

DEPARTMENT OF STATE

FOR THE PRESS

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No . 585

The text of the document handed by the Secretary of State to the Japanese Ambassador on November 26, 1941, which consists of two parts, one an oral statement and one an outline of a proposed basis for agreement between the United States and Japan, reads as follows:

"ORAL

"STRICTLY CONFIDENTIAL

"November 26, 1941

"The representatives of the Government of the United States and of the Government of Japan have been carrying on during the past several months informal and exploratory conversations for the purpose of arriving at a settlement if possible of questions relating to the entire Pacific area based upon the principles of peace, law and order and fair dealing among nations. These principles include the principle of inviolability of territorial integrity and sovereignty of each and all nations; the principle of non-interference in the internal affairs of other countries; the principle of equality, including equality of commercial opportunity and treatment; and the principle of reliance upon international cooperation and conciliation for the prevention and pacific settlement of controversies and for improvement of international conditions by peaceful methods and processes.

"It is believed that in our discussions some progress has been made in reference to the general principles which constitute the basis of a peaceful settlement covering the entire Pacific area. Recently the Japanese Ambassador has stated that the Japanese Government is desirous of continuing the conversations directed toward a comprehensive and peaceful settlement in the Pacific area; that it would be helpful toward creating an atmosphere favorable to the successful outcome of the conversations if a temporary modus vivendi could be agreed upon to be in effect while the conversations looking to a peaceful settlement in the Pacific were continuing. On November 20 the Japanese Ambassador communicated to the Secretary of State proposals in regard to temporary measures to be taken respectively by the Government of Japan and by the Government of the United States, which measures are understood to have been designed to accomplish the purposes above indicated.

"The Government of the United States most earnestly desires to contribute to the promotion and maintenance of peace and stability in the Pacific area, and to afford every opportunity for the continuance of discussions with the Japanese Government directed toward working out a broad-gauge program of peace throughout the Pacific area. The proposals which were presented by the Japanese Ambassador on November 20 contain some features which, in the opinion of this Government, conflict with the fundamental principles which form a

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part of the general settlement under consideration and to which each Government has declared that it is committed. The Government of the United States believes that the adoption of such proposals would not be likely to contribute to the ultimate objectives of ensuring peace under law, order and justice in the Pacific area, and it suggests that further effort be made to resolve our divergences of views in regard to the practical application of the fundamental principles already mentioned.

With this object in view the Government of the United States offers for the consideration of the Japanese Government a plan of a broad but simple settlement covering the entire Pacific area as one practical exemplification of a program which this Government envisages as something to be worked out during our further conversations.

The plan therein suggested represents an effort to bridge the gap between our draft of June 21, 1941 and the Japanese draft of September 25 by making a new approach to the essential problems underlying a comprehensive Pacific settlement. This plan contains provisions dealing with the practical application of the fundamental principles which we have agreed in our conversations constitute the only sound basis for worthwhile international relations. We hope that in this way progress toward reaching a meeting of minds between our two Governments may be expedited."

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"STRICTLY CONFIDENTIAL,
TENTATIVE AND WITHOUT
COMMITMENT

"November 26, 1941.

"OUTLINE OF PROPOSED BASIS FOR AGREEMENT
BETWEEN THE UNITED STATES AND JAPAN

"Section I

"Draft Mutual Declaration of Policy

"The Government of the United States and the Government of Japan both being solicitous for the peace of the Pacific affirm that their national policies are directed toward lasting and extensive peace throughout the Pacific area, that they have no territorial designs in that area, that they have no intention of threatening other countries or of using military force aggressively against any neighboring nation, and that, accordingly, in their national policies they will actively support and give practical application to the following fundamental principles upon which their relations with each other and with all other governments are based:

"(1)

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- "(1) The principle of inviolability of territorial integrity and sovereignty of each and all nations.
- "(2) The principle of non-interference in the internal affairs of other countries.
- "(3) The principle of equality, including equality of commercial opportunity and treatment.
- "(4) The principle of reliance upon international cooperation and conciliation for the prevention and pacific settlement of controversies and for improvement of international conditions by peaceful methods and processes.

"The Government of Japan and the Government of the United States have agreed that toward eliminating chronic political instability, preventing recurrent economic collapse, and providing a basis for peace, they will actively support and practically apply the following principles in their economic relations with each other and with other nations and peoples:

- "(1) The principle of non-discrimination in international commercial relations.
- "(2) The principle of international economic cooperation and abolition of extreme nationalism as expressed in excessive trade restrictions.
- "(3) The principle of non-discriminatory access by all nations to raw material supplies.
- "(4) The principle of full protection of the interests of consuming countries and populations as regards the operation of international commodity agreements.
- "(5) The principle of establishment of such institutions and arrangements of international finance as may lend aid to the essential enterprises and the continuous development of all countries and may permit payments through processes of trade consonant with the welfare of all countries.

"Section II

"Steps to be Taken by the Government of the United States and by the Government of Japan

"The Government of the United States and the Government of Japan propose to take steps as follows:

"1. The Government of the United States and the Government of Japan will endeavor to conclude a multilateral non-aggression pact among the British Empire, China, Japan, the Netherlands, the Soviet Union, Thailand and the United States.

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no { *non aggression pact*
- Portugal
- France
- Belgium
+ Thailand } *later change and 1922*

"2.

"2. Both Governments will endeavor to conclude among the American, British, Chinese, Japanese, the Netherland and Thai Governments an agreement whereunder each of the Governments would pledge itself to respect the territorial integrity of French Indochina and, in the event that there should develop a threat to the territorial integrity of Indochina, to enter into immediate consultation with a view to taking such measures as may be deemed necessary and advisable to meet the threat in question. Such agreement would provide also that each of the Governments party to the agreement would not seek or accept preferential treatment in its trade or economic relations with Indochina and would use its influence to obtain for each of the signatories equality of treatment in trade and commerce with French Indochina.

||| "3. The Government of Japan will withdraw all military, naval, air and police forces from China and from Indochina. |||

| "4. The Government of the United States and the Government of Japan will not support -- militarily, politically, economically -- any government or regime in China other than the National Government of the Republic of China with capital temporarily at Chungking.

"5. Both Governments will give up all extraterritorial rights in China, including rights and interests in and with regard to international settlements and concessions, and rights under the Boxer Protocol of 1901.

"Both Governments will endeavor to obtain the agreement of the British and other governments to give up extraterritorial rights in China, including rights in international settlements and in concessions and under the Boxer Protocol of 1901.

"6. The Government of the United States and the Government of Japan will enter into negotiations for the conclusion between the United States and Japan of a trade agreement, based upon reciprocal most-favored-nation treatment and reduction of trade barriers by both countries, including an undertaking by the United States to bind raw silk on the free list.

"7. The Government of the United States and the Government of Japan will, respectively, remove the freezing restrictions on Japanese funds in the United States and on American funds in Japan.

"8. Both Governments will agree upon a plan for the stabilization of the dollar-yen rate, with the allocation of funds adequate for this purpose, half to be supplied by Japan and half by the United States.

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"9. Both Governments will agree that no agreement which either has concluded with any third power or powers shall be interpreted by it in such a way as to conflict with the fundamental purpose of this agreement, the establishment and preservation of peace throughout the Pacific area.

"10.

"10. Both Governments will use their influence to cause other governments to adhere to and to give practical application to the basic political and economic principles set forth in this agreement.
