FAR EAST

3. reports Chinese "genuinely desire" cease-fire:

reports a "general impression" there that the Chinese Communists, with their forces near the 38th parallel, now "genuinely desire" a cease-fire in Korea.

if the cease-fire talks fail China's attitude will stiffen, and that the US cannot "drive back the Chinese and gain more favorable terms."

Comment:

have been reporting for months an "impression" of a genuine Chinese Communist desire for a cease-fire in Korea, and, at the same time, an unwillingness to make major concessions.

Judging from Peking's propaganda on Korea, the above views appear to be those which Peking's leaders wish to encourage.

- 4 -