

AB-225-01
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4-213 Vol. II

4-213-568
THAL

CASE NO: 4-213

DATE: June 21, 1978

Continuing investigation into the whereabouts of federal fugitives DIONISIO SUAREZ ESQUIVEL and VIRGILIO PAZ.

SYNOPSIS:

On 21 June 1978 this writer spoke to FBI S/A O. Cervantes, who then provided information on SUAREZ and PAZ.

DETAILS:

Cervantes stated that they had been able to verify that PAZ had been in the Miami area as of 10 May 1978. He further related that according to their sources, both subjects are presently in the New Jersey area.

Cervantes stated that RAUL JESUS GONZALEZ, a member of the MNC (MOVIMIENTO NACIONALISTA CUBANO) had aided PAZ as of 10 May 1978. Upon interviewing GONZALEZ, he admitted to having helped PAZ, stated he would continue to do so, and would not hesitate to do it again if necessary.

Cervantes advised this writer he is presently pursuing attempts to obtain warrants for the arrest of GONZALEZ on charges of harboring a fugitive.

The FBI is continuing attempts to locate PAZ and SUAREZ.

Investigation continues.

PREPARED BY:

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Major Investigations Units
Tactical Investigation Section

HR/do

4-213-656

CD

SENSITIVE

CASE NO: 3-93; 4-213

DATE: December 1, 1978

Continuing investigation into the alleged terrorist activities of the MOVIMIENTO NACIONALISTA CUBANO (MNC).

SYNOPSIS:

On 1 December 1978 this writer received information concerning IGNACIO NOVO, GUILLERMO NOVO and ALVIN ROSS DIAZ,

DETAILS:

This writer received information that FELIPE RIVERO is heading a campaign for the collection of funds to aid in the legal defense of the NOVO brothers and ROSS. RIVERO is receiving support from three local Latin radio stations, WOCN, WHRC and WQBA, who will begin publicizing the campaign within the next few days.

At this time it has been planned that on 10 December 1978 (Sunday) all throughout the day there will be two collection centers set up for the collection of funds. One center will be at the parking lot of OPTICA LOPEZ at S. W. 8 Street and 13 Avenue and the other at the parking lot of WHRC at S. W. 8 Street and 23 Avenue.

Investigation continues.

PREPARED BY:

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4-213-684

By WILLIAM MONTALBANO
And STEPHEN DOIG
Herald Staff Writers

Michael Vernon Townley, American by birth, Chilean by choice, once worked as a \$6-an-hour auto transmission mechanic on the Tamiami Trail. He found greater fulfillment in Santiago as an \$83-a-week spy for the secret police.

He came late, but zealously, to the political maelstrom that climaxed for him in a Washington courtroom Wednesday with a formal accusation of conspiracy to murder Orlando Letelier.

Federal prosecutors portray Townley as the cold-blooded, calculating lynchpin in the Letelier murder. His friends and family angrily depict him as the scapegoat sacrificed by the same Chil-

ean government that he willingly served in the name of patriotism.

MIAMI AND Santiago were the two poles of Townley's universe. In Santiago he found a wife, a home and a cause. In Miami, he found friends, refuge, and ultimately, intrigue.

The transformation of a quiet, self-educated blue collar mechanic to an accused international assassin is a story as yet untold.

Michael Vernon Townley was born in Waterloo, Iowa, on Dec. 9, 1942. His father, Vernon, now a Miami banker living in Boca Raton, took his family on a two-decade series of overseas assignments for the Ford Motor Co.

Chile, where the Townley family lived during his boyhood, was the place Michael liked

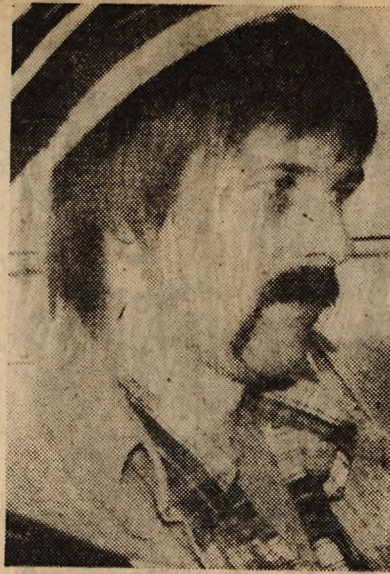
best. His mother, Margaret, remembers proudly how her young son ventured alone on Santiago buses, learning the language and absorbing a culture he would come to call his own.

In all, Townley has lived nearly half of his 35 years in Chile. At 17 his volunteer services as a hospital interpreter in an earthquake crisis won the written commendation of the American ambassador.

AT 18, TOWNLEY'S parents left Chile. He stayed behind to marry a conservative poetess and songwriter named Mariana Callejas, a divorcee 10 years his senior.

At the end of 1966, Townley quit his job as

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Michael Townley
... born in Iowa

FROM PAGE 1A

an auto mechanic in Santiago and moved his family to an old seashore rental house on A1A in Pompano Beach. "They were an odd sort of family," remembers landlord C.T. Allenbrook. "I couldn't see what he saw in her. She wasn't any kind of ravishing beauty. But that's the way of the world, isn't it?"

Townley's Chile-learned Spanish stood him in good stead. He found work at an Aamco Transmission shop in Hialeah where he was popular among Spanish-speaking clients. An unpaid bill from a Miami chiropractor still arrives there periodically for Townley.

It is not the only bill Townley left unpaid. In the fall of 1967 default judgment of \$4,000 was entered against Townley in Circuit Court on the complaint of an American bank in Chile.

Beyond the court judgment, there was little to distinguish the Townleys in those days. They bought a small house at 4325 S.W. 98th Ct. with a \$17,200 mortgage.

"He was a typical All-American father. He helped me tinker with cars and his kids played with our grandchildren," recalls a neighbor. "We never discussed politics."

They did discuss the problems of raising children. Mariana, a strong woman homesick for Chile, worried about Miami's youth drug scene. She nagged Townley. She said she wanted to go home.

IN THE FALL of 1970, not long after Marxist Salvador Allende won the Chilean presidency, the Townleys abruptly returned to Santiago. Precisely why the conservative Townleys should return to Chile just as a Marxist-dominated government took office is unexplained.

The timing of his return seems to have sparked the later speculation in Chile that Townley was somehow connected with the CIA. The Senate Intelligence Committee's exhaustive investigation of CIA activities in Chile failed to find any link.

Edward W. Cannell III, a U.S. Marine Embassy guard in Santiago in the early '70s, knew Townley as part of Chile's small American community.

"If the CIA was hiring that kind of guy," Cannell laughs, "this country is in real trouble. You could tell by his fingernails that he was a mechanic. To me he looked like a hippie or a Peace Corps type."

TOWNLEY, 6-2, is gaunt and blue-eyed with near shoulder-length blond hair. In Allende's Chile, he sported a full beard.

"You're going to laugh," said friend Mirta Luaces. "But he looked just like the picture on the album of Jesus Christ Superstar."

According to his wife, the political transformation of Michael Vernon Townley can be dated precisely: Aug. 21, 1972.

That day, Townley watched as Chilean national policemen beat an

old man protesting Marxist rule in Chile. He decided then that the Allende government was an evil he had to fight.

Townley joined a neo-fascist, anti-Allende group called Patria y Libertad. He tinkered endlessly on electronic projects in an improvised workshop on the second floor of his home, sometimes until two or three in the morning.

He scavenged a radio transmitter from a boat and installed it in his car. He would drive the streets of Santiago, broadcasting anti-Allende propaganda every night at 8 o'clock as "Radio Liberacion." Mariana joined the fight, too. She wrote ballads extolling the valor of Patria y Libertad.

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IN THE tumultuous final months of Allende, Townley carried his battle to the southern city of Concepcion where an anti-government television station was being jammed by Allende forces.

Calling himself "Juan Manolo," Townley was the technical expert for a team of saboteurs.

In an assault on the Allende jamming operation, the raiders tied and gagged a night watchman so tightly he asphyxiated.

The Allende government brought murder charges against the raiders, Townley included.

Patria y Libertad smuggled Townley out of Chile. He sought refuge in Miami.

For \$250 a week he went back to fixing transmissions for Aamco, this time at 2821 S.W. 8th St. in the heart of Little Havana. This time he did talk politics — but only about Chile. He never, in fact, bothered to register to vote in Miami.

"MIKE IS an honest and sincere individual who stood for what he believed in," says José Luaces, a fellow Aamco mechanic who became one of Townley's closest friends.

"Mike felt very Chilean and he believed in what he was doing."

Chile haunted him. Townley asked another friend, David E. Goldberg, to notarize an affidavit he typed in Spanish protesting his innocence in the death of the watchman.

For fighting Allende, Townley made no apologies:

"I am not, nor have I ever been, an agent of anybody — internal or external. I have a love for Chile that fills me with pride, and that is what has motivated me to try and maintain a free and democratic Chile." The affidavit is dated June 17, 1973.

THREE MONTHS later Allende was dead, his Marxist-dominated government in ashes.

Townley went home again to Chile — again to become a self-described "fighter for justice and liberty."

When Townley returned, DINA, the iron-fist of the junta that replaced Allende, needed an electron-

ics expert. Townley had the political credentials. He accepted.

"He was 150 per cent for the military government," said his dark-haired wife. "More than anything, he did it for idealism. They paid him 11,000 pesos a month (about \$83 a week at current exchange rates)."

AT FIRST, Townley was DINA's man about Santiago. He installed and serviced DINA electronic devices. He put one in President Augusto Pinochet's car, his wife says.

Later, according to Mariana, Townley began to travel abroad to buy evermore sophisticated electronic gear for DINA.

By 1976, the year of Letelier's death, he appears to have been a frequent traveler. One night he stopped by at two in the morning to say hello to a Miami friend.

These are the trips to the United States that investigators call crucial to solving the Letelier murder. Townley is accused of conspiring with Cuban exiles in Miami and New Jersey as an agent of the Chilean government. Prosecutors say Townley used as many as five different aliases on passports of three countries for his clandestine visits.

The exile extremists found a virulent anti-Communist brotherhood in DINA. For its part, DINA

found among the exiles the means to silence Letelier, Pinochet's most vocal critic.

THAT HAS been the working hypothesis of U.S. investigators since the day of Letelier's execution.

DINA agent Townley, the boy from Waterloo, Iowa, traveled to Washington, D.C., on Aug. 21, 1973, on an official Chilean passport, investigators believe. He used a phony name: Juan Williams Rose.

His traveling companion was a Chilean infantry captain and fellow DINA agent named Armando Fernández Larrios. He had a false name, too: Alejandro Romeral Jara.

The names probably tickled Townley's sense of patriotism: Juan Williams, a Chilean naval hero, claimed the Straits of Magellan for Chile on Sept. 21, 1843. A Williams lieutenant helped him plant the flag. His name was Jara.

On Sept. 21, 1976 — precisely 133 years after Williams and Jara made Chilean history — Orlando Letelier stepped into his blue Chevrolet.

AS HE ROUNDED Sheridan Circle in rush-hour traffic, a powerful plastic bomb exploded under the driver's seat. Letelier and a companion were DOA at a nearby hospital.

Federal officials didn't find out until last month when passport pictures were published in the United States and Chile that Juan Williams Rose was Michael Vernon Townley.

Under severe diplomatic pressure from the United States, the Chilean government unexpectedly deported Townley on April 8 to the United States.

Two FBI agents rode next to him on the long flight north to

Miami, back to the city that had once been his safe harbor.

"Until the last moment he believed in Chilean justice and in his superiors," his wife said. "He was just a mere official who followed orders."

Townley's Miami friend, José Luaces, is blunter.

"I think the Chileans have taken him for a ride. He's just a scapegoat."

Letelier

● Orlando Letelier — A member of the Allende Cabinet, arrested following the overthrow of the Allende regime, came to the United States as an exile and outspoken critic of the military junta ruling Chile. He was killed in a bombing in September 1976 in Washington.



LETELIER



Townley

● Michael Townley — A 35-year-old American who has lived in Chile nearly half of his life was charged Wednesday with conspiracy to murder Letelier. He's alleged to have been an agent for the Chilean government and its secret police.

TOWNLEY

G. Novo

● Guillermo Novo — A Cuban exile from Union City, N.J., arrested in Miami on April 15 for violating probation. Federal prosecutors said Novo was in Chile and in contact with Chilean secret police shortly before Letelier was killed.



G. NOVO



ROSS DIAZ

Ross Díaz

● Alvin Ross Díaz — Arrested with Novo in Miami, Ross Díaz is charged with conspiracy to make explosives and incendiary devices. Ross Díaz refused to testify before a Washington, D.C., grand jury that investigated the Letelier killing.

Judge Denies Bail In Bombing Case

By TOM FIELDER
Herald Washington Bureau

WASHINGTON — The FBI charged American expatriate Michael Vernon Townley, Wednesday with conspiracy in the Sept. 21, 1976, bombing murder of former Chilean Ambassador Orlando Letelier on a downtown Washington street.

During a hastily arranged arraignment, government prosecutors said they were also "prepared to prove that . . . Townley was a government agent, acting on behalf of the government of Chile" at the time of the murder.

The charges are the culmination of a 19-month investigation spanning two continents and involving the FBI, the U.S. State Department and the CIA. The investigation also led into the Cuban exile community in Miami and New Jersey. Townley once lived in Miami.

TOWNLEY, A LANKY, bearded native of Iowa who has lived most of his adult life in Chile, sat impassively throughout the arraignment before U.S. Magistrate Henry Kennedy Jr.

Kennedy ordered Townley, 35, held without bond, going beyond a request by Justice Department prosecutors that bond be set at a minimum of \$5 million.

Assistant U.S. Attorney Eugene Propper argued that as an intelligence agent, Townley had to be regarded as likely to flee the country to avoid facing the charges.

"Common sense tells us that the foreign intelligence services have a lot of money," Propper argued in asking for the \$5 million bond.

"A low bond would be easily paid (by intelligence services) because it might be worth it to them not to have an agent testify," he said.

PRIOR TO HIS arraignment Wednesday, Townley had been held in a secret location as a material witness in the Letelier murder. He was brought to Washington April 8 after being expelled from Chile because of his activities abroad, according to Chilean press reports.

Other sources have confirmed, however, that the State Department pressured the Chilean government to expel Townley so he could be returned for questioning.

Townley is considered by the FBI to be the key link between persons in Chile who ordered Letelier's

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death and a Cuban exile group that carried out the order.

Letelier, 45, was Marxist President Salvador Allende's ambassador to Washington and later a high-ranking Chilean Cabinet member. When Allende died in a bloody military coup, Letelier was imprisoned for a year, then expelled.

LETELIER CAME TO Washington and soon became an effective spokesman against the ruling military junta, headed by Gen. Augusto Pinochet. Letelier helped call attention to the the junta's human rights violations.

On Sept. 21, 1976, Letelier was killed when a sophisticated plastic bomb taped beneath his car exploded on a busy street along Washington's Embassy Row.

Letelier's newly married assistant, Mrs. Ronni Karpen Moffitt, 25, also died in the explosion. Her husband, Michael, a passenger in the rear seat of the car, survived.

The charges brought against Townley Wednesday support the theory that Letelier's assassination was ordered by high Chilean officials, possibly within the feared secret police organization called DINA.

Under that theory, Townley, an alleged DINA agent, came to Miami a month before the murder and made contact with some radical Cuban exiles, who carried it out.

FBI AGENTS, in cooperation with Dade County's anti-terrorist strike force, arrested two Cuban exiles in Miami 10 days ago. They also are considered suspects in the Letelier bombing.

The arrests, however, were on

charges not directly related to that bombing. The two — Guillermo Novo of Union City, N.J., and Alvin Ross Diaz of Miami — had been questioned by a Washington, D.C., grand jury investigating the murder.

Ross Diaz was arrested on a warrant that alleges he conspired to manufacture bombs. FBI sources have said the bombs were thought to be involved in an aborted bombing of a Union City, N.J., pharmaceutical supplier that shipped drugs to Cuba.

Novo was arrested on a fugitive warrant issued nearly a year earlier when he failed to show up at a parole-revocation hearing. The revocation was sought after the FBI learned Novo had traveled to Chile several months before the Letelier assassination and had been in contact with DINA agents.

Both remain jailed in Miami.

During the arraignment, the prosecutor said the FBI learned Townley traveled regularly to the United States under five different aliases on passports issued by three countries.

When Townley went to Miami the month before the Letelier assassination, allegedly to meet with the Cuban exiles, he was traveling with an official Chilean passport under the name Juan Williams Rose, according to FBI sources.

A companion, using the name Alejandro Jara, was later identified as DINA agent Ferdinand Larios.

Propper, the prosecutor, said Townley's travels and his links with the Chilean government made clear that he "has no ties to this country. His ties are to Chile."

Propper also said the government wants to maintain custody of Townley because it "feared for his safety." He didn't elaborate.

MIAMI HERALD

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JEREMIAH O'LEARY
Washington Star

WASHINGTON — The filing by federal prosecutors of only one felony charge against Michael Townley in the slaying of Chilean diplomat Orlando Letelier indicates the American expatriate already has been cooperating with investigators, according to officials close to the probe.

The 35-year-old Townley, whose parents live in Boca Raton, Fla., was formally charged yesterday by the FBI with conspiracy to murder the leftist former foreign minister of Chile in a Sept. 21, 1976, bomb blast that also killed Letelier's colleague, Ronni Moffitt.

(Townley's father, J. Vernon Townley, is a Miami banker. Family members said they were "not in the mood" to comment.)

Assistant U.S. Attorney Eugene Propper and special FBI agent L. Carter Cornick refused to comment as Townley was brought before U.S. Magistrate Henry Kennedy Jr. But indications are that "the government is making a strong and partly successful effort to obtain in-

formation from Townley about what is believed to be the international plot that led to Letelier's death," government officials said.

Probers believe that DINA, the Chilean secret police organization, ordered Letelier's death; that Townley, an agent for DINA despite his American citizenship, was assigned to find anti-Castro Cubans in the U.S. to carry out the assassination and that an undetermined number of Cubans executed the assignment.

Townley, who was expelled from Chile by the ruling junta under pressure from the U.S. government, is able to tie together both ends of the conspiracy, investigators believe.

Until his appearance before Kennedy yesterday, Townley had only been a material witness, and was being held at a nearby military base instead of a prison for his own protection. But today he is a formal suspect in the plot to kill Letelier.

Propper asked Kennedy to set bond at not less than \$5 million — one of the highest bonds in memory here.

Propper said, "the government is



Townley

“The government is making a strong and partly successful effort to obtain information from Townley about what is believed to be the international plot that led to Letelier's death.”

prepared to prove that on Sept. 21, 1976, Townley was an agent of a foreign intelligence service. Experi-

ence tells us that all intelligence services have access to large amounts of money and there is no

guarantee that Townley would ever appear in court (if released on bond).”

“Aren't you asking he be held without bond?” the magistrate inquired.

“The statute doesn't permit it,” Propper said.

“We obviously will try to get him to talk to us and we obviously are concerned for his safety. He is an American citizen but he has resided in Chile and his ties are there. His wife and children live in Chile. He has traveled a great deal over the last four years, using different aliases and passports from three different countries.”

After retiring to discuss the bail question in private at the request of Townley's lawyer, Seymour Glanzer, Kennedy finally ordered Townley held without bond. A preliminary hearing will be held at a date still to be set and, at that time, Townley will have a chance to test the government's case. The outcome of that hearing could be binding the charge over to the grand jury or dismissing it.

The government is taking great pains to let Townley know his

friends in Chile's right-wing government have abandoned him to American justice and that right-wing Cuban activists would have an interest in preventing him from talking.

The message for Townley is that he owes nothing to his co-conspirators and that he will be much safer if they are put away than if he withholds information that could convict them.

Townley appeared relaxed at his arraignment yesterday. He is growing a beard like the one he wore when he made several trips to the U.S. in 1976, supposedly to buy electronics equipment for DINA.

There is no government acknowledgement that it is working on an intricate plea bargaining arrangement with Townley in a effort to get his cooperation. Lacking that, other charges could presumably be filed against Townley, including a possible homicide charge under D.C. law in the death of Moffitt.

D.C. police indicated they will wait until federal authorities have completed their questioning of Townley before requesting their turn with the suspect.

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4-27-78

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Suspect Will Tell Alleged Role Of Exiles in Killing of Letelier

4-213

By **TIMOTHY S. ROBINSON**
Washington Post Service

WASHINGTON — A 35-year-old American expatriate charged in the bombing murder of former Chilean ambassador Orlando Letelier has agreed to provide U.S. investigators with detailed information about alleged Chilean government involvement in Letelier's death, The Washington Post has learned.

Sources said the cooperation of Michael Vernon Townley, a Chilean

secret police agent for the past several years, also should provide federal investigators with new information about the manner in which the bombing was allegedly carried out by anti-Castro Cuban exiles based in the United States.

In addition, Townley has claimed to have information about international terrorism. The information will aid the FBI and police forces in other countries in their investigations of bombings, assassinations

and other terrorist incidents, sources said.

TOWNLEY REPORTEDLY has agreed to plead guilty to one count of conspiracy to murder Letelier — which carries a possible maximum term of life imprisonment.

Sources familiar with the plea-bargaining process said they believe it is a "realistic" agreement in return for the crucial testimony Townley can provide.

Townley's agreement to cooperate is seen by investigators here as a clear indication that an indictment ultimately will be returned against "as many as 10" persons — probably including former Chilean government officials.

Letelier, an outspoken critic of the Chilean military government

Letelier Death Suspect Will Talk, Sources Say

headed by Gen. Augusto Pinochet, died almost instantly when a bomb exploded under his car on Sept. 21, 1976 in Washington.

TOWNLEY'S DECISION to cooperate followed his quick expulsion from Chile after U.S. officials sought him for questioning.

Sources said Townley apparently felt abandoned by his former Chilean superiors, and also apparently realized the momentum of the investigation was increasing. He may have felt that the first person to cooperate might get a better deal.

The pressure on Townley reportedly was increased with the arrests recently in Miami of two other suspects in the Letelier murder case, Guillermo Novo and Alvin Ross Diaz.

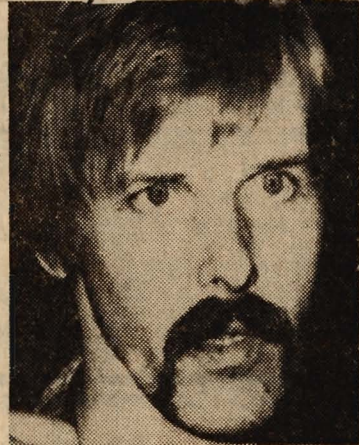
Townley's attorney, Seymour Glanzer, consistently has refused to discuss his client's case with reporters. He refused to comment Thursday on the report that his client was cooperating with authorities.

TOWNLEY WAS FIRST tied to the Letelier investigation when he was identified as one of two persons who traveled to the United States about a month before Letelier's murder on official Chilean passports. He allegedly met with anti-Castro Cubans believed by investigators to be involved in the murder plot.

Townley was produced by Chilean officials for questioning after U.S. officials warned that diplomatic relations could be severed if Chile failed to cooperate.

Sources said a second man traveled to United States before Letelier's murder, Chilean Army Capt. Armando Fernandez Larios. Federal investigators believe he is a Chilean secret police agent.

Because of his Chilean nationality, however, Larios cannot be ex-



Townley's agreement to cooperate is seen by investigators as a clear indication that an indictment ultimately will be returned against "as many as 10" persons — probably including former Chilean government officials.

tradited unless formal charges are brought against him.

U.S. OFFICIALS immediately asked Chile's cooperation in gaining access to Townley. FBI agents arrested him on a material witness warrant, and he arrived in the United States the first weekend in April.

Townley is still an American citizen, although he has lived in Chile for 21 years. He has a Chilean wife and two children who live in Chile.

Since his arrival in the United States Townley has been treated more like a witness than a defendant. Government officials have said they believe he is in danger.

He has been held under tight security precautions — including the use of bombproof vehicles to transport him.

TOWNLEY HAS BEEN described in Chile as a staunch opponent of the Marxist regime of Salvador Allende, the Chilean president whom

Letelier served as ambassador to the United States.

Allende was toppled by the military junta in 1973, and he was replaced by Pinochet.

Pinochet has denied any involvement in the Letelier assassination, and has made several attempts to dispel the image of Chile as a repressive state. The DINA secret police apparatus has become the symbol for critics of the regime's brutality.

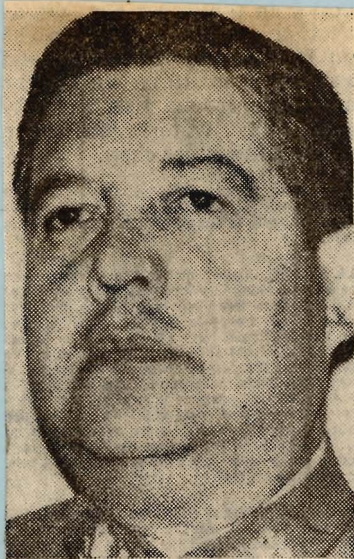
The former head of DINA, Gen. Manuel Contreras Sepulveda, has been moved out of his government post within recent months by Pinochet. DINA has been given a new name and has been described by the government as now concentrating on political intelligence.

Sources in Chile said Townley, an electrician, participated in several anti-Allende commando raids. He was indicted for his participation in one raid in which a night watchman was killed.

April 28, 1978
Miami Herald

4-213-634

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Manuel Contreras
... vilified Letelier

Letelier Connection

4-213

Why Was Chile's Secret Police Boss Removed?

By WILLIAM R. LONG
And ROBERTO BRAUNING
Herald Staff Writers

to vilify Contreras' name than Orlando Letelier, an articulate Marxist who had been swept from official prominence to prison camp to exile by the bloody 1973 coup against President Salvador Allende.

When a car bomb killed Letelier as he drove through Washington's Embassy Row on Sept. 21, 1976, suspicion immediately centered on DINA.

That suspicion now is beyond speculation. DINA has been linked to the assassination by a growing chain of evidence that is uncomfortably close to the army engineer who was the agency's chief, Manuel Contreras.

At 49, Contreras now is out of the army, out of work and embroiled in an investigation that may cost him more than his career.

A DINA agent named Michael Townley, a 35-year-old American expatriate, has been charged with conspiracy in the murder, along with three right-wing Cuban militants. Townley was brought back to the United States in handcuffs last month and is reported to be cooperating with federal investigators.

TOWNLEY'S LINK to DINA is well known. His Chilean wife has publicly confirmed his ties to both the secret police and to its former leader: "Michael knew him well. He (Contreras) was one of his superiors."

Today, Contreras waits uneasily in his ranch-style home on Santiago's Prince of

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For four years the name Manuel Contreras, more whispered than shouted, stood for both patriotic good and despotic evil in Chile.

To supporters of Chile's hard-line military government, Col. Contreras personified an implacable determination to root out subversion. His Directorate of National Intelligence (DINA), the junta's secret police, defended their liberty.

To other Chileans, Contreras symbolized torture and murder by dark of night, brutal repression unhindered by law.

AMONG CHILEANS, none worked harder



Gen. Augusto Pinochet

If the evidence being assembled in Washington reaches high enough to incriminate Contreras, it also will cast an ominous shadow over the government of Gen. Augusto Pinochet.

May 15, 1978
Miami
Herald

4-213-641

Is Pinochet Trying to Put Distance Between Self, Ex-Secret Police Boss?

Wales Street to learn whether the fate of his one-time subordinate will seal his own. He has his wife and four children for company, a neglected golf game to improve, a new bar to show off to friends over a glass of Scotch. But he has no assurance that his comforts will be lasting.

The Letelier investigation is dynamite in Chile. It threatens not only Contreras' own security, but that of the present military junta.

If the evidence being assembled by federal prosecutors in Washington reaches high enough to incriminate Contreras, it also will cast an ominous shadow over the government that Gen. Augusto Pinochet has headed since seizing power in September 1973.

As the Chilean Catholic magazine Mensaje commented in mid-April, "The government may not have penal responsibility for the actions of DINA, but in no way can it elude its political responsibility."

Contreras and Pinochet are inextricably linked in the minds of Chileans.

CONTRERAS EMERGED from the 1973 coup as one of Pinochet's closest associates and advisers.

As chief of the regime's anti-subversive strike force, Contreras became one of the most powerful men in the Chilean hierarchy. He reported only to the president.

Presidential guards would snap to attention when the DINA colonel arrived for frequent working breakfasts with his friend the general. Contreras' name was mentioned with cautious deference by Santiago newspapers.

Even when Contreras was removed as chief of intelligence last November, he was promoted to the rank of brigadier general. He served as head of the army engineering command and remained an adviser to the commander-in-chief, Pinochet, until his unexplained resignation in March.

MRS. TOWNLEY echoed the surprise of Chileans insiders at the resignation. "We knew he was a good friend of the president," she said.

Soon after the resignation, a pro-government tabloid abandoned the deferential treatment habitually accorded Contreras. It printed rumors that he was under house arrest, or that he had committed suicide. The army denied the rumors, saying Contreras had "complete freedom," but divulged nothing else.

The backstage circumstances of Contreras' fall from grace remain a mystery. Did Pinochet feel the need to separate himself from Contreras because of the fast-spreading Letelier investigation? The question is asked endlessly in Santiago.

There are also questions about the fallen man behind the headlines.

Despite his prominence, surprisingly little is known about Contreras in Chile. For almost three decades he was an obscure army engineer whose name had no political significance.

AMONG HIS military comrades, he is known as both a tough commander and an expansive conversationalist. Short and pudgy, he has black hair that is said to be graying fast. His wife is always threatening to put him on a diet.

A 1948 graduate of the Chilean military academy, Contreras continued his military education in the national war college and the army school of engineering. He commanded army engineering units until he turned teacher, instructing at various military academies.

For about 10 months he was military attaché to the Chilean Embassy in Washington. That was

while Allende, the Marxist-Socialist elected in 1970, was president.

It was also while Allende's fellow Socialist Orlando Letelier was ambassador to Washington.

EARLY IN 1973, Contreras was appointed head of the army engineering school. It is not clear what role he played in the coup that toppled Allende's government that September.

Chilean leftists insist that as commander of the "Tejas Verdes" (Green Tiles) engineering regiment at the port city of San Antonio, Contreras was responsible for the torture of political prisoners in a provisional concentration camp during the turbulent post-coup period.

By the end of 1973 the career engineer, still an undistinguished lieutenant colonel, suddenly surfaced as head of army intelligence. In January 1974 he was promoted to the rank of full colonel and assigned to organize the newly created DINA.

The key articles of the decree creating DINA never have been revealed. It is known, however, that the agency had a generous budget and a primary mission to oversee civilian political activities. From the beginning, it wielded an iron fist.

AGENTS CAME to DINA from the armed forces and from pro-government civilian circles, including a neo-fascist organization called Fatherland and Liberty. That was where DINA found Michael Townley, a mechanic and electronics expert.

DINA quickly gained international notoriety as "Pinochet's stormtroopers." Hunting subversion, DINA rounded up thousands of Chileans. Before long, it was accused internationally of beating, torturing and "disappearing" many captives. Numerous documents were filed in Chilean courts detailing allegations of brutal treatment by DINA agents.

Contreras and his subordinates in DINA refused to respond in court.

DINA's tactics and the attention it focused on the violation of human rights in Chile led some Chilean military officers to quietly propose that it be disbanded early in 1976. Controversy flared within the hierarchy and as foreign pressure increased, a compromise was reached.

DINA WAS disbanded by a decree dated Aug. 6, 1977, and an apparently less-powerful agency named the National Investigation Center was created to replace it. Many DINA agents, including Michael Townley, stayed on in the new organization, temporarily under Contreras' command.

Since then allegations of human-rights violations have diminished, while pressures on Contreras have grown.

Last month, retired Gen. Héctor Orozco, director of the Military Intelligence Service, once considered a rival to DINA — summoned Contreras to the Defense Ministry for questioning about the Letelier case.

Orozco has been assigned by Pinochet to investigate a matter of two official passports issued by the Chilean Foreign Ministry in 1973 with the false names of Alejandro Romeral and Juan Williams.

U.S. investigators first believed that Michael Townley and a Chilean DINA agent, Armando Fernández, had used the passports to travel to the United States before Letelier was killed. Photos of the two agents under the false names were found in Washington intelligence files.

AS IT TURNED out, according to American sources, Townley and Fernández had applied for visas at the U.S. Consulate in Asunción, Paraguay, using the Williams and Romeral names. The visas were not granted — but the consulate suspecting the two men were DINA agents, sent their photos to Washington, the sources said.

Then the Williams and Romeral pseudonyms were used by two other Chileans to obtain visas at the U.S. Consulate in Santiago. Townley and Fernández traveled to the United States under other names, but it was the photos from Asunción that led to their discovery by U.S. officials, said the sources.

The passport mystery does not end there. A high Foreign Ministry official who issued the false Williams and Romeral passports in Santiago died last Oct. 22. The report from an inquest belatedly ordered in March said the official, Guillermo Osorio, shot himself in the head, but the report says some questions remain unanswered in the death.

One question that has been raised at least unofficially involves Manuel Contreras. Less than an hour before Osorio died, his family has reported the intelligence chief gave him a ride home from a diplomatic reception.

"Strange thing," Osorio's brother, Renato, said of the timing.

It is not the only strange thing. And the Osorio case is not the only unanswered question.

Mystery surrounds the relationship that might exist between Osorio's death, the passports he issued and the assassination of Letelier — just as mystery surrounds both the past and the future of the retired general named Manuel Contreras.

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