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CIA agent winner in Letelier case

By Bill Gertz
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A former CIA operative has won a public retraction of allegations he was involved in the assassinations of Chilean diplomat Orlando Letelier and President John F. Kennedy.

David Atlee Phillips, former CIA chief of Latin American operations, said the retraction and an undisclosed payment from three writers and the publisher of the 1980 book "Death in Washington" had cleared him of the allegations.

"I certainly am satisfied because I believe it is a vindication," Mr. Phillips told reporters at a news conference.

The retraction was filed in the U.S. District Court for the District of Columbia Friday.

Mr. Letelier and Ronni Karpen Moffit, who worked with him at the Institute for Policy Studies, were killed in a September 1976 car bombing. Mr. Letelier had served as Chile's defense minister and was its

ambassador to the United States when the socialist regime was overthrown in 1973.

Mr. Phillips filed the civil lawsuit seeking more than \$90 million in damages after authors Donald Freed and Fred Simon Landis, and journalist John Cummings charged in a 1980 press conference that Mr. Phillips and the Association of Former Intelligence Officers, which he founded, had been involved in a conspiracy related to the bombing.

The writers also repeated charges first made in 1969 alleging that Mr. Phillips was a CIA case officer for Lee Harvey Oswald, who was accused of assassinating President Kennedy. Mr. Phillips served as a CIA operations officer from 1950 until he retired in 1975.

The retraction states that the authors and publisher regret the allegations and that "they had no intention of charging or suggesting that Mr. Phillips played any role in the assassination of Orlando Letelier, that he was an accessory before or after the fact of that murder, or that he had any connection with Lee Harvey Oswald."

Mr. Phillips said the filing refutes the allegations "for those who were so inclined to think that I might have been involved in the murder of Orlando Letelier and my own president."

But he said he was disappointed by the lack of support from the CIA in his legal battle.

"I have a feeling that the reaction of the CIA to former agents who file lawsuits is that they consider them something, perhaps, a cut above a gun smuggler or a narcotics smuggler," Mr. Phillips said. "They certainly did not run forth with open arms and say, 'What can we do to help you?'"

Documents found in Mr. Letelier's briefcase reportedly showed that the Chilean had been cooperating with the Cuban DGI intelligence service while he was associated with IPS.

At the press conference, Mr. Phillips said he examined photocopies of the Letelier briefcase documents, although the FBI has claimed none exist.

"They existed," said Mr. Phillips. He said he saw the documents months after stories about them had appeared in the press.

None of the defendants in the case could be reached for comment. A fifth person named in the case, William F. Pepper, "has not been located" during the last five years, the statement said.

"If there's a message in all of this, the message is to irresponsible crit-

ics, the kind of people who live the total nonsense in such publications as Covert Action Information Bulletin," Mr. Phillips said.

Until Congress passed a 1983 law protecting the identities of intelligence officers, the leftist Bulletin had established a reputation of exposing CIA operatives and for muck-raking the CIA.

The press conference was held by Challenge Inc., a legal action fund made up of former U.S. intelligence officers and government officials.

Challenge has also supported other libel suits. Among them are one involving Mr. Phillips and a British publisher, a suit by three former U.S. Embassy officials against the producers of the film "Missing" — which alleges that U.S. officials were involved in the death of an American journalist during the Chilean coup — and a suit by a former Agency for International Development official accused by two publications of training Latin terrorists for the CIA.