

**FORMOSA AVOIDED**

**New Premier Toasts China Pact at Anniversary Party**

MOSCOW (AP) — Soviet Premier Nikolai Bulganin Monday publicly toasted the Soviet mutual aid treaty with Communist China, but made no reference to its possible application to the Formosa dispute.

Formosa was not mentioned in the new premier's toast at a party celebrating the fifth anniversary of the treaty. Bulganin was the guest of Red Chinese Ambassador Liu Hsiao at a party in the Metrole hotel.

Foreign Minister V. M. Molotov

also proposed a toast to Chinese-Soviet friendship and also made no reference to Formosa.

**No Pledges**

Both top Soviet leaders praised relations with China but were discreet in making no specific pledges.

For the first time in many years Bulganin appeared at a public function in civilian clothes. He wore a dark blue suit, evidently indicating his separation from his Defense Ministry post.

His successor in that job, Marshal Georgi Zhukov, also attended the party, as did ex-Premier Georgi Malenkov. Communist party boss Nikita S. Khrushchev did not attend.

Also attending were ambassadors whose countries recognize Red China.

The Chinese ambassador in a speech attacked the United States for actions in Formosa and for supporting a drive to rearm West Germany. Some diplomats felt that by mentioning West German rearmament he was making a "You scratch my back and I'll scratch your's" appeal for Soviet

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The Russians did not make any strong attacks on the U.S. Earlier Molotov had summoned Indian Charge d'Affaires P. F. Kaul for a conference. No details of their meeting were made public.

**Heard Soviet Proposal**

It is known, however, that Kaul accompanied British Ambassador Sir William Hayter last week when the Commonwealth governments heard a Soviet proposal for a 10-nation conference on the Formosa situation.

Since that time the British have asked clarification and have emphasized their view that a conference would be unprofitable without the participation of Nationalist China.

Some quarters linked the interview with the mild tone of the Soviet speeches at Monday night's party.

Bulganin chose the day to release to the Soviet people the text of his interview with U.S. publisher William Randolph Hearst Jr., in which he said his desire for better relations with the United States was "sincere."

**UN Security Council Suspends Efforts for Formosa Cease-Fire**

UNITED NATIONS, N. Y. (AP) — Sharply rebuffed by Red China and Russia, the UN Security Council Monday suspended indefinitely its public efforts to achieve a cease-fire in Formosa Strait.

It left the next move to secret diplomatic maneuvers here and in the capitals of the major powers.

The council refused 10-1 to consider now a Moscow plan to end the hostilities by condemning alleged U. S. aggression against China and ordering the withdrawal of American forces from Formosa.

Henry Cabot Lodge Jr., chief U. S. delegate, said that the council has not concluded its consideration of a proposal by Sir Leslie Munro, New Zealand, for a cease-fire in the troubled area.

**Would Do Injustice**

"Indeed," he said in a statement, "It has hardly begun to do so. In these circumstances, we would have done the council and the cause of peace an injustice if we were to allow discussion of the Soviet item to becloud the issues of the urgent matter at hand."

Sir Pierson Dixon, Britain, whose government has taken the

lead in consultations with Moscow for some arrangement to stop the fighting, said that the Red Chinese rejection was not helpful. He suggested that the council adjourn while governments study the situation and consult.

This the council, with no vote, did after a three-hour session. The delegates left it up to the council president, Victor Andres Belaunde, Peru, to call a meeting whenever developments warrant.

**Still Negotiating**

In London, Foreign Secretary Anthony Eden said in the House of Commons that Britain and Russia are still engaged in diplomatic exchanges looking toward an easing of the crisis. He said any conference would have to include Chinese Nationalists and Chinese Communists.

Arkady A. Sobolev, Soviet Union, attacked the United States again on charges of committing aggression against Peiping and once more demanded that the council unseat the "Kuomintang clique." He said there would be no solution of the crisis unless Peiping took part in the discussions.

**Ike's Stand Called For By Morse**

WASHINGTON (AP) — Sen. Wayne Morse Monday again called on the Eisenhower administration to make clear "whether or not an commitment, assurance or pledge has been made by our government . . . that we will defend Quemoy or the Matsus."

Morse said that a statement by Generalissimo Chiang Kai-Shek at Taipei "served only to compound the confusion and perplexities which now characterize American public opinion on our country's asiatic policy."

The Nationalist Chinese leader has made it plain, in answering questions at a news conference, that he expects the United States to assist in repelling any possible Communist attack on the offshore islands.

Morse said: "The people of the United States are entitled to hear directly either from the secretary of state or preferably the President . . . whether or not any commitment, assurance or pledge has been made by our government to the Nationalist Chinese government . . ."

Morse, a member of the Senate Foreign Relations committee, said that his mail indicates that "more and more Americans are beginning to fully appreciate the fact that under international law we have no legal rights in Quemoy and the Matsus. We do have legal rights on Formosa and the Pescadores . . ."

He said that it was "very risky" to permit Chiang or any other official of the Nationalist government "to issue statements that leave the impression with the rest of the world that we have committed ourselves to the defense of Quemoy and the Matsus."

**•Stock Market•**

NEW YORK (AP)—The stock market turned in an irregular performance Monday and managed to close slightly lower despite a strong showing by many individual issues.

The sag follows a series of three new all-time highs established last week.

Up with the railroads were the utilities and aircrafts. Lower were steels, oils, distillers, radio-televisions, and rubbers.

The Associated Press average of 60 stocks was off 30 cents at \$159.40.

Volume backed down to 2,950,000 shares from 3,260,000 shares traded Friday.

**Today's Staff**

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JOHN McCARTY joined G. E.'s Advertising Department as a copywriter after army service and graduation from U. of Michigan in 1947. He has held his present job since June 1952.

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