

CIA Agent To Testify on ITT, Chile

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In an unprecedented action, the Central Intelligence Agency has agreed to permit its former chief covert operative for the Western Hemisphere to testify under oath today at a Senate investigative hearing.

The CIA official, William V. Broe, is scheduled to appear at a 9:30 a.m. closed session of the Senate Foreign Relations Subcommittee on Multinational Corporations to talk about his dealings with the International Telephone and Telegraph Corp. in Chile.

Broe's testimony, due to be made public later today after review by the CIA, will resolve one of the central contradictions of the ITT investigation.

He will be asked to describe his private, one-hour meeting with ITT board chairman, Harold S. Geneen in a Sheraton Carlton Hotel room on the night of July 16, 1970. The meeting was arranged by former CIA director John A. McCone, an ITT board member and still a CIA consultant, and by Richard M. Helms, McCone's successor as head of the agency.

McCone has testified that two months after the meeting he transmitted to national security adviser Henry Kissinger and Helms, at Geneen's request, an ITT offer of as

See ITT, A17, Col. 5

ITT, From A1

much as a million dollars to help underwrite a U.S. government plan to block Chilean President Salvador Allende's election in 1970.

But one of Geneen's chief deputies, ITT senior vice president Edward Gerrity, has told the subcommittee that Geneen's offer was to help provide housing and technical agricultural assistance after Allende's election. Gerrity could not provide the subcommittee with corroborative testimony that such a proposal had been delivered to the government.

Broe has already given the subcommittee a private account of what he and Geneen discussed during the Carlton meeting. It was presumably on the strength of this testimony that subcommittee counsel Jerome Levinson asked McCone last week if Geneen had not offered Broe a large sum to finance the anti-Allende plan. McCone said he didn't know.

The testimony of Broe and former U.S. Ambassador to Chile Edward Korry is also expected to explore the question of whether political pressure was brought to bear on the CIA to involve itself with ITT in stop-Allende strategies.

Senators familiar with CIA operations doubt that Broe, an experienced intelligence operative, would have met with Geneen and other ITT executives without instructions from his superiors in the CIA, notably Helms. Before leaving for his new ambassadorial post in Iran, Helms also testified at a closed session of the multinational subcommittee on the Chilean affair.

ITT documents indicate that Broe came up with a plan under which the company would undertake to contact other American firms doing business in Chile, calling for measures that would seriously impair the already fragile Chilean economy. One striking aspect of the plan was that the CIA would have no operational role in carrying it out.

McCone told the subcommittee that he personally had opposed any plan under which ITT itself would sabotage Allende's prospects of election. However, the former CIA chief said neither he nor Geneen had any objections to underwriting a "government plan" to achieve the same goal.

Helms was described by McCone as having felt in the early summer of 1970 that there was little prospect of blocking the election of Allende, a Marxist who had incurred ITT's enmity by raising the specter of nationalization of the corporation's Chilean telephone company subsidiary. However, after Allende won his narrow popular plurality on Sept. 4, 1970, a major lobbying campaign was unleashed by ITT, according to corporate documents, to block his election by the Chilean Congress the following month.

At the ITT board's meeting on Sept. 8 and 9, Geneen asked McCone to transmit his financing offer to the White House and the CIA. McCone testified that he talked to Kissinger and Helms in the ensuing few days. Other ITT officials contacted key staff people in the State Department and National Security Council as well as then Attorney Gen-

eral John N. Mitchell during the week following the board meeting.

An ITT field officer in Santiago wired the company's New York headquarters on Sept. 17 that Ambassador Korry two nights earlier had received from Washington "the green light to move in the name of President Nixon . . . to do all possible—short of a Dominican Republic-type action—to keep Allende from taking power."

Korry will be questioned today about the "green light" cable and its origins. One of the authors of the message, ITT public relations man Hal Hendrix, testified that the information came from a well-connected Chilean Christian Dem-

ocratic politician, not from U.S. government sources.

Members of the Senate subcommittee want to know how information of such a highly sensitive nature leaked out of U.S. government channels into the hands of an ITT official, if indeed the "green light" report had any basis in fact.

Broe's appearance today will mark the first time a CIA operative has been permitted to testify under oath before a congressional committee, according to subcommittee sources. The agency normally carries out its liaison with Congress through select panels of the Armed Services and Appropriations committees in the House and Senate.

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