From: Madrid (SPAIN)

To: Tokyo (SUMMER) (Vice Chief, General Staff)

3 December 1941

JAS

342 Parts 1 and 2 Complete.

Part 1.

The Japanese-American conference, once perilously near the breaking point, now is viewed as going on in an easier atmosphere since the resumption of talks made possible by Japanese concessions. The apologies of Ambassador KURUSU and some Japanese newspapers for the phrase about the destruction of the Anglo-American hegemony in the Premier's message, are thought to be somewhat satirical in tone. However, the President's statement, "America will probably be in the war by next year", and that of an important (American?) Navy man, "We could wipe out the Japanese navy in no time at all", were blustered out, with no criticism from Japan. [These people] tend to underrate Japan's military strength.

Part 2.

The conclusion of an Anglo-American agreement on the establishment of military bases on Christmas, Fiji, Samoa, and other Pacific Islands, has been reported. We are allowing

[Handwritten note]
America to grow stronger, while Japan pursues a conservative and hesitant course.

It is our prayer that the Army (take some?) decisive (take some?) action. 