

Books of The Times

Three-Letter Symbol of Greed

By MICHAEL C. JENSEN

THE SOVEREIGN STATE OF I.T.T. by Anthony Sampson. 323 pages. Stein and Day. \$10.

To many Americans, I.T.T. has become a three-letter symbol of corporate greed and subterfuge, and Anthony Sampson's carefully documented and researched account of the world's most controversial company does nothing to change that assessment. In chapter after chapter, he bares the International Telephone and Telegraph Corporation's awesome economic and political power. Finally, one reaches the somewhat chilling conclusion that the giant conglomerate might have gone on swallowing one company after another, like some massive and malignant corporate cancer, but for the surfacing of the infamous Dita Beard memorandum—an accident of fate not dissimilar to the discovery of the Watergate burglars.

It is an irony, and one that Mr. Sampson fully exploits, that the very system of internal memorandums that has enabled I.T.T.'s single-minded chairman, Harold S. Geneen, to guide the company so successfully has provided much of the raw material for its critics.

One of the strengths of the book is that Mr. Sampson's accounts of I.T.T.'s attempt to influence a Presidential election in Chile and of the "inexorable pressure" the company applied to win approval of the biggest merger in corporate history helped put the almost daily flood of I.T.T. headlines into perspective. And it comes at a time when there will almost certainly be new revelations about I.T.T., which is under intensive investigation by Watergate prosecutors. Will the book itself provoke any new headlines about I.T.T.? Probably not. The new information that Mr. Sampson has unearthed is either too old (e.g., the company's double standard in World War II, when it simultaneously made Focke-Wulf aircraft for Germany, and electronic direction finders for United States ships), or, in the case of more recent events, too peripheral to be startling.

Absolute Mother Lode

Nevertheless, the book is very, very good. It is an absolute mother lode for I.T.T. watchers, and unquestionably the best book ever written about I.T.T., or possibly about any other multinational company. Indeed, one of its strengths is that it transcends I.T.T. and goes to the heart of the more important question: What role in a free society should be played by multinational corporations, and do they deserve to exist at all?

Like so many of the other questions composed by Mr. Sampson, that is never fully answered, probably because it is too complex. Moreover, it points up one of the weaknesses of Mr. Sampson's account,

and that is the large number of important, even critical matters that are left dangling.

Was Geneen's acquisition program really activated by a distrust of Europe, or was it a simple desire for aggrandizement? Was I.T.T.'s founder, Sosthenes Behn, a double agent in World War II? What made the trust-buster Richard W. McLaren change his mind about I.T.T.'s big merger with the Hartford Fire Insurance Company? Was there a "sinister understanding" between I.T.T. and the White House? We are never given the answers to these questions.

"The Sovereign State of I.T.T." is too crammed full of facts and too light on dialogue and frothy description to be an easy volume to read (although there are some delightful exceptions. For example: "Above the entrance to the I.T.T. headquarters, a mosaic depicts an angel with a flash of lightning between his outstretched hands, and two hemispheres concealing his private parts: the symbolism might be appropriate"). It is an important work, however—important because I.T.T. is the quintessential multinational conglomerate, and also because Anthony Sampson brings to his subject a rare blend of business and political acumen that is all the more remarkable in this case because he is an Englishman writing about an American company and its relationship with the American power structure.

Important Landmarks

With a story that is evolving as fast as the I.T.T. affair, Mr. Sampson has done a notable job of keeping his book up to date. Along the way errors have crept in, such as identifying Andre Meyer, the wily senior partner of Lazard Frères & Co., as Andre Mayer and John W. Dean 3d as James Dean.

Far more important, however, is the fact that Mr. Sampson has spelled out I.T.T.'s attempts to sway politicians (up to and including the Vice President of the United States), its freewheeling foreign dealings that have made it a virtual sovereign state, and its well-honed practice of saying one thing to one audience, something else to another, and then doing what it damn well pleases.

Mr. Sampson has missed few of the important landmarks in I.T.T.'s trail of political influence, so far as that influence has shown up on the public record, and he has added a good many samples that have not previously been published. We might wish that he had been able to take us deeper inside the brain of Geneen, but that's quibbling, and might even have been a fruitless exercise, revealing nothing more than a huge bottom line embedded in Geneen's psyche.