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orig Lockheed

CIA denies Lockheed role

Washington (AP)—The Central Intelligence Agency denied yesterday that it was involved in any illegal payments in Japan by Lockheed Aircraft Corporation, after reports surfaced that the CIA knew of the payments.

The *New Republic* magazine said the CIA might have been aware of the payments because of its connection with an international currency-dealing firm that served as a Lockheed conduit.

And the *New York Times* said that many details of the payments were reported at the time to the CIA.

"The CIA has not been involved in any Lockheed bribery operations," the agency's statement said.

Asked whether the CIA was aware of the illegal payments in Japan, the spokesman said the one-sentence statement was all the agency had to say and that it "gets to the heart of the matter."

Lockheed has said it paid out \$12 million to help promote business in Japan and that \$2 million of that went to Japanese government officials over several years.

In a copyrighted article in its April 2 issue, the *New Republic* says that Deak & Co. of New York, dealers in international currency, was the channel for about \$8.2 million of the Lockheed money.

There was no immediate comment from Deak & Co.

The *Times* reported that many details of Lockheed's bribery of Japanese politicians in the sale of its F-104 fighter plane in the late 1950's were re-

ported at the time to the Central Intelligence Agency.

The paper quoted a former CIA official and unidentified Japanese sources as saying details of Lockheed's spending an estimated \$1.5 million to win the fighter contract from Grumman Aircraft Corporation were sent through CIA channels from the American Embassy in Tokyo.

The former official was quoted as saying the CIA station in Tokyo "was checking with headquarters every step of the way when the Lockheed thing came up. Every move made was approved by Washington!"

The paper said Mitchell Rogovin, CIA counsel, would neither confirm nor deny that the agency knew of the payments to Japanese officials.

Tad Szulc, an author, said in the *New Republic* article that Deak & Co. "for many years has . . . served as a covert channel for worldwide financial operations of the CIA" and that this is "a matter of guarded knowledge in Washington's intelligence community."

"Therefore, it is more than likely that the CIA was aware all along of Lockheed's secret activities in Japan, including the payments of millions of dollars . . . to the leader of an extreme right-wing Japanese political faction and still unidentified senior Japanese officials," he wrote.

Mr. Szulc quoted "well-placed American sources" as saying the CIA "may even have orchestrated much of Lockheed's financial operations in Japan," pursuant to secret U.S. foreign policy objectives.

The Lockheed payments became known in February during hearings of a Senate committee. Much of the money allegedly went through Yoshio Kodama, identified as an influential power broker.

The *Times* story quoted former CIA agents as saying one recipient of CIA favors in the early postwar period was Matsutero Shoriki, publisher of the *Yomiuri* newspaper, onetime head of the Nippon television network and onetime chairman of the Japan Atomic Energy Commission. He is now dead.