



CHARLES A. MEYER
... defends administration

ITT Probers Eye Perjury Prosecution

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Sen Frank Church (D-Idaho) declared yesterday that "somebody is lying" in sworn testimony given to his subcommittee investigating ITT's efforts to change the course of the 1970 presidential election in Chile.

He said he will recommend that fellow subcommittee members review the testimony to determine whether it should be forwarded to the Justice Department for prosecution.

Church singled out no particular witness in making his charge. But the senators have heard many contradictory assertions about ITT board Chairman Harold S. Geneen's offer of a large sum to the Nixon administration in connection with an alleged plan for government intervention against Marxist-Socialist candidate Salvador Allende.

In addition to the possibility of perjury action, the Church hearings may decisively influence the fate of ITT's \$92.5 million claim on the Overseas Private Investment Corp., a government agency, as compensation for Chile's seizure of ITT's telephone company subsidiary in 1971.

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ITT, From A1

Church is chairman of the Senate Foreign Relations Subcommittee on Multinational Corporations, which has conducted two weeks of hearings on the ITT Chilean affair.

The subcommittee heard yesterday from Charles A. Meyer, former assistant secretary of state for inter-American affairs, who asserted that the Nixon administration remained firm in a policy of non-intervention in Allende's election during 1970.

At the same time, Church released additional testimony yesterday from William V. Broe, former CIA chief of clandestine operations in the Western Hemisphere, saying

that he transmitted to ITT a plan formulated by the CIA staff to promote economic unrest in Chile in hopes of blocking an Allende victory.

Broe said the proposal was "staffed . . . passed up to me by people who work for me." He added that "I went upstairs, I talked to the people upstairs and I was sent out to check out if they made any sense at all." By "upstairs" Broe presumably meant his superiors in the CIA.

The CIA operative, who is still in the agency's employ, referred to his discussion of the anti-Allende plan with an ITT vice president, Edward Gerrity, as an "operational" discussion.

When confronted with the CIA man's testimony, Meyer said he saw "no inconsistency" between Broe's actions and the non-intervention policy to which he said the Nixon administration adhered.

But he also acknowledged that he was unaware of Broe's approaches to ITT although he participated in one meeting of the National Security Council's senior intelligence review committee for operations at which the Chilean political situation was reviewed.

"I suspect one hand didn't know what the other was doing," exclaimed Foreign Relations Committee Chairman J. W. Fulbright (D-Ark.) The Central Intelligence Agency, Fulbright charged, was "going off on a frolic of its own" in response to ITT pressures brought by former CIA director John A. McCone, an ITT board member, and others.

"Is the CIA working for the United States or for ITT and McCone?" asked Sen. Clifford P. Case (R-N.J.) "We have testimony from McCone and others that ITT was lobbying the government, having conversations with Henry Kissinger and the CIA."

McCone testified last week that he relayed to Kissinger and then CIA director Richard M. Helms an offer by Geneen to contribute as much as \$1 million for a U.S. government plan to thwart Allende's election in 1970.

Meyer took the position that Broe's mission was to "explore options" for action in Chile but was not in itself a reversal of the U.S. policy against intervention in the election.

Meyer refused to answer questions from subcommittee members on what specific instructions were given to former CIA Director Helms by the NSC's 40 Committee, which operates under Kissinger's direction, for the contacts with ITT. The former State Department policy maker stuck to his position that the National Security Council policy group maintained its stand against intervention by economic and any other means.

"Then we must assume," said Church, "that what was being done by the CIA was done on its own, CIA was being lobbied by ITT and they had a little thing going."

Helms testified to the subcommittee in closed session on March 5 before leaving for his new post as Ambassador to Iran, but there is no intention at this point of releasing his statement.

Meyer also contradicted previous testimony by Gerrity of ITT that a member of the corporation's Washington staff, Jack Neal, transmitted to him a Geneen offer to spend up to \$1 million for housing and social development in Chile. Meyer said he recalls neither the figure nor the purpose ever being mentioned to him by Neal.

A former White House adviser on international economic policy, Peter G. Peterson, told the subcommittee that at the request of White House aide John Ehrlichman he met with Geneen on Dec. 14, 1971, to discuss the ITT's expropriation case in Chile.

The Geneen meeting was arranged, said Peterson, at the request of ITT's former Washington office director, William Merriam. Peterson said "I didn't take any action I can recall" as a result of the luncheon meeting with Geneen, which was also attended by Gen. Alexander Haig, then Kissinger's deputy.

Peterson recalled that after the meeting ITT sent him an 18-point "action plan" designed to cripple Chile's economy and, in the words of its author, "see that Allende does not get through the crucial next six months."

The plan, said Peterson, did not receive serious consideration by the Nixon administration.

Viron K. Vaky, a former member of Kissinger's National Security Council staff specializing in Latin American affairs, testified that he was contacted by ITT's Neal in September, 1970, and was told

that Geneen was "prepared to spend sums up to seven figures."

But Vaky testified he did not recall what the purpose of the grant was to be. Vaky now U.S. Ambassador to Costa Rica, said he did not bother to inform Kissinger or staff colleagues of the ITT proposal which he acknowledged, under questioning, to be "unusual." The matter, he said, was dropped after Neal's call.

ITT director and Wall Street investment counselor Felix Rohatyn told the subcommittee that Geneen never brought up the subject of the million-dollar offer to the Nixon administration at board meetings. He first learned about it in Jack Anderson's column, he said.

Following the Anderson disclosures, Rohatyn said, Geneen denied that he had ever proposed any plan to influence the course of the election in Chile.

In response to a question by Church, Rohatyn said the board of ITT never undertook an "in depth investigation" of the alleged ITT plan to block Allende's election.