

16 March 1973

THIS DOCUMENT WAS SUBJECT TO ITT/CHILE JUSTICE INVESTIGATION

MEMORANDUM FOR THE RECORD

SUBJECT: 15 March 1973 Discussion with Senator Church and his Staff Assistants from the Senate Foreign Relations Subcommittee on Multinational Corporations

1. Introduction. On 15 March 1973, Messrs. Broe, Houston, Maury and [redacted] met briefly with Senator Church in his office. After exchanging views with Senator Church on the rules of engagement which would apply to the subsequent interviewing of Mr. Broe, the CIA contingent spent approximately one hour and fifty minutes with Messrs. Levinson and Blum of the Senate Foreign Relations Subcommittee on Multinational Corporations. The items that were covered in this discussion are outlined in the following paragraphs.

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2. Frame of Reference. In the conversation with Senator Church the following points were agreed upon:

a. Mr. Broe's comments to the Subcommittee staff assistants would be limited to the narrow topic of CIA's relations with ITT during the 1970 election period in Chile.

b. [redacted]

[redacted] It was stated that this position was based on the Director of Central Intelligence's statutory responsibility to protect sources and methods.

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c. At the completion of Mr. Broe's review of the nature and scope of CIA's relationship with ITT in 1970, Messrs. Levinson and Blum would formulate a series of written questions. These would subsequently be forwarded to CIA for study and a written response where possible. It was understood that the written response would be in the form of an interrogatory which would eventually become part of the classified record of Senator Church's Subcommittee's findings.

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d. Senator Church said that if the interrogatory approach was satisfactory to both sides it would not be necessary for Mr. Broe to testify in person before the Committee. Senator Church attached a caveat to this understanding, however, by saying that he personally found no objections to such an arrangement. The implication being that Senator Church would have to obtain the concurrence of his Committee members to this agreement before it could be considered a firm commitment.

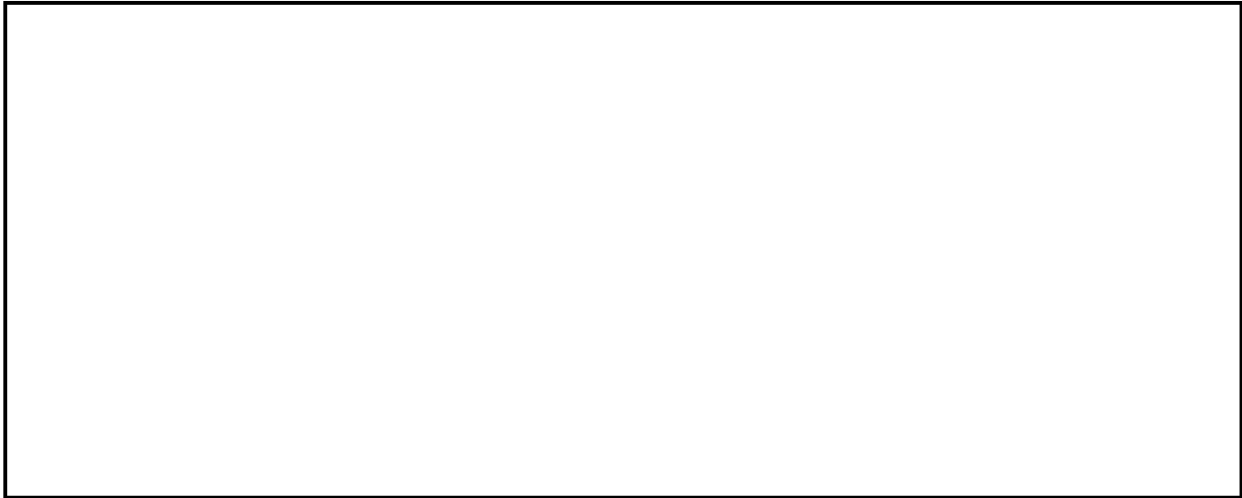
3. Ground Rules. After Senator Church left, the CIA contingent repeated to Messrs. Levinson and Blum that the 15 March session was off-the-record, informal and could not be used as a basis for attributing any public statement to Mr. Broe. Messrs. Levinson and Blum reaffirmed that they understood and would abide by these ground rules. Additionally, they indicated that they knew the session was designed solely to provide them with the background needed to formulate interrogatories which would be passed to CIA for study and answering as appropriate.

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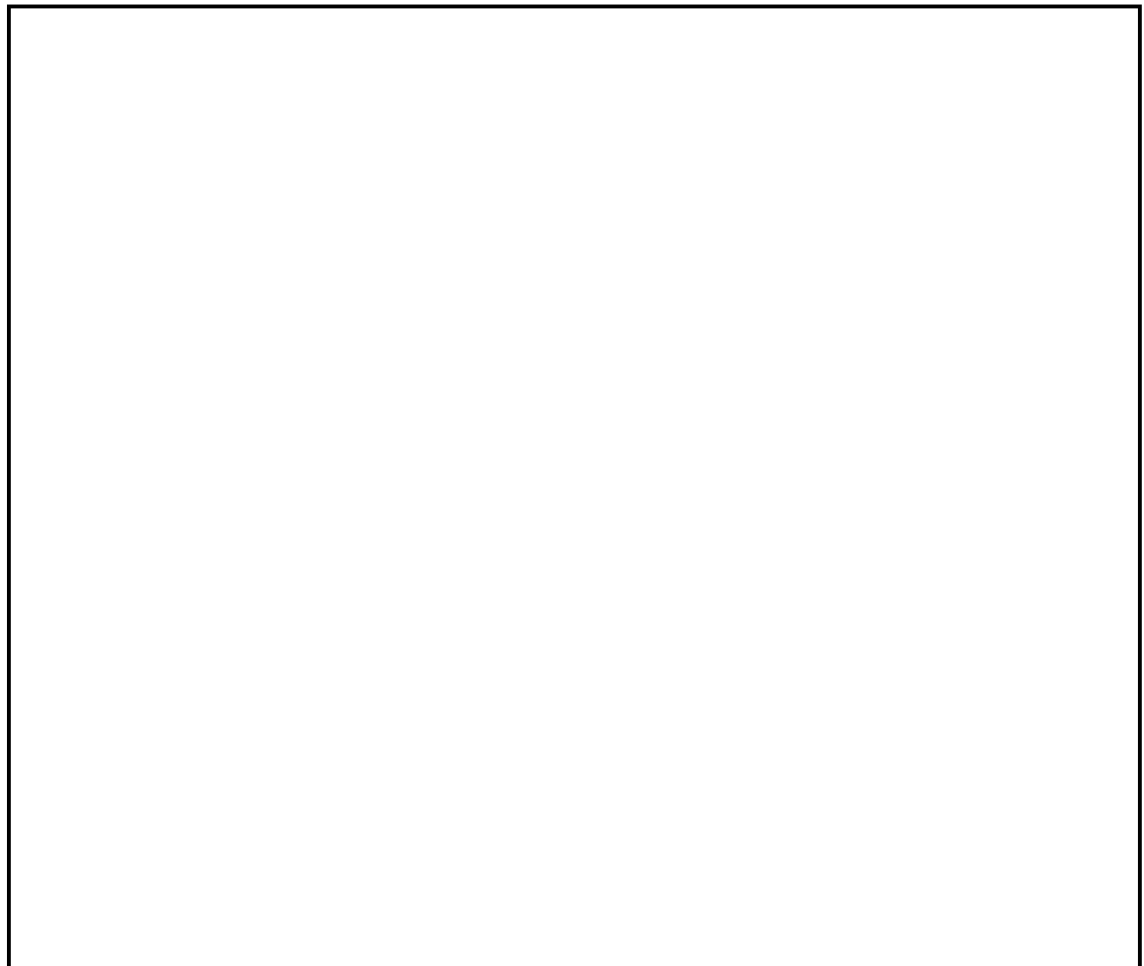
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5. Staff Questions. After Mr. Broe made the remarks outlined in paragraph 4, Messrs. Levinson and Blum raised a number of questions. These questions and their answers are as follows:

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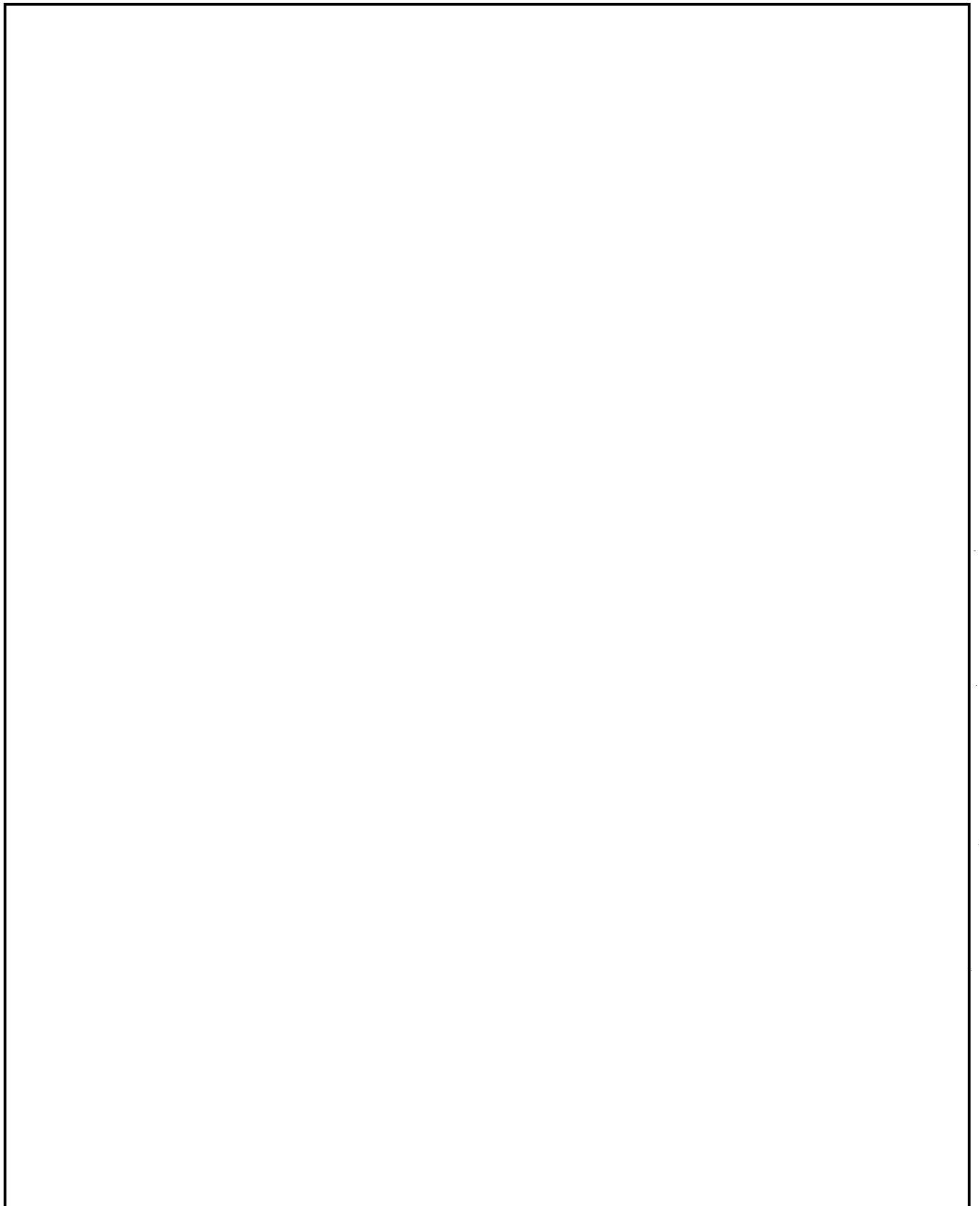
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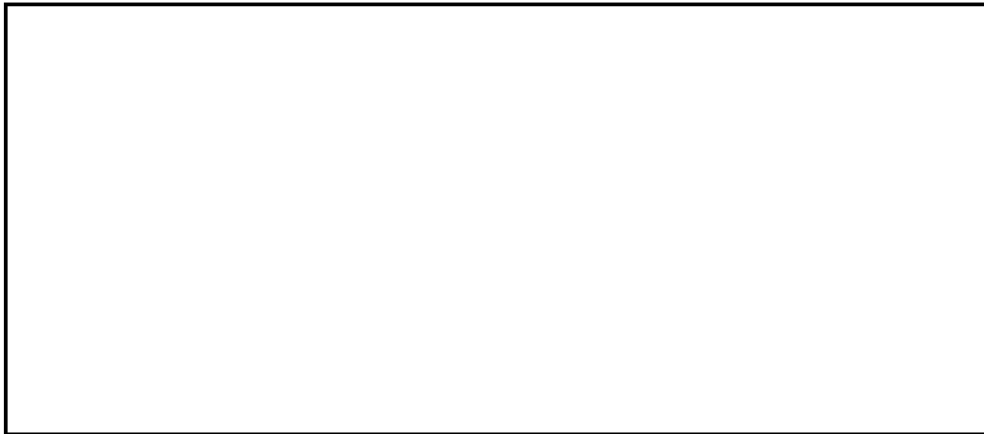
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10. General Questions and Answers. Messrs. Levinson and Blum asked the following general questions and were given the indicated answers:

a. Question: After Allende obtained a plurality in the 4 September 1970 election, did CIA have a plan for dealing with this situation?

Answer: This question is outside the scope of the agreed upon frame of reference for the discussion.



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b. Question: Did Mr. McCone talk to Messrs. Helms and Kissinger about the Chilean political scene of 1970?

Answer: Mr. Broe had no information on this topic.

11. Gerrity to Geneen Cable dated 29 September 1970. Mr. Levinson read excerpts from the 29 September 1970 cable from Mr. Gerrity to Mr. Geneen in Brussels which was released in the Anderson Papers. Messrs. Levinson and Blum then asked the following questions and received the indicated answers.

a. Question: What companies were involved in the discussion with CIA about Chilean developments in 1970 other than ITT?

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Answer: Mr. Broe said he had no idea what companies Mr. Gerrity was referring to

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b. Question: Had ITT been told that only their company was responsive to the problems inherent in the political situation in Chile in 1970?

Answer: Mr. Broe recalls telling ITT that they were the only company that had come to the U.S. Government with a proposal that a political program be carried out in Chile during 1970. Additionally, Mr. Broe said ITT was the only company which had suggested that funds might be passed to a presidential candidate in the 1970 Chilean elections i. e., Alessandri.

12. Berrellez to Hendrix Memorandum dated 29 September 1970. Mr. Levinson read from the Anderson Papers the Berrellez to Hendrix memorandum of 29 September 1970. The following question was then asked by Mr. Levinson and he received the indicated answer.

Question: Was the Berrellez to Hendrix memo of 29 September 1970 typical of the situation capsules which were being discussed

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Answer: Yes.

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b. Mr. Broe states that throughout the 1970 period his estimate indicated that the Chilean military would not pull a coup, therefore, he does not believe he could have told [redacted] that the military might do something.

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[redacted]

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14. Questions and Answers on [redacted] Memorandum. Messrs. Levinson and Blum asked the following questions and received the indicated answers on the [redacted] memorandum:

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a. Question: Did the concept of economic pressure originate with Ambassador Korry?

Answer: Mr. Broe indicated it was well known to all students of the Chilean scene of 1970 that the economic situation was deteriorating. As a result Chilean politicians, ITT employees and Washington officials were talking about the economic situation in Chile. In view of this reality Mr. Broe could not identify the formulation of this economic pressure concept with Ambassador Korry.

b. Question: Was the economic issue discussed with ITT after the Alessandri formula had been abandoned?

Answer: Yes.

15. Merriam to Gerrity Memo. Mr. Levinson referred to a 7 October 1970 memorandum from Merriam to Gerrity. This memorandum appears in the Anderson Papers. After reading this memorandum Messrs. Levinson and Blum posed the following questions and received the indicated replies.

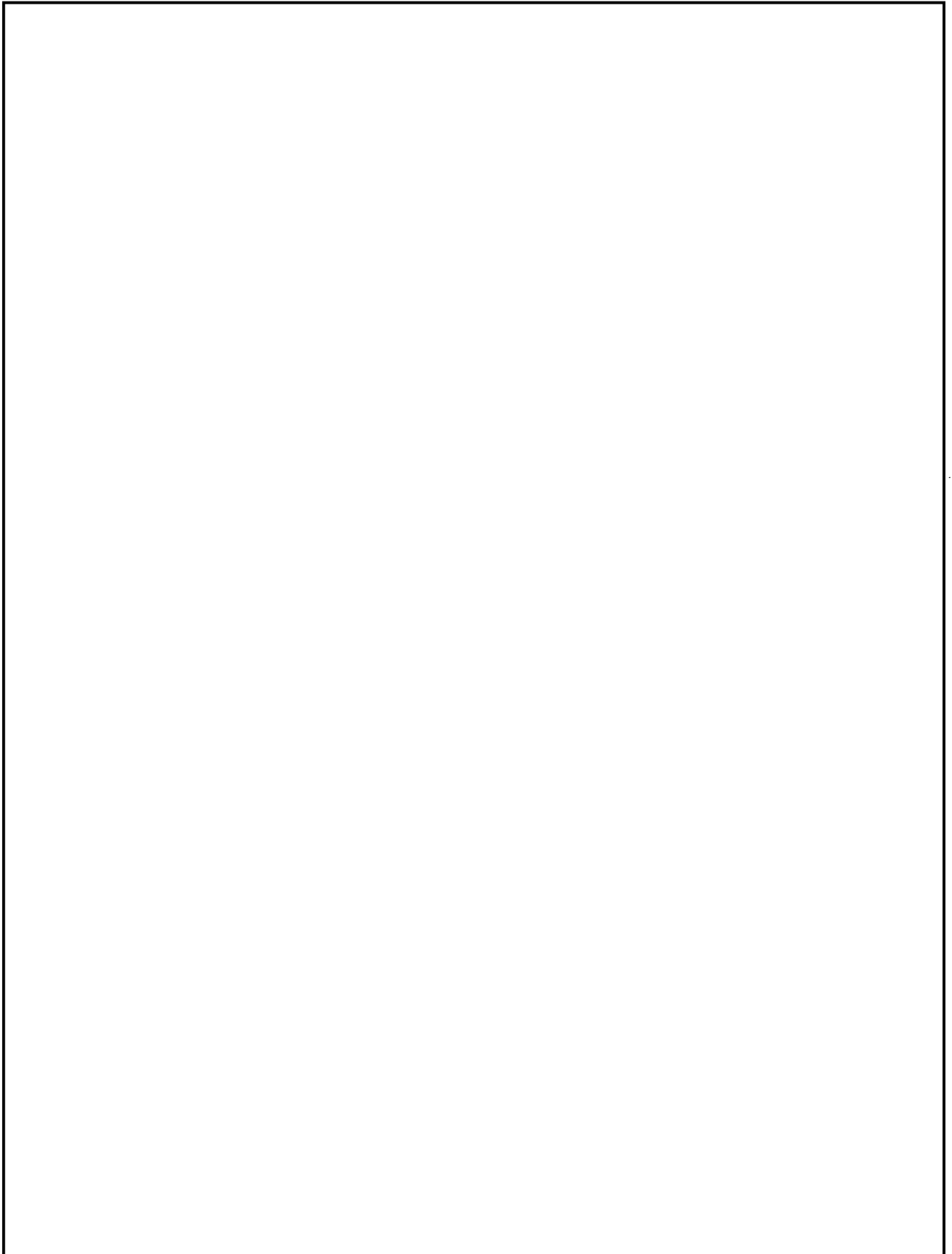
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c. Question: Did Mr. Broe say that the Nixon Administration would take a very hard line when and if Allende was elected?

Answer: Mr. Broe recalls expressing his personal opinion that the Nixon Administration would take a hard line on the Chilean situation if Allende were elected.

d. Question: 

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Answer: No. Mr. Broe stated that he had no personal knowledge of President Nixon's actions and was thus in no position to comment on the President's plans and intentions.

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17. Hendrix to Gerrity Memorandum. Mr. Levinson read a 16 October 1970 memorandum from Mr. Hendrix to Mr. Gerrity. He then asked the following questions and received the below listed answers. This memorandum is contained in the Anderson Papers.

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18. Comment. The session ended with the understanding that CIA would receive the interrogatory questions from Messrs. Levinson and Blum on 19 March. Messrs. Levinson and Blum were polite throughout the session, although they did press on a number of points. They were not hostile, however, when their inquiries were turned aside by CIA.

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19. Opinion. If the results of this session allow us to handle Mr. Broe's testimony via an exchange of interrogatories rather than an appearance before the Church Subcommittee, this will have been a good day's work.


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Chief  
Western Hemisphere Division

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