

Chilbom

by L. Carter Cornick, Jr. (1967-1988)

Some 40 years ago on September 21, 1976, the first case of international terrorism in the United States literally exploded in the heart of embassy row in Washington, DC on a drizzly Tuesday morning near the end of rush hour. Former Chilean Ambassador to the United States Orlando Letelier was nearing his office, the Institute for Policy Studies (IPS) with two colleagues, Ronni and Michael Moffitt, when a powerful bomb detonated under the driver's seat of his car, killing both him and Ronni, who was also in the front seat. Ronni's husband, Michael, sitting in the rear of the car, somehow survived with only superficial wounds.)



Orlando Letelier

Having arrived from assignment in Puerto Rico only several weeks previously, I responded to the crime scene as part of a newly-formed criminal squad, handling bombing matters. Hearing that the case was assigned to me, two things came immediately to mind as one who had handled these matters before: 1) There may be other secondary devices and 2) Does the FBI even have jurisdiction? Little did I realize that this case would become my "career" case that followed me to FBIHQ and then into retirement.

My initial exposure to the Chilean National Intelligence Agency (DINA) was Michael Moffitt's screaming hysterically, "DINA did it." IPS was a left-wing think tank formerly investigated by the FBI, as well as a major center for political groups in opposition to the incumbent military dictatorship of Chile, headed by General Augusto Pinochet. No wonder the IPS employees resisted an evacuation and search of their



Orlando Letelier car

premises by Agents and dogs, made mandatory by one of the dogs reacting to an IPS car parked in front of the building. (I was to learn 30 years later the dog was reacting not to explosives, but to residues of marijuana in the trunk.)

Having confirmed FBI jurisdiction, I was also to learn soon thereafter from State Department attorneys that the Protection of Foreign Officials statute, passed in 1974, had been amended to cover former ambassadors only at the last minute suggestion of a junior attorney. Otherwise, the case would have been assigned to the homicide squad of the Washington, DC Metropolitan Police Department. Paperwork began even before the massive crime scene search was instituted.

One early blessing was that the chief of the FBI explosives unit, Stuart Case, assigned himself the case and ran the forensic effort after detailed maps vectored into quadrants had been drawn and witness interviews had commenced. His initial analysis concluded that the bomb had been constructed so as to direct its force upwards. As the crime scene had a vertical component, trees and bushes were shaken, roofs and ledges searched, and then the roofs of surrounding foreign embassies after permission was granted, albeit hesitantly. As the slow drizzle continued, Case placed fine wire mesh screens over the openings to the storm drains, a critical move to be later rewarded. Hours and hundreds of interviews later, traffic was finally allowed to re-enter Sheridan Circle.

At the District Court House, U.S. Attorney Earl Silbert, pondering extensive media reports about the bombing, decided to move quickly and assign a prosecutor from his major crimes unit to avoid repetition of the "Watergate" problem. Several years earlier, he had failed to inject himself into the initial investigation, and some physical evidence was lost during the squabble between the FBI and the MPD. Thus, Eugene M. Propper, a 29-year-old combative, skilled prosecutor known for his perseverance and penchant for detail was assigned after being warned



Diagram of Sheridan Circle



Crime scene

of the hazards of an international criminal investigation with political overtones that was reported on newspaper front pages. Although initially opposed because of my training to develop criminal cases and then present them for prosecution, I became swayed, and quickly, that he could contribute mightily to the effort; and so he did, becoming known throughout South America simply as “El Fiscal,” (the Prosecutor).

Bombing cases by their nature are difficult to solve. This one, overlaid with politics which touched sensitive U.S. and foreign intelligence proved even more complex, but not insoluble. The prospect of a foreign government in the persons of its President and Intelligence Chief as criminal suspects was daunting indeed. However, the prospect of creating a precedent of assassinating foreign diplomats in Washington, DC was simply unacceptable as the government had an absolute duty to protect accredited diplomats to their countries, let alone in their capitals. Therefore, from the outset, the case was declared a Bureau special and given major case status under the code name, “Chilbom.” It was apparent from the beginning that an overall strategy for the investigation must be adopted to ensure that no possible motives for the assassination would be missed. To accomplish that, my plan was to first rule out all other possible motives other than the obvious, “DINA” did it. And there were other potential motives — a mysterious Venezuelan mistress, a disgruntled colleague and a foreign personal enemy. The practice was also instituted of asking for comments and suggestions from other field offices and legal attachés at the end of the daily teletype summaries.

Within weeks, it became apparent that no such alternative motive was viable while it became clearer that Letelier was an ever-increasing nemesis to the incumbent military regime. He had recently been responsible for the cancellation of loans to Chile by the Dutch government. Moreover, he was perceived as poisoning the Junta’s relationship with the U.S. government through his extensive congressional contacts. So much so, that the generals in the ruling Junta feared Letelier might attempt a government-in-exile based in Washington, DC.

It had been six years since Chile had elected a Marxist, Salvador Allende, much to the horror of the U.S. government. President Richard Nixon stated he would not tolerate

“another Cuba” in Latin America and ordered the CIA to “make the economy scream” while saving Chile. Almost immediately, rumors began to swirl of a CIA-sponsored coup.

In March 1971, Orlando Letelier presented his credentials as Chile’s new ambassador to the U.S. After a short but successful stint, the popular ambassador was called home to become the defense minister in an attempt to stabilize the government’s position with the military.

On September 11, 1973, Letelier was awakened to learn that the Chilean armed forces had revolted after several generations of non-interference with political affairs. President Allende and his personal bodyguards battled from inside the presidential palace, located near the American embassy. Within hours, it was over. Allende was dead and nearly 100,000 troops scoured the countryside for specified leftists.

Another U.S. President, John Kennedy, had inherited an intelligence plan to free nearby Cuba of the young Fidel Castro, another declared Marxist. The plan was to put Cubans opposed to him onto a beach at a place called “The Bay of Pigs.” Many anti-Castro Cubans had been recruited, trained and armed by the CIA to support the insurgency. Inadequate air support to those on the beach led to failure and the subsequent round-up of many. Ones who escaped felt betrayed by the U.S. government, but never gave up their cause, thus leading to the rise of multiple violent anti-Castro groups in the U.S., most notably the Cuban Nationalist Movement (CNM).

As Venezuela was widely perceived as the next likely Marxist target, the CIA inserted many anti-Castro Cubans into its intelligence service (DISIP) while still on friendly terms, thus setting the stage for more violent activity against Castro’s Cuba from that quarter.

The resulting political affinity between the Chilean Junta and the Cuban Nationalist Movement, both avowed anti-communists, flowed naturally from the old adage “the enemy of my enemy is my friend.” Each offered the other resources and advantages up to and including the belief by the CNM that Chile might ultimately allow a Cuban government-in-exile there.

At the outset, intelligence sources both at home and abroad began reporting that several anti-Castro operatives had killed Letelier. Immediately, Propper subpoenaed them to the Federal Grand Jury in Washington to, in essence, fish for information and try to catch them in lies, which later could be translated into leverage for the prosecutor.

During the full court press that followed in New Jersey, New York and Miami, the fiancé of NYO Case Agent Larry Wack was threatened by an unknown Hispanic assailant. To say that that got the attention of the NYO would be an understatement. Wack and his fellow Special Agents methodically established the links between the Chilean mission to the United Nations and the anti-Castro Cuban elements in the New York City area.

Meanwhile, interviews in Venezuela, contacts with its intelligence service and the opening of contact with

Bob Scherrer, our legal attaché in Argentina, who also covered Chile and Paraguay, led to his first reports regarding Operation Condor, a nascent program of cooperation among the military intelligence services of several southern cone countries which included Chile, Argentina and Paraguay. Condor was formed to locate, track, and if necessary, eliminate one another's fugitive dissidents. Its final phase could be assassination by agents from a country other than the host member where they were located. An Argentine intelligence officer told Scherrer that although he knew of no such Condor operations yet, it was possible that the Letelier assassination had been a final phase operation.

Cuban security informants of the Bureau's intelligence division began to provide specific information regarding the hit on Letelier, some of it valid, some completely spurious. Scherrer began to speculate that the anti-Castro people had carried out the murder on contract from DINA. Contacts in both the anti-Cuban exile community and the Latin intelligence agencies suggested that it was time to interview General Manuel Contreras, DINA's chief. This Scherrer did, but with no substantive result.

Over the ensuing months, a mysterious blond Chilean was linked to the main anti-Castro suspects, a pair of brothers, Guillermo and Ignacio Novo, both active in the CNM. Other sources identified the blond Chilean as being one of the DINA men issued false passports by the Paraguayan military intelligence for travel to the United States within weeks of the assassination. After more than six weeks of hand-searching hundreds of thousands of U.S. immigration forms in a government warehouse in Suitland, MD, WFO Investigative Clerk (IC) Sadie Dye found the evidence of their entry several weeks before the assassination.

A year after the investigation began, progress had been made, but evidence sufficient to support criminal prosecution was clearly lacking. We knew only that several DINA operatives had travelled to the U.S. and that one of them was linked to the primary CNM suspects. Moreover, the Chilean foreign ministry had declared it would henceforth respond only to formal Letters Rogatory sent by the U.S. Department of State requesting assistance.

In a final desperate effort to force cooperation, Letters Rogatory were prepared and sent. In an unprecedented move, the cover letter was not sealed, only the questions; and court house reporters were advised by Propper that they may find something interesting in the clerk's office.

The next day's headlines changed the character of the investigation. Front page articles contained the first public acknowledgement that the investigation was focused on members of the Chilean government. The story ran on all the major U.S. networks into Europe and Latin America. The impending confrontation between the U.S. and Chilean governments became obvious.

"It has become known to the Attorney General of the U.S. and the U.S. Attorney for the District of Columbia that two members of the Chilean military entered the U.S. one month before the Letelier and Moffitt murders. At least

one of these men met with persons believed to be responsible for the murders. Both of these men had previously obtained visas to enter the U.S. using fraudulent documentation from a country other than Chile (Paraguay). The visas were revoked after the fraudulent nature of the documents was discovered."

Then the information on the two men, plus their photos, was detailed. The letter concluded, "It is believed that these men have knowledge and information regarding these murders. It is therefore requested that you cause each of these men to appear in court and answer under oath, the written questions attached to this request."

Scherrer had tried in vain to elicit the cooperation of the Chileans quietly, but to no avail. Now, the honor of the Chilean government was challenged publicly. In the ensuing media frenzy, Chilean reporters joined the effort to identify the men. Pressure was at a boiling point in Santiago. "The U.S. threatening to sever relations with Chile" was one Washington headline.

Within several days, one of the two Chileans, "the individual with blond hair," was identified by the Chilean press as an American, Michael Townley, who also worked for the CIA. Within another day, the second man was also identified as a DINA army captain, Armando Fernandez Larios.

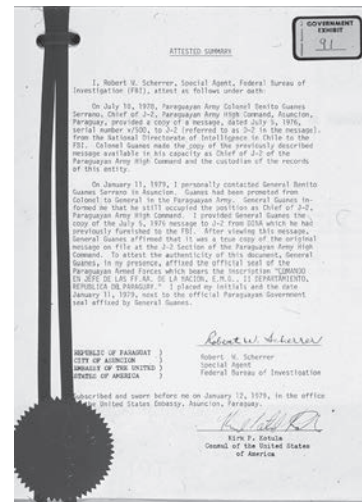
In the NYO, informants were reporting that two other CNM suspects, Alvin Ross and Virgilio Paz were going underground.

Additional aliases of Townley were reported to the U.S. embassy in Santiago. The Chilean president dispatched two high-level negotiators to meet with U.S. Deputy Secretary of State Warren Christopher.

The showdown was shaping up quickly. More information was received linking the Chileans to the Cubans. Larry Wack secured phone records from Townley's sister in New York showing he called Guillermo Novo on September 19th from her phone.

Within days, Propper and I travelled to Santiago to confront DINA, now renamed CNI, on its home turf. As we arrived at its headquarters at the end of a small street, I noticed a fire in an oil drum which was being fed books by two soldiers. Inside, for the first time, the general now in charge admitted that Townley had worked for DINA.

Over the ensuing days in the midst of a media blitz, the pressure on the Chileans was incrementally increased, being orchestrated brilliantly by George Landau, an



Legat Robert Scherrer's request for information from Paraguayan Intelligence

experienced career ambassador, who had formerly been the U.S. Ambassador to Paraguay when the false passports were issued.

During the intense diplomatic maneuverings, late one evening Scherrer and I were confronted separately by members of the Chilean National Police saying we were required by warrant to immediately appear before a Chilean magistrate to explain our actions. Citing diplomatic immunity and potentially dire international political ramifications as we both held diplomatic passports accrediting us to Chile, they became nervous and backed down. The next morning Ambassador Landau vigorously protested to the Chilean foreign minister.

Several evenings later, with no warning, Townley was finally produced by the Chilean government and expelled to the U.S. as an American living illegally in the country. The stir created in the U.S. resulted in our plane being ordered by the FAA to make an unscheduled landing in Baltimore before reaching its planned destination in NYC.

With Townley now safely in the U.S., the key question for the prosecutors was our weak case against Townley and the potential of his return to Chile within a week. Clearly, a deal with him had to be made, and quickly.

During negotiations with Townley's lawyers, the Dade County police spotted Guillermo Novo and Alvin Ross and arrested them on weapons and drug charges. When Townley learned of the arrests, he began to weaken, fearing they would talk, thereby eliminating his chance at a deal. With pressure mounting on all sides — Townley, the Chilean government and the prosecution — a deal was struck capping his prison time at 10 years in return for his cooperation.

Michael Townley's recounting of the murders in minute detail in a calm, almost detached manner truly unnerved us. He implicated DINA's commanding general, its chief of operations, and Captain Fernandez, who did the surveillance of Letelier. He also implicated President Pinochet saying that the president began every working day with a briefing from General Contreras, so that it was impossible for him not to have ordered or, at the least, known about this assassination prior to its commission.

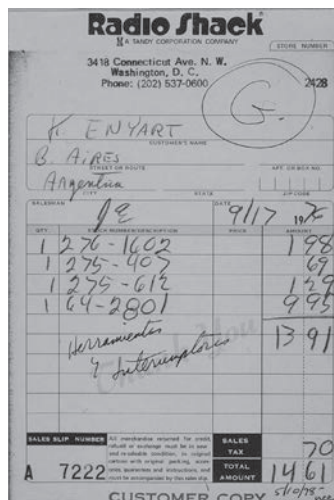
Townley said he had purchased the bomb components, built and attached the bomb to Letelier's car and then left for Miami, leaving the Cubans to push the button.

On August 1, 1978, three Chileans and four anti-Castro Cubans were charged with conspiracy to murder a foreign official, murder of a foreign official, two first-degree murder counts, and murder by use of explosives. The Novo brothers were also charged with two counts each of making false declarations to a grand jury and Ignacio Novo was charged with one count of misprision of a felony. The key to conviction laid with the testimony of Townley. If the jury believed him, they would convict. Thereafter, every effort was made to confirm his testimony. The deal had been made with the man who built the bomb, not an ideal position, but one borne of necessity in this case.

With that desperation in mind, I conceived of the idea that if we were to obtain another car exactly like the Letelier car, have Townley build another bomb using the same components and then detonate it, could we get the same damage results as those from the Letelier car? The

explosives experts said that theoretically we should, but they could not guarantee it. The prosecutors were somewhat leery at first, saying that if we were wrong, the defense could use them after filing for discovery, a common defense tactic.

After much discussion, they approved the test and the effort went forward. Townley was escorted to all of the places in the Washington, DC area where he had bought bomb components — one was

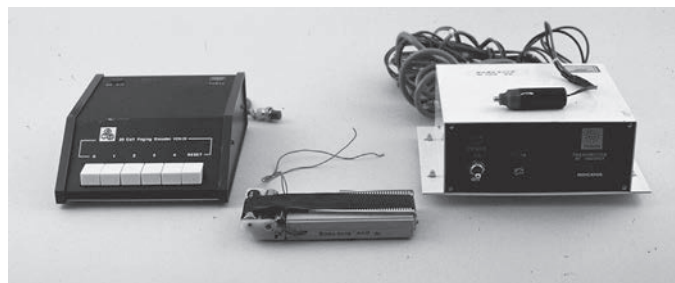


Radio Shack receipts for bomb components (note address)

a Radio Shack on "E" Street just behind FBI Headquarters. Then, he and Stuart Case built an exact duplicate of the device that had exploded on Sheridan Circle.

On July 20, at the FBI explosives range, Case attached the bomb to the test car exactly as Townley had done on Letelier's car. FBI electronics expert, Bill Koopman wired the modified Fanon-Courier transmitter (normally used in controlling model airplanes) to the cigarette lighter of the car just as Townley had done for the anti-Castro Cubans.

Koopman detonated the bomb, which resulted in a deafening explosion followed by a large cloud of dust and falling debris. For comparison, I had brought the crime scene photos from Sheridan Circle. As the cloud lifted, the excitement was overwhelming, for I did not need them. It was more than uncanny: the two mangled cars were identical down to every bend of metal.



Fanon-Courier receiver and ignition switch

At once, a crime scene of the test car was conducted on the chance that some debris from the test car might match samples collected at the original crime scene. Three days later, Case, almost breathless, called to say that a quarter inch brass spacer post from the Fanon-Courier transmitter found during the crime scene of the test car matched identically

with another brass spacer post found at the original crime scene. As brass is an alloy of copper and zinc, the proportions in each part also matched making the comparison more definitive, if not unique. For many years thereafter, the films, photos and findings of the test explosion were staples of forensic courses taught at Quantico.

That same summer of 1978, after *The New York Times* ran a feature on the case in its Sunday magazine, the producers of CBS's "60 Minutes," then as now a leading news program, approached the FBI to do a segment on Letelier with Mike Wallace. As the case had not yet gone to trial, DOJ as well as the Bureau was nervous, but intrigued, as it was the first such request received.

My view was that not only would it present the FBI in a favorable light, it would also afford us a public platform to describe the CNM for what it really was: a group of criminals, not super patriots, who regularly extorted the anti-Cuban exile community for personal gain rather than using it to fight the Castro regime. As I had been the media coordinator for the San Juan Office and had completed the first FBI media in-service (columnist Jack Anderson was the keynote speaker) and Bob Scherrer had approved media contacts while a supervisor at NYO, the Bureau hesitatingly agreed. For its part, CBS agreed to allow a prosecutor to censor any question which could negatively impact the trial.

The show aired soon thereafter. Subsequently, according to public, police and FBI sources, CNM funding sustained a major blow, while the Bureau gained national favorable publicity. For years, this news program formed part of the curriculum at Quantico for FBI media coordinators.

Later that fall, after the indictments were issued for the DINA chief, his chief of operations, and the captain who carried out the surveillance, a powerful bomb exploded at the home of the Chilean Supreme Court judge considering the American extradition request. Eleven days later, another bomb exploded at the home of the Chilean judge assigned to conduct the inquiry into the bombing of the house of the Chilean Supreme Court judge. Clearly, the game was not over, at least not in Chile.

On January 9, 1979 the Letelier trial opened in the U.S. District Court House in Washington, DC under the heaviest security in its history. Lead Defense Attorney, Paul Goldberger, in his opening statement, told the jury

that neither the Cuban defendants nor the Chilean DINA had been involved in the assassination. "We will prove to you," he said, "that this assassination was carried out by Michael Townley . . . working as an agent of the CIA."

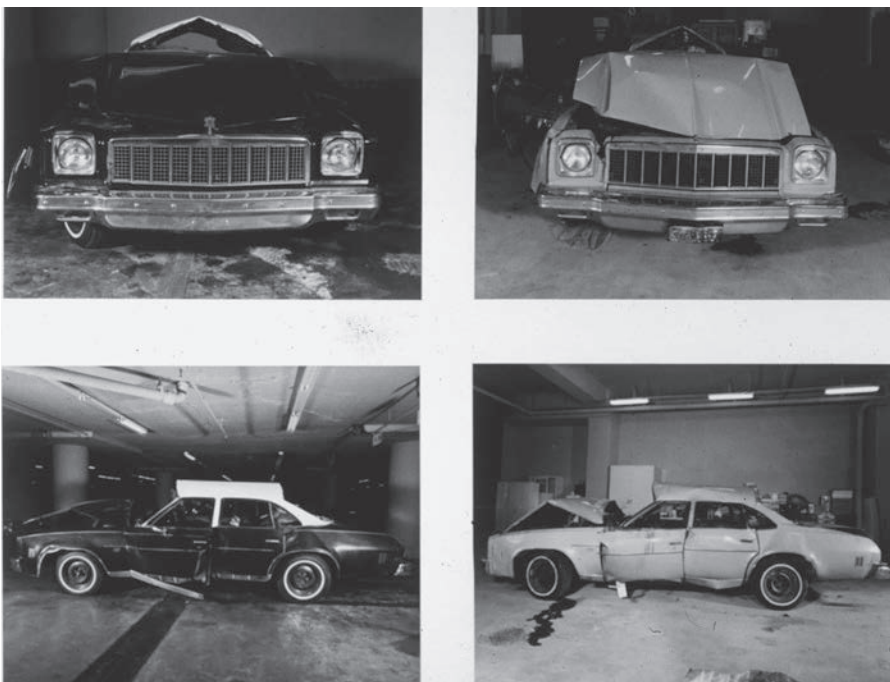
At this, Propper wondered why the defense had assumed the burden of defending DINA. He surmised that it was because DINA was supplying funds to the defendant, which turned out to be the case.

After some five weeks of the trial, which included testimony of the CIA's chief personnel officer that Townley never worked for the agency, the jury returned a verdict of guilty on all counts after asking for only two pieces of evidence: the photos showing the comparison of the Letelier and the test cars and the phone records linking Townley to Guillermo Novo several days before the bombing. After the trial, Goldberger said, "You know, you guys did an incredible thing. You did something nobody should be able to do. Not only did you get your story into evidence, you got it right. All the way down the line, that's even more amazing than getting as far as you did." Both Cuban defendants, Alvin Ross and Guillermo Novo were sentenced to two consecutive life sentences. Ignacio Novo was sentenced to eight years on lesser charges of false declarations and misprision of a felony.

Three months later, the Chilean government formally denied the American extradition request for the three DINA officers. The Townley evidence was ruled inadmissible and a Chilean military tribunal was ordered to determine whether the remaining evidence warranted a trial in Chile.

At the end of November 1979, the U.S. government announced diplomatic sanctions against Chile, but Ambassador Landau would remain on duty in Santiago and there would be no trade or commercial sanctions. In the end, the U.S. would not endanger its relations with an anti-communist nation in Latin America.

In September 1980, the guilty verdicts on all defendants were reversed, the Appellate Court basing their decision on a new Supreme Court case, *the United States vs. Henry*. Whatever its merits, it was furiously denounced by both the U.S. Attorney and the Department of Justice.



Comparison photos of Letelier and test car

The initial decision was to appeal to the U.S. Supreme Court by making a powerful argument that the U.S. Court of Appeals had grossly misapplied Henry in overturning the Letelier convictions, but the Appellate lawyers in the Solicitor General's Office saw it differently and decided against appeal.

On May 30, 1981 a federal jury acquitted Guillermo Novo and Alvin Ross of all murder charges while convicting Novo of false declarations. The Cuban defendants had completely changed their CIA defense and did not try to absolve DINA of responsibility. Five months later, Ignacio Novo pled guilty to a charge of false declarations.

Much, however, had been accomplished. The assassination had been solved and publically exposed. Townley, the American expatriate working for DINA and the bomb builder, was in prison. DINA itself was no more, and its conspirators were out of power. Two remaining Cuban CNM members were fugitives who could be caught and tried.

No other Chilean officials from the former socialist government had been or would be assassinated. Most importantly, no other foreign diplomat has been assassinated in Washington, DC.

In the following years, the cone of silence in Chile concerning DINA and Letelier slowly unraveled, with more and more pressure being applied to the defendants. Finally, in 1986 Fernandez Larios made a deal to quietly come to the U.S. and plead guilty to one count of conspiracy to murder in return for a reduced sentence, but which did require him to testify.

In the ensuing years CNM members Virgilio Paz and Dionsio Suarez were also caught and pled guilty to reduced charges, knowing that the testimony of both Townley and Fernandez Larios plus the physical evidence would convict them.

But as long as Pinochet remained in power, he refused extradition of those remaining DINA officers indicted in the U.S. In 1989, he, himself, was on the way out. That year he called a plebiscite to extend his presidency eight more years, but the Chilean people voted a resounding "No." He tried to stop the vote count and reverse the result, but his fellow Junta members refused to go along and a Christian Democrat won a decisive victory.

Several years later, General Manuel Contreras and his operations chief, Colonel Pedro Espinosa, were convicted of involvement in the Letelier case by a military tribunal and sentenced to long prison terms.

The final denouement came in the late 1990s. (I had retired in May 1988.) Pinochet was indicted for human rights violations by Spanish Judge Baltazar Garcon on October 10, 1998. Pinochet was arrested six days later in London while visiting there as a private citizen.

The DOJ approved my testimony before Judge Garcon in the U.S. District Court House in Washington, DC. Therefore, I was deputized as a Deputy U.S. Marshal and began to prepare, needing access to the extensive case files.

With the expert assistance of senior FBI clerks who

remembered the old "rotor" system and manual case indices, it all came to life once again. The young Agents assigned to assist were astonished to see the hundreds of files, sub-files, and more than a million 5 x 7" index cards work so smoothly. Letelier had been the last major case not to be computerized.

After several hours of testimony, Judge Garcon returned home to campaign for Pinochet's extradition from England to Spain. After a year and a half battle, Pinochet was finally allowed to freely return to Chile for health reasons. He had been diagnosed with dementia.

In his last years, Pinochet was stripped of his immunities in Chile and indicted for a number of crimes before dying December 10, 2006 in Santiago without having been convicted in any case. By the time of his death, Pinochet had been implicated in over 300 criminal charges for numerous civil rights violations including murder.

Author's Note

Much ink has been spilled over the years to the effect that this case was solved by a makeshift collection of mavericks who successfully outmaneuvered a bungling, intrusive, inept FBI bureaucracy. Some of that is true. When I first met our Legat Bob Scherrer in Santiago, he asked why I had never written any reports in this case. Incredulous, I told him I had written many, the first written after three weeks, was over 1300 pages with a 50-page administrative section setting forth the investigative approach and asking for comments from all receiving offices and legats. When I became a supervisor in the terrorism section of FBIHQ several years later, I found the reports marked for dissemination to the legat in a file cabinet. This, along with several other similar occurrences, remains inexplicable to this day.

Capricious media leaks by both Field and Bureau officials were harmful, but not fatal to the case. Timely intervention by then Deputy Associate Director Jim Adams prevented "stove piping" between the intelligence and criminal divisions. The same can be said for other interventions by senior DOJ officials at sensitive times.

On balance, the orderly professionalism of the Bureau structure at that time proved more of a benefit than a burden. In the end, dedicated Bureau professionals, both Agent and clerical, willing to take risks, solved this heinous crime which combined many of the most topical subjects of recent history: international terrorism, political murders, spies, national security and the operations of the criminal justice system and U.S. intelligence agencies.

For me, more than all the others (the assassination of Olaf Palme, the prime minister of Sweden; the American Embassy and USMC bombings in Beirut; the kidnapping and murder of Bill Buckley, the CIA station chief in Beirut), this case was the culmination of my career as an investigator.

The books to read are: *Labyrinth* by Taylor Branch and Eugene Propper, *Assassination on Embassy Row* by Saul Landau and *John Dinges and the Condor Years* by John Dinges.