

~~THE PRESIDENT HAS~~

THE WHITE HOUSE

WASHINGTON

March 10, 1976

MR PRESIDENT -

Reply to Prime Minister Miki
Concerning Charges of Lockheed Bribery

Jack Marsh just returned from Texas and made the following comments concerning the reply to Prime Minister Miki:

"I concur in the purpose and text of the letter but question if the President should be the signatory. I would prefer he not personally involve himself to this extent."

Jim Connor

~~THE~~ PRESIDENT HAS SEEN

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WASHINGTON

March 10, 1976

MR PRESIDENT:

Reply to Prime Minister Miki
Concerning Charges of Lockheed Bribery

The attached package prepared by Brent Scowcroft
was staffed to Messrs. Marsh and Morton.

Rogers Morton concurs in the NSC recommendation.

Jack Marsh is attending the Wright Patman funeral
and will return to the White House this evening
at approximately 7 P. M.

NSC is pressing that this matter be brought to
your attention immediately.

As soon as Jack Marsh's comments are received
we will send them forward. — *attached*

Jim Connor

*Letter signed 3/11/76 + sent to
NSC*

THE WHITE HOUSE
WASHINGTON

CONFIDENTIAL

March 10, 1976

MEMORANDUM FOR: THE PRESIDENT

FROM: BRENT SCOWCROFT *BS*

SUBJECT: Reply to Prime Minister Miki Concerning
Charges of Lockheed Bribery

The disclosure by the Subcommittee on Multi-National Corporations of the Senate Foreign Relations Committee of alleged payments by the Lockheed Corporation to high officials of the Japanese Government to secure favored treatment has stimulated great political turmoil in Japan. The continued stability of the Japanese Government and relations between the United States and Japan will be heavily influenced by the effectiveness with which both governments move to investigate the matter and bring it to a conclusion.

Not long after the allegations became public both Houses of the Japanese Diet passed resolutions urging that the United States Senate and the Executive Branch make available unpublished material relating to the Lockheed matter and, to facilitate cooperation between the two governments, that Japan dispatch a special envoy to the United States for discussions. Following the passage of these resolutions, Prime Minister Miki wrote to you (Tab B) to ask your cooperation in facilitating access to the "relevant" information, to include the names of Japanese officials involved. Informal discussions since the Prime Minister's letter was written have resulted in a tentative scenario for cooperation between our two governments in the investigation. The proposal calls for talks to be held between law enforcement officials of both governments as soon as possible, directed at reaching agreements on procedures for providing access on a confidential basis to relevant information held by U. S. investigatory agencies. These procedures would include safeguards against the compromise of evidence relevant to U. S. investigations by the SEC or Justice.

This proposal has been formalized in a draft reply to the Prime Minister's letter for your consideration (Tab A). In addition, the

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E.O. 13526 (as amended) SEC 3.3

NRC 11-044, #2

*State Review 9/30/11*By *dal* NARA, D... 2/2/12

CONFIDENTIAL

2

letter expresses your support for the need to develop new rules to cope with corrupt practices in international commerce. Although the Japanese Government has not finally agreed to the approach outlined in the letter, it is our understanding that Prime Minister Miki is personally committed to it and will give it vigorous support. Following receipt of your reply, it is anticipated that the Japanese Government will announce the dispatch of appropriate officials to the U.S. and that discussions will commence immediately upon their arrival.

RECOMMENDATION:

That you sign the letter at Tab A (the text has been cleared by Mr. Hartmann's office). Phil Buchen concurs.



CONFIDENTIAL

THE WHITE HOUSE
WASHINGTON

Dear Mr. Prime Minister:

I have received your letter of February 24. I wish to assure you that I share fully your desire that the allegations concerning Lockheed activities in Japan be clarified without delay. The United States Government will continue to support your efforts to pursue further an investigation of this matter.

The Department of State has forwarded to the Senate and to the Securities and Exchange Commission your requests for all available information in their possession pertinent to Japan. I believe that much of the material that your government has asked for from the Senate Subcommittee on Multinational Corporations has been provided. We are prepared to make arrangements to share with your government the information developed by the SEC in the course of its inquiry.

I suggest that officials of our two governments meet without delay to work out such arrangements. These procedures would permit law enforcement officials from Japan to work in close cooperation with their counterparts here, with access, on a confidential basis, to relevant information held by United States investigatory agencies. The legal and administrative practice of the SEC is not to make public any material relating to an investigation until the investigation is completed. Premature disclosure of such information could well prejudice the investigation and any law enforcement actions which might ultimately be taken in the United States. It could

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E.O. 13526 (as amended) SEC 3.3

MRG 11-044 # 3

State Review 9/20/11
By dal NARA DCS 2/2/12



also prejudice the rights of individuals, whether or not they may ultimately become defendants in criminal actions. These basic requirements of United States law and practice must be respected, as of course must those of Japan. If these principles are protected, I am sure we can work together effectively.

Arrangements such as I am describing would allow your government's inquiry into this matter to go forward without hindrance. I hope that such arrangements will prove satisfactory to you.

I agree completely, Mr. Prime Minister, that it is in the interest of both our countries that this matter be cleared up as soon as possible. I also welcome your expression of the need to develop new rules covering corrupt practices, and I hope the Government of Japan can support the United States proposal for an international agreement to curtail such practices. Finally, Mr. Prime Minister, I am confident, as I know you are, that this unfortunate affair will not damage the fundamental and permanent friendship between our countries, which continues to be of crucial importance to the cause of peace and progress in Asia and in the world.

Sincerely,

His Excellency
Takeo Miki
Prime Minister of Japan
Tokyo



OFFICE OF THE PRIME MINISTER
TOKYO

February 24, 1976

Dear Mr. President,

As you may recall, we agreed last summer to cooperate with each other for the protection of democracy and for the furtherance of amicable relations between the United States and Japan, affirming the permanent friendship between the two countries. We also promised to exchange our frank views with full confidence in each other.

As both the United States and Japan are now confronted with the unpleasant problem concerning Lockheed, it is with this confidence that I wish to convey to you my concern about this problem.

Yesterday, both Houses of the Japanese Diet adopted important resolutions on this matter, the copies of which are enclosed herewith for transmittal to your Government. That the Japanese Diet, the highest organ of state power under the Constitution, adopted such resolutions is a matter of great note and indicates the importance the Diet attaches to the clarification of the problem.

The Japanese political circle has been profoundly shaken by the reported allegation made at the public

hearings



hearings of the Senate Sub-Committee on Multinational Corporations that Japanese government officials received payments from Lockheed. A grave concern is spread throughout Japan at present that, if the whole issue is kept unsolved with the names of the officials involved remaining in doubt, democracy in Japan may suffer a fatal blow. I share this concern. The disclosure of all the relevant materials including the names of the officials involved, if any, would serve better the interest of Japanese politics and of the everlasting friendship between the United States and Japan.

Mr. President, the utmost efforts are being made here to unveil the truth, and I hope that the United States will continue to cooperate with us for the further clarification of the problem. I am convinced that Japanese democracy is strong enough to stand the test. The truth must be sought with courage and we have the confidence to face up to its consequences.

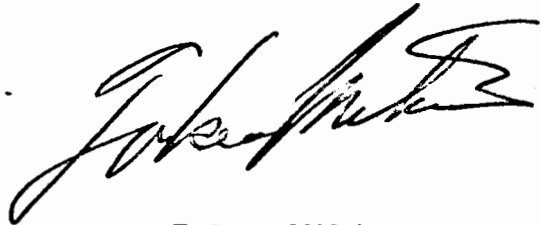
I also share your view of the need to make new international rules on the behavior of multinational enterprises. I look forward to our close consultation to this end.

Mr. President, at this moment when you are otherwise heavily engaged in your immediate duties, it is my earnest

hope

hope that you will understand my genuine concern in this matter. I would appreciate your consideration in securing continued cooperation by the United States Congress and Administration in clarifying the whole matter, in response to the requests by the Diet and the Government of Japan.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Takeo Miki', written in a cursive style.

Takeo Miki
Prime Minister of Japan



Resolution on the Lockheed Problem

(House of Representatives, February 23, 1976)

WHEREAS, the Lockheed problem, which has arisen in connection with the testimonies at the recent hearings of the Subcommittee on Multinational Corporations of the Committee on Foreign Relations of the United States Senate, has profoundly affected the national sentiment of the Japanese people; and

WHEREAS, the true picture of the problem should be explored and made known thoroughly and promptly; now, therefore

BE IT RESOLVED by the House of Representatives that the House requests the United States Senate and the Government of the United States of America for their special consideration in making available all unpublished materials on the Lockheed problem, as it pertains to Japan, including the names of the so-called high government officials; and

BE IT FURTHER RESOLVED that the House firmly believes that to clear all doubts on the problem is important for the true friendship between Japan and the United States and is the way to respond to the desire of the Japanese people; and

BE IT FURTHER RESOLVED that the Government of Japan, in pursuit of the above, should on its part take every possible measure, including inter alia the dispatching of a special envoy to the United States, for the clarification of the problem.

Resolution on the Lockheed Problem

(House of Councillors, February 23, 1976)

WHEREAS, the Lockheed problem, which has arisen at the recent hearings of the Subcommittee on Multinational Corporations of the Committee on Foreign Relations of the United States Senate, has profoundly affected the national sentiment of the Japanese people; and

WHEREAS, the true picture of the problem should be explored and made known thoroughly and promptly in order to remove the feeling of political distrust mounting among the Japanese people and to protect parliamentary democracy; and

WHEREAS, the House of Councillors firmly believes that to clear all doubts on the problem is the way to respond to the desire of the Japanese people and is most important for the true friendship between Japan and the United States; now, therefore,

BE IT RESOLVED by the House that the House requests the United States Senate and the Government of the United States of America for their special consideration in making available, without exception, unpublished materials on the Lockheed problem, as it pertains to Japan, including the names of the high government officials; and

BE

BE IT FURTHER RESOLVED that the Government of Japan, in pursuit of the above, should positively take every possible measure, including inter alia the dispatching of a special envoy to the United States, for the clarification of the problem.

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.:

Date: March 10, 1976

Time:

FOR ACTION:

cc (for information):

EYES ONLY

Jack Marsh

✓ Rogers Morton

FROM THE STAFF SECRETARY

DUE: Date: IMMEDIATE TURNAROUND Time:

SUBJECT:

Brent Scowcroft memo 3/10/76
regarding Reply to Prime Minister Miki
Concerning Charges of Lockheed Bribery

ACTION REQUESTED:

___ For Necessary Action

X For Your Recommendations

___ Prepare Agenda and Brief

___ Draft Reply

X For Your Comments

___ Draft Remarks

REMARKS:

Your immediate attention to this matter is required. Please return all papers with your decision.

Morton - concurs

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James E. Connor
For the President

THE WHITE HOUSE

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WASHINGTON

LOG NO.:

Date: March 10, 1976

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FOR ACTION:

cc (for information):

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Rogers Morton

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regarding Reply to Prime Minister Miki
Concerning Charges of Lockheed Bribery

ACTION REQUESTED:

- | | |
|---|--|
| <input type="checkbox"/> For Necessary Action | <input checked="" type="checkbox"/> For Your Recommendations |
| <input type="checkbox"/> Prepare Agenda and Brief | <input type="checkbox"/> Draft Reply |
| <input checked="" type="checkbox"/> For Your Comments | <input type="checkbox"/> Draft Remarks |


REMARKS:

Your immediate attention to this matter is required. Please return all papers with your decision.

I concur in the purpose and text of the letter but question if the President should be the signatory. I would prefer he not give personally involve

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For the President

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Rogers Morton

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- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
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REMARKS:

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Morton concurs
RCM

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James E. Connor
For the President