(b)(3)

27 March 1973

MEMORANDUM FOR: Deputy Director for Operations

SUBJECT: ITT/Chile Press Coverage 27 March 1973
and Other Developments

1. The Washington Post article on 27 March described the "unprec-
edented action" of having Mr. William V. Broe testify under oath in
closed session to the Senate Foreign Relations Subcommittee on Multi-
national Corporations. The article accurately described the key portion
of his expected testimony as being a description of his meeting with
Harold S. Geneen of ITT on 16 July 1970 which he had already given the
subcommittee in private. The Subcommittee obviously leaked to the
Washington Post information which enabled it to say that "it was pre-
sumably on the strength of (Broe's) testimony that ...McCone (was asked)
last week if Geneen had not offered Broe a large sum to finance an anti-
Allende plan." The great interest of the Subcommittee in having releas-
able testimony by Mr. Broe about his meeting with Geneen available
before the Subcommittee questions Geneen in public probably explains
why the Subcommittee agreed to the restrictive conditions under which
Mr. Broe was to appear.

2. The New York Times coverage of 27 March was less complete
but included the comment that "Company documents appear to show that
Mr. Broe endorsed the view of the company that all possible steps should
be taken to prevent Mr. Allende's accession to power - including attempts
to generate a take-over by the military." This repeats a misconception
about what Mr. Broe said regarding the military which Mr. William
Merriam gave in his testimony. This aspect of Mr. Merriam's testimony
was also stressed in the New York Times special story in its Sunday edi-
tion wrapping up the first week's testimony.

3. On 27 March a person familiar with the thinking of ITT officials
concerned with the current Senate hearings reported that Mr. Geneen
had been anxious to determine the previous day what "special Senate panel"

Incomplete

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