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## Another Chance for Allende

Everybody expected the Popular Front in Chile to be defeated in the elections on March 4 and President Allende perhaps even to be overthrown. After two and a half years Chile's socialist experiment seemed to have failed. True, President Allende had been able to present his Popular Front comrades with some successes after he had assumed power in September 1970. After all, the GNP rose in 1971 by about 8 p.c., whereas the average increase in the preceding four years, under President Frei, had been under 4 p.c., and the larger food basket had been shared out more equitably. In the first year of the Popular Front the wage-earners' share of the national income went up from 42 to 50 p.c., and President Allende managed to keep the rise of prices down to 22 p.c., after 30 p.c. in 1970, and to provide nearly 7 p.c. more jobs.

After two years of Popular Front rule, however, the economic collapse was plain for all to see. The boom had been set off by the release of extra purchasing power through higher wages and more jobs. But the additional demand was no longer matched by additional supplies because the growth rate of production had slowed down to less than 1 p.c. An inflation rate in 1972 of 163 p.c., a large black market and a supply crisis were the consequences. Moreover, largely due to lower world market prices for copper, Chile's most important export commodity, the balance of payments showed a gap of \$ 500 mn. Bearing in mind the enormously increased imports of agricultural produce and the stagnation of copper production in the nationalised mines, the balance of payments position looks almost hopeless.

And yet, what few observers thought possible happened in the Chilean elections on March 4: President Allende has achieved a great personal success, scoring over 43 p.c. of the vote. The Popular Front parties were able to gain several more seats in the Chamber of Deputies and in the Senate although it had seemed doubtful whether they would even manage to clear the 33 p.c. mark. The oppositional Christian Democrats and Nationalists who, despite considerable

differences between their programmes, had formed a coalition, scored approximately 55 p.c. of the vote and thus failed to gain the 63 p.c. which they had won in the Presidential election in 1970 or the desired two-thirds majority in Parliament which would have enabled them to force President Allende to resign.

After the great middle-class strike against the Allende Government last autumn, many controversial issues were put aside pending the elections in March. Now that the elections are out of the way the prospects for a peaceful political way out of Chile's crisis are by no means improved. On the contrary, the situation is more confused than ever. The unexpected election outcome certainly does not make it any easier for the left coalition to achieve its aim of "socialism in the framework of law, pluralism, democracy and freedom". Nor has the election alleviated Chile's economic and social problems. But the fact that, despite these problems partly caused by the President's precipitate socialisation policy, Allende has been given a vote of confidence should give food for thought to those people abroad who have been withholding bilateral or multilateral aid from Chile on the ground that the Chilean experiment was no longer enjoying the support of the population.

Among these are the World Bank and the International Development Association (IDA) who have for the past two years denied Chile any new credits, basing their official stand on the argument that there was no assured financial cover for the projects. If Chile does not receive from western countries the funds which it urgently needs, the country will have to accept them from the East European states, and this could possibly turn Chile into a second Cuba, even though President Allende does not want it. The western states and organisations therefore ought to give President Allende the chance, at least until the next Presidential elections due in 1976, to put his political concept of socialism into practice — the same chance as the population of his own country is giving him.

*Klaus Kwasniewski*