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Lockheed Cover-Up?

By Jerome Alan Cohen

CAMBRIDGE, Mass.—Is the United States Government covering up the full story behind Lockheed's \$12 million payoffs in Japan?

The suspicions of the Japanese people are increasing daily. This is casting a pall on our vital relationship with Japan. Yet in the United States little attention has focused on our Government's strange behavior.

As the Lockheed scandal quietly began to brew last fall, the State Department took the position that to release the names of foreign Government officials involved would harm our international relations. Indeed, in December, Lockheed's lawyer, former Secretary of State William P. Rogers, prevailed upon Henry A. Kissinger to persuade the Federal District Court to prohibit the Securities and Exchange Commission from disclosing the names.

Fortunately, the court order could not bind Senator Frank Church's Subcommittee on Multinational Corporations, which in early February courageously exposed Lockheed's large-scale bribery. Unfortunately it did not require Lockheed executives to disclose the names of implicated Japanese Government officials but only identified private middlemen. Particularly in questioning by Senator Charles Percy, the subcommittee took elaborate precautions not to identify these officials.

The subcommittee's disclosure created an uproar in Japan and an unprecedented national demand, formally endorsed by the Parliament and by Prime Minister Takeo Miki, that the United States turn over all relevant information, including the names of Japanese officials. For a few days Mr. Kissinger persisted in the position that to do so would harm our relations with Japan. The fact, however, was that our refusal to make the data available was actually doing great harm to relations with Japan. Moreover, the subcommittee was threatening to subpoena the names from Lockheed, an action it finally took last Thursday.

Under these pressures, after a period of waffling, the State Department switched to a second line of defense. Of course, we would turn over the names, Deputy Secretary of State Robert S. Ingersoll told Senator William Proxmire's Banking Committee, but only after the S.E.C. had completed its investigation. This would take at least six months, he informed an infuriated Mr. Proxmire.

This new line proved so provocative to Japanese public opinion that the State Department was forced to soften it immediately and offer a third rationalization for foot-dragging.

We are prepared to share the names with Japan on a confidential basis, President Ford wrote Prime Minister Miki, but only under conditions guaranteeing not only that there would be no interference with the S.E.C. investigation but also that there would be no unfair damage to the reputations of the officials involved.

Arrangements recently concluded vide that Japanese law-enforcement vide that Japanese agencies will not disclose the names of any officials unless

and until the Government institutes legal proceedings against them. Moreover, the United States will test Japan's compliance by only gradually transmitting the names.

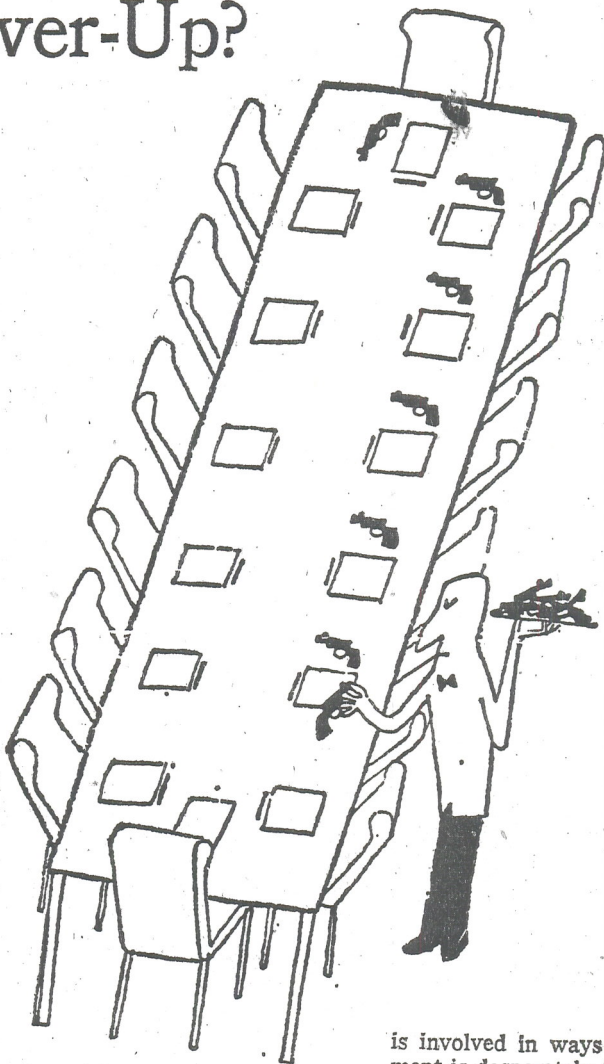
These very strict conditions, which would prevent the Japanese Parliament from using the information for its own investigation, have enraged broad segments of Japanese opinion. In view of the Japanese Government's dismal record in pursuing the legal responsibility of high officials implicated in previous scandals, the Japanese people are understandably skeptical that the names of any high officials bribed by Lockheed will be made public in the near future, if at all.

Moreover, many have asked, should the United States try to tell the Japanese people how they ought to use information essential to the cleansing of their own political process? Is it for us to determine how Japan should weigh the conflicting claims, on the one hand, of the need of the Parliament and the people to avoid a cover-up and, on the other, the need to protect Japanese officials from unfair publicity?

In the background, of course, lurks United States concern that the Lockheed case if mishandled might rock our most important ally's Government out of office and confront Japanese democracy with its first great postwar crisis.

Yet our own Government's behavior seems inexplicably to be compounding the risk by increasing popular pressure upon the ruling party.

In Japan the suspicion is growing that the United States has more at stake than meets the eye. Two hypotheses have emerged. One is that the Central Intelligence Agency



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is involved in ways that our Government is desperately trying to suppress. The second is that Lockheed funds may have been laundered in Japan and secretly funnelled into Richard M. Nixon's 1972 campaign fund in return for our ex-President's pressure upon Japan to buy Lockheed.

In opening the Lockheed hearings, Senator Church said that Lockheed had been pursuing one foreign policy by supporting a leading right-wing nationalist while the United States had been pursuing another by supporting a moderate Japanese Government that opposed the ultraright.

Actually, Lockheed made its payments to Yoshio Kodama, Lockheed's secret agent in Japan, precisely because behind the scenes Mr. Kodama was tremendously influential with the leaders of the Liberal-Democratic Party, having helped, with our blessing, to put them in power.

What now needs investigation is the United States side of the relationship. Was Lockheed really pursuing an independent policy or was it operating in intimate contact with at least certain segments of the United States Government? Is a time bomb ticking in Washington as well as Tokyo?

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