

record as supporting UN res in principle, and that important change in policy on part of such countries wld be necessary before there cld be any consideration of moving missions. I concluded by saying it was my personal opinion that unilateral action taken by Israel in this case had been unfortunate.

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*The Israeli Ambassador (Eban) to the Secretary of State*¹

AE/315

WASHINGTON, August 12, 1952.

The Ambassador of Israel presents his compliments to the Honorable the Secretary of State and has the honor to refer to the Notes exchanged between the two governments on April 30² and May 1, 1952³ concerning the utilisation by Israel of funds available under the United States Mutual Security Act of 1951.

2. In paragraph 4 of his Note of April 30, 1952 the Secretary of State announced his decision to despatch a representative to Israel for the purpose of surveying the current financial and economic problems of the country. In reply, the Ambassador of Israel conveyed his Government's willingness to receive such a representative and to provide the fullest available information on its foreign exchange income and expenditures, its internal budgets and fiscal procedures. The Government of Israel further agreed to make such information available for the duration of United States economic assistance to Israel.

3. During the month of July 1952, Dr. Mikesell, the representative of the United States appointed pursuant to the Secretary of State's Note of April 30, 1952, carried out a rapid survey in Israel of the country's short-term debt position on the basis of information made available by the Government of Israel. The Government of Israel drew attention to urgent obligations which would arise for payment from the first week of August 1952 onward. It also conveyed its view that even after fulfilment of these immediate obligations, periodic emergencies would inevitably occur unless Israel was assisted to refinance the major portion of its short-term dollar

¹ A covering letter (No. AE/310, not printed) was dated Aug. 11.

² Neither printed.

³ For the agreement for emergency assistance effected by exchange of notes at Washington dated May 1, which entered into force May 1, see 3 UST (pt. 3) 4266.