

which US participates shld be shared by leaders of Amer Jewry and the creditors themselves.

In order assure effective implementation of agreements, it is imperative that TCA mission be supplied with one top-level financial expert, one general economist and a junior economist. Pending arrival these permanent staff additions, urge immediate temporary assignment of top-flight economist experienced in balance payments problems for arrival within ten days.

Fryer proposes return Washington earliest transportation, and Mikesell plans depart with interim report middle next week. Mikesell is having extreme difficulty obtaining essential data from Israel on short-term debt position and foreign exchange budget. He has been promised basic info necessary for interim report by Saturday¹ and he expects to have interim report completed early next week.

DAVIS

¹ July 26.

No. 462

884A.90 TA/7-2752: Telegram

The Ambassador in Israel (Davis) to the Department of State

SECRET PRIORITY

TEL AVIV, July 27, 1952—4 p. m.

147. For Byroads. In response points Embtel 142,¹ PriMin stated he is convinced necessity avoid increase short-term borrowing and balance budget. He recognizes this means sharp curtailment imports; says they will be limited "if possible" to essential food and other items (such as POL and certain raw materials) needed to increase production. He agreed means avoid periodic crises shld be sought, saying IG progress toward econ independence wld necessarily be slow but he determined work toward that goal. As to immigration question, he indicated that while doors wld remain open to Jewish people in trouble, present low rate immigration affords opportunity to consolidate econ position.

PriMin expressed gratification over presence Mikesell in Israel, saying that quite aside from usefulness his report he had been instrumental in expediting assembly of data urgently needed by IG. He was extremely interested in how soon interim report cld be completed, and was assured Dr. Mikesell wld complete very soon after all essential data had become available.

¹ Document 460.