15 ... Def. Doc. No. 1401-B-2 (Revised) From Togo to Nomura 4 November 1941 No. 726 1. Proposal A This is our proposal setting forth what are virtually our final concessions, made by revising our proposal of 25 September with a view to meeting, insofar as possible, the wishes of the United States as revealed through the negotiations in the past. Our stand with respect to the three pending issues is moderated as follows: (1) Non-discrimination in trade If it should not be possible to reach an agreement on the basis of our 25 September proposal, it should be modified as follows: "The Japanese Government recognizes the principle of non-discrimination in international commercial relations to be applied to all the Pacific area, including China, on the understanding that the said principle is to be applied uniformly to the rest of the world." (2) Interpretation and application of the Tripartite Pact It should be further clarified that Japan has no intention of making any unwarranted extension of the interpretation of the right of solf-defense. With regard to the interpretation and application of the Tripartite Pact, it should be stated that the Japanese Government, as has been repeatedly explained in the past, will act in accordance with its own decision, and that it is believed that the understanding of the American Government has already been obtained on this point. (3) Withdrawal of Troops We make the following relaxation: (a) Stationing of troops in and withdrawal from China Following restoration of peace between Japan and China, the Japanese troops dispatched to China in connection with the China Affair will be withdrawn within two years, in accordance with the agreement to be entered into between Japan and China, except that those in specified areas in North China and Mengchiang as well as Hainan Island are to be stationed for such duration as may be necessary. (Note) In case the United States inquires into the length of the necessary duration, reply is to be made to the effect that the approximate goal is 25 years. (B) Stationing of troops in and withdrawal from French Indo-China Japan respects the territorial integrity of French Indo-The Japanese troops dispatched thereto will be withdrawn China. immediately upon either the settlement of the China Affair or the establishment of peace in East Asia on an equitable basis.

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With regard to the four principles, every effort is to be made to avoid including them in the terms of a formal agreement between Japan and the United States (whether in the form of agreement or other declaration).

## 2. Explanation of the above

- (1) With regard to the principle of non-discrimination in trade, our contention hitherto made on the basis of geographical propinquity is withdrawn and the principle is adopted on the condition that it be applied to the whole world. It is presumed that there will be no opposition to it on the part of the United that there will be no opposition to it on the part of the United States Government in view of the statement in its memorandum of 2 October to the effect that "it would be undesirable if either the United States or Japan were to pursue one course of policy the United States or Japan were to pursue one course of policy in certain areas while at the same time pursuing an opposite course in other areas." It is believed, therefore, that agreement will be reached on this point.
- (2) By the way, with regard to the Tripartite-Pact question, it has been reported in your telegrams on various occasions that the United States is, in general, satisfied with our proposal. It is, therefore, believed that this question will also be settled is, therefore, believed that this question will also be settled if it is further clarified that Japan has no intention of unif it is further clarified that Japan has no intention of unwarrantedly extending the interpretation of the right of self-defense.
- (3) The question of withdrawal of troops may still be difficult to settle. In view of the strong American opposition to the stationing for an indefinite period, it is proposed to dismiss her suspicion by defining the area and duration of the stationing her suspicion by defining the area and duration of the stationing the imight meet the desire of the United States to a greater degree if withdrawal were to be made the principle and stationing the exception, but it is impossible to adopt that formula in the circumstances prevailing in Japan. If, moreover, a definite circumstances prevailing in Japan. If, moreover, a definite period for which it will be necessary to station the troops is clearly indicated, it may have the contrary effect of further complicating the issue. Accordingly, you are directed to abide, at this moment, by the abstract term "necessary duration", and this moment, by the abstract term "necessary duration", and to make efforts to impress the United States with the fact that the troops are not to be stationed either permanently or for an indefinite period.

In short, Proposal "A" represents an over-all acceptance of the American contention in respect to two of the three pending issues and a maximum concession in regard to the question of stationing and withdrawal of troops. In the light of the enormous sacrifices sustained by Japan owing to the China Affair, extending over four years, this Japanese proposal by no means involves any excessive demands; our requests are, if anything, much too small. In this connection, any further concession on our part can hardly be expected, by reason of the internal politic situation. I carnestly desire that you will have the United States understand the circumstances and speedily conduct the negotiations under the present proposal to a successful conclusion.