TO:  ARA - Mr. Shleuderman

THROUGH:  ARA - Ambassador Pyne

FROM:  ARA/EC - R.V. Flores/R.S. Crisci/M.V. Robertson

SUBJECT: Charles Hornan Case.

This case remains bothersome. The connotations for the Executive are not good. In the Hill, academic community, the press, and the Hornan family the intimations are of negligence on our part, or worse, complicity in Hornan's death. (While the focus of this memo is on Hornan, the same applies to the case of Frank Terzoli.)

We have the responsibility:

-- categorically to refute such innuendos in defense of U.S. officials;

-- to proceed against involved U.S. officials if this is warranted.

Without further thorough investigation we are in a position to do neither. At the moment we do not have a coherent account of what happened (see attached "Gleanings"). That is why we believe we should continue to probe.

Based on what we have, we are persuaded that:

-- The GOC sought Hornan and felt threatened enough to order his immediate execution. The GOC might have believed this American could be killed without negative fall-out from the U.S.

There is some circumstantial evidence to suggest:

-- U.S. intelligence may have played an unfortunate part in Hornan's death. At best,

Unclear...
it was limited to providing or confirming information that helped motivate his murder by the GOC. At worst, U.S. intelligence was aware the GOC saw Norman in a rather serious light and U.S. officials did nothing to discourage the logical outcome of GOC paranoia.

Our leads are:

--- Rafael Gonzalez: His mental condition is open to question. Yet this may be selective since he can also be pretty lucid. If he is unbalanced, it is for Chilean intelligence to explain why they kept him on the payroll for so many years and used him as contact with us or Norman. We should question him further along the lines suggested in the enclosure.

--- Enrique Sandoval's brother: Inquiry would have to be made with considerable discretion. Approaching the brother (most likely, Colonel Guillermo Sandoval Velasquez) to confirm Norman was shot at the stadium would be terribly sensitive. Revelation of his indiscretion in 1973 would endanger the Colonel and possibly others. We are skeptical that anything positive can be accomplished through this line of inquiry.

--- The GOC: The Chileans have failed satisfactorily to explain why Gonzalez was chosen to deal with our Consulate in the search for Norman's body. We could press then on this point. Preferably after we clarify a few things with Gonzalez. We could also ask for a complete copy of the autopsy of Norman's body, which we do not seem to have.

--- CIA: The Agency's comments on its relations with Gonzalez do not explain Gonzalez' knowledge of

The heads further illumination matter CIA disclaimers. Further, we find it hard to believe that the Chileans did not check with regarding two detained Americans when the GOC was checking with Norman's friends and neighbors regarding Norman's activities. Lack of candor with us on other matters only heightens our suspicions.
Other Actors: Accounts by Mrs. Norman, Terry Simon, Frank Manitzas, Capt. Davis, and others don't all sit in place. There is room for further inquiry here. But this should wait a bit.

Coroner/morgue: We have accepted without question the morgue record that a body, later identified as Norman's, was dumped in the street and was logged into the morgue at 1330, 9/18. A death certificate was issued a week later and an autopsy was performed October 5 putting the time of death as 0845, 9/18. This implies that Norman was killed no later than about 17 hours after being detained. That is, he was shot early 9/18. This is in conflict with reports the Chilean intelligence was trying to get a line on Norman throughout the morning of 9/18. Is it possible the records arephony to conceal the time of death? And why?

DIA/TBI: We have asked TNR to question both DIA and FBI about any records they might have on Norman and Teruzzi.  
We may be wrong. This is an avenue we have to either follow or close.

Teruzzi: Finally, the Norman and Teruzzi links are interesting. Both worked for FII (clipping service), did chores for Professor Fagin at the Ford Foundation, and both were arrested and almost immediately shot. Of 80 Americans who required the Embassy's attention, only these two appear to have been tortured and then shot. In their October 30 memo to Colonel Ron the Chileans lumped them together as radicals. Gonzales' statement that Norman was considered as knowing too much comes to mind. Further inquiry must tie in the circumstances of both deaths.

Attachment:

"Gleanings".