

and Okazaki understand that anything over million dollars from United States would require congressional hearing and they thoroughly appreciate this would not be in best interests Japan. Okazaki told me they would be obliged include statement in their note of acceptance to effect that this was final lump-sum settlement of damages for this accident but that any repetition of incident from future tests could not be settled on same basis.

3. There is thus every likelihood of concluding settlement prior Yoshida's departure and I shall press desirability disposing of claim before Prime Minister leaves. This will give us appropriate interval between compensation settlement and proposed new conference dates. Highly important I be able conclude agreement as soon as Japanese give their assent. Assume authority offer compensation up to one million dollars has now been extended this fiscal year (Embassy's 207, paragraph 2, July 26). Please confirm.

SPECIAL ASSISTANT TO THE SECRETARY
S/AE

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Honolulu as alternative site.

6. Will cable proposed text settlement note early next week.

ALLISON

RJB/1

SECRET
AUG 2 1954
U. S. DEPARTMENT OF STATE
WASHINGTON, D. C.

SECRET