

stated that we saw in India a determination to accomplish a task entirely on her own if necessary and that was producing a good response at home. We realize therefore that any help that we might be able to give would be merely to allow the Indians themselves to make faster progress.

Mr. Stassen informed Nehru of our desire to approach the question of aid on a longer term basis than the previous one-year approach and that he had already developed a theme before Congress of the necessity of looking forward to a program of three years duration. It was understood of course that funds would be voted on a yearly basis, but he believed that President Eisenhower, with his present prestige, could reach an informal understanding with Congress upon the longer term approach. Stassen also indicated that a great study was under way in the United States to determine what our trade policy would be and to modernize that policy so that it was consistent with our tremendous responsibility.

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### No. 41

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#### *Memorandum of Conversation, by the Secretary of State*<sup>1</sup>

SECRET  
SF D-8/2

NEW DELHI, May 22, 1953—1 p. m.

Subject: India

Participants: Prime Minister Nehru  
Secretary Dulles

1. We discussed Egyptian situation. I gave a detailed report of the situation as I found it and the lines of possible solution. Mr. Nehru expressed great concern over the possibility that undeclared war might break out with a possible British reoccupation of Cairo and Alexandria. He said, of course, the British can do this, but what will they do next: "bayonets are no good to sit on." He inquired as to the relationship of the proposed Egypt base agreement to a collective security organization. I indicated the importance of assuring the creation of such a collective security organization with at least some form of UK and US associate membership so that before the British technicians were out of the base it would assume an international status with availability to the US and UK. I emphasized that this was the only real power area in the whole region and that it served far more than the Suez Canal.

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<sup>1</sup> This conversation took place at the residence of the Prime Minister.