

China and Colombo Powers

A FORTNIGHT hence, the Colombo Powers will meet at Djakarta. A year ago, India, Burma, Indonesia, Ceylon and Pakistan met at Colombo to discuss problems of "common interest to all these countries. At that time, the situation in Indo-China was causing concern to her south-east Asian neighbours. To meet the Communist challenge in this part of the world, the Western Powers had proposed SEATO. In New Delhi, Pandit Nehru re-defined India's foreign policy as one of creating and expanding an area of peace. At Colombo, the Colombo Powers rejected SEATO. These Powers endorsed Pandit Nehru's five principles of peace. From Colombo, they issued an appeal to the parties and Powers concerned for a negotiated settlement of the Indo-Chinese problem.

Much has happened since. At Geneva, the Communist States and the Western Powers succeeded in reaching a mediated solution of the Indo-Chinese problem. Even as the Colombo Powers were meeting at Colombo, there were doubts whether India's neighbours would accept the policy of peace enunciated by Pandit Nehru. Even within this country, the five principles of peace, incorporated in the preamble to the Indo-Chinese agreement on Tibet, were severely criticised. Today, a year later, these doubts and criticisms have ceased. Although the Western Powers have concluded the Manila Treaty, the Colombo Powers accept the five principles, enunciated by Pandit Nehru, as the bases on which to arrange amicable relations between them and their neighbours.

A year ago, the emphasis was on creating and maintaining an area of peace in Asia and the Far East. As the world situation has become less tense, the stress today is on peaceful co-existence. Both the rival power blocs claim this to be their common aim. It was left to the Colombo Powers, at the instance of India, to lay down the means by which the common end could be achieved. There are still doubts among the Western Powers as to whether peaceful co-existence is possible. But it is now widely appreciated that peaceful co-existence is possible only when the nations accept the five principles enunciated by Pandit Nehru as the foundations on which to establish international relations. This is the main problem

which the Colombo Powers will review at Djakarta in the light of experience gained in the last twelve months.

Since the first meeting of the Colombo Powers, Red China's Premier has visited India and Burma;

India's and Burma's Premiers have paid return visits to Red China; the rest of the Colombo Powers have been kept informed of the developing events. Jointly and severally, the Premiers of China and of all the Colombo Powers, with the

Christmas
is here again!

What better gift than a West End Watch! The wide range of patterns and prices enables you to make choice selections.

SECUNDUS MINIATURE TONNEAU
18-ct. Solid Gold, Substantial Case ... Rs. 199

The BIJOU SUPER
18-ct. Solid Gold, Heavy Substantial Case ... Rs. 505

and to all our patrons we offer our hearty greetings and best wishes.

WEST END WATCH CO.
BOMBAY - CALCUTTA

possible exception of Pakistan, have reiterated their faith in the five principles of peace. No doubt, both Pandit Nehru and Thakin Nu will supply detailed and elaborate information to their opposite numbers in the rest of the Colombo countries about Red China during the Djakarta deliberations. All the Colombo Powers adhere to the five principles of peace. All of them desire peace and amicable relations among them and between them and Communist China. Three of them have adjoining land frontiers with Red China. All the Colombo Powers are eager to establish cordial relations with Red China, although all of them reject Communism.

Developing contacts and relations between Red China and the Colombo Powers are not beyond suspicion in the Western European countries. America warns the Colombo Powers that their efforts at peaceful co-existence with Red China may not succeed. She offers them Manila Treaty as an alternative. This offer is refused by the Colombo Powers because they believe that military alliances breed counter-alliances; that, a mediated settlement of issues common to them and, Red China is possible; that, peace between them and Red China can be maintained on the basis of the five principles. Acceptance of sovereignty and non-interference in internal matters are the two fundamental principles behind the developing relations between the Colombo Powers and Communist China. In all the Colombo countries. Red China's achievements are acknowledged. But all the Colombo Powers have made it clear to Red China that they prefer the democratic, as opposed to the totalitarian, approach to political and economic problems.

It would be idle to pretend that Red China is above suspicion among the Colombo Powers. They are not unaware of the combative instincts of international Communism. But they are equally aware that Communism cannot be combated by military pacts, but only by pursuing policies which can eliminate political and economic inequalities. There are other factors which explain why the Colombo Powers' attitude to Red China differ from that of the Western Powers to Communist Russia. There is no German or Austrian problem to divide the Colombo Powers and Red China. All the Colombo Powers accept Red

China's abiding political and Strategic interest in Korea and Formosa. They are in favour of admission of Red China to the United Nations. There is potential scope for disputes "between Red China and the Colombo Powers. India is not uninterested in Peking's policy to Tibet and to India's Himalayan' neighbours. Burma is not unconcerned about her undefined frontier with Red China. All the Colombo Powers are on the alert against any possible collusion between Peking and the indigenous Communist parties. But the Colombo powers believe that it is wiser to make a sincere attempt at peaceful co-existence with Communist China than to provoke conflict by entering into military pacts.

Although America did not endorse fully the Geneva Agreement of Indo-China, subsequent developments indicated that Britain and France had impressed on the United States the need for a more conciliatory policy to Red China. Along with the Colombo Powers, Communist China expressed its disapproval of the Manila Treaty. But this was not the main, cause of the worsening of relations between America and Red China. Washington is committed to supporting the Chiang regime in Formosa. America has recently concluded a mutual security treaty with the Chiang regime in Formosa. Peking resents such actions as American attempts at encirclement of Red China. None of the Colombo Powers endorses the recent shifts in the American policy to the Far East. Some of the actions implemented by Peking are not endorsed by Red China's Asian neighbours. They do not support Peking's action in arresting eleven American airmen on charges of espionage. But most of them will endorse India's stand in the United Nations that it would be unwise to pass judgment on Red China without giving it a hearing.

It was a wise and diplomatic move on the part of the Secretary-General of the United Nations to offer to go to Peking to discuss with Mr Chou En-lai the issues relating to the eleven American imprisoned airmen. There are reasons to believe that Peking may, through the mediation of New Delhi, reciprocate the gesture made by the Secretary-General. It is an implied concession by the United Nations of Peking's growing status. This gesture may

THE ECONOMIC WEEKLY

even be interpreted as an indirect

admission on the part of the United Nations of the Peking regime as the lawful Government in China, Peking has much to gain by accepting the offer of the Secretary-General of the United Nations. Besides, its implications relating to the admission of Red China to the United Nations, the Secretary-General's visit to Peking may lead to a lessening of the recent tension between America and Red China. This is desirable on wider grounds. Peking must assure the world that its treatment of American airmen is not contrary to accepted international conventions. America, on her part, must accept the realities of the situation in the Far East. In trying to fortify Formosa, she is only creating additional complications. While these problems will be discussed in all their aspects by the Colombo Powers at Djakarta, they will welcome any lessening of the tension between America and Red China. This is an essential pre-requisite to peace in Asia and the Far East.

THE CENTRAL BANK OF INDIA LIMITED

(Established December, 1911)

Head Office: Mahatma Gandhi Road,
Fort, Bombay 1.

	Rs.
Authorised Capital	6,30,00,000
Issued Capital	5,77,50,000
Subscribed Capital	5,76,66,125
Paid-up Capital	3,14,54,250
Reserve Fund and other Reserves	4,00,22,194
Deposits as at 30-6-54	1,26,84,78,112

Directors:

Sir Homi Mody, K.B.E. (*Chairman*)
Dinshaw D. Romer, Esq.
Dharamsey Mulraj Khatau, Esq.
Cooverji Hormusji Bhabha, Esq.
Manmohandas Madhavdas
Amersey, Esq.
C. P. Wadia, Esq.
Chimanlal B. Parikh, Esq.
Framroze J. Gazdar, Esq.
H. C. Captain, Esq. (*Managing
Director*)

Branches and Pay Offices in all important cities and towns of India, Pakistan, Burma and in London.

London Branch:

159, Fenchurch Street,
London, E.C.3.

New York Agents:

The Guaranty Trust Co. of New York.
The Chase National Bank of the
City of New York.

Banking business of every description transacted on terms which may be ascertained on application.

H. C. Captain,
Managing Director.