"MAGIC"—DIPLOMATIC SUMMARY

NOTE: No one, without express permission from the proper authorities, may disseminate the information reported in this Summary or communicate it to any other person.

Those authorized to disseminate such information must employ only the most secure means, must take every precaution to avoid compromising the source, and must limit dissemination to the minimum number of secure and responsible persons who need the information in order to discharge their duties.

No action is to be taken on information herein reported, regardless of temporary advantage, if such action might have the effect of revealing the existence of the source to the enemy.

The enemy knows that we attempt to exploit these sources. He does not know, and must not be permitted to learn, either the degree of our success or the particular sources with which we have been successful.

MILITARY

1. Follow-up message on Japanese peace (196286)

move: On 12 July—the day after advising Ambassador Sato of Japan’s desire to “make use of Russia in ending the war”—Foreign Minister Togo dispatched the following additional message on the subject, labelled "very urgent":

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"I have not yet received a wire about your interview with Molotov. Accordingly, although it may smack a little of attacking without sufficient reconnoissance, we think it would be appropriate to go a step further on this occasion and, before the opening of the Three Power Conference, inform the Russians of the Imperial will concerning the ending of the war. We should, therefore, like you to present this matter to Molotov in the following terms:

His Majesty the Emperor, mindful of the fact that the present war daily brings greater evil and sacrifice upon the peoples of all belligerent powers, desires from his heart that it may be quickly terminated. But so long as England and the United States insist upon unconditional surrender the Japanese Empire has no alternative but to fight on with all its strength for the honor and the existence of the Motherland. His Majesty is deeply reluctant to have any further blood lost among the people on both sides, and it is his desire
for the welfare of humanity to restore peace
with all possible speed."

"The Emperor’s will, as expressed above,
arises not only from his benevolence toward
his own subjects but from his concern for the
welfare of humanity in general. It is the
Emperor’s private intention to send Prince
Konoye to Moscow as a Special Envoy with a
letter from him containing the statements
given above. Please inform Molotov of this
and get the Russian’s consent to having the
party enter the country. (I shall telegraph
the names of the members of the party later.)

"Although it will be impossible for this
dlegation to get there before the big men in
Moscow leave for the Three Power Conference, we
must arrange for a meeting immediately after their
return. Accordingly, I should like to have the
trip made by plane, if possible. Please try to
arrange for a Russian plane to go as far as
Manchouli or Tsitsihar [in northwest and north-
central Manchukuo respectively]."

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2. Sato-Molotov conference: An 11 July report from Ambassador Sato has now been received which discloses that he succeeded in seeing Foreign Commissar Molotov that day but that, at the time of the conference, he had not yet received Foreign Minister Togo's instructions (also sent on the 11th) to find out if Russia would help Japan make peace. Sato's account—which is annexed in full as TAB A—discloses that Molotov was non-committal about the proposal for improving Russo-Japanese relations submitted to Ambassador Malik by ex-Premier Hirota, asserting that a detailed report on the matter had not yet been received from Malik. When questioned by Sato about the purpose of T. V. Soong's visit to Moscow, Molotov replied that, as Vice Commissar Lozovsky had already said, press rumors were unreliable.

3. Disposition of Allied internees in China in event of "an emergency": As previously noted, in June G.E.A. officials in Shanghai had been told by Army authorities there that all internment camps in the area were needed for military purposes. Accordingly they had made tentative plans...
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for (a) transferring some 5,000 internees (apparently most of the "able-bodied men" in the camps) to Manchukuo, and (b) releasing "on parole" those who remained (DS 7 Jul 45).

In two 7 July messages the G.E.A. Ministry has now advised its principal offices in China that a plan is being considered by the War, Navy, Foreign and G.E.A. Ministries for the release of almost all enemy nationals in China in the event of "an emergency". While the messages are not clear on the point, the implication seems to be that if the plan were adopted the idea of moving enemy nationals to Manchukuo would be abandoned. The salient points of the proposal as outlined were the following:

a. "Enemy nationals interned at various places in China . . . are to be released . . . when the danger is imminent that the districts where the camps are located will actually become battlefields as a result of enemy landing operations."

b. "If it is absolutely necessary to prevent some of the internees from being handed over to the enemy forces, they will be separated from the .

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ordinary internees, ** removed to a suitable area and kept in special protective custody."

2. Supervision over the internees to be released will be turned over to "the local consular official of the country representing their interests, or to the local representative of the International Red Cross."

The messages explained that the purpose of the last point was to transfer responsibility for the internees so as to afford "no pretext for adverse enemy propaganda [to the effect] that we irrationally deserted the internees when war conditions became chaotic."

4. Swatow prediction of "imminent landing attempt". Since last May the Japanese Consul at Swatow has submitted a number of reports describing the activities of Chungking and Communist guerrillas (and of some American units) in southern Fukien and eastern Kwangtung Provinces, and connecting them with possible Allied landings (O6 21 Jun 45).

In a 5 July message, the Consul has now described further "activities of enemy forces in the territory under our jurisdiction [which] point to an imminent landing attempt on the continent by American
forces." According to the Consul (a) a "Kwangtung-
Fukien-Kiangsi area command, directly under the
\Chungking\ 7th War Zone, is now located at Hsing-
ning (70 miles northwest of Swatow and also head-
quarters of the 7th War Zone), (b) agents of that
command are spreading anti-Japanese propaganda in
occupied territory and encouraging desertions among
Japanese and Nanking armed forces, (c) Ou Yang-chu,
a "special representative" of the command, called a
meeting on 17 June of the "representatives of all
\Hostile\ military agencies in Jiao-ping, Ch'ao-an,
Cheng-hai, and Nan-ao prefectures \all within 45
miles of Swatow\, (d) the meeting was held at Liu-huang
\38 miles north of Swatow\ and "definite and uniform
resistance plans were apparently drawn up to be put
into effect as soon as the American forces land in
the \Word missing\."
POLITICAL

1. French concern over reported Anglo-American support of Germans in Switzerland: Late in May Foreign Minister Bidault advised his Ambassador in London of a report from Ambassador Hoppener in Berne to the effect that the "Anglo-Saxons are trying to win over the greatest possible number" of German diplomatic representatives in Switzerland, "doubtless in order to be able to use them later on."

Bidault has now sent the following message—dated 5 July—to the Embassy in London:

"Our Embassy in Berne continues to point out to me that the German diplomats in Switzerland, especially former Minister Koecher, have been receiving some support from the Anglo-Saxons. Accordingly, I should like to know whether this support is the consequence of local initiative or results from a studied policy at the Foreign Office.

"More generally, I am also interested in the assistance which certain German emigres, particularly the democratic Germany group [New Democratic Germany Movement] under the
leadership of former Chancellor Wirth seem to be finding, chiefly in American circles, but also in British circles. Let me know whether the British Government approves of this assistance."

2. Anglo-American attitude toward Russian demands upon Turkey: TAB B contains a report from Turkish Ambassador Sarper in Moscow describing a 7 July conversation with Minister Roberts of the British Embassy. According to Sarper, Roberts advised him of the British note of protest to the Russians on the subject of Russia's demands upon Turkey, and also told him that (a) the ground had been prepared for discussing this subject at the Three Power Conference and the British Government had "taken a definite stand," (b) the Americans would probably "give their assistance at the Conference," although America was "not as closely concerned as England." Sarper quoted himself as saying that the Russians were quite likely to use force against Turkey if they discovered symptoms of indecision and weakness among those who opposed them.
3. **Comments of Cuban Ambassador to Argentina:**

In a 4 July report, Cuban Ambassador Portela in Buenos Aires had the following to say about an interview on the 3rd at which he had presented Dr. Pedro Cue, editor of the Havana "El Mundo," to Vice President Juan Peron:

"Peron adopted the classic attitude of the man sent by providence as the savior of the people from capitalist exploitation and of the country from dishonest politicians, stating with emphasis that he will complete his work and will combat unmercifully anyone who might attack him. He said: "If anyone wants war, he will have it; I will place myself at the head of the workers, and go so far as to spill blood if it is necessary.""

"When I asked Peron what he thought about the reestablishment of constitutional normalcy in the country and the approximate date of*

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*On 6 July Cue told the press in Chile that Peron had informed him that he (a) expected civil war and (b) was prepared for it with an army of 100,000 men plus 4,000,000 workers armed with clubs.*
elections, he evaded an answer."

In concluding his message, Portela stated:
"I think the situation is serious. We diplomats are in a very delicate position since the Government looks on our inevitable contacts with the elements of the opposition with extreme suspicion. **The United States Ambassador requests that I act in agreement with him."

*Three days later President Farrell announced that elections would be "convoked" before the end of the year.
MISCELLANEOUS

1. United States said to favor mediation of (196655 RGB) Sino-Japanese war: On 7 July the French Foreign Ministry sent the following message to Ambassador Bonnet in Washington:

"According to remarks made to Ambassador Peckoff by a person from the entourage of T. V. Soong, the trip of the latter to Moscow is the follow-up of his trip to the United States, where it seems they are favorable to an attempt at mediation in the Sino-Japanese conflict."

For the Assistant Chief of Staff, G-2:

[Signature]

CARTER W. CLARKE
Brigadier General, GSO
Deputy Chief, MIS
Ref. DS Item MIL-2

Ambassador Sato's Account of his 11 July Interview with Foreign Commissar Molotov

Yesterday, the 10th, immediately after my talk with Lozovsky [DS 12 Jul 45] I requested an hour's interview with Molotov and was informed this afternoon [the 11th] that I was expected at 5 p.m. I accordingly went to see him at that time.

I began by thanking Molotov for seeing me despite the fact that he must be very much occupied before his departure for the Three Power Conference.

Molotov replied:

"I was informed yesterday that you particularly wished to see me and therefore made time for our interview, although I am very busy."

We then talked as follows:

Sato: First, I should like to discuss the matter of T. V. Soong's visit to Moscow. I fear that it is somewhat presumptuous to question the Russian Government about matters which are now under negotiation, but before your departure for the Berlin Conference I should be happy to hear your explanation as to any direct relationship which the present Sino-Russian talks may..."
have to Japan. There have been various reports in the foreign radio and press that Soong's visit will hasten Russia's participation in the Pacific war or is concerned with such questions as Manchukuo and the like; these reports have made us Japanese uneasy.

Molotov: You talked about this problem with Lozovsky yesterday. I have received a brief report of that conversation and I can confirm without modification what Lozovsky told you. Newspaper and radio reports are full of contradiction; one can hardly get the truth from them.

Unlike other large countries, China has sent no representatives to Moscow for a long time and Soong has never been here before. There are not a few problems between Russia and China and it is our mutual desire to consider and settle various questions with which we are particularly concerned and in general to work for improved relations between the two countries. At present Sino-Russian relations are wanting not a little in harmony, and the purpose of Soong's visit is to make possible
the settlement of these various problems. The

talks are still continuing and as yet no deci-
sions have been reached.

Sato: Do you expect that everything will
be settled before your departure or that the
talks will continue thereafter?

Molotov: Some of the pending questions are
simple but there are also certain difficult
matters. It is therefore possible that these
talks will continue after my departure but I
don't know whether they will last until the
close of the Three Power Conference. It is
hard to tell precisely.

Sato: As you are already aware, former
Premier Hirota and Ambassador Malik have been
carrying on an exchange of views at Gora.
During these conversations Hirota expressed a
number of ideas and on 29 June he presented
Malik with a proposal embodying the aims of
the Japanese Government. Do 9, 10 Jul 45.
My Government would like to know Russia's
views on this subject at once. I myself
played no part in this proposal and learned

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about the Hirota-Malik conferences only after they had been concluded. Japan's proposal, however, is simple and clear and I hope that it will result in the furtherance and improvement of Russo-Japanese relations. I would be happy if you could inform me in any fashion as to Russia's views on the subject. I talked to Lozovsky about this matter yesterday but thought it desirable to bring it up again today.

Molotov: To date we have received only a brief telegram from Malik and he will probably send the details by mail. When we receive the latter, the content and nature of Hirota's proposals will probably be entirely clear. Accordingly, I would like to hold the matter in abeyance until I have received a clear impression of the Japanese proposal.

Sato: Hirota's proposal is concise and clear and, even though you received only a short report, I think you should be able to understand it fully. Briefly, what Japan wants is to establish lasting friendship with Russia and to obtain her cooperation in the maintenance of
permanent peace in East Asia. If it is possible to make some sort of treaty in furtherance of these aims, it might even take the form of a non-aggression pact. Furthermore, in order to facilitate the realization of these objectives, Japan proposes to neutralize Manchukuo by withdrawing her forces from that area after the conclusion of the war and guaranteeing along with Russia Manchukuo's sovereignty and inviolability. Hirota also mentioned that Japan would be willing to renounce her fishing rights in exchange for a supply of oil and concluded with the statement that we would study any other problems which the Russian Government might care to bring up. I can appreciate your desire to receive a complete report but Hirota's proposals are rather unusual and it is not difficult to understand their urgency. Therefore, if the Russian authorities are willing to undertake an exchange of opinions on the proposal in the light of my explanation, I would appreciate an answer to this effect—to be made either to Hirota or myself.

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Molotov: Did you at the outset take any personal part in this matter?

Sato: I took no direct part in it. The details of Japan's proposal are as I have stated and since her purpose is a fine thing, I am in sympathy with it. I therefore hope that the Russian Government will also endorse this "idea."

Molotov: We shall study Japan's proposal very carefully and make up our minds. Malik's complete report should arrive shortly and I should like to consider it also.

Sato: In that case I should like to continue our talks after your return from the Three-Power Conference.

Molotov: By that time we shall probably have Malik's report.

The conference, which had lasted about 20 minutes, terminated at this point and I took my departure. Molotov said nothing about the Three-Power Conference except that it was supposed to begin sometime around the 15th.
8 July Report from Turkish Ambassador Sarper in Moscow to the Turkish Foreign Ministry

1. Roberts, the Minister Plenipotentiary in the British Embassy here, visited me on the 7th. He referred to the conversation I had had with British Ambassador Sir Archibald Clark-Kerr on 29 June /53 4 Jul 45/, and said that he had come to show me a document in confidence. The document, which I read, was a note which explained that the demands made upon us on our eastern boundaries and in the Straits \[Words missing\] are contrary to the Yalta conversations and stated that the British Government was angry because of this. The note was addressed to Molotov and bore the signature of Sir Archibald Clark-Kerr. This document was delivered to the Soviet Commissariat of Foreign Affairs at 4 p.m. on 7 July. Since I learned that a copy of this note would be delivered to our Foreign Ministry also, I am not repeating the contents here.

2. Roberts officially called my attention to the fact that the order to make such representations had been given by Prime Minister Churchill himself. He added that the ground had been prepared for discussing...
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this subject at the Three Power Conference and that the British Government has taken a definite stand.

I asked what the American Government's point of view toward the matter was, and to what extent it would render assistance to the British Government.

He said that, although the Americans did not seem inclined to make any official representation before the Three Power Conference, he believed that they would give their assistance at the Conference and that there were no differences between the Americans and the British on the basic idea. Naturally, America was not as closely concerned as England in this part of the world.

3.  I found that the British interest in the activities of the Soviets with respect to the Eastern border as established by the 1921 treaty is now much greater than the interest which the British Ambassador showed in the conversations I had with him on 29 June. I gained the impression that the Soviet demands on our boundary are beginning to look like a development underway which would threaten British security and interests in the Near East.

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During the conversation, Roberts asked whether I thought the Soviets had any serious intention of making use of the ultimate remedy. I said that the viewpoint of American circles here that the Soviet actions consisted of a bluff was out of place and that I felt that it was well within the bounds of possibility that the Soviet Government would make arrangements to go to the limit if they found symptoms of indecision and weakness among those who opposed them.

In response, Roberts, finding the occasion suitable, said that the Dean of Canterbury, who is well-known for his statements against us, had been received by Marshal Stalin recently, that the British Ambassador and the Embassy personnel have been invited to a banquet which will be given in his honor, but that the Ambassador and the Embassy personnel will not accept this invitation.
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When he was leaving, Roberts promised that, if a reply was received from Molotov to the representations which have been made, he would inform me of it.