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Chile Assails ITT for

'Intervention'

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Chile delivered a wide-ranging verbal assault on the United States yesterday, alleging that American corporations and the U.S. Government have worked against Chile's national interests and in violation of the principle of nonintervention.

Chilean Undersecretary for Foreign Affairs Anibal Palma accused the International Telephone and Telegraph Corp. of open intervention in Chile's internal affairs. He suggested that U.S. foreign policy is shaped more by the demands of large corporations than by the rules of international law.

Palma used a general assembly meeting of the Organization of American States as the forum for his criticisms.

He accused ITT of "maneuverings aimed at disrupting Chile's constitutional processes" and said the firm enjoyed, at the least, the acquiescence of U.S. Government officials.

INTERVENTION

He said the United States is guilty of a "grave and direct" violation of the principle of non-intervention by exercising political and economic pressure to assure compensation for U.S. copper companies which Chile nationalized last year.

He also challenged the U.S. position that Chile is required to pay compensation under the rules of international law.

"Chile and the United States are not members of any juridically valid treaty which regulates compensation in cases of the expropriation of private property," Palma said.

Palma was especially critical of ITT's alleged efforts to block the election of President Salvador Allende in 1970.

"Chile denounces these deeds and raises a protest before the international community and on doing so it reaffirms the determination of its people and government to proceed with their revolutionary tasks," he said.

CONCESSION

State Department officials have denied allegations of wrongdoing. But they have conceded privately that ITT representatives approached them in the fall of 1970 with suggestions that the United States should try to prevent Allende's election. ITT has multi-million dollar holdings in Chile.

Despite the harsh tone of Palma's remarks, U.S. officials generally were prepared for worse. They noted that in a 27-page address, Palma devoted less than a page and a half to the ITT case and that he stopped short of proposing political sanctions against the United States through OAS charter mechanisms.

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