"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.

PART II

1. Tokyo studying surrender terms: Foreign (Spec 015 JBB) Minister Togo today sent the following to Ambassador Sato (the second half of the message is not yet available):

"Reference your message of 30 July [Containing Sato's comments on the Three Power Proclamation]."
"I have been fully apprised of Your Excellency's views by your successive wires, and am well able to understand them as the opinions of the Ambassador on the spot. However, it should not be difficult for you to realize that, although with the urgency of the war situation our time to proceed with arrangements for ending the war before the enemy lands on the Japanese mainland is limited, on the other hand it is difficult to decide on concrete peace conditions here at home all at once. At present, in accordance with the Imperial Will, there is a unanimous determination to seek the good offices of the Russians in ending the war, to make concrete terms a matter between Japan and Russia, and to send Prince Konoya, who has the deep trust of the Emperor, to carry on discussions with the Russians . . . It has been decided at any rate to send a Special Envoy in accordance with the views of the highest leaders of This Government, and along with this decision we are exerting ourselves to collect the views of all quarters on the matter of concrete terms. (Under the cir-

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"On the basis of circumstances there is a disposition to make the Potsdam Three Power Proclamation the basis of our study concerning terms."

For the Assistant Chief of Staff, G-2:

CARTER W. CLARKE
Brigadier General, GSC
Deputy Chief, MIS

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