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U.S. Envoy Told to Oppose Allende--ITT Memo

WASHINGTON (AP) — The State Department authorized the U.S. Embassy in Chile to do its best to keep leftist President Salvador Allende from taking power in 1970, according to a secret memo attributed to two officials of the International Telephone & Telegraph Corp.

The memo, a copy of which was released by columnist Jack Anderson, lists its authors as Hal Hendrix and Robert Berrellez, who reportedly were sent to Chile by ITT to report to the firm on political developments following Allende's election in September 1970. Eleven days after Allende's

election, the memo said, U.S. Ambassador Edward Korry "received a message from the State Department giving him the green light to move in the name of President Nixon.

"The message gave him maximum authority to do all possible—short of a Dominican Republic-like action—to keep Allende from taking power," the memo said.

Korry resigned his post in 1971 and now works in Washington as a consultant for the Overseas Private Investment Corp. He was not available for comment Tuesday. Berrellez, director of ITT's

inter-American relations, said in Buenos Aires today that the information in Anderson's report was untrue.

When asked about the memo he and Hendrix reportedly wrote, Berrellez said: "I have not seen the information and all I can say at the moment is what ITT said in New York yesterday, that what Mr. Anderson reports is absolutely untrue."

Allende did not win a majority in the election, and the contest was to be decided by the Chilean congress. At the time the memo was dated, Sept. 17, 1970, anti-Communist forces in Chile were seeking

to line up support for Allende's closest competitor in the three-way race, conservative Jorge Alessandri.

The memo was one of several dozen released by Anderson. He claims they were written by ITT officials during the critical period leading up to the inauguration of the Marxist president.

The memos do not spell out the extent of any U.S. involvement in the alleged effort to prevent Allende from taking power.

But in one memo released by Anderson, said to be written by Washington ITT official J.D. Neal, the author said he

approached a White House official and announced ITT was prepared "to assist financially in sums up to seven figures" to prevent Allende's taking power.

In his column published Tuesday, Anderson said ITT and Central Intelligence Agency officials "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."

An ITT official called the report baseless. At ITT's New York office, Hendrix cited the same ITT disclaimer and added, "That's all we can say at this point." The Hendrix - Berrellez memo said the key to whether "we have a solution or a disaster" is President Eduardo Frei and how much pressure the United States and the anti-Communist movement in Chile can bring to bear on him in the next couple of weeks.

They said Korry started to maneuver with anti-Communist leaders in Chile "without State Department authorization — immediately after the election results were known. He has never let up on Frei, to the point of telling him 'to put his pants on.'"