

ASSISTANT SECRETARY OF DEFENSE WASHINGTON, D.C. 2030



In reply refer to: I-23210/76

2 2 JUL 1976

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Chilean Decision to Grant a Corridor to the Sea to Bolivia

Regardless of the Attitude of Peru (S/NFD) - (INFORMATION

MEMORANDUM

with the understanding that Chile would seriously negotiate over the issue of Bolivian access to the sea. This hope of relief for land-locked Bolivia serves as a prime source of continuing political support for President Banzer.

(U) Bolivia lost access to the sea and Peru lost considerable territory to Chile after the War of the Pacific. By the terms of the Treaty of Ancon of 1929, Chile is required to consult with Peru prior to granting Bolivia any, former Peruvian territory. The corridor which Chile is now offering 1 ies at the current Chile/Peru border and is former Peruvian territory.

(S/NFD) We have received a v&y recent report (TDFI R DB-315/06994-76) that, after two rounds of tripartite negotiations, Chile now believes that Peru will never asree to a Bolivian corridor through former Peruvian territory. Reportedly, Chile has told Peru that it will unilaterally satisfy Bolivia's demands if Peru does not consent. Chile is attempting to circumvent the deadlock in the negotiations by maintaining that it has-fulfilled the requirements of the 1929 treaty by consulting with 'Peru. Peru, on the other hand, insists that its concurrence is required.

(S/NFD) If Chile cedes a corridor to Bolivia. we believe it could trigger threats and possibly armed action by Peru. The rapidly deteriorating economic and political situation in Peru, the growing arms imbalance between Chile and Peru and the recent cutoff of security assistance to Chile tend to increase the possibility of a Peruvian attack. Nevertheless, DIA believes the Peruvians are not imminently planning an attack on Chile and Chilean intelligence studies do not envision a Peruvian attack this year.

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