

# ITT-CIA Link Is Probed

## Accuracy Of Testimony Questioned

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The Justice Department's Criminal Division has opened an inquiry into the accuracy of testimony given a congressional subcommittee in 1973 about the International Telephone & Telegraph Corp.'s relations with the Central Intelligence Agency in Chile.

Richard Thornburgh, assistant attorney general in charge of the division, acknowledged yesterday that the department is investigating "a number of aspects of the Chilean situation."

Until now the only aspect of the U.S. role in the 1970 election of socialist Salvador Allende known publicly to have been under investigation was the testimony of former Director of Central Intelligence Richard M. Helms.

The Justice Department now has requested the entire file of the CIA-ITT investigation from the Subcommittee on Multinational Corporations of the Senate Foreign Relations Committee, which conducted the inquiry.

"We sent them all our material pursuant to requests," said a member of the subcommittee staff, "and we responded to requests for clarification of certain questions."

The inquiries from the Justice Department went to the subcommittee in December, at the approximate time that the Senate committee finished its

report on CIA covert intelligence action in Chile.

One of the key witnesses before the subcommittee was ITT board chairman Harold Geneen who made a series of statements under oath disclaiming any action by ITT to oppose the candidacy of Allende in the 1970 elections, including the contribution of money.

In the covert action report on Chile the Senate intelligence committee said that during the 1970 election campaign there were discussions between CIA and ITT representatives on how ITT might channel funds to anti-Allende candidates and parties.

"Eventually," the report said, "at least \$350,000 was passed by ITT to this campaign. A roughly equal amount was passed by other U.S. companies . . ."

In his testimony to the Multinational Corporations Subcommittee, Geneen said: "Nor did ITT contribute money to any person or to any agency of any government to block the election of Allende." He also declared that "ITT did not take any steps to block the

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election of Salvador Allende as president of Chile. . . .

Geneen and other ITT officials discussed anti-Allende action during the summer and fall months of 1970 — the period of the campaign and election — with William Broe, then the head of the Latin American division of the CIA's clandestine service.

In his testimony, Broe, when asked by then Sen. J. W. Fulbright (D-Ark.) whether there was a U.S. policy to intervene in the election, replied, "No." The assassination report of the Senate intelligence committee asserted that President Nixon directly ordered Helms to organize a full-scale program of military, political and economic intervention to block Allende's election. In his position, Broe was head of the operating division of the CIA which would figure centrally in such an effort.

In another development, a spokesman for the Overseas Private Investment Corp., a

quasi-governmental agency set up to indemnify American companies against expropriation by foreign governments, said that a \$95 million award to ITT growing out of losses in Chile is now being "re-examined."

The spokesman said that the re-examination was prompted by the disclosures of the Senate intelligence committee concerning ITT's role in the campaign to try to disrupt the incumbent Allende government.

OPIC originally denied ITT's request for recovery of losses resulting from the Allende government's expropriation of ITT's 70 per cent share of the Chilean Telephone Co. (CHILTELCO). A panel of the American Arbitration Association reversed the decision.

One of the considerations in OPIC's original refusal to pay was that the company's involvement in anti-Allende

political discussions, which became the subject of press disclosures, provoked the Allende government into acting against the ITT holdings.

If OPIC should decide to try to recover its payment to ITT, it would have to file a civil suit. An official of the agency described the status of the ITT claim re-examination as "routine."

### Chilean President Gets Loyalty Pledge

SANTIAGO, Jan. 28 (UPI) — Chilean President Augusto Pinochet received pledges of "absolute loyalty" last night from the other members of the military junta in an apparent move to counter reports that the armed forces were divided and Pinochet was on his way out.

"We are here to tell the whole world . . . that the monolithic unity and ironclad

discipline of our armed and security forces will never be broken," Pinochet said during a special ceremony at a military school.

The other members of the junta — the Navy commander, Adm. Jose T. Merino; the Air Force commander, Gen. Gustavo Leigh and the military police chief, Gen. Cesar Mendoza reaffirmed their "most absolute loyalty to the government and to its president."

The pledge came in the wake of persistent rumors that the armed forces were seriously divided with an anti-Pinochet faction gaining ground. Some observers recalled that in the last days of Marxist President Salvador Allende, who reportedly committed suicide during the military coup, pro-Allende rallies were a daily occurrence.