I.T.T. Officials in Conflict On Purpose of Chile Fund

3/23/73 by Eileen Shanahan Special to The New York Times

International Telephone and without payment. Telegraph Corporation emerged The idea was to persuade today as a Senate subcommittee President Allende that he could continued its inquiry into the win world opinion to his side company's alleged attempts to by making a "fair deal" with prevent the election of Salvador I.T.T. and that he would then Allende Gossens, a Marxist, as be able to confiscate the propa President of Chile.

WASHINGTON, March 22-A|I.T.T. owned in Chile, even if 6 clear-cut conflict in the testi- the properties of other Ameri-t mony of three officials of the can businesses were confiscated I

erties of the Kennecott and

At issue was the question of Anaconda mining companies r what use was supposed to be with impunity, using the argumade of the \$1-million or more ment that copper was a basic t that the chairman of I.T.T. national resource and in a dif-" offered to the Federal Govern- ferent category from a teler ment in 1970-whether it was phone company.

c for "constructive" purposes or The company memorandum for covert means to prevent that disclosed this plan said the election of Dr. Allende. that I.T.T. had "handled the Today's hearings also dis-situation in Peru" in 1968 on it closed that I.T.T. officials the "same basis." The Governplanned to make a deal with ment of President Juan Velasco Dr. Allende, after he became Alvarado seized the properties is President, under which they of International Petroleum Comwould be paid full value for If the telephone company that Continued on Page 9, Column 1

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THE NEW YORK TIMES

I.T.T. AIDES OFFER plans for interference in the Mitchell, "the facts" concern-The summary indicated that! ing the supposed attitude tol Mr. Mitchell had talked directly 1970 election. Among other developments, ward I.T.T. of Richard W. **CONFLICTING VI** Among other developments, McLaren, then head of the Jus-the subcommittee made public tice Department's antitrust di-internal I.T.T. documents that vision. According to Mr. Ger-tified last year. The company's vision of the documents do not support the bore mainly on the company's rity, Mr. McLaren was out of documents do not support the attempts to bring pressure on step with Administration poli-the Justice Department to set-cies, prosecuting I.T.T. simply discussed the matter with the Continued From Page 1, Col. 7 pany, an Exxon subsidiary, but the three antitrust suits against because it was big, and more President. paid for its take-over of the telephone company owned by Edward Gerrity, I.T.T.'s senior gress than of the Nixon Ad-The newly released documents I.T.T. The plan was never put into effect in Chile because the Al-lende Government broke off negotiations over the purchase of the telephone company after publication of internal LT.T. wice president for corporate re-lations and advertising, to Vice President Agnew in which Mr. Gerrity said, "I deeply appreci-the mew documents also showed that a summary of the meleased earlier this week by another Congressional com-mittee may have left a false be present were Harold S. Mr. Gerrity then asked for publication of internal LT.T. also contained details about a publication of internal I.T.T. further help in getting to the ment of Mr. Mitchell in the Attorney General Mitchell; Vice documents showing company then Attorney General, John N. I.T.T. antitrust suits.

President Agnew and his wife; a

, FRIDAY, MARCH 23, 1973

White House assistant, Peter M. convention for settlement of mid-1970, before the first who made it to the Assistant

randum also contained a cryp-dgency and now a director of of a president. Today Mr. Gerrity insisted viously was to Mrs. Dita Beard, Neal, the company's director of the purpose was always "con-structive."

Winton M. Blount, and other its antitrust suits came to light phase of the Chilean election, Secretary of State for Latin high officials and members of a year ago. The memo men- it was for "constructive" pur- American Affairs, Charles A.

Conflicting Testimony

office. Mr. Morton was a member of the House at the time and chairman of the Republican National Committee. The newly released memo-randum also contained a cryp-tic notation concerning "Dita I.T.T., Mr. Gerrity, the senior and deliar." The reference of the contral intelligence of the deliar is a president and lack the site of the contral intelligence of the anticometer of the site of the contral intelligence of the anticometer of the site of the contral intelligence of the anticometer of the site of the contral intelligence of the contral intelligence of the president and lack the site of the contral intelligence of the contral intel

whose internal memorandum indicating that the company was trying to trade financial day that when \$1-million was the September election and he Mr. Neal should be recalled to offer to the Government after explain the discrepancy. Mr. support for the Republican 1972 first offered to the C.I.A. in said it had been Mr. Neal, next week.

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Jerome Levinson, counsel to Later, Mr. McCone said, the special subcommittee on after Dr. Allende had won a multinational corporations, then