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people felt it unnatural to exclude China from the United Nations. President Kennedy would like some flexibility in U.S. policy but felt public opinion and the attitude in Congress restricted him. The State Department realized that the moratorium resolution at the United Nations would not succeed forever and that other means must be found to handle the matter.

7. Problem of Formosa

Prime Minister Ikeda said that a serious problem would arise when Chiang Kai Shek, who is already old, passed from the scene. His son, Chiang Ching Kuo, who is considered his successor, was partly educated in Moscow. The way of thinking of the Taiwanese people is different from that of the two million Chinese ruling there. There is an undercurrent of Taiwanese independence, although it is not strong. It was possible that Chiang's son would attempt to unite Taiwan with the mainland and the West must maintain vigilance. The two Prime Ministers agreed that the idea of Chiang Kai Shek recapturing the mainland was nonsense.

8. *Prime Minister Ikeda* remarked that the meeting of Commonwealth Prime Ministers showed some disagreement on the question of China and Formosa. It was essential that the free world should have full discussions on these problems.

9. Canadian Views on China

Prime Minister Diefenbaker felt that an error had been committed, perhaps, in not recognizing Communist China in 1949 or 1950 before events such as the Korean War took place. There is in Canada a growing view that something should be done to solve the problem. He felt that recognition of the Peking régime would be strongly criticized in Canada but would have to be accepted nevertheless. However, there would have to be adequate guarantees that Formosa would remain free and independent.

- 10. Mr. Diefenbaker observed that political considerations, as distinct from the legal ones mentioned above, were of great importance. He wondered about the affect on countries in South East Asia Malaya for example caused by the recognition of China and its implied recognition of communism as a philosophy.
- 11. Mr. Ikeda felt there would be some reaction and that this demonstrated all the more need for a common approach to the problem. [Prime Minister Ikeda appeared not to follow the meaning of the question.] Mr. Diefenbaker recalled that at the Commonwealth Prime Minister's conference there was no clear discussion or decision reached on these problems but it was inferentially considered that Communist China should be offered a seat in the United Nations on the basis of a guarantee of Formosan independence. This would serve to place the onus of responsibility for admission on China.
- 12. Mr. Ikeda remarked that most of the arguments heard in the world favoured China's admission to the United Nations on the principle of universality. There should be a greater stress on the necessity of Formosan independence.
- 13. Mr. Diefenbaker asked whether it could be agreed that China could be admitted to the United Nations by some arrangement that Formosa would remain independent. Mr. Ikeda replied that China could be admitted provided Formosan independence was guaranteed. However, Japan had important trade and treaty relations with the Nationalist Chinese Government on Formosa and it was difficult for Japan to propose a "two-China" solution.
- 14. Mr. Diefenbaker asked whether Japan could accept two Chinas in the United Nations. Mr. Ikeda affirmed that Japan could accept this but could not take any initiative to propose it. He expressed hope that other nations of the West would prepare such a policy. He had told President Kennedy that the moratorium resolution would no longer be of value and that he should develop other approaches to the problem.