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**MEMORANDUM FOR: Deputy Director for Operations**

**SUBJECT: ITT/Chile Press Coverage 30 March and Other Developments**

1. The New York Times reported that testimony to the Senate Foreign Relations Subcommittee on Multinational Corporations on 29 March resulted in Senator Fulbright expressing "strong doubts about the propriety of the CIA's action" in exploring the possibility of damaging the economy of Chile in 1970. Charles A. Meyer, former Assistant Secretary of State for Inter-American affairs, was asked whether the 40 Committee had ever "decided as a matter of policy that the CIA should explore the feasibility of stirring up economic trouble" in Chile and replied, "To my certain recollection, no." He and the Subcommittee members then engaged in a "long and inconclusive wrangle over whether the discussions between an ITT officer (E. J. Gerrity) and a CIA official (William V. Broe) constituted 'policy' or 'action' that required such advance approval." The New York Times article is devoted almost entirely to this one aspect of the previous day's testimony and concludes by quoting Senator Church saying that he was "afraid that ITT did successfully lobby the CIA on behalf of a covert operation, without policy approval."

2. The Washington Post covered aspects of testimony by others but also quoted statements by Senator Fulbright, Senator Case and Senator Church on the subject of Mr. Broe's meeting with Gerrity:

(Church) : "Then we must assume that what was being done by the CIA was done on its own, CIA was being lobbied by ITT and they had a little thing going."

(Fulbright): "I suspect one hand didn't know what the other was doing."

(Case) : "Is the CIA working for the United States or for ITT and McCone?"

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3. The statement by Senator Church that "someone is lying" was given coverage by the Washington Post, UPI, AP and Reuters but not mentioned by the New York Times in its 30 March story. This referred to conflicting testimony earlier from John McCone and E. J. Gerrity of ITT on the question of whether ITT offered \$1 million to the U.S. Government for political activity or for housing and agriculture in Chile. He also said "that's one contradiction, but there are others." Only UPI reported that Senator Church had said some witnesses had lied "about the role of ITT and the CIA" (emphasis added) in the 1970 presidential elections in Chile.

4. Most stories, but not that of the New York Times, covered the Church statement that the Subcommittee report would be turned over to the Justice Department to determine whether any perjury had been committed. He did not indicate which witnesses he thought might have perjured themselves. A newspaperman who has covered this story commented privately that Senator Church as well as Jerome I. Levinson, the Subcommittee Counsel, and Pat Holt of the Foreign Relations Committee staff had said that the two persons whose testimony was "unconvincing" were Jack Neal and E. J. Gerrity of ITT. They said that testimony of McCone, Meyer and Bros had "jibed" and it is noted that Church, before making his comment about "lying," had commended Meyer for his "truthfulness" and "honesty" in his testimony.

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