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Senate Study Of Foreign 'Meddling' SFChronicle Washington

A Senate committee tentatively decided yesterday on a broad study of corporate meddling in foreign affairs after the release of documents allegedly telling of ITT's efforts to stop Marxist Salvatore Allende from becoming president of Chile.

The action came after columnist Jack Anderson released an 82-page sheaf of memorandums attributed to the International Telephone and Telegraph Corp. concerning the company's activities in Chile in the fall of 1970 when Allende came to power in an election.

CONTACTS

The documents included reports of ITT contacts with the Central Intelligence Agency the State Department and Chile's military leaders. Several of them spoke of a CIA - backed effort involving ITT to bring on the economic collapse of Chile and pave the way for a military seizure before Allende could take over:

Senator J. William Fulbright (Dem-Ark), Foreign Relations committee chairman, said the committee generally agreed during a 90-minute session to "study" the overall role of multinational corporations on foreign policy.

Secretary of State William P. Rogers attended the meeting, which covered several foreign policy matters.

Fulbright said the ITT controversy was discussed at "considerable length" and Senator Frank Church (Dem-Idaho) said Rogers "spoke up in favor of free enterprise and the generally beneficial effect that these companies have abroad."

PAPERS

Fulbright described the Chile papers, if authentic, as "very bad business" but probably a very normal course of conduct" for a corporation with a direct financial interest in the country involved. ITT had a \$95 million investment to protect in Chile, including Sheraton hotels and the National Telephone Co.

Church, chairman of the Latin-American subcommittee, said it was "very disturbing. It suggests our policy may be mainly concerned with the protection of large American companies."

At the same time, he said the Administration showed "admirable restraint" in dealing with Allende.

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