DECLASSIFIED Authority NND 45293

## Department of State



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Action

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Info

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OCB USIA CIA OSD NAVY

OCL FOA CONFIDENTIAL

Secretary of State TO:

Tokyo

NO:

FROM:

207, July 26, 7 p.m.

Control: 10882 RECLASSIFIED Y 1954 Authority By. Date

OR N.

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Re FUKURYU MARU compensation, Okazaki told me today that Ando, who heads Cabinet committee on Bikini incident problems, had almost succeeded in persuading Yoshida last week that 1.5 billion yen (\$4.2 million) was minimum acceptable claim. Okazaki intervened later to insist sum was out of question; he thought he had persuaded US Ambassador go as high as 1 million dollars, but that was limit. Discussion inside government not yet concluded, but Okazaki reasonably confident he can I made no commitment to Okazaki re 1 million carry agreement. figure but indicated some optimism we could go this high for prompt settlement.

- Believe it important be able conclude agreement immediately, once Okazaki has persuaded his colleagues to sign. at this point would encourage opposition to whip up press and public and make eventual signature that much more difficult. Accordingly request renewed authority this fiscal year conclude compensation settlement up to 1 million dollars soonest.
- 3. View critical importance public relations aspects settlement, draft agreement transmitted July 2 should perhaps be expanded to serve as public statement re conclusion incident. cable suggested amendments soonest.

JAK-14

ALLISON Action Assigned to Action Taken Not

FAR EASTERN AFFAIRS BUREAU OF

1954 JUL 26 AM 10 25

DEPARTMENT OF STATE

COMPLDENT

Direction to DC/R

Date of Action

Name of Officer

Action Office Symbol

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