

2 ITT Aides Charged in Chile Probe

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The Justice Department filed six-count felony charges yesterday against two International Telephone and Telegraph Corp. officials for lying to the Senate nearly five years ago about the company's efforts to influence an election in Chile.

Edward J. Gerrity Jr., 54, an ITT senior vice president, and Robert Berrellez, 58, who was an ITT public relations man in Latin America in 1970, were each charged with three counts of perjury, one count of obstructing a Senate investigation and one count of making a false statement to a separate government inquiry.

In addition, Gerrity was charged with inducing another ITT official Harold V. Hendrix, to lie to the Senate. And Berrellez was accused of conspiring with Hendrix and others to block the Senate investigation of charges that ITT worked with the CIA to fund opponents of socialist candidate Salvador Allende in 1970.

The conspiracy charge against Berrellez alleges that he and Hendrix met often with CIA officials to advise them they would lie in their testimony. In at least one instance Hendrix, who pleaded guilty to a misdemeanor charge in 1976 and has become a government witness, passed on ITT documents to a CIA official.

Gerrity and Berrellez testified before the Senate subcommittee on multinational corporations nearly five years ago that ITT had not worked to block Allende's election. It was later revealed, however, that both ITT and the CIA had funded Allende's election opponents.

Harold S. Geneen, the ITT board chairman who was also under investigation, apparently has escaped prosecution. The Justice Department said

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"no other actions arising from this investigation are being contemplated."

The multi-count felony charges against Gerrity and Berrellez are far more serious than those filed against former CIA director Richard Helms last fall. Helms was allowed to plead "no contest" to a misdemeanor charge, in part because of fears that national secrets might be disclosed at a trial.

That concern was raised again by defense attorneys for Gerrity and Berrellez and by CIA director Stansfield Turner, according to Justice Department sources.

But Attorney General Griffin B. Bell decided to approve the prosecutions.

Bell said in a phone interview yesterday that he didn't want to comment on the specific cases. But he recalled that he had said after the Helms plea bargain that "you cannot decide never to prosecute these cases that might involve national security. To do so gives people a license. That just can't be the law."

Benjamin R. Civiletti, acting deputy attorney general, told reporters the Gerrity and Berrellez cases were different from the Helms case.

He noted, for example, that Helms had "in his defense his oath and his interpretation of his oath (not to divulge CIA secrets). In this circumstance (involving Gerrity and Berrellez), you have private individuals and private corporations."

Asked why Geneen was not prosecuted, Civiletti said only, "The inference could be drawn that the government brought those cases in which it had sound cases."

Reminded that Geneen was the senior officer responsible for all operations at ITT, Civiletti added: "The law doesn't depend on senior or junior. It depends on provable facts. Either you have them or you don't."

Gerrity and Berrellez could not be reached for comment. Walter J. Bonner, a Washington attorney who represents Gerrity, said he would have no comment until he consulted with his client.

An ITT spokesman in New York said that the company "continues to have confidence in Mr. Gerrity's and Mr. Berrellez's integrity. They both continue to serve as valued executives of ITT. We are fully confident they will be found innocent."

Sen. Joe Biden (D-Del.), a member of the Senate Intelligence Committee, said yesterday that the new charges are "a signal that the Justice Department is no longer willing to throw up its hands and forgo prosecution in sensitive national security cases."

Biden had criticized the handling of the Helms case.

The charges against Gerrity and Berrellez were filed in U.S. District Court in Washington through what is called an information. The federal grand jury hearing evidence in the case expired last month without returning indictments.

But the defendants waived their right to have a grand jury vote on the felony charges, clearing the way for prosecutors G. Allen Carver Jr. and Robert G. Andary to file the charges themselves, Civiletti said.

The five-year statute of limitations on the offenses alleged in the informations against the two ITT officials was about to expire.

The investigation was carried to the very end of the time allowed because the prosecutors had to examine many classified CIA documents, Justice Department officials have said. Carver and Andary attempted to fashion cases that could not be damaged by defense discovery motions for secret documents, the officials said.

The conspiracy charge against Berrellez shows that he and Hendrix were in frequent contact with CIA officials usually a Jonathan G. Hanke for about a year before their testimony.

On April 9, 1972, the information alleges, Berrellez told an unidentified CIA official that he and Hendrix had agreed to deny knowing CIA officials in Latin America.

In January 1973, a few months before the Senate hearings, Hendrix gave Hanke a page from a phone pad of another ITT official, according to the charges.

Jack Blum, a Washington attorney who was a subcommittee associate counsel at the time, said yesterday that that was about the time the Senate had subpoenaed ITT documents relating to company activities in Chile.

Justice Department officials said yesterday that despite the constant communication between the CIA and ITT officials mentioned in the conspiracy count, there was never any consideration of naming the CIA an unindicted co-conspirator, as Hendrix was.

Besides the alleged perjury before the Senate subcommittee, Gerrity and Berrellez also were charged with making false statements during June 1974 arbitration over an ITT claim for reimbursement from the Overseas Private Investment Corp. ITT was trying to collect on insurance for expropriated property in Chile.

Each of the felony charges is punishable by up to five years in prison and fines ranging from \$2,000 to \$10,000 per count.