

Clippings discontinued on bribes by Lockheed and other corporations to recipients abroad.

Clippings on bribes to Japanese will be filed in Japan file.

SFChronicle FEB 5 1976

## Lockheed's Japan Bribes Revealed

Washington

A convicted Japanese war criminal with powerful right-wing political connections was paid up to \$7 million in "commission" by the Lockheed Aircraft Corp. — much of it for helping to clinch a \$130 million sale of Tri-Star jumbo jets to the Japanese domestic airline.

The payments, according to documents subpoenaed from the aircraft company, were disclosed in a hearing yesterday of the Senate subcommittee on multinational corporations.

Yoshio Kodama, the recipient of the Lockheed payments, is a highly influential behind-the-scenes political and business broker who played a role in the naming of several post-World War II Japanese premiers.

The payments to Kodama were among some \$15 million in commissions listed by the subcommittee as having been paid out over the past five or six years to agents in Japan, Germany, Italy, France and Turkey. The payments, according to subcommittee documents, were des-

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igned to boost Lockheed sales through a variety of expenditures, which included payments to past and present office holders.

In an opening statement, subcommittee chairman Frank Church (Dem-Idaho) said the hearings will show "Exxon and the CIA haven't been the only ones making million dollar political contributions to the parties and government ministers in Italy."

Citing the Kodama case, Church also said that the investigation has documented that Lockheed has "for many years employed as its agent, a prominent leader of the ultra right-wing military faction in Japan ..."

In effect, Church said, "we have had a foreign policy of the United States government which has vigorously opposed this political line and a Lockheed foreign policy which has helped to keep it alive through large financial subsidies in support of the company's sales efforts in (that) country."

Kodama, who spent three years in Tokyo's Sugamo Prison immediately after World War II as a senior war criminal, was paid by Lockheed because he was an "influential figure . . . with access to important people (and) . . . a very powerful lobbyist," testified William Findley of the auditing firm Arthur Young and Co. The firm has been Lockheed's independent auditor since 1933.

Findley described the competition for the Japanese domestic

airlines jumbo jets and said that Lockheed felt it was "essential that the order be obtained" and that "the best available aid in obtaining the order" was Kodama.

In the dossier of documents released by the subcommittee were copies of receipts for partial payment of Kodama's fees indicating that 425 million yen was paid between November 2 and 6, 1972, at widely varying rates of exchange.

Findley told Church that Kodama's relationship to Lockheed in Japan was "not generally disseminated."

Church responded that Kodama was, in effect, a "secret agent for Lockheed."

Findley said he never found out what Kodama did with the money.

"But Lockheed got the contract," Church pressed.

"Yes," Findley said.

The November, 1972, All Nippon Airways award that was being contested by Lockheed and McDonnell Douglas was regarded as critical to Lockheed's survival. The previous year, Lockheed had been given a \$250 million federal loan guarantee to bail it out of a financial crisis.

The thrust of the new multinational hearings, which will resume tomorrow, points to a pattern of payments by the big Lockheed company to right-wing, militaristic political factions and officials in those countries where it seeks to do business.

Washington Post