UNCLASSIFIED U.S. Department of State Case No. F-2016-07743 Doc No. C06480661 Date: 02/12/2018 RELEASE IN PART **B6** DEPARTMENT OF STATE Washington, D.C. 20520 DISSEMENTED RP

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REPLY. October 1, 1979 DISSENT CHANNEL SECRET B6 FROM: SUBJECT: The Letelier/Moffitt Assassinations: Policy Toward Chile We use the Dissent Channel to register our disagreement with the policy of the Bureau of Inter-American Affairs concerning relations with Chile as they are affected by the prosecution of the Letelier/Moffitt case. We ask that this document be distributed to, at a minimum, Assistant Secretary Vaky, ARA; the Secretary; the Deputy Secretary; the Under Secretary for Political Affairs; S/P; L; and Ambassador Landau in Santiago. We recommend that a copy be made available to Assistant U.S. Attorney E. Lawrence Barcella, Department of Justice, who is in charge of the prosecution of the case. Our request to be heard rests upon our recent experience in dealing with the case and with Chilean policy. **B6** Deputy Assistant Secretary in ARA from September 1977 to December 1979. During that time he held principal supervisory responsibility within ARA for dealing with the case. served as a Political Officer in Santiago from August 1973 to April 1976, and as Country Officer for Chile from August 1977 to April 1979. was Assistant Legal Adviser for Inter-American Affairs from 1976 until 1978 and has continued to work on legal aspects of the case following transfer to L/EB in 1978. was an attorney in L/M specializing in extradition, who worked on the case in 1977, and has continued with this work following transfer to L/EB in 1978.

EXEMPT - E.O. 12065 - \$1#301(d) - WOULD HAVE A SEVERE EFFECT ON RELATIONS WITH A FOREIGN GOVERNMENT.

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Orlando Letelier, a Chilean Socialist in exile in the United States, was killed on September 21, 1976 by a bomb placed in his car. An American citizen, Ronnie Moffitt, died coincidently in the same blast. Investigation by the FBI and the U.S. Attorney's office in Washington, D.C. produced evidence sufficient to show that the assassination was ordered and carried out by the Chilean secret police and intelligence organ known as DINA. A jury in this city convicted three anti-Castro Cubans on the basis of this same evidence.

It is equally clear that this assassination was only one of a number of attacks on prominent Chilean exiles who had the potential to lead an effective opposition movement. The DINA launched a campaign of international terrorism as an extension of the violent stage of repression within Chile from the coup in 1973 through 1976. It is probable that President Pinochet ordered the assassinations of Letelier and others. There can be no question that he knew such actions were being taken by his security forces and did nothing to stop them. Intelligence reports indicate that General Contreras, who was head of DINA and is now subject of our request for extradition, has threatened to implicate Pinochet in this and/or other unsavory matters if he, Contreras, is extradited or placed on trial in Chile.

The Supreme Court of Chile had our request for extradition of Contreras and two of his subordinates in DINA under consideration since September 1978. It has now ruled against extradition and has left the matter to the discretion of the military courts What Chile.

The ARA position over the last year, accepted as the policy of this Government, has been to entrust the matter to the Chilean Supreme Court. It appears now that having seen that court bow to government pressures and evade its responsibilities, we are to place our hope for justice in the military courts of Chile, courts which have steadfastly refused for six years to punish military offenders clearly guilty of murder, torture and other atrocities. Our argument is not with the decision see if the Chilean civil courts could act honestly and : .dependently, however unlikely we knew that to be. We particiused in making that decision and supported it. There is no stional hope, however, that the Chilean military courts will residuct a meaningful investigation or trial of this case; we I see only delay and evasion. Our only hope for justice is the U.S. to take firm action to bring it about.

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The underlying ARA policy is that the Letelier/Moffitt case should be considered as only one of several allegedly important U.S. concerns in Chile.

Cited at various times have been:

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- -- Chilean cooperation in the UN and other multilateral fora and concerns;
- -- Potential adverse political developments in Chile should the Pinochet regime be weakened or replaced;
- -- Continued economic development in Chile along what are seen as free-market lines;
- -- Protection of U.S. private investment and trade;
- The need to maintain stability in the face of potential regional conflicts;
- -- Danger of nationalistic regression by the regime into renewed harshness toward internal dissent if pushed too far by U.S. sanctions;
- -- Danger of "irreparable damage" to our relations with "Chile", defined as the Chilean nation or people, if we place high priority upon the Letelier/Moffitt case and use strong sanctions.

We understand that ARA proposes to respond to the rejection of our extradition requests by continuing to place faith in the Chilean courts. ARA would take the Supreme Court decision as an acceptable expression of justice and urge, without the pressure of effective sanctions, that the military courts conduct a meaningful investigation and trial. ARA would not contemplate pressures upon the Pinochet regime which might provoke damage to any of our other perceived interests in Chile. We believe this policy is based upon misunderstanding of the Chilean situation, and serves neither U.S. nor true Chilean interests.

We offer these points in explanation and in support of our recommendations:

Every major policy study (CASP, etc.) has concluded that the U.S. has no vital interests to protect in Chile.

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- -- The 1973 military coup was inevitable, and the continued rule of the military institutions in Chile through a short transition period to civilian government probably serves the best interests of the U.S. and the majority of the Chilean people.
- -- The government of the military institutions is distinguishable from the personal position and power of Pinochet.
- The intelligence community has concluded that the removal of Pinochet would result in his replacement by any one of several generals, and present policies would be continued with the probability of a somewhat more rapid transition to civilian government. His departure would also remove the primary symbol of Chilean repression and permit much greater political flexibility in dealing with Chile.
- -- A majority of Chileans regard the military regime as a short term necessary evil and the U.S. as a vital source of pressure upon the military to make the transition period as short as possible.
- -- Intelligence reports make clear the belief of Pinochet that he can delay any genuine action on the case until U.S. interest wanes, and that the present U.S. Administration is too weak to take a forceful stand.
- -- Experience with this case has shown that the Pinochet regime will cooperate, and allow the courts to fulfill their role, only under severe pressure; without that pressure, it will do nothing.
- -- The record of the military courts (and civilian, for that matter) since 1973 is one of farce and injustice, providing no reason to expect action on this case unless forced.
- Finally, failure of the U.S. to react to this outrage and defiance of our law and power can only bring us into contempt in Chile and elsewhere. Others would not be discouraged from officially-sponsored terrorist acts in our country by governments trying to suppress opposition in exile communities.

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We believe that we have no interests in Chile which require us to accommodate the defiance of Pinochet and Contreras. Chile will not and cannot turn to the Communist world or to another domestic government of the far Left. It will not and cannot attack U.S. investment and trade interests, upon which it has based its economic recovery and from which it draws resources to substitute for foreign aid. The possibility of conflict with Argentina - and possibly Peru - makes Chile desperately dependent upon our goodwill and influence. If we are skillful, a majority of Chileans will understand and accept measures we direct against a specified target: Pinochet and the security apparatus he created and misused, not the Chilean military as a whole.

Both our international standing and the interests of this Administration require priority be given the Letelier/Moffitt case in our relations with Chile.

Our policy should encompass:

- -- Condemnation of the handling of the case by the Chilean courts, which we had hoped might redeem themselves to some degree after years of passivity in the face of massive violations of Chilean law by the present Government.
- -- Refusal to continue the game of delay and defiance while Pinochet seeks to wait out the Carter Administration.
- -- Instruction to Ambassador Landau to inform the Chilean Government that we cannot accept this outcome and cannot carry on normal relations with a regime which harbors international terrorists.
- -- Public declaration that we hold Pinochet and his security apparatus responsible for the Letelier/ Moffitt murders, based upon the <u>full</u> range of information (i.e. intelligence sources) available to us.
- -- Careful differentiation, public and private, between our view of Pinochet and DINA, and our view of responsible military government in Chile.
- Institution of a series of steps to include indefinite withdrawal of the Ambassador, termination of
  aid, reduction or ending of optional programs such
  as Peace Corps and the annual UNITAS naval exercise,
  reduction of Embassy staff, presentation of the case
  to international fora, and coordination of sanctions
  with other democratic governments so inclined.

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-- Holding out to the Chileans the prospect of repair and definite improvement in our relations when and if a "more responsible" leadership is installed, and satisfactory measures are taken to judge and punish Contreras, et al.

We think it probable, if this policy is carefully thought out and implemented, that the pragmatic majority of the Chilean military, the Chilean Establishment, and the still-democratic majority of the Chilean people will accept the need and see the benefits of forcing Pinochet to step down, submitting Contreras to a real trial (in Chile), and moving ahead in closer cooperation with the U.S. under a less controversial military leadership. Thus Chilean interests, and ours, will be served.

(Subscribed in substance and draft by \_\_\_\_\_\_ before departure for Manila as Inspector.)

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