

Material on Allende filed
CIA 23 Oct 70 et seq.
See that file 7 Apr 71
for memo on dates.

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Report of ITT Plot in Chile

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Washington

Secret documents which escaped shredding by International Telephone and Telegraph Corp. show that the company maneuvered at the highest levels to stop the 1970 election of leftist Sal-

vador Allende as Chile's president.

The papers reveal that ITT dealt regularly with the Central Intelligence Agency and, at one point, considered triggering a military coup to head off Allende's election.

These documents portray

ITT as a virtual corporate nation in itself with vast international holdings, access to Washington's highest officials, its own intelligence apparatus and even its own classification system.

The papers bear a variety

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of security labels, including "Confidential," "System Confidential," and "Personal and Confidential." The originals, presumably, were shredded along with the "many sacks" of documents that ITT has now admitted destroying to keep them out of our hands. Nevertheless, we have obtained copies.

They show that ITT officials were in close touch with William V. Broe, who was then director of the Latin American division of the CIA's Clandestine Services. They were plotting together to create economic chaos in Chile, hoping this would cause the Chilean Army to pull a coup that would block Allende from coming to power.

REPORT

ITT Director John McCone, himself a former CIA head, played a role in the bizarre plot. He received a confidential report on Oct. 9, 1970, from William Merriam, the vice president in charge of ITT's Washington office.

"Today I had lunch with

our contact at the McLean agency (CIA), and I summarize for you the results of our conversation," wrote Merriam. "He is still very, very pessimistic about defeating Allende when the congressional vote takes place on October 24.

"Approaches continue to be made to select members of the Armed Forces in an attempt to have them lead some sort of uprising — no success to date . . .

"Practically no progress has been made in trying to get American business to cooperate in some way so as to bring on economic chaos. GM and Ford, for example, say that they have too much inventory on hand in Chile to take any chances and that they keep hoping that everything will work out all right.

"Also, the Bank of America had agreed to close its doors in Santiago but each day keeps postponing the inevitable. According to my source, we must continue to keep the pressure on business."

(More details in the Merry-Go-Round column on

Page 35).

Fuller column filed CIA. That version (New Orleans States-Item, 21 Mar 72) carries material — below red line — not included here.