

# Peking story (American prisoners in China) - correspondence, letters and ca...

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Dag Hammarskjölds saml.

Peking story - 1955

8-10 Jan.

- Press clippings
- 1 photo.



## PAKISTAN STANDARD

**Dag meets  
Chou again**

UNITED NATIONS, Jan. 7: United Nations Secretary-General, Mr. Dag Hammarskjöld, and Communist Chinese Premier, Chou En-lai discussed the fate of UN war prisoners in another three and three-quarter hour meeting today.

A message to UN Headquarters, signed by Mr. Hammarskjöld, said he and Chou held their second formal meeting in Peking between 3 p.m. and 6-45 p.m. (07.00 and 10.45 GMT). It said the next meeting was scheduled for Saturday at 3 p.m. Peking time.

A similar communique was broadcast by Radio Peking.

The message to the UN said that except for the Friday afternoon meeting, Mr. Hammarskjöld's programme for today included only attendance at an opera performance.

The United Press dispatch from Peking said an extra-ordinary overnight meeting lasted three and a half hours.—UPA.

## D A W N

**DAG MEETS  
CHOU AGAIN****Third meeting  
today**

UNITED NATIONS, Jan 7: United Nations Secretary-General Dag Hammarskjöld and Communist Chinese Premier Chou En-lai discussed the fate of UN war prisoners and 11 American airmen in another three and three-quarter hour meeting today.

A message to UN Headquarters signed by Dr Hammarskjöld said he and Mr Chou held their second formal meeting in Peking between 07.00 and 10.45 GMT. It said the next meeting was scheduled for Saturday at 3 p.m. Peking time.

A similar communique was broadcast by Radio Peking.

A dispatch from a special "United Press and Times of India" correspondent in Peking also reported an overnight meeting between the two,—but no mention of this session was made in the releases either from UN Headquarters or as transmitted by Peking Radio.

The message to the UN said that except for the Friday afternoon meeting, Dr Hammarskjöld's programme for today included only attendance at an opera performance.

The United Press dispatch from Peking said an extra-ordinary overnight meeting lasted three and a half hours.—UPA.

**Dag-Chou longest  
meeting****Departure delayed**

UNITED NATIONS, Jan 8: Secretary-General Dag Hammarskjöld and Red Chinese Premier Chou En-lai met for more than five hours today in their third and longest talk on the fate of 11 American airmen jailed on spy charges by Red China.

They scheduled a fourth session for next Monday.

The first report on today's session came from Radio Peking.

Dr Hammarskjöld had been reported planning to leave Peking on Sunday or early Monday. But apparently he changed his mind and decided to continue the talks.

Friday's meeting between Dr Hammarskjöld and Chinese Premier Chou En-lai lasted three hours and 45 minutes.

Dr Hammarskjöld was accompanied to the conference, the second since his arrival in China, by UN Under-Secretary-General, Prof Ahmed E. Bokhari, Public Relations Counsel Per Lind and International Law expert Humphrey Waldo.

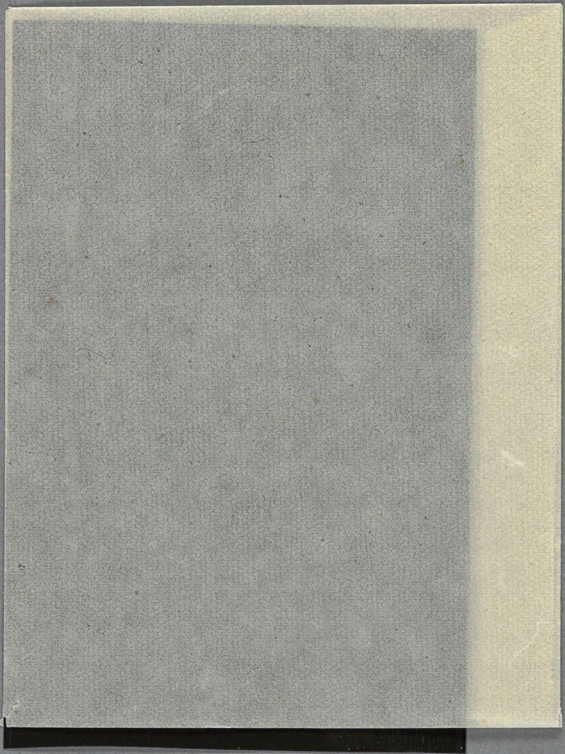
Chou was supported by Chang Han-fu, Vice-Foreign Minister; Prof Chou Keng-sheng, an International Law expert; Tung Yueh-chien, Director of the International Control Department, and Chiao Kuan-huan, Assistant to the Foreign Minister.

It was believed that at the Friday meeting Chou replied to the plea Hammarskjöld had made on Thursday to release the American fliers.

Chou was believed to have held his ground on the Chinese case that imprisonment of the fliers was entirely China's internal affair and that the action was correct in the eyes of international law.

It was also believed that the Premier emphasized that the present conferences should include the discussion of other kindred problems such as the case of 35 Chinese nationals who are being held in the USA and the transfer of Chinese war prisoners from Korea to Formosa. Another point possibly discussed was China's complaints of constant harassment and espionage activity by Americans on the Chinese mainland.—UPA.

1st. Negative



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مرکز اطلاعات اقوام متحدہ کراچی

THE PAKISTAN TIMES, SATURDAY, JANUARY 8, 1955—\*

## U.N. SECRETARY-GENERAL LEAVES FOR PEKING



Press and newsreel photographers taking pictures of the U.N. Secretary-General, Mr. Dag Hammarskjöld (centre right), and the members of his party just before their departure from New York to Peking. (On Mr. Hammarskjöld's left are Messrs Ahmed S. Bokhari, new U.N. Under-Secretary for Public Information, and Henry Cabot Lodge, Jr. Representative of the United States.)

NY TIMES  
9 Jan 55

# CITY EDITION

and mild today, chance of  
light. Clearing tomorrow.  
Temperature Range Today—Max., 48; Min., 32  
Temperature Yesterday—Max., 37; Min., 27  
Weather Bureau Report, Sec. 5, Page 3

## SECTION ONE

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# THIRD PEIPING TALK ON U. S. PRISONERS LASTS FIVE HOURS

### Hammaraskjold-Chou Session Is Longest One of Series

#### —No Hint on Progress

## WIND-UP DUE TOMORROW

### U. N. Party Expected to Leave China Tuesday and Stop in Hong Kong and Tokyo

By LINDESAY PARROTT

Special to The New York Times.

UNITED NATIONS, N. Y., Jan. 8—Secretary General Dag Hammaraskjold is expected to wind up his conversations with Chinese Communist Premier Chou En-lai after a fourth meeting Monday, United Nations officials said today.

Mr. Hammaraskjold is discussing the detention of eleven United States airmen held in Communist China as "spies" and of other nonrepatriated prisoners of the Korean war.

A United Nations official said this morning that Monday's meeting was expected to be the last. In that event the Secretary General and his official party might be expected to leave Peiping Tuesday. Tentative plans call for their return by way of Hong Kong and Tokyo.

Mr. Hammaraskjold and Mr. Chou held their third discussion today from 3 to 8 P. M., Peiping time, according to messages received here from the Secretary General. The five-hour sitting was the longest held since the talks began Thursday.

#### Participants Are the Same

The participants were the same as in the two previous sessions. Besides the Secretary General and Mr. Chou, they included Ahmed S. Bokhari, United Nations Under Secretary; Per Lind of the Secretary General's office; Humphrey Waldock, professor of international law, and Gustav Nystrom, Swedish Lutheran missionary, serving as interpreter at the conference.

The Chinese officials present were Chang Han-fu, Vice Foreign Minister; Chiao Kuan-hua, Assistant Foreign Minister; Tung Yueh-chien, director of the Foreign Ministry's Department of International Organizations and Conferences, and Prof. Chou Keng-shen, a Foreign Ministry adviser.

As on previous occasions, messages from Mr. Hammaraskjold gave no clue to the subjects discussed or to agreements reached, if any, on the long-controversial subject of detained war prisoners. The Secretary General let it be known before his departure that he considered the conversations to be in the nature of a diplomatic contact and that no formal announcements of progress or the lack of it might be expected during the sessions.

#### Time Schedule Followed

The statement of United Nations officials that Monday's meeting might be the last seemed to indicate, however, that the discussions had followed the tentative time schedule originally set up. The Secretary General had expected to remain in the Chinese capital about a week, returning to the United Nations in time for a scientific conference on the peaceful uses of atomic energy scheduled for Jan. 17.

Since his arrival in Peiping Wednesday, Mr. Hammaraskjold has held three business meetings with the Chinese Premier, plus a number of social contacts, including a private dinner, an official cocktail party and a round of sight-seeing tours, presumably accompanied by various Chinese Communist officials.

During the business sessions the Secretary General and Mr. Chou had talked for a total of just over twelve hours—three and a half on Thursday, three and three-quarters yesterday and five hours today. No specific time was set for the beginning of Monday's session. So far the conferees have sat down for their talks each day at 3 P. M., Peiping time.

With no meeting scheduled for tomorrow, the United Nations party planned an automobile trip

Continued on Page 3, Column 1

## NEW PEIPING TALK LASTS FIVE HOURS

Continued From Page 1

to the former Imperial Summer Palace outside Peiping. According to messages received here, the group also expected to visit the tombs of the Ming emperors, some distance outside the capital.

Previously the party had paid visits to the Forbidden City, Peiping's area of palaces and museums, in one of whose buildings the meetings have been held, and to the Chinese opera, according to messages received here.

Mr. Hammarskjold's message announcing the third meeting with Mr. Chou was received here under an agreement apparently reached with the Chinese at the first conference.

The Secretary General, before he left United Nations headquarters, said he would try to achieve simultaneous release here and in Peiping of communiqués on the official sessions. Apparently the Communists agreed and have withheld announcements of the meetings by the Government-controlled radio, sometimes for two or three hours, pending receipt of Mr. Hammarskjold's messages in New York. So far as is known here, it is the first time the Chinese Communists have made such an arrangement at an international meeting.

The Secretary General's messages have been sent uncoded from Peiping over a commercial circuit, preceded by some such phrase as "For immediate release" or "For immediate release not earlier than 9:30 A. M. New York time—similar communiqué will be released by Peiping radio at 10:30 P. M."

Thus today's message on the third meeting was released here at 10:08 A. M., within minutes

of a parallel—though not identical—communiqué in Peiping. Other messages from Mr. Lind about the non-official activities of the United Nations party have not been subject to the simultaneous release agreement.

### Due in Hong Kong Wednesday

Special to The New York Times.

HONG KONG, Jan. 8—According to an authoritative source here, Mr. Hammarskjold and his party are expected to reach Hong Kong Wednesday on their way back to the United States. They are scheduled to leave here by air for Tokyo Thursday.

It is not known here whether the group will arrive from China by plane or train. Nor is any information available as to how the Secretary General is faring on his mission to seek the release of the United States fliers.

Three Western correspondents who entered China this week with the hope of seeing Mr. Hammarskjold in Peiping were still stranded in Canton.

### Stockholm Is Optimistic

STOCKHOLM, Sweden, Jan. 8—Stockholm diplomatic circles feel optimistic about Mr. Hammarskjold's Peiping mission. The general impression is that the Secretary is on the eve of success in obtaining the release of the imprisoned United States fliers and United Nations personnel.

Mr. Hammarskjold's trip has been so carefully prepared diplomatically, one official said, that the chance of failure was virtually eliminated even before he proposed to see Mr. Chou.

Stockholm sources ignored the question whether the Chinese brought up the subject of a quid pro quo, but the feeling here is that they have not. Their view is that Peiping is content for the moment with the mere fact that Mr. Hammarskjold went there because the contact should prove valuable for the pursuit of broader aspects of Chinese long-term policy, which probably include recognition by the United States and everything implied by that.

## Meetings in Peiping

In Peiping last week two men met in secret conference, the outcome of which may have major repercussions in the East-West conflict. They were:

*Chou En-lai*, 53, Chinese Premier and Foreign Minister, smooth personable with a fluent command of English, veteran of the Chinese Communist revolution and the party's most skillful negotiator. When the occasion warrants he can turn off the charm and switch to steely implacability or ferocious attack.

*Dag Hammarskjold*, 49, Secretary General of the United Nations and a cultivated professional diplomat, with a reputation for tact, hard work, the ability to reconcile conflicting factions, and a tendency to shun the limelight.

The issue which has brought these two men face to face for the first time is the Chinese Communists' imprisonment of eleven United States airmen on charges of espionage. Mr. Hammarskjold arrived in the Chinese capital last Wednesday with a U. N. mandate to try to obtain the release of the fliers and all other U. N. personnel detained in China. He met the Peiping diplomatic corps Wednesday afternoon at a cocktail party given by Mr. Chou, then dined privately with the Premier. Thursday, Friday, and yesterday the two men met in formal talks of three or more hours. At the end of each session there was a brief official statement announcing that a meeting had taken place, the length of the session, and the participants. That was all. At the end of the week, there was still no indication as to the actual progress of the talks.

### Swap Possible

Mr. Hammarskjold has relatively little bargaining power in the Peiping negotiations. Washington has indicated it would consider a swap of the airmen for thirty-five Chinese students who have been denied exit permits—although not imprisoned—from the United States. But it has definitely rejected the idea that the airmen could be used as a gambit in negotiations on major Far East issues such as Formosa or a seat for Peiping in the U. N.—issues the Communists were expected to raise in the Peiping talks.

The stakes in the outcome of the negotiations are large. Should Mr.

Hammarskjold fail to obtain release of the fliers, both he personally and the U. N. will have suffered a damaging blow to their prestige. But of still greater consequence is the fact that failure of the talks is certain to revive strong pressures in the United States for more drastic action against the Chinese Communists, with the inevitable strain between Washington and its allies that such pressures produce.

Conversely, release of the fliers would represent a great personal triumph for Mr. Hammarskjold and a great boost to U. N. prestige. At the same time, it would also give Peiping a talking point for admission to the U. N.—if not in Washington, at least in other capitals of the West.

As yet, however, there are no indications that Peiping regards such relatively intangible benefits as sufficient ransom by themselves for release of the airmen.

*NY Times 9 Jan 51*

*Ny Herald Tribune  
8 Jan 55*

# Hammar skjold, Chou in 2d Session

By Ralph Chapman  
UNITED NATIONS, N. Y.,  
Jan. 7.—Secretary-General Dag  
Hammar skjold and Chinese  
Communist Premier Chou En-lai  
held a second meeting in Peking  
today and scheduled a third for 3  
p. m. tomorrow, Peking time (2  
a. m. Saturday, New York time).  
Today's discussion of the case of  
the eleven American airmen  
jailed by the Chinese Reds as  
spies and of other still-unrepa-  
triated U. N. military personnel  
captured in the Korean War

lasted for three hours and forty-  
five minutes.

A cable received here today  
from Mr. Hammar skjold was just  
as uncommunicative concerning  
the nature of the discussion as  
was that of yesterday telling of  
the first meeting. It is apparent  
that the two sides have agreed  
that there shall be no substan-  
tive announcement until a de-  
cision has been reached or until  
the talks are broken off inde-  
cisively.

Before leaving here Dec. 30,

Mr. Hammar skjold made clear  
his hope that such secrecy would  
prevail because of the delicacy  
of his mission.

Reports that the Secretary-  
General is preparing to leave  
Peking within the next day or  
two were discounted by sources  
close to the U. N. delegations  
most directly interested. It is  
generally believed that his talks  
with Mr. Chou will continue un-  
til the middle of next week. The  
same sources admitted, however,  
that he has not communicated  
with individual governments  
since his departure.

That Mr. Hammar skjold has  
won a preliminary victory be-  
came evident today with the  
timing of the release of the  
scant news of the meeting. The  
text of his cable was made  
*Continued on page 10, column 6*

longer necessary.

## U. N. Chief

*(Continued from page one)*

available to reporters at U. N.  
headquarters at 9:30 a. m. It was  
not until that exact moment  
(10:30 p. m., Peking time) that  
the Peking radio went on the  
air with the same announce-  
ment. Since today's session  
lasted from 2 a. m. to 5:45 a. m.,  
New York time, this meant that  
the Chinese Reds held up their  
own broadcast for three and  
three-quarter hours so that the  
communiqué might be released  
simultaneously here.

One immediate result of this  
arrangement was that some news  
agencies in Tokyo and Hong  
Kong jumped to the conclusion  
that the Chinese had clamped a  
censorship lid on the story. Un-  
aware that Mr. Hammar skjold  
had gone to Peking with such a  
news plan in mind, they sent  
stories concerning a "blackout"  
and a drawing of the "bamboo  
curtain" when their monitoring  
of the Peking radio brought no  
news of the talks. The stories  
were withdrawn when the com-  
muniqué went on the air.

### 2-Hour Cable Time

As a matter of fact, the Chi-  
nese Reds seem to be doing  
everything possible to facilitate  
world dissemination of whatever  
news comes out of the talks. Mr.  
Hammar skjold's cable was re-  
ceived here today less than two  
hours after it was filed in  
Peking.

On the other hand, by one of  
the peculiar twists of Commu-  
nist policy, every one else seems  
to know more about what is  
going on in Peking than the  
Chinese people themselves.

They know that Mr. Ham-  
mar skjold and his party are  
there, but they do not appear  
to have been told that the reason  
for the visit is to seek the release  
of a group of Americans branded  
as "spies." There has been no  
propaganda on this score since  
the U. N. party arrived in Peking.

In another development today,  
the Indian delegation here took  
cognizance of news stories from  
New Delhi to the effect that Mr.  
Hammar skjold had been coolly  
received when he stopped there  
en route to Peking. A statement  
circulated to U. N. correspond-  
ents quoted him as saying that  
he would always remember his  
short visit to India "for the great  
experience that it has been and  
for the hospitality."

"He had been in Delhi as a  
state guest of the Indian govern-  
ment," the statement said, "and  
with his party had stayed at the  
President's House, an honor ex-  
tended only to the most distin-  
guished guests."

NY Times  
8 Jan 55

# HAMMARSKJOLD SEES CHOU SECOND TIME ON WAR PRISONERS

## Reds' Radio Gives Only Terse Announcement on 3<sup>3</sup>/<sub>4</sub>-Hour Conference in Peiping

By **HENRY R. LIEBERMAN**

Special to The New York Times.

HONG KONG, Jan. 7—Dag Hammarskjold, Secretary General of the United Nations, and Premier Chou En-lai of Communist China had another long meeting in Peiping today. It was their second formal session with their advisers since Mr. Hammarskjold arrived in Red China's capital Wednesday.

The Peiping radio said the two met from 3 P. M. to 6:45 P. M., Peiping time. Again there was no mention of the matters discussed. Nor was there any indication of how the talks were going when Messrs. Hammarskjold and Chou began their formal talks yesterday with a three-and-a-half-hour session.

They are expected to confer again tomorrow.

The United Nations Secretary General is visiting China to seek the release of prisoners of the Korean war captured by the Communists, including eleven United States fliers convicted on espionage charges last Nov. 23. Thus far the official Hsinhua (New China) News Agency has not referred to the reason for his visit in any of its reports on his activities.

### 3 Aides With Hammarskjold

As was the case yesterday, Mr. Hammarskjold was accompanied by three of his advisers at today's meeting with Mr. Chou, according to the Peiping radio. They were Ahmed S. Bokhari, United Nations Under Secretary; Per Lind of the Secretary General's office, and Humphrey Waldock, a professor of international law.

On the Chinese side, Mr. Chou had the assistance of the four advisers who were present at yesterday's meeting. They are Chang Han-fu, Vice Foreign Minister; Chiao Kuan-hua, Assistant Foreign Minister; Prof. Chou Keng-shen, and Tung Yueh-chien, director of the Foreign Ministry's Department of International Organizations and Conferences.

In a review of items published in the Peiping press today the Hsinhua agency said all newspapers in the capital had carried news of Mr. Hammarskjold's meeting with Mr. Chou yesterday. This news was believed to have been the communiqué released after yesterday's session.

Tonight's Peiping press review listed the Hammarskjold-Chou meeting ninth in its news item summary. The first item concerned a "sharp increase in the sale of new farm tools, piece goods, bicycles and other commodities in the countryside."

Items two to eight dealt with the following:

An increase in pig iron production, the manufacture of twenty-

Continued on Page 2, Column 6

nineteen hours before seeing him. Then they had a two-hour talk.

On Wednesday Hammarskjold reached Peking. Premier Chou En-lai did not meet him at the airport. Later in the afternoon, however, Chou gave a cocktail party in his honor, inviting the diplomats from the various Iron Curtain countries, as well as those from the few Western nations that recognize the Communist regime.

On Thursday Hammarskjold and Chou En-lai got down to business with a three-and-a-half-hour conference. The two men held further long conferences Friday and yesterday. As of last evening, there was no indication whether China would release the imprisoned flyers. The Peking radio made brief mention of Hammarskjold's visit, but did not say why he came.

### Panama Assassination

Col. Jose Antonio Remon had spent most of his life as an officer of the National Police Corps of Panama, which serves as a combined police force and army. As head of the National Police since 1947, he became the country's strong man, with power to seat and unseat Presidents. Not until 1952 did Remon himself assume the Presidency.

Things went better when he did. Energetic and popular, he began to root out the graft and corruption which had marked Panama's government. He improved the country's economic condition. He crushed the Communist movement. In recent weeks he negotiated a new treaty with the United States about the Panama Canal Zone. We

*NY Herald Tribune - 9 Jan 55*

...man  
...about the fiscal  
situation.

### World Affairs

#### U. N. Chief in Peking

On his United Nations mission to Red China to seek release of eleven American flyers, Secretary-General Dag Hammarskjold stopped Monday in New Delhi to see Prime Minister Nehru. Neither Nehru nor any high Indian official met him at the airport, and Nehru waited

# U. N. Head and Chou Talk 5 Hours, the Longest Yet

*NY Herald Tribune*

*9 Jan 55*  
By John Molleson

UNITED NATIONS, N. Y., Jan. 8.—Secretary-General Dag Hammarskjold and Red Chinese Premier Chou En-lai met for five hours today and scheduled another meeting, which is expected to be the final one, for Monday.

The discussion today was the third and longest of the series of talks between the two men in the case of the unrepatriated United Nations Korean War prisoners, including eleven American airmen jailed as spies.

A U. N. spokesman said that Monday's meeting in Peking would probably be the final one, in accordance with Mr. Hammarskjold's intention to spend only five or six days in the Red Chinese capital. He said that

Mr. Hammarskjold is expected to leave Peking Tuesday and would most likely return to the United States by way of Hong Kong and Tokyo to San Francisco.

Although Mr. Hammarskjold's cable from Peking gave no indication of the nature and progress of the talks, some guarded optimism prevailed here as a result of the announcement that an excursion rather than a meeting was scheduled for Sunday.

The cable to U. N. headquarters said that tomorrow the Secretary General and his party will make an automobile tour to the former imperial summer palace, situated on a lake a few miles west of Peking. The outing will also include a visit to the tombs of the emperors of the Ming dynasty, outside the city walls.

The summer palace is a show place built in the early 1900s by the Dowager Empress, one of the last of the Manchu rulers, to replace the old summer palace which was pillaged in the Boxer Rebellion.

Mr. Hammarskjold has now held conversations with Premier Chou En-lai for a total of twelve and one-quarter hours. Their first official meeting lasted three and a half hours and the second continued for three and three-quarter hours. The meetings have all begun at 3 p. m. Peking time. Today's meeting wound up at 8 p. m.

As after the two previous meetings, the communique on today's session was delayed in Peking by pre-arrangement with U. N. officials so that the time of its release would be simultaneous at U. N. headquarters and at Peking.

# ECONOMIC FORECASTERS TAKE OPTIMISTIC VIEW

With a Few Exceptions, They See 1955 as a Good Year for Business

By JOSEPH A. LOFTUS

Special to The New York Times.

WASHINGTON, Jan. 8—One of the hardest things to find these days is a dim view, so far as the business outlook is concerned.

There is a remarkable state of near-unanimity among the form players about the immediate future, said form players being primarily the Government and the business economists. There are, no doubt, the standard number of hunch players and cynics who doubt and dissent.

Organized labor, not to be lumped with the latter groups, has some reservations about the future, perhaps for institutional reasons, just as Government economists are reputed to suffer from what one respected financial editor calls "institutionalized optimism." Even labor does not view the total scene bleakly; it simply withholds total approval until its goal of full employment at high wages is met and made fast.

This goal is an ever-receding horizon, for even if labor and the Government could agree on an arithmetical definition of full em-

ployment, they probably could never agree on what constitutes high wages.

These forecasts seldom go beyond a few months, usually six. Here is a summary of some of the outlooks and forecasts in important areas of the economy:

### EMPLOYMENT

**Secretary of Commerce Sinclair Weeks**—A moderate upswing in business activity to be reflected in high over-all employment.

**U. S. Chamber of Commerce**—There may be an increase in unemployment in first half of the year.

**George Meany, American Federation of Labor**—Unemployment remains unnecessarily high and probably will continue to climb until March or April.

**Congress of Industrial Organizations**—Economic activity must expand considerably above current levels to provide full employment.

**The National Planning Association (a private organization of business, labor, agriculture and the professions)**—Unemployment will rise this year and thereafter unless Government and industry act to increase consumer buying power and industrial production. Total national output will have to be raised \$25 to \$30 billions this year over last to attain reasonably full employment.

The employment estimate for the second week in December was 60,688,000, a decline of more than 1,000,000 from November; unemployment was 2,838,000, a slight decline from November.

It is possible, of course, to maintain employment at present levels, or even higher levels, and still have rising unemployment. This is explained by the fact that the number of people available for work grows every year.

### CONSTRUCTION

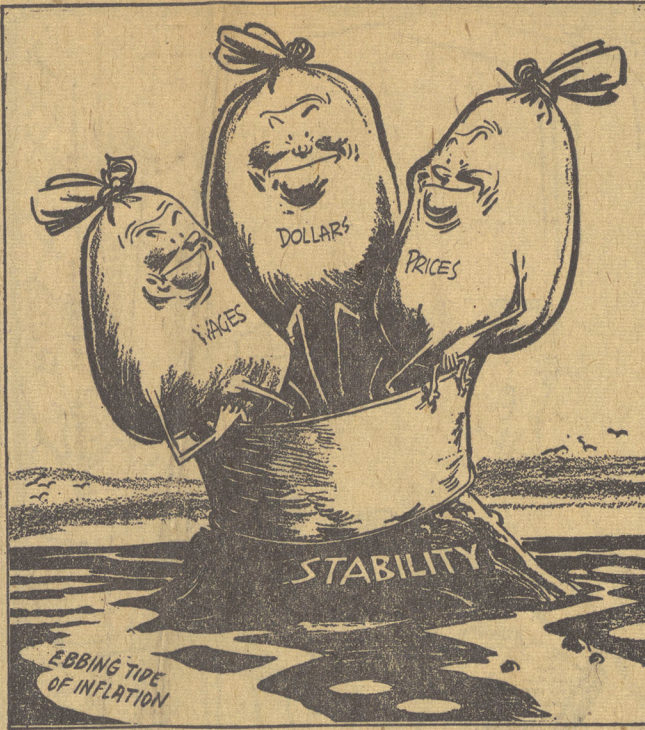
**F. W. Dodge Corporation, (which compiles statistics in the construction field)**—New construction should increase again in 1955, continuing the ten-year expansion which has been in progress. Demand for new building and engineering structures has arisen principally from rapid growth of the economy, in added population, production and rising living standards.

Basic construction demands are currently so great that recent record-breaking totals have produced no significant surpluses. There is a strong demand for single-family houses of better than minimum size and quality.

**U. S. Chamber**—The housing industry expects the second best year in history with a possible 1.2 to 1.3 million units.

**Commerce Department**—New construction activity in 1955 is expected to reach a new high of \$39.5 billion, with both private

## ON THE ECONOMIC FRONT



"Three men in a tub."



### 'CHANGING SHIFTS'



Jensen in The Chicago Daily News

ployment, they probably could never agree on what constitutes high wages.

President Eisenhower, in his State of the Union message, said, in so many words, "the economic outlook is good." He said it—even as the stock market was going down for the second time—sending the financial reporters scurrying for some other peg to hang their daily market analysis on.

### Cautious Optimism

The President's unhedged statement is a cautious kind of optimism—he might have said "excellent" instead of "good"—and is about the least he could have said without letting down the business leaders who have been in the highest spirits for weeks.

The stock market's behavior, incidentally, aroused interest, if not concern, in Washington.

Senator J. William Fulbright, Democrat of Arkansas, would like the Senate to take an informative look at the unusual market rise of recent months, though not imputing any wrongdoing to trading forces in the market.

Forecasts of business behavior

# WALL STREET REPORT: SOME KEY QUESTIONS

Selling Spree and Government Move Fix Attention on the Market

By ROBERT E. BEDINGFIELD

The wave of selling that hit the stock market last week again focused attention sharply on Wall Street's activities. In Washington there was talk of a Senate investigation. Throughout the country peoples were asking questions like these:

Where are stock prices today—high, low or somewhere in between in relation to their value as investments? How did they get there? Who is in the market, and why?

As to the first question, there seems little reason to doubt that stocks are high. The criteria of lasting value in a share of stock in a company are three: How much income will it return the holder on its current dividends? What is it earning annually, expressed as a fraction of its price? What are its prospects for earning appreciably more in the future?

Rate of Increase  
During 1954, The New York Times average of fifty stocks—rail and industrial issues—rose from 177 to 272. The more volatile industrial average alone climbed steadily from 276 to 455. These are advances of 54 per cent.

per cent. Today the situation is quite different  
Who is in the market—and why?  
This is a question that car dredge up a lot of misinformation. Some in Wall Street argue today that the market is a one-way proposition because of the vast sums taken out by pension funds and investment trusts, which by their nature cannot dump stocks the way an individual always can and sometimes must.  
The influence of the pension funds has been large, and it has been exerted so far in the direction of raising stock prices. A wise old Wall Streeter once said "If a million shares a day are offered for sale, and buyers show up for a million and one hundred shares every day, the market will go up, and there's no limit to how far it will go up. The reverse is true if the million and one hundred shares are offered for sale and buyers show up for only a million of them."  
Pension funds have been taking shares out of the market. They add themselves to the rank of the buyers, and never to the sellers. By the nature of their

CLEARANCE

annual

UNITED NATIONS INFORMATION CENTRE  
Theatre Communication Building  
Connaught Place, NEW DELHI

Name of Paper The Hindustan Standard

Published At Delhi

Dated 9.1.55

## PEKING OPERA



*Mr. Dag Hammarskjöld is continuing his talks with Mr. Chou En-lai.*

# Hammaraskjold, Chou Plan Last Talks Today

From the Herald Tribune Bureau

UNITED NATIONS, N. Y., Jan.

9.—Secretary General Dag Hammaraskjold and Communist Chinese Premier Chou En-lai are scheduled to meet tomorrow for what is believed will be the final formal meeting of their series of talks on the fate of eleven American airmen jailed in Red China as spies.

The two men and their advisers have met three times for formal conversations since the Secretary General arrived in Peking Wednesday. No meeting was scheduled for today and Mr. Hammaraskjold planned to make an automobile tour to the Imperial Summer Palace and to the tombs of the Ming emperors, outside the Peking city walls.

## No Cable Received

There was no cable received here today from the U. N. party in the Chinese capital, presumably because the Secretary General had nothing but the excursion to report. Cables announcing that meetings had been held have been received here shortly after each of the three previous talks.

Although these cables have reported nothing of the nature and progress of the talks, U.N. officials disclosed yesterday that tomorrow's meeting between Mr. Hammaraskjold and Mr. Chou is expected to be their last. This news gave rise to some cautious optimism here that the talks were proceeding as planned, because it was Mr. Hammaraskjold's intention to spend only five or six days in the Red Chinese capital. The fact that an excursion and not a meeting was scheduled for today was also considered a favorable omen.

Yesterday's session between the two men and their staffs was the third and longest of the series. It lasted five hours, from 3 p. m. until 8 p. m., Peking time, compared to a three-and-one-half-hour meeting Thursday and a three-and-three-quarter-hour meeting Friday. The formal conversations have taken place in a palace in Peking's Forbidden City, now blanketed with snow.

Mr. Hammaraskjold is expected to return to the United States by way of Hong Kong and Tokyo to San Francisco, according to U. N. officials. Before leaving on Dec. 30, on a flight that was to take him to London, Paris, New Delhi and Peking, Mr. Hammaraskjold said he intended to be back in New York for the preliminary talks on the conference on peaceful uses of atomic energy. The talks will begin here Jan. 17.

## Flyers Mentioned

Peking Radio, which has broadcast information on the conversations but has not yet told its listeners that Mr. Hammaraskjold went to Peking to argue for the release of U. N. prisoners, today for the first time mentioned the Secretary Gen-

eral in connection with the American airmen.

A Communist broadcast heard in Tokyo said "the very day Dag Hammaraskjold arrived in Peking," an American news dispatch said American troops have gone into China twenty times to protect American citizens there. The broadcast criticized as "empty blackmail" what it called "American talk of direct action to force the release of United States spies sentenced in China."

NY Times  
10 Jan 55

## TE CITY EDITION

dy, windy and cold today.  
r tonight and tomorrow.  
ature Range Today—Max., 38; Min., 30  
atures Yesterday—Max., 35; Min., 30  
U. S. Weather Bureau Report, Page 47

FIVE CENTS

# INDIA SAID TO URGE RED CHINA TO FREE AMERICAN AIRMEN

### Communists Told Early Move on Fliers Jailed as 'Spies' Would Net Political Gain

### NO HINT YET ON OUTCOME

### Hammarskjold and Chou Will Have 4th Peiping Parley on U. N. Prisoners Today

By A. M. ROSENTHAL

Special to The New York Times.

NEW DELHI, India, Jan. 9—

India has made it clear to Communist China that she favors an agreement leading to Peiping's release of imprisoned United States airmen as soon as possible.

That statement is a summary, given by highly qualified sources, of India's attitude on the airmen's case. Without making judgment on the merits of Peiping's charges that the eleven airmen were spies or Washington's denials, the Indians have indicated that political wisdom would be on the side of a settlement.

However, the Indians have avoided giving any publicity to their stand. They feel that their value in helping to arrange a settlement might be hampered if the Chinese Communists got the idea India was publicly trying to apply pressure.

It was said here that the Chinese Communists had been asked to keep New Delhi informed of developments and the progress of United Nations Secretary General Dag Hammarskjold's negotiations with Premier Chou En-lai on the release of imprisoned United Nations personnel, including the eleven airmen. It was believed that some reports already had been forwarded here, but that the Indian Government was keeping them confidential.

[Mr. Hammarskjold and Mr. Chou are scheduled to hold their fourth meeting Monday.]

#### India Still in the Dark

At the same time, the impression gained from persons in close touch with the situation is that India does not know whether Communist China will go along with her suggestions.

It was reported also that the Communists had stressed repeatedly to the Indians the charge that the Korean armistice had been violated when some released anti-Communist Chinese prisoners were sent to Formosa. Some Indians believe the Chinese may insist on tying that question into any settlement of the United States airmen's case. The Indians are strongly inclined to go along with the Chinese Communists on the matter, but have been telling them that two wrongs do not make a right.

One important reason the Indians would like to see a speedy settlement is that they believe the airmen's case has become a serious obstacle to the general lessening of tensions that was believed to be in the making. The virtually unanimous Indian opinion is that releasing the airmen would be a step bringing important political advantages to Communist China. No one in a position of influence here is making any predictions, however.

The Indian Government has been stung by reports, widely circulated abroad, that Mr. Hammarskjold received cool treatment

Continued on Page 3, Column 3

# India Said to Urge Red Chinese To Speed Release of U. S. Fliers

Continued From Page 1

when he stopped here on his way to Peiping. The Indians seem to be afraid of two things: that India's attitude will be misunderstood in the West and that the Chinese Communists might get the idea New Delhi did not really care about the fate of the airmen.

Many Indians concede privately that, while Mr. Hammarskjold was treated with correct protocol, the fact that neither Prime Minister Jawaharlal Nehru nor V. K. Krishna Menon went to see him arrive or depart was bound to attract attention.

The reasoning given is that it was one of those delicate situations where India would have been criticized whatever she did. If Mr. Nehru had gone to the airport and made a big public fuss over Mr. Hammarskjold, the Indians say, the Chinese might have been irritated to the point where negotiations might have been endangered.

At the same time, few persons here deny that Mr. Krishna Menon, as chief of India's delegation to the recent General Assembly session, could have gone to the airport without particularly exciting the Chinese.

## 4th Meeting in Peiping Today

Special to The New York Times.

HONG KONG, Jan. 9—A fourth formal meeting between Secretary General Hammarskjold and Premier Chou is scheduled tomorrow in Peiping.

Mr. Hammarskjold is now expected to reach Hong Kong Wednesday en route back to the United States.

The United Nations official has had three formal meetings with the Chinese Premier.

Thus far no details have been released from Peiping. No formal meeting was scheduled today and the Peiping radio was silent on Mr. Hammarskjold's activities.

## News Man Unable to Attend

HONG KONG, Jan. 9 (AP)—William Stevenson, a Canadian cor-

## The Proceedings In the U. N.

SCHEDULED FOR TODAY

(Jan. 10, 1955)

ECONOMIC AND SOCIAL COUNCIL

International Technical Conference on Conservation of Living Resources of the Sea—10 A. M. and 3 P. M. (Closed).

Subcommission on Prevention of Discrimination and Protection of Minorities—10:30 A. M. and 2:30 P. M.

TRUSTEESHIP COUNCIL

Standing Committee on Petitions—3 P. M.

*Individuals may obtain tickets at admission desk, public lobby, Manhattan Headquarters. Group reservations may be made by mail.*

respondent, returned here today from a three-day trip into Red China. His efforts to reach Peiping in time for the Hammarskjold-Chou talks were a failure. He got only as far as Canton.

The Toronto Star correspondent, who had made two previous trips into Red China in the last three months, said he noted an air of tension in Canton that he had not seen before. He saw troops manning anti-aircraft guns around the city, while patrols roamed the streets.

Two other correspondents, Francis Lara of the French News Agency and Russell Spurr of The London Daily Express, remained in Canton in an effort to get to the capital.

## U. N. Receives No Report

Special to The New York Times.

UNITED NATIONS, N. Y., Jan. 9—Communication facilities at headquarters here were kept open today in the expectation that some word might be received from Peiping. However, no message was received.

UNITED NATIONS INFORMATION CENTRE  
Theatre Communication Building  
Connaught Place, NEW DELHI

Name of Paper The Indian Express

Published At Delhi

Dated 10.1.55

**“COO, FIND ME!”**

