

Chile's High Court Rejects U.S. Plea In Letelier Case

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SANTIAGO, Chile, Oct. 1—In a move expected to bring U.S. retaliation, Chile's Supreme Court reaffirmed today its refusal to extradite or put on trial three former secret police officers wanted in the United States for the 1976 murder of Orlando Letelier, the exiled foe of Chile's military rulers.

Diplomatic observers here had said earlier that putting the men on trial in Chile was the only procedure short of extradition that could avoid retaliation by Washington.

[A State Department statement said, "we are deeply disappointed" in the decision. It added: "We are in consultation with our embassy in Santiago and we will need to review the court's decision closely before commenting further."]

With today's decision, the lengthy U.S. effort to seek action by Chile's courts—or the military government that often has influenced them—apparently has ended.

The observers here said the White House is likely to recall Ambassador George W. Landau as well as military advisers assigned to the embassy as a sign of displeasure. The legal proceeding began over a year ago when the United States asked Chile to extradite the three officers after a grand jury in Washington indicted them in connection with the Letelier murder.

In addition to diplomatic retaliation by the administration, Sen. Edward M. Kennedy (D-Mass.) and Rep. Tom Harkin (D-Iowa) are expected to win passage of legislation aimed at forcing American banks to disclose publicly any new loans in Chile.

Such economic pressure against the government of Gen. Augusto Pinochet is considered here to be particularly dangerous. Chile, long since cut off

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from U.S. aid because of its human rights record, depends heavily on foreign borrowings.

There is also the possibility, according to diplomats here, that the administration will withdraw its opposition to a threatened boycott of Chilean exports by American labor unions, another form of economic pressure that could prove difficult for a country that depends on the American market for much of its export earnings.

Today's Supreme Court decision totally rejected the validity of evidence against the three Chilean officers—Gen. Juan Manuel Contreras Sepulveda, the former head of Chile's secret police; Col. Pedro Espinoza and Capt. Armando Fernandez Larios—developed by a federal grand jury in Washington, where Letelier, a former foreign and defense minister in the government of Salvador Allende, was killed. Letelier also served as ambassador to Washington.

Allende, a Marxist, was elected president of Chile in 1970 and overthrown in a military coup in 1973.

The evidence presented by the United States, the court said, was based largely on the testimony of Michael Townley, an American citizen and Letelier's admitted assassin, who said he was working for Contreras and Espinoza—and was aided by Fernandez—in carrying out the bombing of Letelier's car, which also resulted in the death of Ronni Moffitt, a co-worker with Letelier at the Institute for Policy Studies in Washington.

The Supreme Court said Townley's testimony was insufficient under Chi-

lean law to either extradite or order trial before a military court in Chile. As a result, the court declared the case closed and the three men, who have been held in custody here since the extradition request was filed a year ago, were freed.

The only concession the court made to the U.S. position was to order Chile's military courts to continue their investigation of how Townley and Fernandez obtained the false Chilean passports they used to enter the United States shortly before Letelier was killed.

Sergio Miranda Carrington, Contreras' lawyer, said today before the Supreme Court decision was made public that he was certain his client would be freed within 24 hours. After the announcement, Miranda Carrington called the ruling "an absolute and total victory" both for Contreras and "for Chilean justice."

The lawyer also said that in his opinion the case against Contreras

and the others was manufactured by "American liberals and communists." Alfredo Etcheverry, the Chilean lawyer who represented the U.S. government in the extradition proceeding, entered the Supreme Court, received the decision and left quickly, saying only, "I am not happy."

Although there was no expectation here that the five members of the Supreme Court who considered the appeal would overturn entirely the earlier decision—taken by the court's president—there was a feeling in diplomatic circles that the court might order a trial here.

U.S. diplomats here remained tight-lipped but there were signs that the decision caught the embassy by surprise. This morning, before the ruling was made public, Ambassador Landau accepted a dinner invitation for Wednesday night and told his host that he expected to be in Chile for the foreseeable future.