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# ITT's Size, Political Activity Grow

Out of obscurity, International Telephone and Telegraph has leapfrogged into the top ranks of international industrial corporations.

This spectacular growth was not achieved by the traditional routes to corporate success. ITT is not known for developing new products or introducing revolutionary marketing techniques. Nor has ITT produced a new mousetrap, a cheaper one or a better packaged one.

ITT has soared to the industrial heights by buying up existing companies at an ever-accelerating pace. The consortium has also laid political pipelines that reach into the inner councils of governments around the world.

In Washington, ITT opened an office five blocks from the White House. Like the great government departments, ITT had its Office of Congressional Liaison and its Congressional Relations Section. One side of the Congressional Relations Section worked the Democrats, the other the Republicans.

We keep our own charts on corporate activity; they graph not the statistics found in business journals, but the corporate handouts to politicians. On this indicator, ITT showed a rising curve in the 1960s that kept pace with its climb on Dow Jones.

The company gave away free plane rides, cut-rate vacations, touring cars for congressional junketeers, legal business to the law firms of public officials and other forms of gravy, including a highly organized program of campaign contributions.

We exposed most of this in the early 1970s. We also reported that ITT had developed a cozy relationship with the Nixon Administration. Together, they

conspired to block the duly elected President of Chile, Salvador Allende, from assuming office. ITT officials at first denied, but later admitted, their complicity. They continued to insist that corporate money hadn't been used to influence political events in Chile. Then ITT Chairman Harold Geneen confessed that \$350,000 may have been funneled to Allende's opponents.

Meanwhile, ITT has faded from the headlines. But many conscientious stockholders have been working quietly to clean up the company. More than 150 church groups, for example, own corporate stock. They have banded together under the Interfaith Center for Corporate Responsibility to demand a detailed account of all "political contributions, bribes and other questionable payments of \$2,000 or more that may have been funneled to Chilean political candidates" by ITT.

Slipping in the backdoor of the Securities and Exchange Commission, ITT executives tried to get excused from publishing this request in their annual proxy statement. But the commission turned thumbs down and ordered them to publish the Chilean resolution.

An ITT spokesman said the company wanted to omit the resolution from its proxy statement because it was similar to another resolution.