"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" Allied ultimatum: On 28 July Foreign Minister Togo sent the following message to Ambassador Sato:

   "Reference our No. 944."

*This was the 25 July message in which Togo instructed Sato to try to see Molotov about Japan's peace proposal during the lull in the Berlin Conference (DS 26 Jul 45). Sato had difficulty in reading it (DS 27 Jul 45), and on the 27th Togo said he would rewrite it.

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"1. What the Russian position is with respect to the Potsdam Joint Declaration made by England, America and Chungking is a question of extreme importance in determining our future counter-policy. In view of the fact that words uncertain, probably meaning: "as it developed, the proclamations issued at previous Three Power Conferences—Quebec, Cairo, etc.—were all communicated to Russia beforehand", I think it would be hard to believe that the Russians were not also aware in advance of the present Joint Declaration.

"2. Moreover, since as it happened we were awaiting the Russian answer in regard to sending a Special Envoy, the question arises as to whether there is not some connection between this Joint Declaration and our proposal. Obviously we are deeply concerned as to whether there is such a connection, that is to say, whether the Russian Government communicated our proposal to the English and the Americans, and we are also concerned as to what attitude the Russians will take toward Japan in the future.

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"3. As a counter-measure in response to the Joint Declaration, we are adopting a policy of careful study (while waiting for the Russian answer to our proposal). So we should like Your Excellency to have an interview with Molotov as quickly as possible and, in addition to driving home the ideas expressed to you in our No. 944, to attempt to sound out the Russian attitude toward the Joint Declaration."

2. Report from Sato: On 27 July—the day before the above message was sent—Ambassador Sato expressed his views on the situation as follows (apparently at the time he had still not read Togo's No. 944):

"I find it most difficult to make any prediction as to the Soviet reply to our proposal apparently the proposal which Prince Konoye would bring with him. If the proposal of the Japanese Government simply requests the aid of the Soviet Government in ending the war and if it fails to give any indication of the basis on which this request is made, then I
think it not at all unlikely that the Soviet Government will refuse to consider it on the ground that it cannot decide upon such a momentous move on such a flimsy basis.

"If you intend to make a proposal of this sort, I cannot help fearing that any refusal by the Soviet Government will place us in a most embarrassing position and may even involve the Imperial House itself, in view of the fact that you have been emphasizing the fact that the Special Envoy is being sent at the behest of His Majesty the Emperor who is anxious to put an end to further bloodshed. In your wire of 21 July, on this matter, you stated that it will be the mission of Prince Konoye to convey the 'concrete intentions' of the Japanese Government. Now I would like you to note particularly that while you --- words missing --- not give the impression that he would make any concrete 'offers,' Lozovsky has stated that he interprets your language as meaning that the Prince will convey 'concrete offers.'
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"In short, I simply do not believe that we can possibly induce the Soviet Government to act on a proposal of this magnitude unless we are firmly resolved to ____ [words missing] and explain our intentions directly and without circumlocution. The Soviet attitude on this point is clear. There can be no room for doubt that the Soviet Government expects Japan to make concrete proposals.

"The joint ultimatum to Japan issued on the 26th at Potsdam by the leaders of Great Britain, the United States and China seems to have been intended as a threatening blast against us and as a prelude to a Three Power offensive. As might have been expected, any aid from the Soviet Union has now become extremely doubtful and there can be little doubt that this ultimatum was meant to serve as a counter-blast to our peacefeelers."

"According to a BBC broadcast of the 26th, before Lord [name] Mountbatten returned to Great Britain he stopped off at Potsdam in order...

*As noted above, Foreign Minister Togo was not convinced of any such relation between the two moves.

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to report to the leaders of Great Britain, the United States and the Soviet Union on the war situation in the Far East. The broadcast added that Stalin has, for the first time, participated in the discussions of the Anglo-American leaders regarding the war in the Far East. I think that this point is particularly worth noting. I cannot help being afraid that this development may influence the attitude of the Soviet Government on the question of aiding in effecting our plan."

For the Assistant Chief of Staff, G-2:

[Signature]

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

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