

EXCISE 0503
UNCLASSIFIED

PP046

INFO LOG-01 ADS-00 CCO-00 / 003 V

10062
for
Chavez

TO 101647Z FEB 83
FM AMEMBASSY SANTIAGO
TO SECSTATE WASHDC IMMEDIATE 0129

SECRET SANTIAGO

FOR ARA-KOZAK AND L-COLSON

E.O. 12356: DECL: OADR
TAGS: PTER, ASEC, CI
SUBJ: OFFER/THREAT BY MANUEL CONTRERAS

7. EMBASSY COMMENT: THE MOST LIKELY ACTIONS PREJUDICIAL TO THE USG WOULD BE A CONTINUATION OF ATTACKS ON THE USG AND ITS PERSONNEL IN THE GOVERNMENT-FINANCED MEDIA, SUCH AS RECENT STORIES IMPLYING THAT PRESIDENT BUSH, WHILE DIRECTOR OF CIA, COVERED UP THE CULPABILITY OF CUBAN CIA EMPLOYEES IN THE LETELIER MURDER. HOWEVER, CONTRERAS IS THE MOST DANGEROUS MAN IN CHILE, HE IS CURRENTLY FEELING UNDER EXTREME PRESSURE FROM BOTH THE LETELIER CASE AND CHILEAN MURDER CHARGES AGAINST HIS SON IN AN UNRELATED CASE, AND WE CANNOT EXCLUDE THE POSSIBILITY OF A CONTRERAS-INITIATED TERRORIST ACT. JONES

PP046

1. SECRET ENTIRE MESSAGE.

2. HAS SENT FOLLOWING MEMORANDUM TO CHARGE

ARA IS REQUESTED TO BRING THIS TELEGRAM TO THE ATTENTION OF AMBASSADOR GILLESPIE.

3. BEGIN TEXT:

IT HAS COME TO OUR ATTENTION THAT RETIRED GENERAL MANUEL CONTRERAS SEPULVEDA MAY BE PLANNING TO TAKE UNSPECIFIED ACTIONS PREJUDICIAL TO THE U.S. GOVERNMENT FOLLOWING THE END OF FEBRUARY 1983. IN WHAT APPEARS TO HAVE BEEN AN ATTEMPT BY CONTRERAS TO SEND A MESSAGE TO THE USG:

IN FOUR APPARENTLY SEPARATE CONTACTS WITH "GRINGOS" IN THE MONTHS IMMEDIATELY PRIOR TO THE 5 OCTOBER PLEBISCITE, CONTRERAS AND THE "GRINGOS" ARRIVED AT AN "UNDERSTANDING" WHEREBY NEITHER SIDE WOULD REVEAL INFORMATION DAMAGING TO CONTRERAS, PRESIDENT PINOCHET, THEN U.S. PRESIDENTIAL CANDIDATE BUSH, AND THEN U.S. AMBASSADOR EARNEST. IN THE CONTEXT OF DAMAGING INFORMATION WAS INCLUDED THE LETELIER CASE AND

4. CONTRERAS CONSIDERS THIS "UNDERSTANDING" TO HAVE BEEN BROKEN BY RECENT USG INITIATIVES, AND UNLESS A NEW UNDERSTANDING IS ARRIVED AT BY THE END OF FEBRUARY, CONTRERAS WILL BE FREE TO TAKE UNSPECIFIED ACTIONS PREJUDICIAL TO THE USG.

5. CONTRERAS IS ALLEGEDLY WILLING TO MEET WITH A USG REPRESENTATIVE AND "TESTIFY" IN CHILE IF PRIOR AGREEMENT IS REACHED ON AN APPROPRIATE STORY TO EXPLAIN THE CASE. CONTRERAS DESCRIBED THE "STORY" AS CHARACTERIZING LETELIER AS A CUBAN AGENT, ACTIVE IN BOTH THE U.S. AND CHILE, WHO WAS KILLED BY CUBAN EXILES WHO WERE AWARE OF LETELIER'S STATUS AS A CUBAN AGENT. (COMMENT: IT WAS NOT CLEAR IF CONTRERAS ACTUALLY HAS ANY EVIDENCE TO SUBSTANTIATE SUCH A CLAIM.) CONTRERAS ALSO REFERRED TO A SON OF PRESIDENT PINOCHET (PROBABLY MARCO ANTONIO) AND ARMANDO FERNANDEZ LARIOS AS HAVING BEEN JOINTLY INVOLVED IN NARCOTICS TRAFFICKING AS ANOTHER ELEMENT IN THE CASE.

COMMENT

ARA INW
for CIA
C-61

*PD
Dissever*

Chile Project (#S199900030)
U.S. Department of State
Release Excise Deny
Declassify: In Part In Full
Exemption(s) B1, B-C

*Call
Jones
Beards*

Access. #59-96-0723

Box 1 of 4 358M

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FRONT

(Name)

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TO:

(Name)

(Office Symbol)

(Room No.)

(City)

PARTY

DATE

RECEIVED:

IDENTIFICATION

Optional Form 112
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DESTRUCTION - 5 FAM 973.8 AND 960.4
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ASAC/SC - Dick

approach is right - I would be mightly
 disgruntled if any USG person made any such deal
 with this piece of dogshit - we should talk with
 e how this could be used to further pressure
 Contreras - the best defense may be an offense
 e.g. telling ~~Contreras~~ the For M. that this guy is
 threatening us and that we will hold the GOC
 responsible if any of this is carried out - might
 also signal in some way that Contreras is obviously
 willing to make up stories about everybody to
 blackmail them into protecting him (i.e. that
 we realize Pinochet did not see in the same light)
 and ~~that~~ imply that it would behoove Pinochet
 to go ahead & cut this guy loose - let him
 take his best shot - the notion is that Pinochet
 can defend himself against charges Contreras
 may make (whether true or not) by saying
 Contreras has made equally preposterous
 charges against us - this may be what all
 of this is designed to do -- give Pinochet some
 message should be it works
 if he does not, it might be
 guilty MK

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