MEMORANDUM

Chile Project (#S199900030)
U.S. Department of State
Release_____ Excise __✓__ Deny_____
Declassify: In Part___✓___ In Full_____
Exemption(s)_____ B-1 _____

On August 5 Ambassador Landau reported from Ascunsion that our Consul had issued routinely B-2 visitors visas to Juan Williams and Alejandro Romeral, bearers of Paraguayan Special Passports. Official request for issuance of these visas came routinely from the Foreign Office. On the day the visas were issued Ambassador Conrado Pappalardo, President Stroessner's Private Secretary, confidante and Director of Protocol, who had requested the visa issuance, called me and said that in relation to these travelers he had a message from President Stroessner and that within the next few days he would give Ambassador Landau the information. In view of this, and as a precaution, Landau asked ⌐

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Meanwhile, Pappalardo went abroad. It was several days before he gave Landau the message, President Stroessner received a phone call from Chilean President Pinochet asking him for the following urgent favor. He wanted to send two Chilean career Army officers, Capt. Juan Williams and 1st. Lt. Alejandro Romeral, to the U.S. to conduct an investigation. According to Pinochet, during Allende's term a number of private commercial firms were set up in the U.S. to purchase all the minerals going from Chile to the U.S. Although ostensibly U.S. owned, Pinochet suspects that these firms are a front for Allende and Communist leaning interests and that earnings are funneled to anti-Chilean, possibly terrorist, activities. Pinochet cannot change the existing arrangements because they were approved by the Congress in Allende's time. (Note: This is not true. The Junta can, and has, changed laws, including the Constitution, at will during the past three years.) There are apparently several firms involved, at least two or three for the handling of copper imports, others for zinc, etc. Pinochet wants the two officers who speak English and have economic training to investigate these firms to find out whether the allegations that they are run by Allende sympathizers are true. He asked Stroessner to provide them with Paraguayan passports under their true names

to make them less conspicuous in carrying out their investigations. Stroessner agreed.

Ambassador Landau told Pappalardo that he would have appreciated if Pappalardo had asked his advise first rather than making this a _fait accompli_. To this Pappalardo replied that the Paraguayan Government had assumed all the risk for the travelers by issuing special passports and would never own up that they are not Paraguayan. (The signed visa applications show them as born in Paraguay and as Paraguayan citizens.) Pappalardo said that Williams and Romeral had returned to Chile July 27 and had told him that they planned to travel from Chile to the U.S. within approximately ten days. Ambassador Landau recommended to the Department that they be barred at the border by INS if they tried to use their Paraguayan passports.

Assistant Secretary Shlaudeman instructed Ambassador Landau to go back through Pappalardo to urge that the Chileans be persuaded not to travel.

Ambassadro Landau reported back that he had again explained to Pappalardo that this whole business was highly explosive and could cause great trouble in the U.S. and reflect unfavorably on Paraguay. Pappalardo admitted that the President had not been happy with the request but he felt he could not refuse Pinochet. He said that he would keep Landau informed.

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On August 9, 1976 the Director of the Visa Office revoked the visas issued to Romeral and Williams under Section 221 (i) of the Immigration and Nationality Act.

We understand that both Romeral and Williams are now assigned to the Chilean Embassy in Washington on A-2 visas in their Chilean passports.