53. Dallek, Flawed Giant, 100, 244–246; VanDeMark, Into the Quagmire, 47, 60, 96–97, 106, 213. National security adviser McGeorge Bundy had played heavily on Johnson's political fears in lobbying for a major U.S. military involvement in Vietnam. Arguing in February 1965 for a U.S. bombing campaign against North Vietnam, Bundy advised Johnson that even if the bombing failed, "the policy will be worth it. ... At a minimum, it will damp down the charge that we did not do all that we could have done, and this charge will be important in many countries, including our own" (ibid., 67; emphasis added). The following month, Bundy advocated the deployment of U.S. ground forces to South Vietnam, asking Johnson, "In terms of domestic politics, which is better: to 'lose' now or to 'lose' after committing 100,000 men? Tentative answer: the latter"—because, according to Bundy's reasoning, "if we visibly do enough in the South, any failure will be, in that moment, beyond our control" (quoted in ibid., 101, and in Dallek, Flawed Giant, 255).

54. Johnson, Vantage Point, 324.
56. Johnson, Vantage Point, 187.
57. Quoted in Dallek, Flawed Giant, 100.
60. VanDeMark, Into the Quagmire, 133–134; Gardner, Pay Any Price, 209, 211–212.

Chapter Five. Chile, 1970

5. Falcoff, Modern Chile, 1970–1989, 31; Robert Moss, Chile's Marxist Experiment (Newton Abbot, UK: David & Charles, 1973), 49; Faúndez, Marxism and Democracy in Chile, 164–171, 196–197; Paul E. Sigmund, The United States and Democracy in Chile (Baltimore: Johns Hopkins University Press, 1993), 33; Sigmund, The Overthrow of Allende, 140. Also see the revealing assessment of former Allende supporter Roberto Ampuero,
31. Although it turned down ITT funds for anti-Allende operations, the CIA advised the company on how to pass money to Allende’s opponent Alessandri and his National Party. According to a subsequent Senate investigation, “Eventually at least $350,000 was passed by ITT to [Alessandri’s] campaign. A roughly equal amount was passed by other U.S. companies; the CIA learned of this funding but did not assist in it” (Senate, *Covert Action in Chile 1963–1973,* 13). Danish historian Poul Jensen offers an economic interpretation of a different stripe. Jensen places Nixon’s Chilean intervention within the context of a severe balance-of-payments crisis that was threatening to deplete U.S. gold reserves in 1969–1970. Because U.S. foreign-exchange earnings were heavily dependent on “remitted income . . . from direct US overseas investments,” Jensen writes, Allende’s determination to nationalize foreign capital would—by eliminating the $100 million in income that U.S. corporations in Chile remitted each year to the U.S. domestic economy—have made a bad situation considerably worse. Nixon responded to the growing balance-of-payments deficits by establishing the Overseas Private Investment Corporation (OPIC), a new “government insurance company” that provided U.S. foreign investors with insurance coverage to protect their investments in the event of expropriation. By late 1970, according to Jensen, more than $310 million of U.S. investment capital in Chile was protected by OPIC expropriation insurance, even though the corporation had available less than $70 million in financial reserves to meet its expropriation-insurance commitments worldwide. Administrators were openly warning that a series of large-scale nationalizations in Chile would be “catastrophic” for their corporation. And if successful expropriations in Chile stimulated a wave of nationalizations throughout Latin America and the Third World, Jensen concludes, the “harmful economic effects” on the United States would obviously be “even greater.” Nonetheless, even Jensen is forced to admit that there is no actual evidence that the White House officials who ordered the Chilean intervention had any “awareness of” or “interest in . . . the particular consequences of the expected Chilean nationalizations for OPIC.” See Poul Jensen, *The Garrote: The United States and Chile, 1970–1973* (Aarhus, Denmark: Aarhus University Press, 1988), 450–460, 464–466, 474, 484–485, 487, 495.
32. Kissinger, *White House Years,* 656.
35. Kissinger, *Years of Upheaval,* 376.
37. Senate, *Covert Action in Chile,* 1963–1973, 44.
47. Kissinger, *White House Years,* 228.
51. Nixon, *RN,* 490; Kissinger, *White House Years,* 593 (emphasis added). According to Kissinger, “The Nixon Administration had told Moscow many times that we were prepared for a period of mutual restraint and conciliation. In the autumn of 1970 Moscow chose to test whether this willingness reflected indecision, domestic weakness due to Vietnam, or the strategy of a serious government” (ibid., 652).
53. Nixon, *RN,* 490. In Kissinger’s view, “None” of the “three major crises” that “descended upon the Administration” in September 1970—Jordan, Cienfuegos, or Chile—“could have succeeded without Communist impetus or encouragement” (Kissinger, *White House Years,* 594).
57. Buckley, “U.S. Policies in Chile under the Allende Government,” 294; Kissinger, White House Years, 102–103, 388, 657, 920–922; Gerry Argyris Andriasopoulos, Kissinger and Brezezinski: The NSC and the Struggle for Control of U.S. National Security Policy (New York: St. Martin’s, 1991), 21–22; Robert H. Johnson, Impossible Dangers: U.S. Conceptions of Threat in the Cold War and Beyond (New York: St. Martin’s, 1994), 66; Ricardo Israel, Politics and Ideology in Allende’s Chile (Tempe: Arizona State University Center for Latin American Studies, 1987), 157. Kissinger’s concern about the link between the “Chilean model” and Eurocommunism may have been well founded. Robert Alexander writes that “European Communists, especially those of Italy and France, were keeping a close eye on the Unidad Popular experiment… In both Italy and France, the Communist parties had… for some time been seeking an alliance with Socialists—and in Italy’s case, even with Christian Democrats—which would permit them to return to the government of those countries, at least as junior partners” (Alexander, The Tragedy of Chile, 136). Mark Falcoff reports that “a group of Italian sympathizers told Allende shortly after his election, ‘If you can show in Chile that a second road to socialism is possible… then the next country to advance along that road will be Italy, and very soon others in Latin America, and later, in one or two generations, half the world’” (Falcoff, Modern Chile, 1970–1989, 2). Allende’s foreign minister, Clodomiro Almeyda, later recalled that “the victory of a clearly anti-imperialist, socialist political force in an important Latin American country changed the balance of power on the continent, and was inevitably linked to the general political process in Latin America and the hemisphere. This in turn had ramifications, at least to some extent, in the world political arena where the East–West conflict overshadowed… every event. Indeed, important actors in the Unidad Popular had participated in that world conflict and saw the Chilean experience in a larger context” (Clodomiro Almeyda Medina, “The Foreign Policy of the Unidad Popular Government,” in Chile at the Turning Point: Lessons of the Socialist Years, 1970–1973, ed. Federico G. Gil, Ricardo Lagos E., and Henry A. Landsberger (Philadelphia: Institute for the Study of Human Issues, 1979), 76.

58. Korry to Church, Senate Hearings, Intelligence Activities, 118.

59. Hersh, The Price of Power, 270.

60. Morris, Uncertain Greatness, 241 (emphasis in original).

61. Senate, Alleged Assassination Plots, 229n3; Kornbluh, The Pincocci File, 8.


63. Kissinger, White House Years, 129, 664, 668n678. Kissinger later observed that “the appearance of inferiority—whatever its actual significance—can have serious political consequences” (Gaddis, Strategies of Containment, 288; emphasis in original).

64. Small, The Presidency of Richard Nixon, 67; Kissinger, Years of Upheaval, 1187.


68. Ambrose, Nixon: The Triumph of a Politician, 378. One of Kissinger’s National Security Council aides said of the administration’s interventionist motives: “It was the ‘who- lost-Chile’ syndrome” (Morris, Uncertain Greatness, 241).

69. Kissinger, White House Years, 671 (emphasis in original).


74. Senate Hearings, Intelligence Activities, 29; Senate, IITT Hearings, 292, 305.


Chapter Six. Nicaragua, 1981

