No. 1335

Presidential Correspondence, for \$6 D 204, "Churchill Correspondence with Eisenhower"

Prime Minister Churchill to President Eisenhower

TOP SECRET

LONDON, June 21, 1954.

My DEAR FRIEND:

[Here follows discussion of the Indochina situation and the possibility of creating a Southeast Asia Treaty Organization.]

Now is the time the Middle East front should be considered together by the United States and Britain. I had hoped more than a year ago that the United States would act jointly with us in negotiating an agreement with the Egyptian military dictatorship in accordance with the terms already agreed between the British and American staffs. It was, however, felt at Washington that America could not go unless invited. The negotiations therefore broke down. Since then there has been a deadlock though the area of dispute is limited.

As time has passed, the strategic aspect of the Canal Zone and base has been continually and fundamentally altered by thermonuclear developments and by a Tito-Greek-Turco front coming into being and giving its hand to Iraq and by America carrying N.A.T.O.'s finger-tips to Pakistan. I like all this improvement in which you and the power and resources of the United States have played so vitat a part.

These events greatly diminish the strategic importance of the Canal Zone and base, and what is left of it no longer justifies the expense and diversion of our troops, discharging since the war, not British but international purposes. As far as Egypt is concerned, we shall not ask you for a dollar or a marine. I am greatly obliged by the way you have so far withheld arms and money from the Egyptian dictatorship.

The general theme of completing and perfecting in a coherent structure the world front against Communist aggression, which I suppose might in current practice be described as N.A.T.O., M.E.A.T.O. and S.E.A.T.O., is of course one, but only one of the topics I am looking forward to talking over with you.

[Here follows discussion of the chances for better sharing of information and resources in the nuclear sphere and the future of the North Atlantic Treaty Organization if the European Defense Community concept failed.]

I would not have tried to put all this on paper but for your direct request. So if there is anything in it which you do not like, let it