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Report on the Bandung Conference - The Secretary of State said that at the beginning we assumed that the conference was going to be dominated by Chou. Actually, it turned out that the conference was dominated by a group of friendly Asian nations who believed in association with the West. Sec. Dulles said that the final communique of the conference, except for the mention of the Palestine question, was a document which we ourselves could subscribe to. Even its references to colonialism were in accord with what we feel in our hearts (though we are unable to say them publicly). The Secretary listed about eight points of the communique which were consistent with our own foreign policy.

The Secretary felt that the Conference was a very severe reverse for Mr. Nehru and meant a great loss of prestige for him. He attributed this to the fact that Nehru could not adapt himself to the pressures which developed at the conference, while Chou very astutely did adapt himself to those pressures. Chou thus achieved a certain personal success.

Secretary Dulles considered it quite significant that Chou made no attempt to defend the USSR at the conference -- even though the Soviet Union came under intense criticism on "colonialism" charges. The Secretary felt that the conference came out well for us because of the great amount of pressure which was put on Chou to refrain from acts of violence. We had feared that there was a good possibility that Chou would come away from that conference having 'sold' the Asian nations on the line that the United States, rather than China, was the aggressor in the Far East, and thus gain a green light to go ahead and start violence in the Formosa area. Just the opposite occurred.

Our position now is that we will be willing to discuss a cease-fire in the area with the Chinese Communists but will not discuss any matters of substance with them without the participation of the Chinese Nationalists. The Secretary said that our way was clear to do this because in the Security Treaty which the Nationalists signed with us last December, they are bound not to use offensive force -- (1) except in self-defense, and (2) unless we agree to the attack. This means that the Chinese Nationalists have, in fact, already agreed to their part of a cease-fire and if the Chinese Communists agree likewise, we will have a cease-fire. All this might not have happened if the Bandung Conference had taken the trend we feared. This is a good development but we don't boast about it.

Sec. Dulles pointed out that the friendly Asian countries put on an amazing performance at Bandung with a teamwork and coordination of strategy which was highly gratifying -- even though none of them enjoyed the personal prestige of Chou. As a result, these nations have a new sense of self-reliance and self-confidence which will serve us all well in the future.

Development of Scientists and Engineers (CP - 13/2) - The President introduced this item by referring to it as a "perennial" subject. Dr. Flemming presented the paper briefly. When Mr. Hughes asked about timing, Dr. Flemming said he expected the report on the statement would be released sometime soon, perhaps when the committee referred to in the statement has been selected. The President referred back to the

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