Robert J. McCloskey, the department's spokesman, said yesterday: "First, we are surprised by those statements attributed to Prime Minister Lee. With respect to allegations of a C.I.A. involvement, we deny that allegation."

After Mr. Lee produced the letter from Secretary Rusk, dated April 15, 1961, and threatened to broadcast tape recordings to prove his charges, McCloskey corrected himself:

"Those who were consulted yesterday were not fully aware of the background of the incident, which occurred four and a half years ago," he said. He acknowledged Mr. Rusk's letter without describing the "unfortunate incident" for which the Secretary had expressed forgiveness. It was the same incident that Prime Minister Lee was talking about, Mr. McCloskey added.

Mr. Rusk's letter said: "Dear Mr. Prime Minister: I am deeply distressed to learn that certain officials of the United States Government have been found by your Government to have engaged in improper activities in Singapore. I want you to know I regret very much that this unfortunate incident had occurred to mar friendly relations that exist between our two Governments.

The new Administration takes a very serious view of this matter and in fact is reviewing activities of these officials for disciplinary action. "Sincerely yours, Dean Rusk."

Apparently, Secretary Rusk was not consulted yesterday before the letter was issued. Relatively few officials in the Far East division of the department were said to have been unaware of the case, and apparently they failed to consult the files. The C.I.A. apparently relayed the denial of wrongdoing that it customarily issues to the government when confronted by such charges.

Asked whether Ambassador Bell had been similarly uniformed of the background, the department spokesman said he had. No further approaches were made today to the Singapore Government. The case was long ago marked "closed" in the files here, Mr. McCloskey added.

U-2 Incident Is Recalled

The affair reminiscent of the 1960 incident in which the United States Department denied that a U-2 reconnaissance plane had ventured deep into Soviet territory. Moreover, the introduction without immediately disclosing that the plane and the pilot had been captured. Later, the United States was forced to admit the incident.

Prime Minister Lee's sudden public attacks upon the United States are of a different order here puzzling. In addition to the C.I.A. incident, Lee has complained about delays in arranging for an American physician to attend to a close friend—some suggest that the friend was killed. Lee has repeatedly complained of a "general insensitivity" of Americans in the United States. 

Mr. Lee declared yesterday that he would never let Americans replace the British in maintaining a military base in Singapore, but the severity of his attack seemed to go beyond concern about the base.

Some officials suggested that he might have been appealing for Asian and African support of Singapore's independence outside the Malaysian federation, but officials termed this an inadequate explanation.

Lee Angered by Denial

WASHINGTON, Sept. 1—Washington's denial of Singapore's charge against the C.I.A. aroused Prime Minister Lee to anger today. 

Recording reports into his office, he angrily jerked out films and said: "If the Americans go on denying, I will have to disclose further details, which may sound like James Bond and Goldfinger," one official said, but patrid and grousely, "It will do them no good and our relations no good."

Prime Minister Lee's press secretary, Li Vei Chin, said the Americans' $3 million bribe offer was made in January, 1961, before President Kennedy took office. He said Mr. Kennedy had inherited the problem and "to his credit" ruled that no money would be given "under the counter." Compensation would be given publicly instead, as foreign aid, according to Mr. Li's account of the Kennedy decision.

Prime Minister Lee added that he had full confidence in his government's ability to deal with the incident, including intercepting tapes of recording and interrogations and meetings.

"If they continue denying it, I will play some of these tapes on Singapore radio," Mr. Lee added. "If they continue to reject the denials, I will have to disclose who the intermediary was, and I think it would be greatly embarrassed."

He added: "The Americans should know the character of the men they are dealing with in Singapore. They are not people who themselves further dragged into calumny, they are not dealing with Ngo Dinh Diem or Syngman Rhee. You do not buy and sell this Government."

Besides the letter attributed to Mr. Lee, the Prime Minister also delivered an accompanying letter, said to be from Mr. Maddox, who was the United States Consul General in 1961. Explaining to Lee the necessary documents, the Prime Minister said they were "open letters, open apologies, so I released them."