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# Chile Moves To Seize

## Part of ITT

SFChronicle

Santiago, Chile

President Salvador Allende asked Congress yesterday to expropriate the International Telephone and Telegraph Corporation's 70 per cent interest in Chile's largest telephone company.

Allende said "the dignity and the independence of the nation demanded such action" as a reprisal for ITT's alleged efforts to prevent his inauguration as the hemisphere's first freely elected Marxist president in November 1970.

ITT's alleged contacts with American officials in Washington, inquiring about possible ways of blocking Allende's inauguration, first were revealed by columnist Jack Anderson last March 21.

"It is with profound satisfaction that I am signing these measures, which I am certain Congress will speedily approve," Allende said.

One of the bills is a constitutional amendment to expropriate ITT's share in the Chilean Telephone Co. The other proposal cancels a 50-year concession granted in 1930 that gave ITT controlling interest in the company.

ITT's other Chilean holdings were unaffected. They include two Sheraton hotels in Santiago, the All America Cables and Radio Co., and the Standard Electric Co. Allende said last month that all ITT's Chilean holdings would be expropriated.

The telephone company has been operated by the government since last September, when talks on nationalization collapsed in a dispute over book value. ITT said its interests were worth \$120 million, while the government placed the figure at \$20 million.

United Press