

THE WASHINGTON POST

19 August 1978

ARTICLE APPEARED
ON PAGE A-1,12

ITT Indictment Is Cut Back

By Charles R. Babcock
Washington Post Staff Writer

The Justice Department is dropping three of six felony charges against a top executive of International Telephone and Telegraph Corp. because of fears that national secrets would be exposed at the trial.

A prosecutor told U.S. District Court Judge Aubrey E. Robinson Jr. yesterday—without explanation—that the government would not proceed on three counts of the indictment that accuses Edward J. Gerrity Jr., a senior vice president of ITT, of lying about his firm's involvement in influencing the 1970 presidential election in Chile.

A Justice Department spokesman said later that the three counts are being dropped "following a determination that information essential to the prosecution of those counts could not be used as evidence and made public because the protection of the information is vital to safeguard national security and U.S. foreign intelligence interests."

Three substantive charges against Gerrity remain. Officials refused to say yesterday whether they are thinking about dropping the entire case. "Cases like this are under constant review," spokesman Terrence B. Adamson said.

A similar concern about possible disclosure of top-secret information was cited last fall when the Justice Department chose to let former CIA director Richard M. Helms plead "no contest" to a misdemeanor charge growing out of the same investigation of ITT-CIA involvement in Chile.

When Gerrity and another ITT official, Robert Berrellez, were indicted in March, the Justice Department expressed confidence that it had fashioned a case that would stand up against expected defense demands for access to intelligence documents.

The first sign of the change came late Thursday afternoon when prosecutor G. Allen Carver Jr. told attorney Walter J. Bonner that the government would not prosecute his client, Gerrity, on charges of perjury, inducing another ITT official to lie, and making false statements before a 1974 arbitration board considering ITT insurance claims for confiscated property in Chile.

In open court yesterday morning, Carver repeated that promise, though he said he did not yet have the authority to move formally to dismiss the three counts. He said the case was being reviewed "at a higher level of government."

The government declined to drop similar counts in the companion indictment of Berrellez during an afternoon pre-trial hearing.

But the same potential problems involving defense access to classified CIA material were touched on by the Berrellez attorney, Patrick A. Wall. He complained that the CIA had made heavy deletions on handwritten notes he had taken from documents that already had been censored.

"I cannot abide being prevented from preparing a defense in this case," Wall said, waving what he said were 22 pages of censored notes. "The government said there was no national security in this case."

Carver countered that the government had given Wall all the classified documents he was entitled to. But Judge Robinson said the defense attorney should return to the CIA and review the documents again so he could prepare a sealed motion justifying his claim to their relevancy.

Robinson deferred ruling on the defendants' motions that the different counts in the indictment be dismissed for legal weaknesses.

But he said at the end of the debate over access to CIA material: "The government plays games at its peril."

The ITT cases revolve around testimony Gerrity and Berrellez gave in early 1973 before the Senate Foreign Relations subcommittee on multinational corporations. The subcommittee was investigating allegations that ITT collaborated with the CIA in trying to prevent the 1970 election of socialist Salvador Allende in Chile.

Allende won the election but was killed in a 1973 coup.

Gerrity and Berrellez are charged with lying when they said ITT did not offer financial aid to Allende's opponents.