

Finally, Merchant told Dixon that the Secretary was deadly serious when he had told Mr. Eden earlier that he did not see how he could hold off on economic aid to Egypt beyond January first.

ACHILLES

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No. 1257

Presidential Correspondence, lot 46 D 284, "Churchill Correspondence with Eisenhower"

*Prime Minister Churchill to President Eisenhower*

TOP SECRET

LONDON, December 19, 1953.

MY DEAR FRIEND: I am very much worried at the idea of the grant of American economic aid to Egypt at a time when our differences with them are so acute. It would, I am sure, have a grave effect in this country on Anglo-American relations. The Socialist opposition would use it to urge us to press for the inclusion of Red China in U.N.O. and might class it with trade to that country upon which subject McCarthy's unjust charges are already much resented. The frontier of the Suez Canal zone shows very much the same conditions of unrest and potential warfare as does the frontier in Korea. So much for the opposition. On our Conservative side too we have a disturbed and increasingly angered section who could at any time cancel our modest majority. They would not, I think, do that, but the fact ought not to be ignored.

Whether in your policies and immense responsibilities you would get much help from a Socialist Government, I shall not attempt to predict, and it would not be my business anyhow. What I fear, however, is that the offended Conservatives might add their voices to that section of the Socialist Party who criticize the United States. In fact I think there would be a considerable out-pouring which of course would be used in America by all who are hostile to the unity of action of the English-speaking world. This would make more difficult the solving of those large problems which occupy your mind and in which I do all I can to help. I ask you to think over this particular proposal about Egypt with due regard to its setting in the general picture, which may be out of proportion to your interest or ours. We have not the slightest intention of making any more concessions to Egypt after all we have done in these long negotiations, and fighting might easily occur at any moment.

[Here follows discussion of the European Defense Community concept.]