reassessment of bilateral relations on the basis of "objective," mutually advantageous economic considerations, and (b) at the private level, where the aim is to strengthen linkages with bankers, corporations, and other economic actors of developed nations so as to compensate for possible deteriorations of public bilateral relations with their respective governments.

Until now, the strategy to reduce political isolation through a foreign policy approach that emphasizes commercial aspects has achieved only limited success. But it is quite possible that close commercial ties could lead to close diplomatic ties, particularly if there are political changes toward more conservative administrations in the other countries involved.[104] The January 1980 resumption of

relations at the ambassadorial level between Chile and Great Britain is a case in point. As El Mercurio put it,

> . . . the new policy of friendship between England and Chile is intimately related to political changes that have occurred within England itself, and to the fruitful efforts of our Foreign Office in the sense of conducting a diplomatic offensive to improve our external relations.[105]

Likewise, Chile and Australia resumed diplomatic relations, which had been broken off by the Labor government of Gough Whitlam shortly after the 1973 coup, only when a conservative administration came to power in 1976.

Again, in the case of Great Britain, economic considerations played a critical role in the decision of the Margaret Thatcher administration to resume full diplomatic relations with the Chilean military government. According to a report from The Guardian of London,[106] the trend toward resumption was visible before 1980. In July 1979, the Exports Credits Guarantee Department (ECGD) had renewed financial coverage of exports and long-term credits from the United Kingdom to Chile. In October 1979 a mission of the Chamber of Industry and Commerce of Birmingham had visited Santiago and met with high Chilean officials and private businessmen. In December 1979, the ECGD had given a guarantee and subsidy for a U.S.$5 million credit from N. M. Rothschild and Sons to the Banco de Chile. Lastly, in January 1980, the British Ministry of Commerce had guaranteed a loan from Lazard Brothers--the London bank--to the Banco de Chile. In view of these facts, and considering that Britain needs foreign markets because it exports 30 percent of its domestic product, the decision of the Conservative government came as no great surprise.[107]

Following our analytical scheme, a change in the world context could also favor Chile's attempt to overcome political isolation. For instance, a further deterioration of relations between the United States and the USSR over Afghanistan, leading to a renewed cold war situation, would be highly functional to the new orientation of the military government. In an atmosphere of boycotts and confrontation between East and West, all potential allies are important, even politically questionable ones such as Chile.[108]

In any event, the authoritarian domestic order continues to be the fundamental obstacle to the military government's efforts to overcome political isolation. In this respect, the U.N. vote record on the Chilean human rights situation from 1975 to 1979 reveals no significant improvements in the international assessment of Chile's internal order (see Table 6).

Similarly, a U.S. State Department report on human rights, submitted to the U.S. Congress in January 1980, asserted that "arbitrary arrests and torture continue to be a problem in Chile," adding that "political parties are still formally dissolved there and freedom of speech and association continue to be restricted."[109] In the opinion of the rather conservative journal The Economist, "democratic rule in Chile seems as far away as ever."[110]

TABLE 6

U.N. VOTE RECORD OF CONDEMNATIONS OF THE CHILEAN HUMAN RIGHTS SITUATION (1975-1979)

	In favor	Against	Abstentions
1975	95	11	23
1976	95	12	25
1977	96	14	25
1978	96	7	38
1979	93	6	28

SOURCE: Compiled from Keesing's Contemporary Archives, El Mercurio.

In sum, it appears that a mere change towards a pragmatic style of diplomacy based on economic themes will not suffice as the answer to the military government's international political isolation. Much more transcendental than the prevailing style of diplomacy, or the world context, is the nature of Chile's domestic order. So long as authoritarianism remains,[111] the government's negative image will last, and political isolation will continue.

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[1]We prefer to speak of "relative" isolation because the present international system is a highly integrated, interrelated whole in which even purposeful autarchy is impossible to achieve. Hence, the term "relative" refers principally to previous Chilean governments.

[2]In the case of underdeveloped countries the possession of critical minerals, like oil, is particularly relevant. All other things being equal, resource-rich countries are therefore much more important than resource-poor countries in the international political economy. On this subject, see Heraldo Muñoz, "Strategic Dependency: The Relations between Core Powers and Mineral-Exporting Periphery Countries," in Charles Kegley, Jr. and Patrick J. McGowan (eds.), The Political Economy of Foreign Policy Behavior (Beverly Hills and London: Sage Publications, forthcoming).

[3]In this section we are following the arguments developed by James A. Caporaso and Behrouz Zare in their essay "An Interpretation and Evaluation of Dependency Theory," in Heraldo Muñoz (ed.), From Dependency to Development: Strategies to Overcome Underdevelopment and Inequality (Boulder, Colo.: Westview Press, forthcoming).

[4]World Bank, Chile: An Economy in Transition, Report Number 2390-CH, June 21, 1979, vol. I., p. IV.

[5]Apparently, these economic groups played an early role in the creation of the economic order that emerged after September 1973. According to a U.S. Senate report, the CIA and some of these groups "were involved in preparing an initial overall economic plan which served as the basis for the Junta's most important economic decisions." Select Committee to Study Governmental Operations with Respect to Intelligence Activities, U.S. Senate, Covert Action in Chile: 1963-1973 (Washington, D.C.: U.S. Government Printing Office, 1975), p. 40.

[6]"La Semana Política: Civiles y Militares en el Régimen," El Mercurio, March 16, 1980, p. A3.

[7]An advertisement in The Economist by CORFO, the Chilean state agency, emphasizes "the favorable investment atmosphere created by effective legislative measures" and asserts that "the doors to investment in Chile are wide open." ("Chile's Counter-revolution: A Survey," The Economist, February 2, 1980, p. 3.) The new foreign investment statute is examined in detail in Carlos Vignolo, "Inversión Extranjera en Chile 1974-1979," Mensaje, 286 (January-February 1980), pp. 36-41.

[8]For Manfred Wilhelmy, Chile's withdrawal from the pact was not motivated so much by economic reasons, but by political causes. Chile's military government had significant differences with its former Andean partners in terms of ideological orientation, geopolitical orientation, emphasis on national sovereignty, and style of diplomacy. See Manfred Wilhelmy, "La Política Exterior de Chile y el Grupo Andino,"

Estudios Sociales, 10 (December 1976), pp. 34-37. By contrast, Simón Bello believes that Chile's decision "can only be explained by the theoretical principles of the military government's economic advisors . . . considerations of a social, cultural, or international relations nature were simply left out of the picture." Simón Bello, "Chile y la Integración Latinoamericana," Mensaje, 255 (December 1976), p. 608.

[9]It would be simplistic to think that authoritarianism emerged solely as a functional necessity of the new economic model. Authoritarianism was also the result of a process of political polarization that has characterized Chile in recent times, and might also be traced to the ideological orientation of the Chilean armed forces.

[10]See Keesing's Contemporary Archives, February 3-9, 1975, p. 26943.

[11]See ibid., May 12-18, 1975, p. 27123.

[12]See El Mercurio, October 29, 1975, p. 7; and El Mercurio, October 30, 1975, p. 1.

[13]By this time, private loans to Chile were increasing rapidly: between 1975 and 1976, credits from private sources increased by 500 percent.

[14]Henry Kissinger, quoted in Qué Pasa, 269 (June 17, 1976), p. 11.

[15]On the subject of U.S.-Chilean relations under the Carter administration, see Juan Somavía and Juan Gabriel Valdés, "Las Relaciones entre los gobiernos de Estados Unidos y Chile en el marco de la política de los derechos humanos," Cuadernos Semestrales-Estados Unidos: Perspectiva Latinoamericana (CIDE), 6 (2nd semester 1979), pp. 255-277.

[16]As a result of this incident, the Belgian Ambassador left Santiago and diplomatic relations between Chile and the European nation were reduced to the level of chargé d'affaires. See Latin American Political Report, 10 (March 10, 1978), p. 78.

[17]We do not mean to argue that external pressures alone produced the policy shifts outlined above. In some cases, internal factors have also played a major role. At the very least, however, external events have been key catalysts which, in combination with domestic variables, have produced the corresponding policy changes.

[18]See Latin America Political Report, XII: 2 (January 13, 1978), p. 13.

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[19]In March 1980, a U.S. federal judge ruled that the Chilean government could be brought to a civil trial for damages regarding the assassination of Orlando Letelier and Ronnie Moffitt. If sufficient evidence is presented to the court on the matter, the judge could demand reparations from the military government. If the latter refuses to pay, the judge could request a freezing of all Chilean funds in the United States.

[20]Manfred Wilhelmy, in a very interesting article, distinguishes three subcultures in the formation of Chile's foreign policy: the dominant-moderate, the revolutionary, and the traditionalist-integrist. In his view, the first type predominated in the 1946-1970 period, the second in the 1970-1973 years, and the third during the present military government. See M. Wilhelmy, "Hacia un Análisis de la Política Exterior Chilena Contemporánea," Estudios Internacionales, 48 (October-December 1979), pp. 440-471.

[21]Since we are dealing with "ideal types," variations in degree are often obscured. Hence, one should differentiate between the highly dynamic foreign policies of the Frei and Allende periods and those of their predecessors. During the latter part of the Frei administration and most of the Allende government, Chile's diplomatic style reflected a moderate degree of ideological activism, particularly regarding the establishment of the Andean Pact, the self-assertion of Latin America before the United States through the Consensus of Viña del Mar, the strengthening of relations with the Third World through the Group of Non-Aligned Countries, and the demands to create a New International Economic Order.

[22]Orville G. Cope, "Chile," in Harold E. Davis, Larman C. Wilson, et al., Latin American Foreign Policies: An Analysis (Baltimore: The Johns Hopkins University Press, 1975), p. 321. Similarly, Carlos Fortini has emphasized the pragmatism of Allende's foreign policy in his "Principled Pragmatism in the Face of External Pressure: The Foreign Policy of the Allende Government," in Ronald G. Hellman and H. Jon Rosenbaum (eds.), Latin America: The Search for a New International Role (New York: John Wiley & Sons, 1975), pp. 217-245.

[23]On the subject of the relationship between the domestic project and foreign policy within the Chilean context, see Hugo Frühling, "Proyecto Social Interno y Política Exterior--El Caso del Gobierno Militar Chileno," Seminario de Relaciones Internacionales "América Latina y su Inserción en el Sistema Internacional," FLACSO, Santiago, 1979, p. 63.

[24]This point is very aptly raised by Manuel Antonio Garretón in his "Comentario al Trabajo 'Proyecto Social Interno y Política Exterior,'" Seminario de Relaciones Internacionales "América Latina y su Inserción en el Sistema Internacional," FLACSO, Santiago, 1979, pp. 3-4.

[25]According to Frühling, op. cit., p. 46, Chile's anti-communist foreign policy is in perfect concordance with the internal economic project. Our argument suggests that this is not so clear. To demonstrate it, we trace the conflict within the military government between the civilian-pragmatic diplomatic style backed by the economic groups, and the praetorian-ideological style espoused by the military.

[26]See Oscar Pinochet de la Barra, "Sorpresas en la Cancillería," Hoy 92 (February 28-March 6, 1979), p. 35.

[27]Interestingly, some Latin American military regimes have purposefully avoided a military image in their foreign policies. For example, the Brazilian military regime has preserved the civilian character of its successful diplomacy since Castelo Branco. Similarly, Peru from 1968 onwards has had mostly civilian ambassadors.

[28]Robert Moss, "Chile's Coup and After," in Francisco Orrego Vicuña (ed.), Chile: the Balanced View (Santiago: Editora Gabriela Mistral, 1975), p. 55.

[29]Cope, p. 322.

[30]El General Pinochet Habla al País: 11 de Septiembre de 1974 (Santiago: Editorial Gabriela Mistral, 1974), p. 26.

[31]Ibid., p. 29.

[32]Quoted in Keesing's Contemporary Archives, August 5-11, 1974, p. 26659.

[33]See ibid., March 26, 1976, p. 27647.

[34]Of course, not only the economic groups have stressed the critical importance of Chile's foreign affairs and the need to return to a civilian-pragmatic style of diplomacy. Career diplomats and intellectuals have done the same. See, for instance, Oscar Pinochet de la Barra, op cit.; Antonio Soto, "Balance de la Política Exterior," Mensaje, 265 (December 1977), pp. 690-696; Francisco Orrego Vicuña, "Para Evitar el Aislamiento," Qué Pasa, 250 (February 5, 1976), pp. 2-3; Alejandro Magnet, "Seguridad Nacional y Diplomacia," Hoy, March 29-April 4, 1978, p. 57; and Alberto Sepúlveda, "En Torno al Aislacionismo," Hoy, April 5-11, 1978, p. 57.

[35]Quoted in "Escasa Representación Diplomática Chilena en Asia y Africa," El Mercurio, November 26, 1974, pp. 24-25.

[36]"La Semana Política: El Frente Exterior," El Mercurio, December 1, 1974, p. 49.

[37]"La Semana Política: Diplomacia Profesional," El Mercurio, December 1, 1974, p. 49. Emphasis added.

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[38]Hernán Cubillos, the first civilian Minister of Foreign Relations of the military government, was the former President of the Board of Directors of Qué Pasa.

[39]"La Difícil Amistad," Qué Pasa, 320 (June 9-15, 1977), p. 7. See also, "El Frente Internacional," Qué Pasa, 285 (October 7, 1976), p. 5.

[40]José Piñera, the former Director of Economía y Sociedad, is presently the Minister of Labor of the military government.

[41]For a detailed description of the principal Chilean economic groups and the process of concentration and centralization of capital under the military government, see Fernando Dahse, El Mapa de la Extrema Riqueza (Santiago: Editorial Aconcagua, 1979).

[42]"Reflexiones para una nueva política exterior," Economía y Sociedad, 2 (April 1978), pp. 1-2.

[43]Ibid., pp. 8-9. Emphasis added.

[44]It is widely known that Cubillos, the first civilian Foreign Minister of the military government, came to public office directly from the private economic area. At the time he assumed the post of Foreign Minister, he was: President of the investment company La Trasandina, S.A.; President of Santillana del Pacifico Publications; President of Transamerica Foreign Commerce; and major partner or director of several enterprises in the agricultural, industrial, and publishing fields.

[45]Quoted in Latin America Political Report, XII: 2 (January 13, 1978), p. 13.

[46]Another element to consider as a cause of the shift was the March 17, 1978 official breakdown of relations between Chile and Bolivia.

[47]Quoted in El Mercurio, December 19, 1979, p. A22.

[48]"La Semana Política: Integración Politica," El Mercurio, March 2, 1980, p. A3.

[49]The decree established the Council on Foreign Policy, the Council on Antarctic Policy, the Planning Division, and the General Bureau of International Economic Relations. The latter emerged from the fusion of the Executive Secretariat for LAFTA affairs, the General Economic Bureau of the Ministry, and the Institute for the Promotion of Chilean Exports (PROCHILE). For a detailed description of decree No. 161, see "Ministerio de Relaciones Exteriores," Mensaje Presidencial: 11 Septiembre 1978-11 Septiembre 1979 (Santiago: Talleres Gráficos Gendarchile, 1979), pp. 47-48.

[50]See Latin America Political Report, 4 (January 26, 1979), pp. 25-26.

[51]See Oscar Pinochet de la Barra, op. cit. Toward the end of 1979, there were 45 Chilean ambassadors abroad; of these, 21 were retired officers of the armed forces. See Hoy, 125 (December 12-18, 1979), p. 9.

[52]See "Texto del Mensaje del Presidente Pinochet," El Mercurio, September 12, 1979, p. C6. At the time of this writing, General Pinochet had dismissed Foreign Minister Hernán Cubillos and announced future changes in the Ministry of Foreign Relations following Pinochet's aborted visit to the Philippines. Cubillos' removal was strongly criticized by the economic groups, but Pinochet replied: "I command Chile's foreign relations. The Ministry of Foreign Affairs executes them with intelligence and imagination. If not, I would have to manage everything." (Quoted in El Mercurio, March 28, 1980, p. A16.) We will examine the whole Philippines episode later in the paper.

[53]See Cope, p. 324.

[54]In the view of some observers, Chile's influence in the Andean Pact declined during the government of Salvador Allende. See Gustavo Lagos, "Chile frente al Grupo Andino y la ALALC: de país lider a país marginal," Mensaje, December 1972, pp. 692-695.

[55]Cope, p. 323.

[56]M. Wilhelmy, "Hacia un análisis de la política exterior Chilena contemporánea," p. 467.

[57]Rumania and the People's Republic of China did not suspend diplomatic relations with the military government. Apparently, the close commercial contacts between Rumania and Chile--and Rumania's independent international posture--influenced the former's decision to stay, while in the other case the common identification on the part of Chile and China of the Soviet Union as the principal world enemy was responsible for Peking's decision to remain in Santiago.

[58]Speech before the VI General Assembly of the OAS, held in Santiago in June 1976, quoted in Qué Pasa, 268 (June 10, 1976), pp. 6-7.

[59]Vice-Admiral Patricio Carvajal, "Algunos Aspectos de la Política Exterior Mundial y Chilena durante 1975," Diplomacia, 9 (January-May 1976), p. 8.

[60]Quoted in "Duras críticas formuló Pinochet a la política exterior de Carter," La Segunda, March 3, 1980, p. 4.

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[61]Vice-Admiral Patricio Carvajal, "Objetivos y Principios de Nuestra Acción Internacional," Diplomacia, 13 (April-August 1977), p. 2.

[62]In the view of General Pinochet, Chile's international image has been "distorted and believed by the United States and European countries, because their means of communication are completely infiltrated by Marxism." (Speech before the Conference of the Foundation of Moral Rearmament, quoted in La Tercera, March 6, 1980, p. 5)

[63]Following a meeting on February 8, 1975, between General Pinochet and General Hugo Banzer of Bolivia, the two countries had resumed diplomatic relations broken off in 1962 over a dispute regarding the use of the Lauca river waters. On the part of Chile the decision was seen by many observers as "an attempt to secure Bolivian neutrality in the advent of hostilities between Chile and Peru." Keesing's Contemporary Archives, March 10-16, 1975, p. 27012.

[64]See Angel Rubio, "Política Exterior: las paradojas de la seguridad," Mensaje, 282 (September 1979), p. 523.

[65]The OAS assembly also passed a resolution exhorting Chile, Uruguay, and Paraguay to respect human rights. The vote distribution was 14 in favor, 3 abstentions, and 3 against (the three countries affected).

After the first resolution of La Paz, several former Chilean ambassadors signed a public declaration stating that the OAS resolution illustrated the political isolation of Chile, despite the solid juridical arguments of the Chilean position. The declaration also asserted that Chile's isolation derived from "the nature of the present government which has damaged the world image of the country." Lastly, the declaration recommended the restoration of democracy in Chile as the way to improve Chile's external relations and, more specifically, the return of Chile to the Andean Pact. See "Ex-Embajadores Opinan Sobre Situación Chilena," El Mercurio, November 23, 1979, p. C3.

[66]See Latin American Political Report, XII: 25 (June 30, 1978), p. 193.

[67]By contrast, Argentina has solved most of its bilateral differences with Brazil, has excellent relations with Peru and Bolivia, and even has friendly relations with the Soviet Union. Interestingly, relations between Argentina and the Soviet Union have been characterized by an increasing economic, cultural, and military exchange. Bilateral trade between the two jumped from U.S.$30 million in 1970 to U.S.$634 in 1979. Moreover, Argentina joined neither the cereal boycott nor the Olympic Games boycott sponsored by the United States against the USSR over the Afghanistan conflict. See El Mercurio, March 1, 1980, pp. A1 and A14; Latin America Political Report, February 8, 1980, p. 8.

[68]Gustavo Leigh, interview, in Florencia Varas, El General Disidente (Santiago: Editorial Aconcagua, 1979), pp. 96, 99-100.

[69]The decision to send high Chilean officials to persuade the AFL-CIO to call off its threatened boycott of Chilean trade produced strong criticism among former officials of the military government. For instance, Nicanor Díaz Estrada, retired Air Force general and former Minister of Labor of the junta, declared: "How is it possible that the government sends two Labor Ministers to play fools abroad before American trade unions and that, later on, the Minister of Finance goes to give explanations to those same entities? That endangers national dignity." Quoted in Hoy, 86 (January 17-23, 1979), pp. 9-10.

[70]Another factor behind the postponement was the discrepancies existing within the AFL-CIO on the actual convenience and effectiveness of the boycott. See, "Qué Pasó con el Boicot," Hoy, 87 (January 24-30, 1979), pp. 12-13; "Trade Union Rights in Chile," AFL-CIO Free Trade Union News, 33:10 (October 1978); and Latin America Political Report, XIII:1 (January 5, 1979), pp. 1-2.

[71]See "Chile's Counter-Revolution: A Survey," op. cit., p. 14.

[72]Wall Street Journal, January 18, 1980.

[73]Barron's article condensed in Estrategia, March 11-17, 1980, p. 16.

[74]According to a report of this U.S. agency, Chile is now a key market for the United States in Latin America, since U.S. exports to Chile could soon reach $1 billion a year. See El Mercurio, February 10, 1980, p. A6.

[75]On the other hand, even sympathetic evaluators of the Chilean situation make reference to the social costs of the economic successes. For example, the World Bank has asserted that "these achievements were accompanied by great material sacrifice on the part of the vast majority of Chilean citizens. By 1978, per capita GDP had only regained the level of 1968." World Bank, op. cit., p. V.

[76]Air Force General Fernando Matthei, member of the junta, in Cosas, 52 (September 28, 1978), p. 14.

[77]In the view of Katznelson and Prewitt, the low-stateness "of the United States polity releases non-state actors to play important and sometimes decisive roles in structuring foreign policy. Multinationals provide the best illustration of this. By the economic alliances they forge and the investments they make, they can establish boundaries within which official foreign policy is played out." Ira Katznelson and Kenneth Prewitt, "Constitutionalism, Class

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and the Limits of Choice in U.S. Foreign Policy," paper presented at conference on "The United States, U.S. Foreign Policy, and Latin American and Caribbean Regimes," Washington, D.C., March 27-31, 1978, p. 34. Similarly, a U.S. government document observes that in Japan or France there is a much greater degree of coordination between government and business circles in the implementation of foreign policy than in the case of the United States. See Comptroller General of the United States, U.S. Foreign Relations and Multinational Corporations: A Report to the U.S. Congress, U.S. General Accounting Office, August 23, 1978, pp. 34-35.

[78]See Latin American Political Report, 18 (May 11, 1979), p. 141.

[79]Surprisingly, according to a survey conducted among the principal international banks by the New York journal Institutional Investor, Chile ranked only in 7th place in the scale of financial prestige of Latin American countries, behind Mexico, Venezuela, Argentina, Colombia, Trinidad, and Brazil (report cited in El Mercurio, March 14, 1980, p. A8).

[80]One should notice that most authorized investments concentrate on the mining sector, and that the majority of these investments are merely purchases of existing enterprises (i.e., the Exxon purchase of the copper mine "La Disputada" for U.S.$1.2 billion) instead of new investments.

[81]José Marques Neto, quoted in El Mercurio, February 24, 1980, p. A7.

[82]The rate of return (a rough indicator of profitability) of U.S. investment in Chile in 1978 was the second highest (15.7 percent) in Latin America after Mexico (18.3 percent). See Latin America Weekly Report, November 16, 1979, p. 32.

[83]Alejandro Magnet, "La Visita de Sonoda," Hoy, September 12-18, 1979, p. 63.

[84]Cited in "Promoción Económica: Parte importante de la política Exterior," El Mercurio, March 12, 1980, p. C2.

[85]According to one Chilean newspaper, the European visit was the first stage of a major diplomatic offensive ordered by General Pinochet with the objective of presenting the true facts about Chile to the international community. See El Mercurio, September 20, 1979, p. C1. Another stage of this offensive was the First General Meeting of Chiefs of Chilean Missions, held in Santiago, March 4-14, 1980.

[86]See El Mercurio, September 16, 1979, p. D12; El Mercurio, January 18, 1980, p. C3.

[87]Latin American Political Report, XIII:39 (October 5, 1979), p. 309.

[88]Hoy, September 12-18, 1979, p. 7.

[89]Incidentally, West Germany is presently the second most important trade partner of Chile, after the United States. In 1979, commercial exchange between the two countries totaled U.S.$866 million. See El Mercurio, March 6, 1980, p. C3.

[90]The exception is the People's Republic of China, with whom Chile maintains good diplomatic relations owing to their common attitude towards the Soviet Union. In October 1978, Chilean Foreign Minister Cubillos visited China and met with Teng Hsiao-ping and Huang Hua.

[91]In January 1977, the Chilean government concluded a military assistance agreement with Eric Gairy's government in Grenada. Under the accord, the armed forces of the Caribbean nation received training and arms from Chile. The special relationship between the two countries ended in March 1979, when a bloodless coup led by Maurice Bishop overthrew the Gairy regime. See Keesing's Contemporary Archives, June 29, 1979, p. 29689.

[92]In January 1976, Chile opened its first General Consulate in Pretoria, and since then, trade and political contacts between the two countries have grown rapidly. See El Mercurio, March 9, 1980, p. C5. According to a report of the Sunday News Journal of South Africa, the DINA of Chile collaborated with the BOSS (Bureau of Security of the State of South Africa) in hiring Cuban exiles to assassinate both Chilean and South African citizens. See AP cable in La Tercera, February 26, 1980, p. 15.

[93]Among the reasons for the unprecedented cancellation were that Marcos had to leave Manila to oversee the fight against Moslem rebels in Mindanao, that Marcos would be too busy since Holy Week was approaching, and that Marcos was gravely ill. A few days later, the Manila government officially explained that the cancellation was necessary to prevent an assassination attempt against Pinochet and Marcos and, at the same time, announced the detention of eight individuals who had arrived from the Middle East to conduct the terrorist operation. The more likely explanation is that the Philippine ruler was concerned about the protests of labor organizations and the opposition Liberal Party, and about the impact of Pinochet's visit on relations between the Philippines and the United States. At the same time, some reports indicated that the ASEAN (Association of Southeast Asian Nations) countries placed considerable pressure on Marcos to suspend the invitation to Pinochet. Other reports suggested that the Chilean government had requested the invitation for Pinochet, and that Marcos viewed the trip as an embarrassing situation. According to Pinochet, the Philippine government had advised him that he should not arrive wearing a uniform, that no welcome speeches would be read, and that some previously scheduled activities would be scratched owing

to security reasons. In the view of Pinochet, the sudden suspension of his visit showed that "international communism is also dominating the Pacific." Later, he added that the superpowers acted jointly: "one at the level of labor unions and workers, and the other at multiple levels." See several reports in El Mercurio, March 23, 1980, pp. A1 and A16.

After the abrupt cancellation of Pinochet's visit, El Mercurio argued that Chilean foreign policy needed more than a return to pragmatism and the skills of a few talented individuals: it required the assistance of specialized research institutions, greater material resources, and better qualified personnel. See "La Semana Política: Nuevas Condiciones," El Mercurio, March 23, 1980, p. A3. Later, the same newspaper opposed the removal of Foreign Minister Cubillos.

[94]Despite the Philippine incident, Pinochet may eventually visit Japan, with whom Chile has cordial relations although largely limited to the economic sphere; after all, "Japan protects its influence abroad in just one way: trade and investment. Its foreign policy is largely concerned with economic questions." Foreign Policy Association, "Japan and America," Great Decisions 1978 (New York: Foreign Policy Association, 1978), p. 60.

[95]See "Chile y Brasil estudian ayuda en sector petrolero," El Mercurio, March 5, 1970, p. C3.

[96]See Jornal do Brasilia, February 10, 1978.

[97]El Mercurio, February 27, 1980, p. C2.

[98]See "Cancilleria Brasileña protesta por la detención de estudiantes," La Segunda, February 28, 1980, p. 24. All four students--one of whom was the son of a former Brazilian ambassador--were released and flown to Brazil shortly after the official protests.

[99]See "Ratifican Apertura de vinculos comerciales Chileno-Mexicanos," El Mercurio, February 15, 1980, pp. A11 and C1.

[100]A trade mission of the Italian state agency National Institute for Foreign Trade (INCE) visited Santiago in February 1980 to reestablish formal commercial ties broken in 1973. The visit of the mission was interpreted as an attempt on the part of Italy to "join the great race to 'El Dorado': Chile." El Mercurio, March 1, 1980, p. A9.

[101]Rumania, which never suspended diplomatic relations with the junta, apparently participates in joint ventures with Chile. See Qué Pasa, 320 (June 9-15, 1977), p. 5.

[102]Yugoslavia maintains only consular relations with Chile. Trade interests and the existence of a large Chilean community of Yugoslavian descent may explain the preservation of these consular ties. For a description of trade developments between the two countries, see El Mercurio, March 8, 1980, p. C1.

[103]See Manfred Neuber, "Clima en el Este favorece a Chile," El Mercurio, February 9, 1980, p. A2.

[104]Conversely, if changes toward the left take place within countries that are friendly to the Chilean government--such as occurred in Nicaragua after the overthrow of Somoza by the Sandinistas--the Pinochet regime could lose allies.

[105]"Editorial: Relaciones con Gran Bretaña," El Mercurio, January 18, 1980.

[106]See Rod Chapman, "Profit without Honour," The Guardian, January 18, 1980, p. 11.

[107]According to information from London, the British government's decision to restore diplomatic relations with Chile was "influenced by an official apology from the Chilean government for the torture of Dr. Sheila Cassidy." Julia Langdon, "Envoy to Chile reinstated 'after apology,'" The Guardian, January 18, 1980, p. 1.

[108]Conceivably, such a situation could also motivate a complete return to the more militant praetorian-ideological style that fully dominated Chilean diplomacy from 1973 to 1978.

[109]Quoted in El Mercurio, February 6, 1980, p. A10. Similar assessments are contained in the document "Protection of Human Rights in Chile" presented in February 1980 by the Austrian jurist Felix Ermacora to the United Nations Commission on Human Rights.

[110]"Chile's Counter Revolution: A Survey," p. 8.

[111]The majority of the economic groups (the "aperturistas") favor a relaxation of governmental controls, but not to the point of endangering the internal project. Since the economic model depends, to a large extent, on the existence of rigid control of widespread dissent, the changes favored by these groups tend to be quantitative rather than qualitative.