The Association for Diplomatic Studies and Training Foreign Affairs Oral History Project

AMBASSADOR GEORGE W. LANDAU

Interviewed by: Arthur Day Initial interview date: March 11, 1991 Copyright 1998 ADST

TABLE OF CONTENTS

Background Military Intelligence, reserve officer	
Montevideo, Uruguay Commercial officer	1957-1962
Madrid, Spain Political officer	1962-1965
Canadian Defense College	1965-1966
EUR, Spain Country director for Spain and Portugal U.S. – Spanish base agreement	1966-1972
Asuncion, Paraguay Ambassador President Stroessner Human Rights and narcotics issues Congressional interest OAS Human Rights commission	1972-1977
Santiago Chile Ambassador Pinochet President Carter: anti-Pinochet General Contreras and DINA Getting rid of Allende – US involvement Foreign Minister Hernan Cubillos Townley involved in Letelier murder Carter and "Bolivia's outlet to the sea" Rocky relations with Pinochet	1977-1982

State Department's Human Rights problems Appointment to Guatemala dropped Appointment to Salvador dropped Appointment to Panama dropped	
Caracas, Venezuela	1982-1985
U.S. Arms amendment issue	
Working conditions	
Falkland War aftermath	
Venezuela economic and debt problems	
Consular problems	
Contadora meeting	
French involvement in Contadora	
Oil reporting	
Operating the embassy	
President's Council on the America's and America's society	1985- on
Letelier murder case	1976
Codelco Corp.	

INTERVIEW

Townley involvement

Q: *Mr*. *Ambassador, we will obviously talk mainly about your posts where you were chief of mission at the latter part of your career, but if there were elements in your earlier career that were interesting we could bring them in.*

LANDAU: It might be a good a idea Art. There is a progression in my life that goes back to even before I joined the Foreign Service. I spent, like many of my contemporaries, five years in the military. I was drafted as a private and went off to officer candidate school and wound up in military intelligence as a captain. While most of my contemporaries got out when they could, I stayed in the reserve until I retired after 32 years of service in 1975. I mention this particularly because it gave me a certain advantage in subsequent posts where I was assigned to military regimes. The fact that I was a colonel in the Army reserve, sometimes was quite helpful, although the Department in its usual mindlessness was not in favor of this. I remember when I was nominated to Paraguay a very senior officer told me, "I understand you are a reserve officer" and I said, "Yes, I am a colonel in the reserve and I might even get a promotion later on." He said, "You know, Congress takes a very dim view of that; they will think you will mix military with civilian matters." I said, "Well, I hardly think that could have been the case." But he said, "If I were you, I would resign so that if any Congressman or any Senator should ask you at the hearings you could say, 'Yes I was in the reserve, but have resigned my commission."" I did just that. I sent a letter to the Assistant Chief of Intelligence (ACSI) where I had my mobilization assignment in the Pentagon, and said that I would go off to Paraguay as chief of mission so therefore I regretfully had to resign my commission. That was in 1972. After I got to Paraguay I kept getting news bulletins from ACSI and so finally I wrote them a letter. I said, "I still get your correspondence and you know I have resigned my commission." I got a letter back saying, "No, that letter is not on record, we chose to disregard it". So I stayed in the reserve until 1975 when my mandatory time was up. It goes to show that being in the reserve can sometimes come in very handy as it turned out in my career.

Really everything, as you so well know, is pure chance and not career planning. Career planning simply does not exist except in the minds of the excessive number of personnel people. What happened was that I was in Montevideo for five years first as commercial attaché and then chief of the economic section. During that time Bob Woodward was chief of mission.

Q: What years were those?

LANDAU: 1957-62. Bob went on; he left in 1961 to go to Chile for seven weeks and then became assistant secretary, and eventually wound up in Madrid. He liked my style and I certainly liked him very much and admired him, and his wife Virginia. So he told me one day, "If you want to come to Madrid I might have an opening." I immediately agreed and after Bob got to Madrid he dropped me a note saying that much to his surprise he thought he had an opening in the economic section but this did not turn out to be true. The only position was the third one in a six man political section. I immediately told him that I would take it although I had been chief of a section before.

Q: So you had been chief of a section but you were prepared to take this post?

LANDAU: Right, I spent three wonderful years in Spain with Bob, in the political section and I advanced from the number three position to the number two position, which was very interesting. I dealt with the opposition and the Foreign Office. I learned a great deal. From there I went to the Canadian National Defense College and again I had quite a lot to do with the military. I had fully expected after the Canadian Defense College to be assigned to Ottawa, which I should have with the knowledge and contacts I had acquired, but Secretary Rusk in 1966 reorganized the Department and did away with the unnecessary layer of deputy assistant secretary. Of course you never 'do away' with these, like certain insects they just burrow in the ground and survive. He cut out the idea of another layer. What he wanted to have was the Secretary, the assistant secretaries and the country directors. He started the idea of the country directors. At the time he was concerned with upcoming base negotiations with Spain and Portugal and so he decided to take out those two countries from the Office of Western European Affairs and make it into a new country directorate. I was tapped for that job and came to Washington and became the country director for Spain and Portugal.

Of course I merrily dealt with two military governments. Nobody wanted to go to lunch with me other than the country director from Greece, Mr. [Daniel] Brewster, or of course my friend who handled South Africa. The latter was very actively working against his clients while I tried, not necessarily to take the side of my clients, but to see that they got at least a fair shake. I was on the job for six years, which is somewhat of a record in the Department, but I enjoyed it very much and was able to get a base agreement under Nixon, after the Democrats had failed, in their efforts. This was unfortunate because Secretary Rusk had tried very hard, but we had known from an unimpeachable source that one former ambassador, a political appointee, had told the Spanish government that it did not make any sense for them to negotiate with the Democrats, that they could get a better deal from the Republicans. So therefore when we went for the last trip with Rusk to Spain, we were treated somewhat shabbily. Which was so unlike the normal way the Spanish react, but they were so absolutely sure that they would do better with the Republicans. Of course it showed that this particular political ambassador did not possess any wisdom--I had always suspected that. It was very clear that the Republicans who became aware of what he had said were chagrined about it because neither the Republicans or the Democrats can set the terms of a base agreement. The money has to come from somewhere and Congress was just equally unimpressed to make a deal with Spain under the Republicans as it was under the Democrats. Senator Fulbright and Senator Symington wanted a treaty and not an executive agreement so the same onus was borne by both parties. It was a very difficult thing. Anyway somewhat with mirrors we were able to stitch together an agreement with Spain and then a base agreement with Portugal. I was not the negotiator, it was Under Secretary Johnson, Alex Johnson, who did a marvelous job; I was the action officer and was very much involved. And suddenly I got well known in the Seventh Floor because I dealt with them, keeping of course my assistant secretary well informed. At the end of the arduous six years with both agreements signed and delivered I was given my first embassy.

The first time I got a call from Secretary Rogers whom I knew quite well from our trips to Lisbon to deal with the Portuguese, not an easy feat. Whatever you agree with them in one meeting is forgotten in the next one and one starts all over again. This annoyed Rogers, who is an excellent lawyer. He looked at if from the legal point of view more than from a diplomatic point of view. He was quite unhappy with the Portuguese. Anyway, Rogers called me in and said that he had just forwarded my name to the White House, to open an embassy in Bangladesh. When I heard that my heart sank, because while I was at the Canadian Defense College we visited Dacca, which was still East Pakistan.

Q: This would have been the first embassy since the break?

LANDAU: That is right, we had a chargé, and I would have been the first ambassador. I wrote my wife from the Defense College trip that there were only two places that I would rather resign than go, one was Dacca and the other was Calcutta, and here I get this offer. So I came home and told my wife about the great honor that was bestowed on us--tentatively--and she pulled out the postcard I wrote to her. I said "Well, I will just have to

swallow my statement because you don't turn it down if you get it offered." As it turned out the White House did not look with favor on this for reasons which had nothing to do with me, it had to do with that Bangladesh and Pakistan had to be filled at the same time and the White House did not like the man who was recommended for Pakistan so the deal fell through. I was not all that unhappy because about one month or six weeks later I was nominated for Paraguay where I spent five years. It was an interesting post. There my former military relations came in good stead. I had a good relation with President Stroessner. This is one of the basic things that people do not seem to understand. When you are assigned somewhere you may not like the government, you may not like the person you deal with, nevertheless you must have a solid relationship if you want them to do things for you. All I wanted to do, all I was instructed to do was either deal on narcotics matters or deal with human rights violations.

Q: That is one of the questions I wanted to ask you about your assignment there. What instructions were you given before you went?

LANDAU: When I left for Asuncion in 1972 I was sent there because the Department was unhappy with my predecessor who had not wanted to go there. He was an excellent Finnish speaker, but Finland was filled with a political appointee so they gave him the next available post. Paraguay was the hub of drug traffic, but not the drug traffic that we know now, it was still the European-Corsican connection. There was a Corsican drug smuggler by the name of Ricord whom we wanted extradited. It was very difficult. My predecessor got him extradited, but at great cost and the Department decided to change him and I was sent instead. The only instruction I got in 1972, and I went over to the White House had to do with cleaning up the drug traffic. I

n 1972 the words human rights were never mentioned. When I got to Paraguay I found out that a lot of people were in jail without charges and some had been there for fifteen or twenty years, but I must say I did not get a single inquiry from the Department or Congress for the first year and a half. Then all of a sudden it became very, very much the new thing.

Q: What was the occasion for that?

LANDAU: What had changed, of course, was that Nixon had left. It started under Ford, not under Carter. There were some Congressmen who were interested in specific countries, and it was our great mayor (of New York) Ed Koch [who was a Congressman at the time] who was interested in Uruguay and it was a man who is now the mayor of Minneapolis, Fraser, who was interested in Paraguay. I got a slew of letters from Fraser about the human rights violations and the prisoners. I was able to do a number of good things because most of the people were really arrested mindlessly because a middle level government functionary had problems with the person. When you brought it to the top, to the Foreign Minister or to some other ministers, they all told me that this was not an important case, but they never did anything about it. They just told me that it was a manageable thing for me to talk to Stroessner, that everything had to be decided by Stroessner.

I saw Stroessner every day, as did everyone else because at the time Stroessner either inaugurated a school, or there was a parade, or a new highway, but there was a public function every day--usually at 8 o'clock in the morning. All the cabinet and all the ambassadors were invited. Usually my colleagues went sporadically. I went whenever I needed to see someone because it was the easiest way to do business in Paraguay. The phones did not work too well, moreover the office hours are from seven to eleven and after that everyone disappears. So I could talk to the Minister of Education, the Foreign Minister or to the President himself, and get matters settled. Then of course you had to rush back and immediately write a letter because they would forget what they told you on the dusty road.

I used all those outings to tell Stroessner about X, Y and Z and how there was great interest and how it would affect relations with the United States. There usually was no great problem; he said, "Sure, sure". Then I had to negotiate his approval to me with the Minister of Interior who did not believe me and had to check back but eventually we got a lot of people out. And so that was very handy. Now, after President Carter came in the emphasis shifted tremendously. The Paraguayans understood this change--I would not say they cleaned up their act, I would say they were more forthcoming. The only thing they were not forthcoming on was the fact that the U.S. wanted very much for the OAS human rights commission to visit Paraguay. I must have made innumerable demarches, talked to everybody under the sun, including Stroessner, and he said, "Well, yes, we will have to find the right date" etc., etc. It went on but the commission never got there.

I remember still vividly how poorly top level meetings are structured. Because as you will recall in 1977 we signed the Panama Canal treaty and all Latin American presidents were invited and all U.S. chiefs of mission accompanied their presidents, and every one had a bilateral with President Carter, including Stroessner. Of course President Carter was briefed of the main problem that we had not been able to achieve to get the OAS human rights commission in. So we got to the White House and Stroessner was very pleased and he told the president how he had done many things and how he had built schools and that there were no real problems in Paraguay, no social inequities. Mostly it was not true, but it sounded good. Carter listened very attentively and asked some interesting questions. Then Stroessner as a throwaway line said, "Of course Ambassador Landau talked to me about the human rights commission and we are very willing to find a mutual agreeable date". Carter said, "That's good". That is all he said. Stroessner went home and since he was expecting big pressure from Carter, on this matter, the commission never went.

My reputation of being able to handle the Paraguayans and get something we wanted, namely the individuals who were in jail, etc., eventually gave the White House the idea that I would be a good man to go to Chile where the human rights violations were really very severe.

Q: *Where there really was extensive interest in the United States.*

LANDAU: Yes. So I went from Paraguay to Chile.

Q: For the record that was 1977.

LANDAU: I got there November 16th. The Panama Canal signing was around Labor Day and at the time they had already requested *agrément* for me and I had met Pinochet for the first time in Washington. I had a short chat with him. He was very eager to see me come because he was worried they would not send another ambassador. Ambassador Popper my predecessor, had left in May and nothing had happened and he took this as a sign of disapproval -- not understanding that the normal snafus which befall our personnel system played a trick on him. The man the White House wanted, for some reason, either did not want to go or could not go because he had some problems. Anyway I finally went.

I had a totally different relationship with Pinochet than with Stroessner with Stroessner I had a superficial, cordial relationship. I did not play up to him or tell him he was a great guy, but he was interested in military history. He was a very unhappy man because he looked like a German, he looked like a <u>braumeister</u> and he acted like a German. He was on time, he was methodical, punctual and punctilious, all virtues that the rest of Paraguayans do not have. So he was always annoyed. He was always calling, while you had a meeting with him, this fellow and that minister, "Why didn't you come to the meeting? how come you were late again? What is the matter?" He picked up the phone whenever it rang. Once it rang in his office while I was talking to him on a rather sensitive problem, and he picked up the receiver and listened for awhile and said, "Sorry, this is the wrong number, you are talking to the president." He was obviously unhappy. The rest of the Paraguayans were very happy-go-lucky and he was not. He demanded action, he wanted to get things done while the others believed, you know, *mañana*. But I saw him all the time.

Pinochet I saw, I think, four or five times alone. I saw him occasionally with a lot of people in larger groups. But really a heart to heart talk with him, which usually was disagreeable, took place at the most four or five times.

Q: Could I ask you the same kind of question about Chile as I asked you about going to Paraguay, what kind of instructions did you get in Washington? You found a greater interest, I suppose?

LANDAU: With Chile I had very clear instructions, and they were to keep a distance from Pinochet, which was self-understood, and to do what I did in Paraguay, get things done. That was the stock in trade, that I could "get things done." And in a way it started to work out OK but it did not last very long. By the time I got to Santiago in November 1977 Pinochet was very, very worried about the Carter Administration. He thought they were out to get him, which in fact they were. He had a totally correct appreciation. Now, it was not the president who was out to get him. The president, President Carter, was a very decent man and he believed in human rights. That was his platform and he believed in it honestly, but he did not realize that he had a number of appointees who really used the human rights question only to get down regimes they did not like.

Q: Was this the human rights staff in the Department of State?

LANDAU: That was the human rights staff in the Department, Patt Derian and Mark Schneider and lots of people on the Hill. They could not care less what Pinochet did, they were out to get him. This of course, worked against human rights. That was the unfortunate thing that I found out. Ambassador Popper had left in May 1977, no one came, Tom Boyatt was the chargé for a long time. There were no high level visits until the Assistant Secretary, Terry Todman, came in August 1977. The Chileans were so worried that the day before Todman came they abolished DINA, the secret police, and retired General Contreras, who was the chief of DINA, the main trouble maker.

Q: He was later involved in the Letelier case? [A former Chilean ambassador who was assassinated in Washington D.C. September 26, 1976.]

LANDAU: He was involved even before in the Letelier case. He was probably the most evil spirit in Chile who existed and for that matter still exists. He is alive and running security companies, which I am sure he can do very well. He bumped off enough people. So when Todman came, Pinochet did away with DINA. When I came they did away with the Foreign Minister because they figured that they needed a new broom and they wanted to show the United States, out of fright of the Carter administration, that they were going to behave. Of course the week I arrived we just passed one terrible resolution after another against Chile both in the UN in New York and in the Human Rights Commission in Geneva. One guy whose name I mercifully forget, got up in the U.S. delegation, and said he wanted to publicly apologize for the U.S. role in doing away with Allende. This gives us a lot more credit than is due because competence is not our hall mark. What the Department of Commerce can't achieve the CIA can't achieve either. They both are real good bureaucratic organizations. The Church Commission [Senatorial commission] looking into the CIA operations] went into this at length and found out that in fact the CIA did a number of things which were helpful to the opposition. They gave them money and newsprint and all that, but the Chilean people got rid of Allende because they were sick and tired of the totally idiotic economic ideas he had; he ruined the country. So we got much more credit than we deserved; we did not have much to do with it. We helped the opposition but that was all. What people don't understand is what we really tried to do was to avoid Allende from taking office with all kinds of machinations which Kissinger and Nixon worked out through the two track system. Once that failed -- it was, of course, totally mishandled -- it resulted in the killing of General Schneider, the chief of staff. We had already withdrawn our support, but some hotheads did it anyway, some Chilean officers. After that we were minor operators, it was the Chilean people who got rid of Allende. Where was I?

Q: You mentioned that just before you went there had been a change.

LANDAU: Right. So what happened, Hernan Cubillos had run *Mercurio*, the main newspaper during the tough days of the Allende regime. Hernan Cubillos had made a lot of money in legitimate export dealings and he convinced Pinochet that he was a friend of the United States, which he was. Not only through his ties to the Agency but he spoke English well, he traveled extensively in the United States and he was very well disposed to the U.S. So Pinochet sacked the Navy admiral who was Foreign Minister and made Cubillos the foreign minister. Cubillos sold the line to Pinochet that he had to improve his relations with the United States. Everything I asked was done. We had the Letelier case which was just budding, we had an American involved, by the name of Townley. We wanted Townley and we wanted him the worst way. Well we got Townley; it was not a matter of extradition, he was just turned over to us. It was done through Cubillos and it was sold to Pinochet "to improve relations".

Q: Excuse me, that was a fairly important step at that time, is there anything more you can say about how you managed that? Did you work through Cubillos?

LANDAU: I am not now going into the Letelier case but I am just using it as an example of the Cubillos policy. He sold Pinochet on it and we got Townley. At the same time already the U.S. and the UN had tried for two or three years to allow special rapporteurs to go to Chile but it had been denied. I talked to Cubillos about it, Cubillos talked to Pinochet and the group came. It was headed by an Austrian and they had freedom to go around and talk to people and it was very successful from their point of view; it was not very good from the point of view of the Chileans but they allowed it anyway. We had some labor leaders coming, Teddy Gleason and Sol Chaikin and again they wanted to see Pinochet. He had never seen any U.S. labor leaders before and they were pretty rough with him, but he saw them. I reported all this and said these are positive things and I think if we continued on this line we would be able to make real strides in the human rights field to get people released. The answer from Washington was to be harsher than ever. There was no recognition and in fact it was even just about that time there was an OAS meeting and somebody stuck in Carter's speech the line about "Bolivia's just demands for an outlet to the sea." Now if there is one thing we should not get involved in is Bolivia's outlet to the sea. It is none of our business and it would be just as unwelcome now to the present government as it was to Pinochet.

Q: *This outlet would go through Chile?*

LANDAU: Of course, as it happened Bolivia and Peru lost the War of the Pacific in 1889 and Bolivia lost the outlet to the sea.

Pinochet had thought that with all these gestures he would get a gesture from Washington that there was hope. But he realized that regardless of what he did he would get only the fist in the face. Somehow the president's speech to the OAS on the outlet to the sea was the last straw for him. In short order he got rid of Cubillos, whom he blamed for the wrong policy, he fired him and from then on, if I wanted to get somebody released or

found out there was a human rights violation and wanted them to look into it, I got to see the Minister of Interior or his deputy, but Pinochet did not give me the time of day.

In fact later on Pinochet was advised to clean up his image to be more debonair and diplomatic and so he decided, which he had never done before, to get the diplomatic corps by groups of twenty for dinner at his residence. As it happened it went in alphabetical order and we came quite early because in Spanish we are "E", so we were in the first group. He had a drink too many, probably, at the time. He came and shook hands and after dinner he talked to each one for a moment. I used this occasion to say, "Mr. President, I want to let you know I am leaving tomorrow, I have been recalled on account of the Letelier case." He said, "Well, why?" I said, "To show unhappiness with the recent ruling of the Supreme Court on the extradition case." He said, "You know something, we really don't need you, I can go and get all I want over there," -- there was the ambassador of China. Interestingly enough this great anti-communist never cut his relations with Red China, they were there from day one. So he said, "Here is the ambassador of China, he gives me everything I want, I don't need the United States."

This little episode I recounted to Taylor Branch, when he was writing together with Gene Propper the book *Labyrinth* about the Letelier case. I gave them a lot of details about this case. Years later when I was in Venezuela the Chilean ambassador came to see me, a personal friend of mine. He said, "You know I have a rather awkward thing to ask you. On page such and such of this book you recount an anecdote about Pinochet and you kind of insinuate that he was in his cups. Did this come from you or didn't it come from you?" I said, "Why do you ask?" He said, "Because I got an inquiry from the Presidency about this." I said, "If you had asked me personally it would be different, but I do not owe them any accounting, so I am not going to answer your question." This episode bothered Pinochet years later.

My relations with Pinochet were very cool afterwards and as a result of another problem the White House decided to cancel the 1980 UNITAS operation, which is the joint fleet maneuvers with the Latin American countries. I am not sure that this was a good idea because we did not do UNITAS maneuvers to please Chile or to please Argentina but we did it to get our navy into better shape to coordinate with other navies.

Q: Excuse me George, about your recall, was that in 1979?

LANDAU: I was recalled four times, in 1979, 1980 but I think this was the first or second recall. The cancellation was the last one after the Supreme Court decided not to pursue the Letelier case locally, which we had offered them. I was recalled and we canceled the UNITAS. As a reprisal Pinochet gave orders that no cabinet officers, no general officers would come to our Fourth of July reception at the residence. So that was the type of relations that we had. Not very good. But of course the Carter administration had thought I had done a good job in carrying out their policy. It would have been better had they responded to the overtures from Chile, but they did not want to do that.

Q: Did you feel that it was part of your role to attempt to persuade Washington to be more responsive?

LANDAU: I simply made it very clear that you can't have it both ways. You can't give me instructions to go in and get this and that done if at the same time you don't show any recognition for the things they have done unilaterally to please us. That was really the problem, it was up to Washington to decide. But you cannot have it both ways. They decided not to accept any of the unilateral offerings so to speak and hit him over the head whenever they could. At the same time they were sending me instructions to do a great number of things, but, of course, I was rebuffed.

Q: You think this was the work of the Human Rights Bureau? Was it at odds with the Latin American Bureau?

LANDAU: Very much, and you could see that Terry Todman resigned over the problem. He said "You can't have two assistant secretaries for Latin America" and he quit and went to Spain. His successors, Pete Vaky and others, all had their problems. It was obviously difficult times. You had foreign policy gains and objectives and you have domestic objectives and you have political objectives. They were very much interested in political objectives. I don't say they were right or wrong, but I am just stating how it was done. You can't have it both ways, that was the main thing that Washington does not seem to understand.

I still knocked myself out and tried to do all the things I was asked to do, whether I failed or did not fail, it made no difference. I was in sufficiently good favor, I guess, with the administration and in 1980, about Easter time, I got a call from Secretary Vance and he said, "You have done such a good job in Paraguay and in Chile and you have been in the military and you know how to handle those fellows. We would like you to go to Guatemala. They have a military government and we do not talk to them sufficiently and maybe relations could be improved." So in other words Washington realized that it made no sense to mete out punishment to anybody, but as the Secretary said relations could be improved. It was interesting because they had just canned Frank Ortiz.

What do you do when the Secretary calls you? I said, "Sure I would be glad to go." My wife was standing in the background saying "no, don't do it." It was about Easter time. Shortly thereafter, Vance resigned after the question of the helicopter attempt to rescue the hostages in Iran. I never heard anything further and I thought they had forgotten and I was perfectly happy to stay on in Chile. About September or October all of a sudden I got a call from Personnel that they would ask for the <u>agrément</u>. I said sure, but I had not realized it was still active. They said it just took us that long. They asked for the <u>agrément</u> but they never got it. They sent someone who had very good relations, he was DCM in Guatemala at one time, to tell them that I was really an all right guy and that I was sent to improve relations. But somehow they knew that I was in Paraguay and Chile and into human rights and they dragged their feet. They dragged their feet until a week before the elections when their ambassador came in to see Deputy Secretary Christopher and said to

Chris, "We have thought about it and would be pleased to accept Ambassador Landau." To which Chris said, "Look, you waited that many months, let's wait a week until the elections and we shall see where we stand." Of course that was the end of that. Not to my displeasure I did not go to Guatemala and never heard about it again.

As it happened I stayed under the Reagan Administration for another year in Chile, but after the elections were lost by Carter there were some articles in the *New York Times*. There was a group of two or three people, the transition team, which was appointed -- I don't know by whom -- and this team leaked to the *New York Times* that they had a hit list, starting with Bob White, to no one's surprise [Robert E. White, Ambassador to El Salvador] and the former Ambassador in Uruguay, Larry Pezzullo, Ed Masters and myself and a number of others, we would all be removed. This was fine, it was time to do something else anyway.

The new administration came in and I would say that the first--if my memory does not betray me--the first member of the cabinet to be sworn in was Alexander Haig because they needed the continuation of foreign policy. He was, I think, confirmed on a Wednesday, sworn in on a Thursday and on Friday I had a call that I should report to the Department to see the Secretary on Monday morning. I went, not knowing what was in store. If they wanted to fire me there was no need to see the Secretary, he could do that by a little telegram. Already Pezzullo [in Nicaragua] had lost his job. Saw the Secretary Monday morning. I had known Secretary Haig when I was handling Spanish base negotiations for Alex Johnson; he was the contact man on my level, for Kissinger. He was a colonel in the White House. He was very nice, very competent. I did not know him well, but we knew each other. I came in on Monday morning, he said, "George, I'm glad you came for as you know my first chore is not to worry about who is going to be ambassador in Great Britain or in France, my chore is to worry about who is going to be ambassador in Salvador because the first thing I did was fire Bob White. You know you have such a good record, bipartisan record, and Walter Stoessel, who is going to come as my deputy, Phil Habib, and a number of others from both administrations, both Carter and Nixon, say you are the right man to go to Salvador." I was very surprised. I said, "Yes Mr. Secretary, I would be very glad to go to Salvador. Are you aware that I have a strike against me?" He said, "No, what is your strike?" I said, "I was proposed by the Carter administration to go to Guatemala but I was rejected there so if you send me to Salvador you will look bad domestically because you are using a Carter retread, and don't you want to have a fresh face there? The Salvadorans knowing that the Guatemalans rejected me would not be very pleased with this assignment." He said, "Gee, I did not know about this, do you think it would make a difference?" I said, "Yes but I will leave it up to you." He thought for a while and said, "Well, maybe it is better we don't send you." I said, "I would like to know what you have in mind for me for I have a very interesting offer from Mr. Rockefeller to run the Americas Society and the Council of Americas and I have to give him an answer." He said, "Could you ask him to wait until the 15th of April and I can assure you that by the first of April I will have an answer. Joan Clark is coming in to be Director General and she will call you by the first of April to tell you where you are going as we want to keep you."

So again I am telling you this because the strands had gone back saying that I could handle the military, I could handle dictators. And in fact I dealt with Franco, with Stroessner, with Pinochet and was supposed to deal with the Guatemalans. Joan Clark called me on April 1 and said, "Well, we have a job for you. We are going to send you to Panama." She laughed. It was a very unpleasant military government. It must have been Torrijos' at the time. Well, as it turned out, it is a different story which has no bearing on this, I never went to Panama because the Department had to change personnel and I wound up in Venezuela with no regrets. The string of assignments to military was broken. When I got to Venezuela I did not realize how easy it was to deal with a country that may have tremendous economic problems and all kinds of challenges but you did not have this ideological challenge that I had in Paraguay and I had in Chile. Any word you say will either make the government mad or the opposition mad, or the Republicans or Democrats. In Venezuela it was just straight-forward. They renegotiated the debt, there were all kinds of questions, petroleum, but it was easy. You did not have to be careful about what you said because it was not that highly charged ideologically. It was wonderful.

Q: I notice that you had bridged the two very different administrations in Chile and I wonder if from your perspective from Santiago if you could explain how the difference affected you? Certainly the Reagan Administration started very early on to change our attitude towards Chile.

LANDAU: It was very funny, very interesting. I will never forget the night of the election. On election night I figured that with the polls in California not closing until about ten o'clock Chilean time there was no need to rush and I accepted a dinner party at the house of some Christian Democrats attended by Bishop Piñera and some church people, basically opposition people to the Pinochet regime, but accepted people in the mainstream. I invited them to come to the election party with me. We arrived at the Sheraton Hotel where USIS had put all usual screens and radios, television etc., etc. As I came out of the car a reporter stuck his microphone in my face and said, "Mr. Ambassador, what do you think of the elections?" I said, "Well, I don't know yet, its too early." He said, "Oh now, it is a landslide for Reagan. Carter has not conceded yet but he will do so any moment. What do you think, what is your view?" I said, "I can't believe it because California has not closed yet but I am sure the better man will win." He said, "Who is the better man?" I said, "The one who wins."

I went in and after awhile Carter made his concession speech and immediately Chilean newspapers and television were on to me and said, "When are you leaving?" I said, "How do I know?" But they said, "Reagan is not going to continue this policy". I said, "But I am a Foreign Service officer, if the Department of State transfers me to another post I will be leaving. Until then you will have to put up with me." As it happened I stayed another year. Now comes the funniest thing. The first year of the Reagan Administration was totally different, because they were going to do "quiet diplomacy". In other words they had the idea that, if I go and whisper to the foreign minister that we want this and this

done, or this fellow released, they would do it. That is quiet diplomacy. We would not make a big deal out of it.

Well, of course, that did not work either because they did not pay any attention to us. But they were very pleased, the Chilean military was dancing in the streets because Reagan had finally won, they had finally gotten rid of Carter and everything had changed. So I got on very well with them. But the Chileans wanted an ambassador who was very *gung ho* and would help and particularly get them the arms sales reestablished, which under the Kennedy-Humphrey amendment were prohibited. So I was asked, now that President Reagan is president, "when do you think the arms amendment will go by the wayside?" I said, "How would I know?" They said, "But you are the ambassador". I said, "But this has nothing to do with the administration, this is Congressional and Congress has not changed that much. I can't tell you, nobody can tell you." But they did not understand that, because in Latin America, what a president wants he can get done.

Q: *This is true generally abroad, no one understands.*

LANDAU: They did not understand it at all, but the unfortunate thing is that my successor did not understand it either because he went with the foreign minister on a much heralded trip to Washington, which is always tricky, to get the arms amendment overturned. He did not understand that the Democrats still had enough votes in Congress, and he could not get it overturned. From that day on his usefulness had come to an end because he could not deliver. It was very funny.

Yes, this was not as easy as you make it sound. Already while I was in Chile (and I am not sure if we covered this last time) I got a call from Secretary Vance. Not having gone to Guatemala and not having gone to Panama I came out the winner anyway since I was sent to Venezuela which was better than both combined.

Venezuela was a very interesting assignment for me. It was the first assignment to a democracy in many, many years, because as country director for Spain and Portugal, as ambassador to Paraguay and Chile I dealt solely with right- wing governments. I had not been in a democratic country since Uruguay, years ago. So it was very pleasant and it brought home to me the point of how easy it is to deal with democratic countries. Nobody is mad at you, you don't offend either the government, the opposition, the Republicans or Democrats, you just plod along and do the best you can. For one thing you work hard at improving relations between the two countries, which I really was not supposed to do in all the other countries, because we had an arm-length policy towards my other former clients.

Venezuela was interesting, although I must say that one must always go from Caracas to Santiago and never the other way around because in Chile everything was orderly, welldone and easy for an ambassador. You did not have to do everything yourself, you could send your DCM or the economic counselor or the commercial attaché. At all levels people knew what the score was. In Venezuela I had to do all major things personally because I had to talk only to the minister because the bureaucracy did not respond.

Q: George, perhaps before we go any further you might refresh our memory about the timing of your transfer to Venezuela, what the date was?

LANDAU: I got to Caracas in August 1982, having left Chile in February of the same year. I had to hang around in Washington because my predecessor wanted to have his daughters graduate from school first. So I spent idle time at the government's expense in Washington. When I got to Venezuela the atmosphere was not too good. The Falkland [Islands] war had ended and the Venezuelans had felt emotionally close to the Argentines and as many countries in Latin America did, they heaped more blame on the United States for "betraying them" than on the British. I had a fairly cool reception. At the same time, however, the Falkland war and all that was overshadowed because the real crisis in mid 1982 was not the Falkland war, but it was the default of Mexico. In August of 1982 the debt crisis started and Mexico was the first victim. The Venezuelans then realized that they too were on the verge of bankruptcy, but in typical Venezuelan fashion they had no idea of how much they owed. The minister of finance was well-known by the banks in New York for being arrogant and not paying on time and generally not the most pleasant person. He was in the headlines for days and months and closely observed by the newspapers. It was clear that each autonomous agency of the government--and there were hundreds of them--had the power to contract loans and did not need to report them to the Ministry of Finance. And there was no way to find out how much the government owed. All they knew was that they did not have enough money to pay back the loans. So that was a rather difficult situation--the economic problems really overshadowed everything. That in a way, brought home to me, one important point. Back in Washington, and back among ourselves, retired and active Foreign Service officers bemoan the fact that the Department is losing importance and that it is becoming less essential to the conduct of foreign policy. That is not exactly true, it is the foreign policy that is less essential, because it is no longer foreign policy, it is economic policy. Let's face it, you no longer have any particular political problems with Latin America, our problems are all in the economic field. So in a way the Treasury takes over, STR takes over, the Department of Commerce plays a role, and the Department of State plays a lesser role than we are used to heretofore

Q: How were you involved in this problem? The individual Venezuelan agencies had their own relationships with the lending agencies in this country, at what point and in what way did the ambassador and the government become involved?

LANDAU: Very much so because the Venezuelan debt was basically a commercial debt and to some extent with the international lending agencies. There was no U.S. debt involved. The U.S. debt basically applies to Honduras, Jamaica and the smaller countries for PL 480 and CC credits. The large countries basically borrowed from commercial banks, and Venezuela, oil rich as it was, was one of the main borrowers. And to show Venezuela's particular problem, the flight capital that left Venezuela beginning in 1982 far exceeded the total debt. Venezuelans were really oil rich. There was a lot of money, but it was totally mismanaged. So they were in deep trouble, but in 1982 this was not yet clearly understood.

I still remember very well in the beginning of 1983 when the government of Venezuela changed from President Herrera to President Lusinchi Secretary Shultz led the U.S. delegation, of which I was a member, to Lusinchi's inauguration. On the day of the inauguration, before the festivities started, Lusinchi asked Secretary Shultz and myself to come and see him. We were his first appointments, it really was not official because he had not yet taken his oath of office, he did not take that until noon. He said, "For me this is the most important meeting. Mr. Secretary, for when I take office I want you to support me in solving the debt crisis." It was a very meaningful and emotional scene to which Secretary Shultz very coolly and very correctly replied, "Look, you don't owe us any money, you owe it to commercial banks, and there is not a thing we can do, you have to deal with them." This came as guite a shock to Lusinchi, but of course that was the attitude of the U.S. government at the time. It was carried on for quite a while longer. It changed really only after Secretary of the Treasury Baker went to the inauguration of Alan Garcia in Peru. Normally either the vice president or the secretary of state will go. Perhaps both were on vacation or Shultz had to go to Bohemian Grove [a men's club in Northern California] and so Baker as secretary of the Treasury went out for the first time on something like this. It was a great education for Baker for when he saw Alan Garcia haranguing the people and telling the people that he would not pay more than ten percent of the debt, or whatever was left over, Baker realized that he had to do something about it-- to get the U.S. government involved. Out of this eventually came the Baker plan for settling the commercial debt and that was refined then with the Brady plan. So now the U.S. government is involved with settling commercial debts through the Baker and Brady plans. In February 1984 when Shultz was in Caracas he gave the right answer from the U.S. government point of view and so it was left for Venezuela to deal with the commercial banks.

In a way Venezuela's dealing with the commercial banks was my greatest headache, and I will say it was a very satisfactory experience and probably the most important thing I did. The commercial banks came to see me to plan strategy and how they were going to deal with the Ministry of Finance. The Minister of Finance called me and said, "You know, you cannot deal with those commercial banks, they are totally unrealistic, they want a pound of flesh and they are worse than Shylock." I went back to the commercial banks and talked to them and then the commercial banks came back and said that "The Venezuelans are totally unrealistic, they don't understand we are responsible to our stockholders and we want our money back." I tried to work it out. Many times matters were really unmanageable because the banks did not understand why the Venezuelans so strongly depended on a certain point and the other way around. Matters usually could be arranged. I spent several hours every day dealing with the commercial banks and the Minister of Finance as the go-between. It worked really well and they reached an agreement sooner rather than later.

Q: *Was this a global agreement between all the banks, not just one?*

LANDAU: Yes. As you see, like all of those debt matters there is a lead bank of the consortium of banks. In the case of Venezuela it was Chase. The Chase man used to come down every week, it was Francis Mason at the time. It did not work spectacularly, but it was the first attempt to solve the debt crisis. It went through many configurations in future years. By now Venezuela has rescheduled its debt. But between the banking and the other tremendous commercial and economic interests we had in Venezuela I spent most of my time with these. That is the way it should be, I think that an ambassador is there basically to protect U.S. interests and U.S. interests in Venezuela were really in two fields, they were in the economic and commercial field and they were in the consular field. We had a lot of Americans who constantly got themselves into trouble.

A number of my colleagues are a great deal more elegant than I am and they think high diplomacy is to report on what the Foreign Ministers discussed in Panama about the Contadora meeting and what it means. I used to be amused at what I would see from neighboring countries, from our embassies, we would get reams of stuff about the Contadora meetings. I thought it was a total waste of time.

I knew the foreign ministers very well both under the Herrera and the Lusinchi government and when they came back from a Contadora meeting I debriefed them. It took half an hour because all those machinations I knew would not lead anywhere. It is interesting because in a way we showed this tremendous interest in Contadora just to feed the desires of our own bureaucracies rather than for any great clear purpose. We wanted obviously to end the conflict in Central America but we did not go about it the right way.

Maybe I should say a word about how Contadora started. That was very interesting. President Herrera he called me. It was not long before he relinquished office in 1984. When Herrera called me the tenth of February 1983 he said, "You know I have just come back from Contadora where I met with the Mexican president, the Colombian president and we invited the Panamanian president because it was in their territory and we decided, the four of us, to make another attempt to solve the Central American crisis, particularly in Nicaragua and Salvador. There is just one request that I have, that President Reagan should leave us alone, he should leave us to do it." He did not say it in a belligerent way, he said it more in a pleading way. I said, "I have a great emissary who could carry your message back because Mrs. Kirkpatrick is coming here the following day." And Jeane Kirkpatrick came the following day, she was American ambassador to the UN. President Herrera repeated the same to her and she carried that back to Washington. Sure enough about a week later I got a telegram blessing the Contadora initiative and saying that we would leave it alone and we hoped for the best. After all we wished the same thing, namely to solve the problem satisfactorily. It turned out to be basically a waste of time because at the time the Mexicans really had totally different views than we did about Central America. As you may recall, the Mexicans had tried to take the initiative away from us with the Mexican-French proposal early in 1982, and the mere fact that the French were involved raised the hackles of the whole continent. "The Monroe Doctrine

and what do Europeans have to do with it so let's get rid to the French." So eventually the Contadora process came, but if you look at it carefully, it was anti- American. It was trying to get us out of it elegantly. But as I said before, it was a waste of time. It really did not help very much and they went on and on for more than a year, first with the Herrera government and then the Lusinchi government. We had a special ambassador, first Stone then Habib and then Harry Shlaudeman who all worked very hard on it, but I must repeat, the whole thing was a waste of time. I don't know whether it could have been done any better, whether it was a diversion, but in the end the Nicaraguan government had to fall under its own weight. I must say that the Reagan era policy of being firm and having the contras there to nudge them resolved the matter satisfactorily. The Latin American countries did not add and they were not, regardless of what we said, really helpful.

Q: Did the involvement of the Venezuelans and the difficulties they occasionally had with the problem and the U.S., did this affect you with the government, or didn't they take it seriously?

LANDAU: No, they did not take it that seriously. The Venezuelans were really looking to me to help to make sure investments would come in and the economic commercial relation with the United States would remain firm. We helped them with the bank problem. The other was really a diversion. It looked great with all these discussions, but it was really fairly meaningless.

Venezuela is really a wonderful country with a lot of resources. The most important thing you can do from Venezuela is the oil reporting. Venezuela next to Saudi Arabia, has the most tremendous reserves and will play an important role in future U.S. energy policies. I think we understand this very well and our relations with Venezuela have always been good, particularly now because obviously what is happening in Latin America is that with the failure of the Soviet Union and the Eastern Bloc policies, the Latins have all turned to free market policies. Venezuela like the others is coming around and our economic thinking is prevalent and the need for foreign investment is prevalent and very much appreciated. That is where I think the role of the ambassador is important, to guide and to make sure that U.S. foreign investment receives a fair shake, and I think this is being done at this time.

Q: You found that to be the case during your stay in Venezuela?

LANDAU: It was a slow educational process because the Venezuelans were oil rich and they were so oil rich that President Perez said in 1976, "You know we don't want your investments, we want to buy your technology." They developed this great idea that it does not damage sovereignty to take out loans but it does damage sovereignty to have foreign investments. Of course, the stupidity of this became very clear because foreign loans had to be repaid, damaging to sovereignty in the process, while foreign investments, if they don't work they go bankrupt, nobody is hurt. But it took some years for the fallacy of all those ideas to come true. This period is now concluded and they understand that loans are dangerous and investment is desirable. The entire continent is moving in the right way, some quicker and some slower; Mexico and Chile are way ahead. But Venezuela, Colombia and the others are making great strides.

Q: You made a point earlier that given the nature of the Venezuelan government you found yourself as the action officer so to speak on almost anything that had to deal with that government. You had no doubt a fairly sizeable and competent embassy--how did you use them?

LANDAU: It was very, very difficult. I had excellent people chomping at the bit, but they had no opposite numbers to talk to. The DCM still manageable tasks. The economic counselor had to talk to people who really did not know which end was up. It was not his fault. It was a bloated and overgrown bureaucracy and hostile usually to the government in power, either hostile or indolent. You don't get much movement. You need to talk to the president and to the ministers and that is where it ends.

Q: How long were you there?

LANDAU: I was there a little over three years.

Q: What was the occasion of your leaving the post?

LANDAU: Well what happened, was that already in 1981 when I still was in Chile, David Rockefeller invited me to take over the presidency of the Council of the Americas and the Americas Society. After some discussion with Secretary Haig, who was the incoming secretary of state, I decided not to do it, but to take another post. Well Mr. Rockefeller came back to see me in Venezuela in 1985 and again asked me to take it over. Around the time he came Venezuela had a state visit to Washington. President Lusinchi went to Washington and he said to President Reagan, "You know both of us will finish our mandate in 1988 and I would be very happy if you could leave Ambassador Landau in Caracas until then." Reagan said, "Sure, I would be delighted to do so." I could not see that I really wanted to stay another four years in Caracas and I thought that having been abroad fourteen years with three back to back embassies, that it would be nice to come back. It was an interesting job and I must say that with all frankness I enjoy my present position more than any embassy because I deal across the board with all countries and I meet with all the foreign ministers, the finance ministers, the presidents. You have all the wonderful vantage point of comparison, how each country is doing, why they are not doing as well, in what stage of development towards the free market area they are. I see the tremendous importance of free trade agreements and my organization is very much involved in pushing through the fast track for a free trade agreement with Mexico and eventually with Chile. The future of the hemisphere is quite good provided they can make this transition from a state oriented government-type operation to a free one.

Q: George, we really have come to the end of your career from a chronological sense, you have mentioned during the course of the interview from time to time the Letelier

murder and that you would be willing to go back and discuss it in more detail and your role in it. That was during your time in Chile.

LANDAU: I met up with the Letelier case twice, first in Paraguay, then in Chile. It happened in the summer of 1976, and I have to make some preface remarks to put it in the right focus. We had some tremendous problems at the time. The Paraguayans put a man in jail as a communist. Unfortunately the fellow was also reportedly connected with the Agency [CIA] he was also reportedly connected with the Inter-American Foundation. Well, not reportedly, he actually was connected with the Foundation. This caused back home a lot of embarrassment and my role was to try to get him out. I really hit a brick wall -- I talked to President Stroessner who said, "He is a real dangerous communist and if, in fact he is connected with the Agency, it shows how little sense the Agency had in taking him on."

Q: The man was a Paraguayan?

LANDAU: Yes, a Paraguayan. Of course the Agency never confirmed or denied that he was connected to it. I pointed out that he was connected to the Inter-American Foundation which did not impress Stroessner one way or another. It festered in the U.S. Government and finally the deputy director of the Agency, my old friend [Vernon] Dick Walters, came down. Dick Walters with his usual great diplomatic skills was able to convince President Stroessner to let the fellow go, which happened. The man who was particularly influential in getting all of this done, particularly in getting Dick Walters in and out of Paraguay without anybody knowing it, was the personal secretary of President Stroessner, Conrado Pappalardo. About a month after all of this happened, Pappalardo came to see me and said that President Stroessner had received a phone call from President Pinochet telling him that there were serious irregularities in the Codelco Corporation in New York, which is the Chilean copper state agency that handles millions and millions of dollars every month in copper sales to the United States and elsewhere. Pinochet wanted to send two officials to look into these irregularities, but of course it had to be done clandestinely. They were in Paraguay and Pappalardo wanted me to give them a visa. I said, "Thank you for telling me, but I cannot give them visas because you have just told me that you want a visa for Chileans, and you also told me, if I did not misunderstand, that you were giving them Paraguayan passports, or are they coming on Chilean passports? If they are coming on Chilean passports I have no problem, but if they are coming on Paraguayan passports I cannot give them a visa."

He said, "No, they are coming on Paraguayan passports to really make it deep cover." I said, "No, that is just not possible." He came the next day and said, "I am just telling you as a friend, if you don't give me the visas now I can send passports over to the consulate any day with a diplomatic note and the consul will give them to them under normal diplomatic regulations and the consul will never know who they are. I am just tipping you off that these fellows are coming and if you have any problems with them you can watch them over there."

I had to make a decision on this and I decided to give them visas, which was obviously in violation of regulations. Of course, I don't give visas, the consul does and I did not want to get him in trouble so I gave him written instructions to give visas to those people, but he did not know the details. But as a precaution, since I did not trust the Paraguayans or anyone else, I made photostats of the applications and photostats of the pictures and sent them to Washington. In fact all this took several days to go back and forth. The two Chileans were sufficiently alarmed and figured that something was up and took their passports and returned to Chile, they never used the visas.

Q: Just to be sure that we did not lose anything, George I think that you had said you had informed the Department ...

LANDAU: ...And the Agency because one of the points that Pappalardo had said was that he had instructed those two fellows to see Pappalardo's friend General Walters. I sent this message and I got a message back from the head of CIA who had just taken over, George Bush, saying that Dick Walters was on leave, but would answer as soon as he came back. He came back a couple of days later and said he had absolutely no interest in this and did not want to be involved. I then sent a note to the Paraguayan government saying that the visas were of no value because the Department had informed me that on entry into port they would be arrested anyway and I would like to have the passports returned. They were returned about six weeks later without the photos -- the photos were ripped out. But I had them and had sent them in.

Q: George, what was the date about?

LANDAU: The summer of '76. Well, as it happened, we learned later on, the two fellows went back to Chile, smelled a rat and never used the Paraguayan passports, but they were concerned about what they had done. So they sent two officers, who had absolutely nothing to do with the case, under the same names they had given me, on Chilean passports, to go to the United States and stay two weeks and to come back. They had no purpose, other than, if anybody checked on this they will find the names there. However, what the Chileans did not know was that we had the photos. We knew the people who went under those names were not the people who were in Paraguay. The people who were in Paraguay went under different Chilean passports to the United States, they were Townley, an American and Fernandez Larios a Chilean army officer, and they then engineered the killing of Orlando Letelier. When I say engineered it, they did not actually kill him physically, but Townley contracted the Cubans who detonated the car bomb that killed Letelier, etc., etc.

Well, all this happened in 1976. I went to Chile later on. Of course I had no idea when we heard that Letelier was killed that it had anything to do with those fellows. The names were different; there was absolutely no reference. I got to Chile in '77 and in '78 the FBI and the Department of Justice started to put two and two together by matching the photos of the Paraguayan passports which I sent in with Chilean passports who had the same pictures, but totally different names because Townley and Fernandez Larios went under

different names than originally given. So eventually that helped to identify them, and eventually the Department of Justice in 1978 and 1979 sent the extradition requests for Townley and Fernandez Larios to me as ambassador in Chile. So the whole Letelier case, which I first came into contact with in Paraguay, came back to Chile while I was there. The really key point was that we wanted the American, Townley, who we thought was the main perpetrator. Not the brain, because the brain was obviously the chief of the Chilean secret police (DINA), General Contreras. But Townley was his agent; Townley knew all about the case.

So I asked for Townley as an American. I talked to the Foreign Minister and he said, "Well, we don't know where he is". I said, "Look at today's papers, it says he is here and there." He said, "That is all nonsense, he is not here." I pressed very hard. At the time, I think I referred to this earlier in our conversation, Pinochet was very eager to please the United States and he thought by being nice he could get the new Carter Administration to have a more reasonable attitude towards him. In fact after a number of discussions with the Foreign Minister which are very well described in a book called *Labyrinth* by Gene Propper and Taylor Branch, they just handed Townley over to us. He was an American, he was not extradited, they just drove him from the hotel to the airport. They called me up in the morning and said they were going to give me Townley; he was in prison. I called the FBI agents who were there. They went to the airport, they picked up Townley and off they went to the United States. Townley, of course, broke the whole story. He still lives in the United States under the federal witness immunity program and lives happily ever after.

We have tracked down the people who were the physical assassing of Letelier, the Cubans, Townley and the others. The intellectual perpetrators, General Contreras and Colonel Espinosa were put in jail when the extradition request came through, but after one year they were released after the Supreme Court refused extradition. We then urged the Chileans to have a local trial. The president of the Supreme Court told me that this would be the outcome, but then President Pinochet did not like that either and was able to convince the Supreme Court not to have a local trial. This has been, of course, a major irritant and is to this day, and in fact the Kennedy Amendment, which was just lifted, was lifted with the understanding that the new Chilean government will now finally take the necessary judicial steps. They have just selected a new justice in Chile to renew the case and look into it again and to see what next should be done. The only next step that should be taken is that Contreras and Colonel Espinosa should be tried for being the intellectual perpetrators of this crime. This has not happened yet, but I think it will happen. But I must say that if it were not for the fact that as a safeguard, I photographed the two people, Townley and Fernandez Larios, who came to Paraguay, the case could never have been broken. It was just fortuitous circumstance and when I did it I had no idea what would happen other than I thought that as long as I do something which is really a violation but needed to be done. If I did not do it, it would not have been solved, it would be done without our knowledge. At least we had the photos. It shows that it pays off to be extra careful sometimes and still take the chance of doing it.

Q: *And that was the trip on which they were to plan this?*

LANDAU: That was the trip in which they were to hire the Cubans, but they took the trip two months later on different passports.

Q: That plan to go initially through Paraguay, was it a matter of cover?

LANDAU: It was cover going under Paraguayan passports to deflect it from Chile. Nobody would have ever found out. But Pappalardo tipped me off, by giving me a cock and bull story about Codelco corporation but had he not said anything to me and just sent them over under a diplomatic note I would have never known about it and the consul would have given them visas as he gives every day to five or ten people who are on official travel on official Paraguayan passports.

Q: Taking the word of the government...

LANDAU: Of course, the government certifies this. But he (Pappalardo), whether it was just because of a loose tongue or whether he really wanted to tip us off, you never know.

Q: That is an interesting story. It was also fortuitous that you went to Chile to be there when the other end of the story...

LANDAU: Fortuitous for the case, but not for me. It got a little tiresome over the long run.

Q: Well, thank you very much George. It has been a fascinating account of a fascinating career. It must have been very satisfying to you.

LANDAU: Well, I enjoyed every moment of it.

End of interview