## J.S. Recalls Envoy After Letelier Ruling

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SANTIAGO, Chile, Oct. 2—U.S

SANTIAGO, Chile, Oct. 2—U.S. Ambassador George W. Landau prepared today to return to Washington for deliberations following the Chilean Supreme Court's decision yesterday barring trial of three officers for the 1976 assassination of exile leader Orlando Leteller.

The State Department's decision to recall Landau for consultations fell far short of measures that diplomats here had expected would result from the failure either to extradite the three men for trial in Washington or order them tried before a military court in Chile.

There was no word at the embassy on precisely when Landau would leave. Twice previously, in June 1978 and in May 1979, he was recalled briefly in connection with the case.

(In Washington, Sens. Edward M. Kennedy (D-Mass.) and Frank Church (D-Idaho), chairmen of the Judiciary and Foreign Relations Committees,

called for suspension of any remaining military or economic credits to Chile as well as withdrawal of all U.S. military and non-essential diplomatic personnel "in the absence of a just conclusion in this case.")

The U.S. response was greeted with disappointment by opponents of Chile's current military government. They had hoped the United States would respond with harsher steps to isolate the ruling junta further and punish it economically.

Among the steps that were talked about—and that possibly could result after the planned consultations in Washington—would be Landau's permanent recall withdrawal of the U.S. military mission and pressure on American banks to cut loans to Chile.

Letelier was a defense and foreign minister in the Marxist government of the late Salvador Allende and a leading opponent of the regime that overthrew Allende in 1973. He was killed by a car bomb as he was driving to work at the Institute for Policy Studies near Dupont Circle.

Also killed was Ronni Moffitt, an American who also worked at the institute. Three Chilean secret police of ficers—Gen. Juan Manuel Contreras Sepulveda, Col. Pedro Espinoza and Capt. Armando Fernandez Larios, were charged by a U.S. Federal grand Jury with having planned or helped to carry out the assassination.

The United States asked Chile to extradite the three over a year ago. The lengthy court proceedings ended yesterday when a five-member panel of Supreme Court judges rejected on appeal the evidence submitted by the United States and ordered the three officers freed.

The statement by the State Department for the first time referred to the three as terrorists. "The U.S. government continues to believe that the government of Chile has the duty to insure that this act of international terrorism does not go unpunished," the statement said.

The decision will "undoubtedly affect" relations between the two coun-

tries, it said. "We will be studying the court's lengthy and complex findings closely to determine whether any propsect remains for its duties to be met."

Last night, Alfredo Etcheberry, the Chilean lawyer who represented the United States in the proceedings, said he had advised Ambassador Landau that the court's decision was final and that there was no way under Chilean law to reopen the extradition case or file another request if additional evidence becomes available.

The Supreme Court, Etcheberry also said, had closed the door permanently on a trial in Chile.

There was little public reaction here, either to the court's decision, which had been widely expected, or to the U.S. response. Opponents of the Pinochet government expressed their dismay with the relatively mild U.S. move of recalling Landau for consutations, A spokesman at the Chilean Foreign Ministry said the State Department statement was under study.