

Treasury Chief Simon in Chile

--Links Aid With Human Rights

Santiago, Chile

U.S. Treasury Secretary William E. Simon arrived in Chile yesterday and warned the military regime that American aid is linked to respect for human rights.

Before his arrival, the ruling junta had announced the release of 49 political prisoners, most of whom will go with their families to the United States as refugees.

More than 2000 persons are still believed to be held in detention camps.

"The government of Chile has been taking firm economic steps to restore stability and economic growth to the country," Simon said upon arrival at the heavily guarded Pudahuel International Airport.

Simon is the highest ranking

U.S. official to visit Chile since the Chilean armed forces overthrew the late Marxist President Salvador Allende in a bloody coup in September, 1973. Simon is on the first leg of a ten-day Latin-American trip.

He said the junta's policies "are clearly laying the foundation for viable economic development. Nevertheless, we must all recognize that there is an inextricable relationship between our economic freedoms and our personal and social freedoms."

"The Chilean government has stated that it is committed to ensure the protection of human rights and has been developing practical measures to accomplish this. We will be discussing the concrete results that have been taking place."

Sources here and in Washington said Simon's visit was agreed upon in return for the freeing of political prisoners.

Of the 49 freed all have sought to be allowed to settle in the United States under a program initiated by the Ford administration last June.

The program admits to the United States political prisoners who are released by the junta on the condition that they leave their homeland. About 60 prisoners have taken advantage of the program so far. If family members are included, the total approaches 200.

The program forbids visas, however, to members of the Communist party or to known left-wing extremists.

Associated Press