"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. Report from Sato: As previously noted, on 26 July Foreign Minister Togo sent word to Sato to seek an interview with Foreign Commissar Molotov during the lull in the Potsdam Conference, but Sato was unable to read the message and on the 27th Togo said he would rewrite it (DS 26, 27 Jul 45).

Sato has now sent the following message to Togo, dated 29 July:
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"1. With reference to your message of the 25th, the repeat wire was received and read on the 28th. On the same day Mr. Attlee, the new Prime Minister, returned to Potsdam and immediately participated in the Conference. As a result, it is no longer possible for me to comply with your instructions to seek an interview with Molotov; furthermore, if I were to seek such an interview and the Russian officials were to find no reason to approve my trip we would only have betrayed our feelings of uneasiness.

"2. You also direct me to request Russia's good offices in ending the war and to advise the Russians that if they show a cold attitude, we will have no choice but to consider other courses of action. You evidently feel that we can achieve a satisfactory result by either lifting Russia up or taking her down, but, in view of the general situation, I believe that such an approach is unsound.

"3. Although the American 'spokesman' in English spoke firmly for an unconditional
surrender he certainly hinted that if we were to agree to this the terms would in actual practice be toned down; indeed if we assume this to be his true meaning the situation is as I stated in my message of 20 July 45 in which Sato urged that Japan should surrender provided she were permitted to retain the Imperial House—DS 22 Jul 45. Although I don't know to what extent the statements of Captain Zacharias in his recent broadcast were authoritative, the principle enunciated by him—that Japan can reap the benefits of the Atlantic Charter—differs from the attitude which the Allies took toward Germany before her capitulation.

"While no reason is apparent why the Allies—in contrast to their treatment of Germany—are softening their attitude toward Japan, our position is different from Germany in that as you say we have no objection to the restoration of world peace on the basis of the Charter. This raises the question of whether the Imperial Government is prepared to accept the principle of"
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dismantlement* and will so inform the Russians at the outset in making any representations—regardless of whether or not we send a Special Envoy. There is also the similar question of whether we are now prepared to recognize the independence of Korea.

44. According to the BBC, Your Excellency has issued a statement that the Japanese Government has decided to ignore the Three Power ultimatum of the 26th, but I have as yet received no official message on the subject. Nevertheless, whether we treat this ultimatum with silent contempt or publicize it in our ordinary reports, the fact remains that it is a public expression of the intention of England, America, and China and is the basis of the statement made by Captain Zacharias. It is true that there are discrepancies

*The eighth "principle" enunciated in the Atlantic Charter provides for the disarmament of aggressor nations "pending the establishment of a wider and permanent system of general security."
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in some of the important points in the Ultimatum presumably between it and the Atlantic Charter. (In the Ultimatum it is understood that, while Japan's territory is to be limited to Honshu, Shikoku, Kyushu, and Hokkaido, America will keep Okinawa.)

"5. In your 12 July message [58 13 Jul 45], you merely informed me of Japan's desire to send a Special Envoy to Moscow; then, in a message dated 21 July, you instructed me to seek the good offices of the Russian Government [58 22 Jul 45]; now in your 25 July message, I am directed to make clear that the purpose of sending a Special Envoy is to induce Stalin to become a peace advocate. I regret that our plans have been doled out in this way. While we must, of course, consider the possibility that the Russians will be indifferent toward our proposal, I unfortunately am unable to think of any other means of accomplishing our end.

"6. To sum up, I am now waiting for a reply to the representation which I made to

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Lozovsky on 25 July [in which Sato again urged the Russians to receive Prince Konoye—DS 26, 27 Jul 45] and if no reply arrives by the 30th (Monday), I will press for one without delay.

#7. I had no sooner finished drafting this report when I received your message of 28 July [urging Sato to have an interview with Molotov as quickly as possible—DS 29 Jul 45].

As for seeing Molotov, I would particularly like to be informed whether our Imperial Government has a concrete and definite plan for terminating the war; otherwise I will make no immediate request for an interview."

For the Assistant Chief of Staff, G-2

CARTER W. CLARKE
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Deputy Chief, MIS

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