

RELEASE IN PART

~~SECRET~~

WDO30

1/22/87

Department of State

OUTGOING TELEGRAM

JWG  
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FM SECSTATE WASHDC  
TO AMCONSUL RIO DE JANEIRO IMMEDIATE

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ROGER CHANNEL **DECAPTIONED**  
SPECIAL ENCRYPTION FOR L: MAZAK FROM INR: FMCNEIL

E.O. 12356: DECL: OADR  
TAGS: PINR  
SUBJECT: LETELIER CASE

1. ~~SECRET~~ - ENTIRE TEXT.

2. I GOT LAST NIGHT [redacted] EIGHT REPORTS DATING 15(c)  
FROM APRIL 78 TO AUGUST 78 DEALING WITH THE CHILEAN 63  
NATIONAL INTELLIGENCE (CNI) INVESTIGATION AND CNI'S  
SUBSEQUENT PARTICIPATION IN THE COVER UP DIRECTED BY  
GENERAL PINOCHET.

3. THESE REPORTS TALLY WITH MY RECOLLECTIONS. WHILE  
THEY ARE NINE YEARS OLD THEY WERE NONETHELESS SOURCED TO  
EXTREMELY SENSITIVE INFORMANTS. ACCORDINGLY, I HAVE  
BRIEFLY SUMMARIZED THEIR CONTENTS RATHER THAN REPEATING  
THEM EN TOTO. IF YOU BELIEVE YOU NEED FOR THE FERNANDEZ  
INTERROGATION ONE OR MORE OF THEM LET ME KNOW.

A: APRIL 27 - REPORTS DETENTION OF CONTRERAS,  
VALDIVIESO, BURGOS, ESPINOZA, AND FERNANDEZ. NO DETAILS  
OF INTERROGATION. MORE INTERESTINGLY PINOCHET IS  
REPORTED TO HAVE TOLD MEETING OF ARMY OFFICERS AT THE

RANK OF CAPTAIN AND ABOVE THAT HE PLANNED TO DETAIN SOME  
OFFICERS FORMERLY CONNECTED WITH DINA AS PART OF  
INVESTIGATION OF ISSUANCES OF FALSE PASSPORTS AND  
FINANCIAL IRREGULARITIES. HE SAID ANYONE THOUGHT GUILTY  
WOULD BE TRIED IN CHILEAN COURTS AND NOT THE US'

B: APRIL 28 - CONTRERAS TOLD A CONFIDANT HE AUTHORIZED  
THE ASSASSINATION OF LETELIER ON ORDERS FROM PINOCHET.  
OROZCO WENT TO THE US IN MID-APRIL 78; SUBSEQUENTLY HE  
DETAINED THE DINA OFFICERS NAMED ABOVE. FERNANDEZ' WHO  
HAD FIRST DENIED ANY CONNECTION WITH TOWNLEY, ADMITTED  
THAT HE HAD DELIVERED DOLS 5000 TO TOWNLEY ON ORDERS OF  
ESPINOZA. FERNANDEZ SAID HE DID NOT KNOW WHAT THE MONEY  
WAS FOR OR ANYTHING ELSE ABOUT TOWNLEY'S ACTIVITIES.  
ESPINOZA ADMITTED THAT HE HAD SENT FERNANDEZ WITH THE  
DOLS 5000 TO BE DELIVERED TO TOWNLEY. THE FUNDS TO BE  
USED BY TOWNLEY TO ASSASSINATE LETELIER UPON THE ORDER OF  
CONTRERAS. (NOTE: REPORT DOES NOT REPEAT NO STATE  
FERNANDEZ WAS WITTING') CONTRERAS ADMITTED THAT HE HAD  
ORDERED THE ASSASSINATION, BUT CLAIMED DIRECT ORDERS FROM  
PINOCHET. CONTRERAS INDICATED HE WAS PREPARED TO TESTIFY  
TO A COVER STORY THAT HE HAD SENT TOWNLEY TO INVESTIGATE  
LETELIER AND THAT WHAT HAD HAPPENED MUST HAVE OCCURED ON  
THEIR INITIATIVE.

C: MAY 11 - OROZCO CONFRONTED CONTRERAS ON 24 APRIL ON  
STATEMENTS FROM ESPINOZA AND FERNANDEZ (AND COLGNEI  
PANTOJA), TELLING CONTRERAS TO MAKE HIMSELF READY ON A  
PROSECUTION OF ILLEGAL ACTS COMMITTED BY DINE. CONTRERAS  
TOLD OROZCO ALL FOREIGN OPERATIONS HAD BEEN APPROVED BY

PINOCHET AND THAT HE HAD LEFT SEALED DOCUMENTS IN SEVERAL  
PLACES IN THE EVENT OF HIS, CONTRERAS', DEATH. OROZCO  
INFORMED PINOCHET WHO SUSPENDED THE INVESTIGATION AND  
ORDERED THE RELEASE OF THE FORMER DINA OFFICERS.

D: MAY 8 - DIFFERENT SOURCE SAME SUBSTANCE AS ABOVE,  
EXCEPT THAT OROZCO SAID THEY WOULD CONTINUE TO COOPERATE  
WITH THE US BUT INDICATED THAT THERE WAS NO LEGAL  
EVIDENCE AGAINST PINOCHET, ONLY CONTRERAS' WORD.

E: JULY 23 [redacted] APPRAISAL OF PINOCHET STONEWALL  
STRATEGY. RECOUNTS INFORMATION ABOVE, NOTES PRESSURE ON  
THE SUPREME COURT TO ASSURE THAT REQUESTS FOR EXTRADITION  
ARE REJECTED AND PROPAGANDA CAMPAIGN AT HOME. WHEN  
CHILEAN GOVERNMENT YIELDED TO CONTRERAS' BLACKMAIL,  
PINOCHET MANIPULATED SUPREME COURT JUSTICES. REST  
CONSISTS POLITICAL ANALYSIS OF PINOCHET DOMESTIC

SITUATION.

F: JULY 19 - SUPREME COURT JUSTICE BORQUEZ SAYS US  
PROBABLY HAS ENOUGH EVIDENCE ON FERNANDEZ TO WARRANT  
EXTRADITION, EXPRESSES CONCERN ON DIVISION ON THE COURT,  
AND NOTES MILITARY PRESSURE AGAINST THE EXTRADITION OF  
CONTRERAS BUT SUGGESTS MILITARY IS WILLING TO THROW  
FERNANDEZ TO THE WOLVES.

G: AUGUST 15 - GENERAL CARRASCO (ARMY CHIEF OF STAFF)  
SAYS HE DOES NOT KNOW MUCH ABOUT LILLIAN WALKER (JOIN THE  
CLUB). CONTRERAS IS UPSET ABOUT HIS DETENTION. PINOCHET  
PEDDLES THE CODELCO COVER STORY TO A MEETING OF GENERALS  
AND ADMIRALS.

H: AUGUST 7 - IRRELEVANT POSTURING AND LEGAL HAIR  
SPLITTING ON EXTRADITION. SHULTZ

~~While Project (#S199900030)  
U.S. Department of State  
Release Excise Deny X  
Declassify: In Part In Full  
Exemption(s) B1, 2D, B3, 87A~~

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