Angry U.S. Recalls Chile Envoy Over Letelier Case

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WASHINGTON - The State Department angrily recalled Tuesday its ambassador to Chile. George Landau, and denounced the Chilean Supreme Court's refusal to extradite three officials in connection with the 1976 assassination here of Orlando Letelier.

In unusually harsh language, department spokesman Hodding Carter said the "deplorable" decision means that "three terrorists have been released from custody and are now free on the streets of Chile."

The three officials were members of the feared Chilean secret police. called DINA. They were indicted by a federal grand jury here for allegedly masterminding the car-bombing assassination of Letelier in downtown Washington.

Letelier, a former Chilean cabinet member and foreign minister who lived here in exile, was an outspoken, effective critic of the military

junta that overthrew his government, headed by Salvador Allende.

The three DINA officials were Gen. Manuel Contreras Sepulveda. head of the secret police, Col. Pedro Espinoza and Capt. Fernandez Larios. They were indicted more than a year ago along with five Cuban exiles and charged in connection with both Letelier's murder and that of Ronni Moffitt, a co-worker who died in the bombing.

According to that indictment. DINA planned the assassination to silence Letelier and ordered American expatriate Michael V. Townley - a onetime Miamian turned DINA agent - to carry it out with the help of militant Cuban exiles.

Townley, however, was subsequently arrested and testified against his accomplices and his former DINA superiors. Two of the Cubans were convicted of murder and sentenced to life in prison. A third was convicted of periury, and the remaining two are fugitives.

The Chilean Supreme Court's ruling, which was not unexpected, not only rejected the State Department's request to extradite the three DINA officers, but it foreclosed prosecution in Chile.

They were released from custody Monday shortly after the decision was announced.

In a prepared statement, the State Department said it was "deeply disappointed and gravely concerned" by the decision. The department termed the DINA agents "terrorists," apparently disregarding the constitutional guarantee of assuming that indicted persons are innocent until proved guilty.

"The evidence we presented to the [Chilean] court clearly warranted the extradition of these men." Carter said. "Indeed, the strength of that evidence was indicated by the conviction of others . . . on the basis of the same evidence."

The spokesman said Ambassador Landau will be recalled for consul-

tations with top-ranking administration officials on the already strained relations between Chile and the United States. (In international diplomacy, such a recall signifies a government's displeasure but implies that the ambassador will return to the country from which he was recalled without a break in normal relations.)

The Chilean court decision also added new fuel to the already roaring fire in Congress over those rela-

Sen. Edward Kennedy (D., Mass.) and Frank Church (D., Idaho) chairmen of the Judiciary and the Foreign Relations committees, called in a joint statement for an end to all United States assistance to the Chilean government.

The two lawmakers also urged the administration to invoke a law prohibiting federal assistance to any government that harbored terrorists.

If the administration agrees to

such an action, it would disrupt U.S. participation in such international agencies as the World Bank and the InterAmerican Development Bank, which still provide loans to Chile.

Kennedy and Church also called for legislation that would prohibit any bank chartered in the United States from making loans to the Chilean government.

A similar proposal has been made in the House by Rep. Tom Harkin (D., Iowa) and Rep. Henry Reuss (D., Wis.) chairman of the Banking Committee.

Last year alone, Chile received nearly \$1 billion in private bank loans, most of it from American

That figure is nearly double what it received in 1976, despite escalating world criticism of the Chilean junta's human rights record.

The loss of that private money could cripple the Chilean economy.



Ambassador Landau

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