

Allende Will Ask

Seizure of ITT

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SANTIAGO — (AP) — In another aftermath of the Anderson papers, President Salvador Allende says he will ask the Chilean Congress to nationalize International Telephone and Telegraph Corp.'s holdings in Chile, valued by the company at \$200 million.

Allende told a cheering torchlit rally of several hundred thousand last night that ITT was "a typical case of an imperialistic business" that has left Chile deep in debt.

Washington columnist Jack Anderson reported several weeks ago that confidential ITT documents showed the corporation and the U.S. Central Intelligence Agency had discussed ways to prevent Allende, a Marxist, from taking office in 1970.

Big Boost

Allende's program to bring socialism to Chile by nationalizing major industries and businesses has been blocked recently by the moderate and conservative majority in Congress. But Anderson's revelations gave the president a big boost by whipping up a wave of public sentiment against the U.S. government and ITT.

ITT's Chilean holdings are the second largest of any U.S. group in Chile, exceeded only by the \$700 million invested by the Anaconda, Kennecott and Cerro copper companies.

ITT owns 70 percent of Chile's biggest telephone company, a telephone equipment factory and a cable office, and its Sheraton Hotel subsidiary operates two luxury hotels in Santiago.

ITT Claim

The telephone company has been under government control since last year. The government announced then that talks with ITT on buying out its interest had bro-

ken down and the government was taking over because the company was giving bad service.

About \$100 million of ITT's total investment in Chile is covered by expropriation insurance guaranteed by the U.S. government's Overseas Private Investment Corp.