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THE WORLD BANK

Washington, D.C.

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The World Bank

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Washington DC 20433

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A1992-042 Other #: 1 209326B

Records of President George D. Woods: Correspondence - Correspondence 01

President Woods correspondence

1963 - 1965



1506233

A1992-042 Other #: 1 209326B

President George D. Woods - Correspondence - Volume 1 - 1963 - 1965

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Alpha de Cubas J.

May 14, 1963

Dear Mr. de Cubas:

Thank you for your letter of May 8 sending me a copy of your address, "Development Aid: At What Price?". It is always good to hear views of corporations such as Westinghouse which have had much experience in this field, and I am appreciative of your courtesy in sending me a copy of this paper.

I should like to discuss your paper with some of my senior colleagues here and, if we are then able to let you have any appropriate comments we shall be glad to do so.

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. J. de Cubas, President
Westinghouse Electric International
Company
200 Park Avenue
New York 17
New York

GCWishart:prb



Westinghouse Electric International Company

J. deCubas, *President*

200 Park Avenue
New York 17, N.Y., U.S.A.
Cable: WEMCOEXPO
Telephone: 692-4210

May 8, 1963

Mr. George D. Woods, President
International Bank for
Reconstruction and Development
1818 "H" Street, N. W.
Washington, D. C.

Dear Mr. Woods:

Recently I was privileged to speak at the Fifth World Conference, the Society for International Development, on the subject, Development Aid: At What Price? Since this subject is undoubtedly of interest to you I am taking the liberty of sending you a copy of my address. :: To Mr. Spottswood

The thoughts expressed therein represent the considered opinion of myself and my staff, based on what we feel to be a rather broad experience in the developing countries. I would be much interested in any comments you may care to offer.

Sincerely,

J. de Cubas

Westinghouse Electric International Company



100 Westinghouse Building
Pittsburgh, Pa. 15222
U.S.A.

1963

RECEIVED
GENERAL FILMS
CORPORATION
MAY 10 AM 10:00
1963

OFFICE MEMORANDUM

MAY 21 REC'D

TO: Mr. George D. Woods

DATE: May 21, 1963

FROM: S. Aldewereld

SUBJECT: Address by Mr. Jose de Cubas, Westinghouse

Mr. de Cubas' proposal that the present method of international competitive bidding for large impact projects in the underdeveloped world be dispensed with and that, instead, the Export-Import Bank procedure be utilized or the so-called "chosen" instrument procedure be adopted is in my opinion highly impracticable especially for an international organization such as the Bank. It would call for international agreements or allocation of business for large projects which certainly, in the foreseeable future, just could not be envisioned. While the procedure suggested by Mr. de Cubas would be fine for the company receiving the business, there would always be in the wake of the allocation of the project much recrimination as to how the decisions were reached.

Mr. de Cubas seems to overlook the fact that much of the expense of studying and preparing the proposal for the hypothetical steel mill would have been avoided if competent consultants had been employed to undertake this study and provide the various manufacturers with the necessary data for them to prepare a complete, well-rounded proposal.

MS
I think de Cubas wrote
to me asking for comments
and I replied in effect
"no comment" May I see
that correspondence pls
MS 5/30

OFFICE MEMORANDUM

TO: Mr. A. D. Spottswood

DATE: May 14, 1963

FROM: H. D. Vogel

SUBJECT: Address by Mr. Jose de Cubas

The problem discussed by Mr. de Cubas is very real and very serious. It embraces every phase and facet of our economy and accounts for a large part of the cost of getting things done. From bidders on multimillion dollar structures to house painters, failures to get the job result in direct loss. The more bidders, the greater the loss.

Yet, competitive bidding is essential in a free economy. Without it free enterprise is imperiled, costs are increased to users and consumers, and immoral practices are invited. Therefore, we should not think of how to change the system, but of how to make it work more effectively and efficiently.

Some relief can be afforded by limiting invitations to a few, carefully selected, bidders but even this contains elements of risk and unfairness. Personal prejudices may influence choices to a greater degree than we would like to believe.

Another way to reduce the cost of bids or tenders is to spend more on preliminary studies, design, and preparation of specifications. Simplicity and clarity, with nothing left to doubt, make it easier for a contractor to evaluate a job. Money spent in planning a job will be returned manifold in its execution.

The real root of Mr. de Cubas' complaint, however, lies in another practice, not really a part of the competitive bidding system as we generally accept it. This is the practice deriving from ignorance and haste, of saying, "I want something, I want it quick. Now each of you who hear me, tell me what I need to make me rich, and tell me what you will charge to do it for me."

This is what happened when prospective contractors were asked to bid on a "steel mill" - just that way. Apparently there was no previous independent feasibility study, no survey report or project analysis, no economic evaluation or engineering design, no criteria and no specifications. It makes one wonder who were the most ignorant - the people of the developing country or the industrialists and their experts who jumped into the job of preparing estimates.

When feasibility studies are made by the owner or at his instigation, when plans are carefully drawn and specifications accurately written by engineers, none of whom are associated with prospective bidders for the construction, then, and only then, will the problems of Mr. de Cubas be solved. The answer will not be found in government subsidization of industry to insure a profit and encourage inefficiency.



INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL FINANCE
CORPORATION

OFFICE OF THE PRESIDENT

May 10, 1963

To: Mr. Woods

In essence, the argument in Mr. de Cubas' address is that there is much waste of money, time and effort in following the usual practice under which different companies, or groups of companies, investigate the feasibility of new projects in under-developed countries.

Mr. de Cubas advocates some form of "international cooperation" under which a group may be chosen to investigate a new project, for example a steel works, and can be assured that it will be allowed to carry through the project to completion under fair conditions. In other words, instead of completely free competition, qualified companies should be chosen to carry on the works.

He suggests that AID should set up a commission to review these ideas.

G. C. Wishart

*on a competitive basis
without necessarily getting
the final contract.*

Neary
*Ask Alderwell
to give me
his comments
on this
address*

Ward 5/13

Development Aid: At What Price?

Address by

Jose de Cubas, President

Westinghouse Electric International Company

at

Society For International Development

**Columbia University
New York City**

April 4, 1963

It is a very great honor indeed to have this opportunity to participate in the Fifth World Conference of the Society for International Development and to help explore the question of what makes development happen. I believe that this is one of our most pressing problems, and I hope that my remarks, based upon more than a decade of first-hand exposure to the difficulties involved, may be of help in clarifying some of the dilemmas which face private enterprise in the vast field of development aid.

Industry, and industrialization are, of course, both the cause and effect of development and are, therefore, intimately involved in "making development happen". In an underdeveloped society the advent of an industry will set in motion a multitude of changes with far-reaching implications for all aspects of social and economic life. And, with each additional increment of industrialization the process of change -- which is the essence of development -- is accelerated that much more.

The post war era has seen development become a world-wide phenomenon. As the agent of development, industry has more or less intuitively sought methods and techniques to meet the challenges which have increased in numbers as well as complexity.

At this point, however, the horns of a contemporary dilemma appear. Industry, like all the other major factors involved in making development happen, is limited in its actions by cost factors -- and I use the word cost here in the broadest sense to include human and material as well as financial considerations. On the one hand, industry -- at least private industry -- must operate on the basis of profit; on the other, even when development is a profitable business, and this may not be so in all cases, there are real limits to the amount of time, energy, manpower, talent, etc. that industry can devote to development projects. Unfortunately, there never seems to be enough to really cover the total demand.

I should make it clear at this point that I intend to focus my attention on industry's role in large development projects such as power plants, railways, cement, steel, fertilizer and capital goods machinery manufacturing plants which provide the economic "building blocks" that really help make development "happen" and "keep on happening". I do not mean to downgrade in any way the vital importance of private investment in light manufacturing, processing or service industries or the smaller projects, for these, too, eventually add impetus to the growing process. However, our concern here today is with "action" that has "impact" of a sufficient magnitude to initiate major and basic changes. In view of the enormity of the task, it is imperative that all the resources available for development, whether these be government or private, be utilized as efficiently as possible so that maximum effectiveness is obtained.

There is no doubt that interest in the problem of the cost of development is gaining widespread attention. Just a few days ago, for example, it was the subject of a report to President Kennedy by General Lucius Clay's Foreign Aid Study Group. While some may feel that the Clay Report may, perhaps, go a little too far or not far enough, it does point out the urgency

of making every foreign aid dollar count and the dire need to conserve both economic and human resources.

Which brings me to what I believe is the heart of our problem. It seems to me that the cost of development aid, with special emphasis on the human cost, has indeed become too high for both government and industry. Furthermore, I believe this situation is the result not of a tremendous scarcity of development resources, but rather, the ineffective use of these resources.

I would like to trace how this has come about, from industry's point of view. At the same time, I think I can show how industry has created some valuable "tools" to help make development happen.

If I may be permitted to put in a plug here for Westinghouse, we feel we have done our small part in the development of what we at Westinghouse call "the project concept", and this approach has been found effective in many developing countries.

For many years we have adapted the project concept successfully to a wide range of industries, such as power plants, steel plants, fertilizer projects, paper mills, cement works and so on. Sometimes we go alone, sometimes as a member of a group. Often we have found ourselves taking on the prime responsibility for "packaging" all of the various aspects of a project becoming the catalyst that brings all elements together to complete a project.

In view of my later remarks, I believe it well to describe this "project concept" as I feel it illustrates one of the most effective tools industry has created for putting development aid funds to work efficiently. An example provides the best explanation of what it is and how it works.

Some time ago my Company received notice that one of the "new" nations had included in its program of development the construction of an inte-

grated steel mill. The nation believed that it had the raw materials at hand and its trade statistics revealed that a substantial part of its foreign exchange was being used for the importation of steel products. After initial discussions between the officials of our Company and the appropriate government officials of the developing country, it was agreed that we would speak to other U. S. companies and determine their interest in participating with us in the study of the proposed project. Parenthetically, I might add that in the discussions between Westinghouse and the developing country it was clearly understood that the project must prove to be a feasible and a desirable one from the standpoint of both parties since it was anticipated that the suppliers as well as the government and private citizens might have a financial interest in the proposed venture.

Upon receiving this "go ahead", Westinghouse proceeded to contact other companies who had demonstrated the engineering competence and quality of their products which it was anticipated would be incorporated in any project that might be built. After negotiations by the American associates which defined their respective interests in the project and their willingness to put up out of their own capital substantial money to perform the initial studies, a team was formed to go to the developing country and perform lengthy investigations into the various matters. This team consisted of an economist, a geologist, engineers experienced in the electrical, mechanical and steel making processes and equipment that would be involved, as well as a transportation expert and three officers of one or another of the companies. The group was also assisted by an experienced financial advisor furnished by one of the leading American banks. Some of the personnel mentioned above were not regular members of the partners but were hired to furnish services and were paid accordingly.

The team spent seven weeks initially in the developing country as each member gathered and correlated all of the information available concerning the field of his specialty. Thereupon, the men returned to the United States and prepared a preliminary report which contained sufficient material to decide whether further efforts should be made and to point out areas of the report which were not sufficiently covered. After management of the companies had reviewed the report and determined to go ahead, arrangements were made to send over experts to go more deeply into the initial geological findings and to study the various methods and costs of transportation of raw materials from their location to definite potential sites for the project.

A substantial quantity of raw materials involved was shipped to the United States and a "run" was made in a steel plant using the processes which appeared to be most suitable for the quality of raw materials available in the developing country. The cost of procuring and shipping these raw materials and running the tests were borne by the American companies.

During the interim the team was busy at work gathering and reducing to its proper form the information that had been procured in writing a feasibility report. Complete financial plans, costs, specifications and determination of the ancillary facilities necessary were put in shape. Thereupon, a report of approximately seven volumes covering a complete project was submitted to the host country for their review. Prior to the report being prepared, the proper U. S. officials were informed of what was going on. Numerous trips have been made to the developing country subsequent to the submission of the report for the purpose of explaining and discussing the contents with the interested government officials.

The financial plan for the project consists of pro forma contracts, balance sheets, cash flow statements, profit and loss statements, and retirement of debt schedules. The financial plan reveals investments by the

American companies of millions of dollars, investment by private American lending institutions of substantial sums and investment by private citizens of the developing country and long-term debt financing by the United States Government and the Government of the country concerned.

The estimated cost to the American companies in out-of-pocket expenses such as travelling expenses, payment for services rendered by companies other than those in the American group for specialized personnel, and other necessary out-of-pocket disbursements are in the neighborhood of Two Hundred Fifty Thousand Dollars. In addition, the American companies have spent on a non-recoverable basis thousands of hours of time by engineers, attorneys, economists, financial people and executives.

I have no idea of the cost which will be incurred by the host and U.S. Government before the project becomes a reality. I have no idea how much another U.S. group and at least two other European groups and their governments have spent on the same project. But I am sure that very considerable expenses have been incurred and the project has not yet materialized.

I am convinced that private industry should have contributed in this project. I believe that the group which will get the contract may end up with an acceptable profit, but I submit that we cannot in the U.S. or Europe continue to justify the cost of the actual method of studying projects in view of the awesome and pressing demands of the underdeveloped majority of the world.

Here I believe we begin to get some insight on some of the facets of why the cost of development aid is so high. In a world in which the resources available for development are less than adequate for the job to begin with, we are tying up inordinate amounts of money and talent and perhaps confusing the issue, in making proposals -- most of which can never succeed. At best -- and that's when you get the contract -- proposal making, including the

feasibility studies, engineering and other costly elements, is a sort of investment. Otherwise it is practically a complete loss.

The other side of this coin concerns the "customer". Unfortunately, in those countries where the development need is greatest, where entrepreneurial know-how is the scarcest, the stream of complex project proposals, coming from different parts of the world are often based on different techniques, must be evaluated in many cases by individuals who lack the high degree of sophistication and knowledge necessary to compare the merits of one proposal against another. The result may be a highly ironic stagnation of all further efforts to bring the project to fruition. Worse, a decision may be reached, and a contract awarded on some basis other than merit.

Clearly the time has come to find a new approach for channeling industrial aid into the developing countries. In industrial terms, "tools", like the project concept, which have proven their value for the task of development, must now be incorporated into a new "technology" that will be able to meet the efficiency and economy requirements necessary to make optimum use of our meager resources.

The key to this approach, it seems to me, is international "cooperation" in the broadest sense of the concept. The world today is engaged in two major conflicts. One mainly political, one mainly economic.

Both are also moral conflicts. The political conflict is, of course, that between the Free and Communist societies -- a struggle which I believe will be decided in the underdeveloped and developing countries rather than the industrialized countries as Marx predicted.

The economic conflict is not really a conflict in the strict sense, but more of a quandary. It is the fact that the rich countries are getting richer while the poor countries are getting poorer. On moral grounds, if nothing more, the rich nations, I believe, must cooperate to arrest the spread of this pattern, and indeed to reverse it.

Fundamental to the problem is the fact that many of the poor countries have not been able to marshal the "thrust" to "take off" by themselves. It is up to the rich countries, who have attained self-sustained growth and even maturity in their economies, to find cooperative measures that will provide the needed push to the poorer coinhabitants of our world.

But, methodology in this case is no easy problem to solve, and there are several schools of thought. We in industry often tend to believe that the soundest and most efficient way is to marshal the energies of private enterprise for the task. However, I feel this can be a gross oversimplification which ignores some important practical considerations. In the underdeveloped areas, I believe the businessman can no longer rely on the old theory that "the greater the risk the larger the potential reward". In most cases the opposite occurs, and for legitimate reasons, such as deep and emotionally-tinged nationalism, the memories of exploitation and the fear of neo or economic colonialism.

Still, there is a tremendous need for entrepreneurial assistance in the process of economic and social development, and the question really becomes more what is private industry's place in various stages of the process. Certainly in the very beginning, when an economy is attempting to lift itself "off the launching pad" the magnitude of economic assistance necessary is so great and the risks so awesome that private industry can only play a secondary role -- massive aid on a government level is needed to give the essential "thrust". It is later, when the economy is off the launching pad and accelerating toward the point where it will "go into orbit" that private industry can begin to make its most valid contributions.

I think we can say that many of the forms of U. S. Government assistance, which have been conceived for, and been successful in, the developed countries of Europe and Japan are not always proving to be satisfactory

stimulants to get a new country into orbit. Again, nationalism and the fear of neo-colonialism have played dominant roles as have the deep-rooted desire for change and the feeling that such change -- or progress -- must happen rapidly regardless of the economic consequences. Other factors, like exploding populations without sufficient capital accumulation and a general lack of sophistication, have also hampered the effectiveness of this aid.

Thus the time has come, I believe, for government and private industry to work out a more cooperative approach to development aid. This could be a true team effort, for government needs the dynamic capabilities of industry and its knowledge of how to stimulate and maintain development. Because of the great risks in doing business in the underdeveloped areas, and the impossibility in most cases today of earning a profit commensurate with these risks, industry in turn needs government for financing and other kinds of vital support.

Such an original cooperative government-industry team approach -- especially in the U.S. -- could also help provide an answer to the optimum use of available development resources. In the U.S. I suggest we should re-examine some of the provisions of the government's regulations for competitive bidding on development projects. The same applies to the international scene.

The present U.S. system as applied by AID in undeveloped countries, for instance, requires that government financing can be given only on a formal competitive bidding basis. This requirement makes it difficult for a U.S. company to justify spending considerable time and money in seeking and developing overseas projects by itself, since other companies automatically get a crack at the business without the preliminary costs. Yet, we in industry cannot go it alone in the underdeveloped areas; we must have government financing because of the substantial risks involved.

In the operations of the Export-Import Bank, I think we have a good example of the manner in which government lending actions can be successful on a basis other than such formal competitive bidding. Because they do not impose such requirements, Ex-Im -- whose staff is respected worldwide for its expertise -- has been able to return value for value, and its record of projects completed has been truly outstanding. Not hampered by having to go through the rigid procedure of formal bidding, the agency has been able to avoid the inevitable confusion and prolonged negotiations that plague other agencies operating under more inflexible criteria.

In undeveloped countries the rigid competition bidding rule has had some other ramifications which hardly help the cause of development. In fact, the field is littered with unfinished monuments -- projects which have stalled or never made it through the financing stage. The tragedy is doubly tragic. Many such casualties would have had important "impact" value in underdeveloped areas, and were truly desired by all involved, yet they expired before reaching the end of the maze.

Thus, in a nutshell, the present method of overly formalized competitive bidding, whether it is between companies from the same country, or on a broader level, between the U.S., Europe and the U.S.S.R., just simply is not working well enough to get the job of development done in time in these countries where the economy is in the first stages of growth.

There are several types of cooperative approaches which industry and government might examine in seeking a new team formula. One is to apply to undeveloped countries the Export-Import Bank philosophy expanded to provide for pre-commitments of financing for large impact projects, a second is the so-called "chosen" instrument procedure. Here a company, or a group of companies either from one country or even from several countries, is delegated a job or a functional province on a basis that as-

sures the contractor a "reasonable" profit, while assuring the customer fair costs despite the absence of competitive bidding. Certainly, no one awaits or expects to receive a "blank check" under this system, and proper controls must be available to insure that all parties to the contract are fairly treated. This not only conserves the energies and resources of the participants, but allows aspects of the proposal to be delegated among the members in a way that will take advantage of individual company strengths and abilities.

This sort of approach would lower development costs in various ways. First of all, it would reduce the amount of time, money and energy that individual companies would devote to any one development project, releasing these resources for use elsewhere. Secondly, with greater government cooperation, particularly in terms of making financing pre-commitments, the element of risk could be held to a minimum while the efficiency of individual corporate efforts -- and the competitiveness of group efforts -- could be maximized.

But it is the customer, the recipient of aid, who would benefit the most. The new country would, first of all, gain time, that all important ingredient in the equation of rising expectations; all the energies of the members of the chosen instrument would be used to produce an efficient job; projects would be completed and the small print in the contracts would not contain unpleasant surprises; and, lastly, I believe the real overall cost of the project itself would decrease.

In the U.S., such cooperative approaches would, I realize, require important changes in current policies. However, I urge our government to investigate such possibilities. I suggest, as a first step, that AID set up a panel with representatives of the Justice and State Departments to analyze approaches, other than formal competitive bidding, to the problem of large development projects in undeveloped countries. I am sure that I speak for

more companies than just Westinghouse when I say that industry would welcome the opportunity to participate in such discussions. The present chaos and the high cost of bringing industrial aid to the underdeveloped areas is a problem which all of us -- government and industry alike -- have helped to create unwittingly; and it is one which we now must solve together.

Please do not misunderstand me. As an industrialist and an advocate of private enterprise, I sincerely believe in the concept of competition in business. However, no form of human activity is an end unto itself; it must invariably be judged within the framework of a higher unity of human purpose. The present system is not doing the job in developing countries.

Cooperation is not an easy concept for the world to accept, as the recent history of the UN and other truly international bodies has shown. But, I believe we are -- although some of us reluctantly -- going in the direction of greater rather than less international cooperation. In such areas as development aid, I think this trend must apply to industry as well as governments. I see no reason why we cannot cooperate in a manner that will serve our mutual and individual needs while helping complete the task that morally is the obligation of us, the rich nations of the world.

NOV 6 REC'D

Dev. & Resources

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DEVELOPMENT AND RESOURCES CORPORATION

DAVID E. LILIENTHAL
CHAIRMAN OF THE BOARD

ONE WHITEHALL STREET
NEW YORK 4, NEW YORK

GORDON R. CLAPP
PRESIDENT

November 5, 1963

WHITEHALL 4-4521

Hon. George D. Woods
President
International Bank for Reconstruction
and Development
1818 H Street, N. W.
Washington 25, D. C.

OLIVER
John Oliver
Paul Man
John Franklin
Dur
als legend ptm

12/31

Dear George:

I read with a great deal of interest the full text of your address to the Board of Governors at the last Annual Meeting of the Bank. It makes good reading!

I was particularly interested in your comments about agriculture because of the conversation we had last June. At that time you suggested that later on we might talk further about this, in the light of the actual experience we have had and methods followed by Development and Resources Corporation, particularly in what might be called the "managerial services" side of agriculture.

I tried to reach you by telephone last week, but was told by your office that you would be away until after the middle of November. Would some day in early December, say, the 5th or 6th, or in the following week, be convenient for the meeting you proposed? I put it in December because by then the head of this company's Agricultural Division, Mr. L. L. Anderson (a successful businessman in agriculture), will be back from the Middle East. I would also like to include John Oliver, who is the managerial head of this company, and who knows this field very well.

Sincerely,
David
David E. Lilienthal
President and
Chairman of the Board

DEVELOPMENT AND RESOURCES CORPORATION

NOV 6 1963

MAIL ROOMS, BOARD OF DIRECTORS

ONE WHITEHALL STREET
NEW YORK 4, NEW YORK
WHITEHALL 4-4522

November 5, 1963

DAVID E. LILIENTHAL
CHAIRMAN OF THE BOARD
GORDON R. CLARK
PRESIDENT

Mr. George D. Woods

President

International Bank for Reconstruction

and Development

1818 H Street, N.W.

Washington 25, D.C.

Dear George:

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Sincerely,

1963 NOV - 6 PM 12:56
David E. Lilienthal

RECEIVED
GENERAL INVESTMENTS
Chairman of the Board

DEL:ml

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL FINANCE
CORPORATION

OFFICE OF THE PRESIDENT

December 2, 1963

Mr. Woods: *12/31*

In Mr. Lilienthal's absence, I spoke with his secretary today and explained that his letter had "fallen between the wheels" and you were sorry Mr. Lilienthal had not had an earlier reply.

The secretary said that Mr. Lilienthal was aware that you were in Pakistan and only returning to the office here around Thanksgiving.

I told her that you would be phoning Mr. Lilienthal on Monday, December 9.

She said this would be quite satisfactory and she would explain all the circumstances to Mr. Lilienthal when he gets back to his office on December 3.

*I called on
her in NY
on 12/27*

[Signature]
G.C.W.

GDW

Correspondence

-- David E. Lilienthal on
agricultural projects

David E. Lilienthal

-- agricultural project + George Woods



Record Removal Notice

File Title President George D. Woods - Correspondence - Volume 1 - 1963 - 1965		Barcode No. 1506233		
Document Date October 24, 1963	Document Type Letter			
Correspondents / Participants William B. Dale, U.S. Executive Director to Dr. Robert B. Stewart, Dean, The Fletcher School of Law and Diplomacy, Tufts University				
Subject / Title Attraction of donor funds to Fletcher School				
Exception(s) Communications of Executive Directors' Offices				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td>Withdrawn by Sherrine M. Thompson</td><td>Date January 30, 2012</td></tr></table>	Withdrawn by Sherrine M. Thompson	Date January 30, 2012
Withdrawn by Sherrine M. Thompson	Date January 30, 2012			

GDW

Correspondence with

1963 Fletcher School of Law and Diplomacy re
establishment of the Eugene Black Center
for International Finance
also called Eugene R Black Center for
International Economic Development

INTERNATIONAL MONETARY FUND

Mr. Woods

to see, please.

10/25

William B. Dale

5 - Hold until
further word.

October 21, 1963

Dr. Robert B. Stewart
Dean, The Fletcher School of
Law and Diplomacy
Tufts University
Medford, Massachusetts

Dear Dr. Stewart:

At the time we met briefly last June, I undertook to discuss the project outlined in your letter of April 24, 1963 with Mr. William Dale and Ambassador Carrillo Flores. For a combination of reasons I was unable to arrange this meeting until a few days ago, when we lunched for the purpose of discussing the proposed Eugene R. Black Center.

The net result of this discussion was a unanimous feeling that it would be far better to arrive at a fixed proposal involving a stated sum of money rather than proceeding on an "accordion" basis. Further, we felt that the most practical way to make progress would be for you or someone at Tufts to persuade a member of the graduate body to take the chairmanship of a "steering committee" to formulate plans for proceeding further.

Ambassador Carrillo Flores made it clear that while his Government would be happy to participate by making a modest contribution he could not actively take part in a money-raising program. In fact, I had the impression that he would be hesitant to have the fact of Mexico's interest in helping be used to influence others.

Speaking for myself, as I think I said to you last June, while I will be happy to do anything I can in the way of advice, I do not feel it would be proper for me to actively participate in a money-raising campaign which might be directed at people or countries having business relationships with the Bank. It seems to me that the principal source of funds would and should be the graduate body, and I could be of no practical assistance in this area.

I believe that Mr. Dale plans to write to you but in any event you may be sure that I would like to help if there is any way I can properly do so.

Sincerely yours,

(Signed) George D. Woods

George D. Woods

GDWoods/s

cc: Mr. William Dale - IMF

~~here 6/3 415 + 430~~

~~out
5/29
6/13
out
6/18~~

April 30, 1963

DR.
Dear Mr. Stewart:

I have read with a great deal of interest the enclosure to your letter of April 24 regarding the proposed Eugene R. Black Center for International Finance and Economic Development. I am naturally most interested in the plan you outline for two reasons: as successor to Gene Black in the presidency of the World Bank, the proposals are of great interest to me and all my colleagues here; Gene Black is also a very trusted and fine friend of mine.

I should much like to visit with you and discuss this matter further. However, I leave tomorrow for Europe where I have to attend a series of meetings, returning to Washington in mid-May. I am noting on my calendar to telephone you as soon as possible after my return in the hope that we can then visit together.

Sincerely,

((Signed) George D. Woods
George D. Woods

DR.
Mr. Robert B. Stewart
Dean
The Fletcher School of Law and Diplomacy
Tufts University
Medford, Massachusetts

GCWishart:cml

April 30, 1963

Dear Mr. Stewart:

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Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. Robert B. Stewart
Dean
The Fletcher School of Law and Diplomacy
Tufts University
Medford, Massachusetts

GCWishart:cml

THE FLETCHER SCHOOL OF LAW AND DIPLOMACY
TUFTS UNIVERSITY

ADMINISTERED WITH THE COOPERATION OF HARVARD UNIVERSITY

OFFICE OF THE DEAN

MEDFORD, MASSACHUSETTS

April 24, 1963

APR 25 Rec'd

SPECIAL DELIVERY

Dear Mr. Woods:

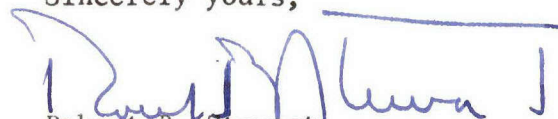
You will be very much interested, we believe, in plans for a Eugene R. Black Center for International Finance and Economic Development to be established here at the Fletcher School of Law and Diplomacy. Enclosed is an outline of the Plan. Possibly you have already heard something about the plan from William Dale or Ambassador Carrillo-Flores with whom I have discussed the matter.

We are now at the point where we wish to take concrete steps to carry the idea to reality, and we wish to turn to you for your advice and your assistance in whatever ways you wish to help. I would like very much to come to Washington at your convenience to talk over the matter with you.

These plans have been made known to Gene Black, and he has given them his very warm approval. Indeed I think you can feel sure that he is greatly pleased and regards this idea as a great honor as well as a constructive undertaking in his name.

I could come to Washington almost any time convenient to you. May I telephone you in a couple of days, or in case you should wish to telephone me, our number here is area code 617 - 666-4650.

Sincerely yours,



Robert B. Stewart
Dean

RBS/pc
Enc.

The Honorable George D. Woods
President
International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C.

Faint, illegible text, possibly bleed-through from the reverse side of the page.

1963 APR 25 AM 8:16

RECEIVED
GENERAL FILES
CORRESPONDENCE

PROPOSED EUGENE R. BLACK CENTER
FOR INTERNATIONAL ECONOMIC DEVELOPMENT
AT THE FLETCHER SCHOOL OF LAW AND DIPLOMACY

In January, 1963, Mr. Eugene R. Black retired after fifteen years with the World Bank - first as United States Executive Director and for more than a dozen years as President. To honor his great world-wide service during these years and to establish an enduring and constructive program in his name, it is proposed to create a Eugene R. Black Center for International Economic Development at the Fletcher School of Law and Diplomacy.

To those closely associated with Eugene Black over the years, there is little need for a reminder of the quality of vision and leadership he has given the Bank during these critical years and the dimensions of his role in economic development and stability in all regions of the world. Few world statesmen of our time have made so vital and varied a contribution to so many nations and peoples or have been held in such esteem and affection. Of the endless tributes paid him, the following may be typical: "The man, no less than the institution of which he is the head, is one of the phenomena of the post-war world. A new race of international servants has arisen, among whom Mr. Eugene Black and Mr. Hammarskjold are the most outstanding." "He brought us more than an ability to deal with issues and judge finances. He brought warmth and a real compassion for us and our problems."

The Eugene R. Black Center is to be established at the Fletcher School of Law and Diplomacy, a world diplomatic training center, Administered by Tufts University in Cooperation with Harvard University, Medford Massachusetts. The School has long been active in this field and its graduates now serve in the diplomatic ranks of some forty nations, as well as in the United Nations, the World Bank, the Fund and other international agencies.

Eugene Black's name is already associated with the Fletcher School. Each year, a Eugene R. Black Scholarship is awarded for graduate study at the School. During the academic year 1959-60, Mr. Black delivered the annual William L. Clayton Lectures series at the Fletcher School on the subject of THE DIPLOMACY OF ECONOMIC DEVELOPMENT. These Lectures, published by the Harvard University Press in book form, are now widely read in many countries. The book has just been published also in Mexico in Spanish language translation. In these Lectures, Mr. Black introduced the term "development diplomacy" - a concept that has now gained wide currency.

"Development diplomacy," in Eugene Black's terms, demands a new approach to the study of international affairs and economic development and also a new approach to the practice of diplomacy. As Mr. Black said in his Clayton Lectures at the Fletcher School: "Just as the development diplomat is a man with a vocation, so development diplomacy, if it is to succeed, must reflect a new sense of vocation in the West towards the historic transformation going on in the underdeveloped world."

Eugene Black's own career as President of the World Bank provides the model for this sense of vocation and this concept of development diplomacy. His role as President of the World Bank spans the whole spectrum of international economic development, finance, politics and diplomacy. Because of the personal confidence he has inspired - his warm human compassion, his friendliness and fairness, his sense of justice and integrity, and his skills in negotiation and mediation - his assistance has been sought in solving some of the most delicate and difficult tasks of diplomacy.

This, then, is the setting and the philosophy on which the Eugene Black Center will be founded.

While the scope of the Program will depend on the resources available, the following basic elements are contemplated.

- 1) A Eugene Black Professorship of International Economic Development.
- 2) Eugene Black Fellowships open to students of all nations.
- 3) Research and policy studies on international finance, development and growth.
- 4) A Eugene Black Library.

The program can range from a few thousand dollars annually (to support individual items such as the Fellowships or the Library collection) up to \$2,000,000 to provide permanent endowment for the full program.

The basic objectives of this program are:

- 1) To provide a program of graduate study within the broader framework of the Fletcher School, for a limited number of students aspiring to careers

in "development diplomacy."

2) To make available, to all students of the Fletcher School, courses on economic development and its relation to political stability, peace and security.

3) To bring to the School each year selected students and officials from the developing nations. (Each year several nations already assign younger Foreign Service officers for study at the Fletcher School).

4) To provide a continuing program of research and policy studies on the entire range of problems concerning growth of developing nations.

5) To develop a Eugene Black Library of source materials, books and documents, as a necessary tool for the whole program of education, training and reserach.

It is believed that a number of individuals, institutions and governments will wish to join in creating the Eugene Black Center: 1) Countries that have so greatly benefitted from Mr. Black's leadership as President of the World Bank; 2) Officials who have been associated with Mr. Black in the work of the World Bank, including the Ministers of Finance of the member nations; 3) Individuals who have been associated with Mr. Black in private banking in the United States; 4) Leading banks, exporting companies and possibly foundations.

The very fact of broad participation by governments and by private individuals and institutions will itself help lend significance to the program. The Committee is inviting financial participation by the above sources. The undersigned constitute a Founding Committee for the Eugene Black Center.

This Center, we believe, will serve both as a fitting tribute to Eugene Black and as a constructive instrument for furthering the cause of economic development of human betterment to which his efforts have been dedicated. This program of education and training embracing the above elements, and drawing upon the total Fletcher School resources, will provide an opportunity and inspiration for tomorrow's leaders who aspire to learn the arts of development diplomacy and to follow in Eugene Black's footsteps.

Members of the Founding Committee

President Kennedy has said; "As a member of the Fletcher School's Board of Advisors for the past eight years and from my position in Washington, I have watched with pride and gratitude the Fletcher School's growing contribution of trained personnel for the United States and many foreign nations in the field of international trade and diplomacy."

President Eisenhower has said: "In this time of rapid scientific and technological change, the art and practice of diplomacy have assumed a new urgency. It is essential to train and inspire the finest leadership among all peoples for the achievement of a just and durable peace. Over the past 25 years, the Fletcher School of Law and Diplomacy has established itself as an outstanding source of such leadership to the benefit of our nation and other nations throughout the world."

February 25, 1963

Dear Mr. Madden:

Just to say that I much enjoyed reading through your notes on the talks you held in India with various recipients of grants. It is encouraging to note the favorable effect of work done by Friends of India Committee.

My Personnel Assistant explained to you on the telephone that I would not be able to lunch on Wednesday the 27th. I regret this but will look forward to seeing Ambassador Bunker and yourself at another time.

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. Murdaugh Stuart Madden
Friends of India Committee
Suite 1017
910 17th Street, N.W.
Washington 6, D.C.

GDWoods:cml

George D. Woods Correspondence:

- Mundough Stuart Mudden (1965)
- Friends of India Committee (1963)

February 18, 1963

Dear Mr. Madden:

Thank you for your note of February 12, enclosing the Resolution about Mr. S. C. Jamir; I return the two copies of the Resolution, duly signed.

I have been thinking over my association with the Friends of India Committee, and the more I reflect on it, the more I feel I must ask the Chairman and my other colleagues to accept my resignation. You know my real interest in the work of the Committee but now that I am President of the World Bank it may not be easy for me to continue as a Committee member.

At your convenience, will you telephone me and talk about this? I would appreciate it.

Sincerely yours,

[(Signed) George D. Woods

George D. Woods

Mr. Murdaugh Stuart Madden
Friends of India Committee
Suite 1017, 910 17th St., N.W.
Washington 6, D.C.

GCWishart:ms

FRIENDS OF INDIA COMMITTEE

Suite 1017, 910 17th Street, N. W.
Washington 6, D. C., U. S. A.

Norman D. Palmer, Chairman
Ellsworth Bunker
Murdaugh Stuart Madden
D. S. Saund
George D. Woods

Philadelphia Office:
256 S. 16th Street
Philadelphia 2, Pa.
U. S. A.

February 12, 1963

Dr. Norman Palmer
1110 Signal Hill Lane
Berwyn, Pennsylvania

Mr. George D. Woods
First Boston Corporation
20 Exchange Place
New York 5, New York

2/18

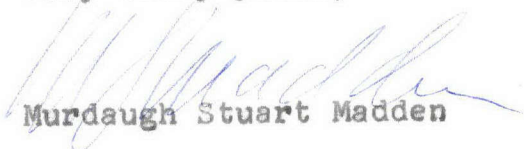
The Honorable
Ellsworth Bunker
R.F.D. #2
Putney, Vermont

Gentlemen:

I am enclosing herewith a resolution on Mr. S. C. Jamir, a Parliamentary Secretary in the Ministry of External Affairs, for your signatures.

We orally agreed at a meeting late last year to invite Mr. Jamir, but this was never confirmed in writing. Therefore, we are requesting your signature for the record. Mr. Jamir was invited by the Committee in December, and we have his acceptance in his letter of January 24th, a copy of which has been sent to you.

Very truly yours,


Murdaugh Stuart Madden

Enclosure





Record Removal Notice

File Title President George D. Woods - Correspondence - Volume 1 - 1963 - 1965		Barcode No. 1506233		
Document Date February 7, 1963	Document Type Letter with attachment			
Correspondents / Participants Murdaugh Stuart Madden, Friends of India Committee to Dr. Norman Palmer				
Subject / Title Date on D. Ering member of the lower house from NEFA				
Exception(s) Personal Information				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td>Withdrawn by Sherrine M. Thompson</td><td>Date January 30, 2012</td></tr></table>	Withdrawn by Sherrine M. Thompson	Date January 30, 2012
Withdrawn by Sherrine M. Thompson	Date January 30, 2012			

Hazard

January 23, 1963

Dear Leland:

By the time this reaches you you will be reasonably settled in and I trust that you are finding the surroundings agreeable - I know you will find the work interesting.

I will not go through the exercise of writing letters of introduction but I suggest you do not fail to meet Mr. G. D. Birla - normally domiciled in Delhi; and Mr. J. R. D. Tata - normally domiciled in Bombay. I could suggest half a dozen others but I am sure Mr. Ensminger will have them all on his list. I suggest these two because normally the relationship with Ford Foundation might be on a lower working level - both the Birla and Tata organizations have large and well trained staffs - and I particularly want you to see both of these gentlemen after you have visited with the "run of the mine" people.

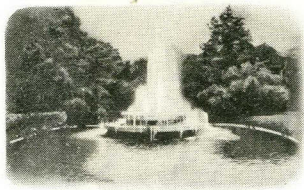
To this end I am writing a brief note to each of them saying that you are in India for a short time on a special assignment for the Ford Foundation and expressing the hope that they will make an opportunity to have a visit with you. (I look forward to seeing you after your return to this country.)

Sincerely,
s/George

George D. Woods

Mr. Leland Hazard
c/o Ford Foundation
32 Ferozeshah Road
New Delhi
INDIA

GDWoods:mel



THE SHOREHAM - WASHINGTON, D. C.

Washington

October 1st 1963.

Dear Mr. Woods,

As I wrote you from
the Okla. City, I shall feel
much honoured if you would
kindly receive me - should
your occupations, heavy in these
days, permit - for a short
visit. I shall be very pleased
if this can be arranged, so
as to enable me to make your
acquaintance and have a talk
with you.

I am at your full
disposal at any time, and I
shall look forward to you

fixing me an appointment
at my address at this hotel,
should you be able to do so.
I hope this will not cause
you undue disturbance.

On the other hand, I shall be
pleased to attend the receptions,
to which you have kindly
invited me for Thursday and
Friday. noted M.L.

Trusting to hear from
you, I wish to remain, dear
Mr. Woods, with feelings of
high esteem,

Yours sincerely
H. de Villiers

Mr. George D. Woods,
President of the World Bank,
Sheraton Hotel
Washington

JAN 10 REC'D

PITTSBURGH PLATE GLASS COMPANY



LELAND HAZARD, DIRECTOR-CONSULTANT

GENERAL OFFICES:
ONE GATEWAY CENTER, PITTSBURGH 22, PA.

January 7, 1963

Mr. George D. Woods
President
International Bank for Reconstruction and Development
1818 H Street N.W.
Washington, D.C.

Dear George:

I shall be leaving on January 11th to spend six weeks in India for the Ford Foundation. The enclosed letter from Douglas Ensminger, Ford Foundation representative in India for the past 11 years, explains the project.

I suggested that I might ask you for a letter to someone in the Birla group. Actually, you need not press yourself to write such a letter. As you may recall, our Pittsburgh Plate International group had some association conducted through Mr. Ashok Birla, one of the younger members of the group. Through that connection I will be known to him.

My address in India will be in care of the Ford Foundation, 32 Ferozeshah Road, New Delhi, India. I hope that when I return, which will be on February 26th, I shall thereafter have some opportunity to make an informal report to you of my experiences.

Sincerely,

Leland Hazard

LH/dkm
Enclosure

Douglas Ensminger
c/o George Washington University
Washington 6, D.C.

December 26, 1962

Mr. Leland Hazard
Pittsburgh Plate Glass Co.
1 Gateway Center
Pittsburgh 22, Pa.

Dear Mr. Hazard:

I'm writing to follow up on our several telephone conversations this past week relative to the Government of India's request to the Ford Foundation that we arrange as soon as possible to add an outstanding man in Business Management to the Foundation's consulting staff in India. The urgency of this request is related to the present crisis in India and the Government's desire for assistance in stepping up its plans for the training of managers essential for effective national industrial development.

The Government of India is very desirous that we recruit for this assignment a man who has had successful high level industrial experience to advise the Government on alternative administrative arrangements related to the Government-owned and operated industries, especially the steel plants, machine tool industries and fertilizer industries, etc. The Government now recognizes that if these industries are to function as effective economic enterprises it is urgent they be freed from the present Governmental bureaucratic ties and political entanglements.

This means advising the Planning Commission on the question of manpower development related to training for management, and the Ministry of Steel and Heavy Industries about new administrative and policy arrangements relative to public sector industries.

It is my hope you can free yourself to be in India by mid-January 1963 and that you can be there about six weeks. While you and I understand there are no implied commitments beyond the initial six weeks assignment, both of us agreed we would keep open for examination and consideration the possibility of your returning for perhaps a year providing you, we and the Government are convinced you will have an opportunity to be effective.

Once I hear from you that you are ready to undertake this assignment, I'll then write the Foundation's New York office recommending they work out appropriate financial and travel arrangements directly with you.

I do hope you can see your way clear to undertake this assignment.

Sincerely,



Mr. Woods.
Montero
MONTERO - A.F.
GDW

October 29, 1965

Mr. Antonio F. Montero
President
The Capital Cities Bank Limited
P.O. Box 1165
Nassau, Bahamas

Dear Mr. Montero:

Thank you for your letter dated October 14 and your study on ways of providing external financing for local currency components of public projects in developing countries.

We appreciate having your study. It focusses on the problems of increasing the flow of private capital to developing countries. It gives recognition to the priority which several types of projects, e.g. agricultural and livestock, education, urban services projects, may have even though their foreign exchange components are low. While we agree on these vital points, we do have some doubts on others.

In some situations the financing you propose would not represent a transfer of real resources. We have to recognize that many of the potential recipients have very low foreign exchange reserves. In their situation, your type of financing would temporarily bolster the reserve base but would not make resources available for the projects concerned. If the central bank were to issue a counterpart in local currency, it would be clearly inflationary unless the transaction was accompanied by a reduction in foreign exchange reserves. In fact, much of the demand for the suggested type of financing may well arise in countries which are suffering from acute inadequacy of domestic savings available for the financing of the type of projects you mention and, at the same time, from serious inflationary pressures. In these circumstances, we believe that countries would be better served by a form of external financing, private or public, which makes possible a direct transfer of real resources.

A further doubt arises from the difficulties which would be associated with your type of financing in concentrating on those projects which are of highest priority in a development program. We recognize that this difficulty arises in all situations where a large number of providers of external finance contribute to a

Kennedy
NOV 20 REC'D

GOW

November 16, 1964

Dear Mr. Woods,

On November 22 at 9:00 AM, Mass
will be celebrated at St. Matthews Cathedral,
Washington, in memory of President Kennedy.
I wanted you to know in case you might like to
attend.

Sincerely,



Robert F. Kennedy

11/23
Mr. George Woods
International Bank for Reconstruction and
Development
1818 H Street
Washington, D. C.

1964 NOV 20 AM 8:56

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Mr. Antonio F. Montero

- 2 -

October 29, 1965

development program, but we are concerned lest under your particular proposal the temptation may be greater than average for the financing to be applied to projects which deserve a lower rating of priority in a program.

You will agree that the transfer of real resources and the priority of development expenditures financed are fundamental issues which must be faced. It is because of our doubts on these points that we believe it would not be desirable that your formula be applied on a more general basis.

Thank you for writing to me on this important subject.

Sincerely yours,

(Signed) George D. Woods

George D. Woods

BAdeVries/ISFriedman:ya

cc: Mr. Friedman

Murphy
MURPHY WB.

GDW

February 3, 1965

Dear Bev:

I have your note of January 27 with the book by Ted Schultz which it transmitted. I am looking forward to tackling the volume in the near future. Meanwhile, thank you very much for your thoughtfulness in sending it to me.

It was good to see you at the time of the Inauguration and I hope things turn out so that I can be present at the Business Council dinner on the 17th.

All the best to you both, in which Louie joins.

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. W. B. Murphy
375 Memorial Avenue
Camden, New Jersey 08101

GDWoods/s

W. B. MURPHY
375 MEMORIAL AVENUE
CAMDEN, N. J. 08101

January 27, 1965

Mr. George D. Woods
Apartment G400
Sheraton-Park Hotel
Washington, D. C.

Dear George:

I was quite frustrated in trying to pay our hotel bill last Wednesday. It seems that the hotel management is under your massive influence. Thank you very much for having us with you. We thoroughly enjoyed our visit. As usual, Louie and you were wonderful hosts.

This coming March, I have been asked to be a member of a panel in Mexico City on the subject of agricultural development. The United States members of the panel will be George Harrar, Milton Eisenhower and myself. The Mexican Nationalists representatives will be government representatives and educators, I believe. It is intended that this panel will examine the problems of rural development.

In the course of preparing for this panel, I have located a volume entitled, "Transforming Traditional Agriculture" by Theodore W. Schultz of the University of Chicago. Dr. Younkin thinks this is the best writing on the subject. Knowing of your investment problems around the world in underdeveloped countries, I thought you might like to glance at this volume, especially certain parts at the beginning and at the end which are less pedantic than the middle part of the book. I have marked certain pages with metal clips. I think this book explains why Russia, China and India are having so much difficulty in making a success of the agricultural sectors of their economies.

Sincerely,



WBM:b
Enc.



Record Removal Notice

File Title President George D. Woods - Correspondence - Volume 1 - 1963 - 1965		Barcode No. 1506233		
Document Date September 26, 1967	Document Type Letter			
Correspondents / Participants David Owen, Co-Administrator, UNDP to George Woods				
Subject / Title Agreement for appointment and assignment of Resident Representatives				
Exception(s) Personal Information				
Additional Comments		The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.		
		<table border="1"><tr><td>Withdrawn by Sherrine M. Thompson</td><td>Date January 30, 2012</td></tr></table>	Withdrawn by Sherrine M. Thompson	Date January 30, 2012
Withdrawn by Sherrine M. Thompson	Date January 30, 2012			

Pak Consortium

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JAN 30 2012

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CONFIDENTIAL

GDW

July 19, 1965

Field Marshal Mohammad Ayub Khan,
H.Pk., H.J.
President of Pakistan
President's House
Rawalpindi, Pakistan

Dear Mr. President:

I have received, through Ambassador Ahmed, your response to my cablegram of July 2. The import of the message as I understood it was that for the present Finance Minister Shoaib will not be visiting in Washington, with either the World Bank or the U.S. Government.

My feeling expressed in person and by cable as favoring such a visit if only for a few days remains unchanged, and I am disappointed at Shoaib's non-appearance. I hope the delay will be a brief one. Perhaps a next logical point of "timing" for such a visit would be when the A.I.D. legislation emerges from the House-Senate Conference Committee of the U.S. Congress. Although, if this does not happen in the reasonably near future, by that I mean the week of July 26 or August 2, may I suggest that you reconsider my viewpoint.

I freely confess that my view arises from my lifelong background as a banker and for the past few years a banker in the wide field of development finance. I am intrigued by the very real possibility of an important break-through during the next decade in the economic development of West Pakistan and I join the impatient ranks of our friend Ismaq when anything looms on the horizon which may impede progress in that direction. I visualize a viable West Pakistan economy fostering future modernization and improvement in East Pakistan, much in the way Northern Italy has provided the sinews, if not all the finance, for the "Cassa" in Southern Italy in the past 15 years. Or in the manner the drive and finance for T.V.A. and development in the South generally was provided, as a practical matter, by other sections of the United States 30 years ago.

I feel the current matters between Pakistan and an important member of the World Bank Consortium should be treated with as urgent matters of finance which need immediate and effective attention. The general spectrum of continuing international problems as I see it can and should be surveyed, considered, debated, negotiated and finally compromised in the ordered fashion prescribed for international relationships.

I take the liberty of writing to you in the spirit of being your banker and the Chairman of the Pakistan Consortium which has been functioning with some effectiveness, albeit with a continuously changing background of

Field Marshal Mohammad Ayub Khan

- 2 -

July 19, 1965

problems. I trust you will receive my views in this general context.

Warm personal regards.

Cordially,

(Signed) George D. Woods

George D. Woods

GIDWoods/s

cy Ma. Mann.

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL FINANCE
CORPORATION

OFFICE OF THE PRESIDENT

DECLASSIFIED

gsw

JAN 30 2012

SECRET

July 1, 1965

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Miss Georgion:

This cable is not to be despatched until the afternoon of Friday, July 2, but I am giving it to you now as you may wish to start having it enciphered.

Before it is despatched on the afternoon of Friday, July 2, I should like you to check with me in case there is any change in plan.



G. C. Wishart

*HANDED to Miss Georgion at
2:35 p.m. on July 1.*

*gsw
1 Aug.*

OUTGOING WIRE

TO: SIR ERNEST VASEY

INTBAFRAD

RAWALPINDI

COUNTRY: PAKISTAN

TEXT: 89
Cable No.:

DATE: JULY 2, 1965
~~JULY 30, 1965~~

CLASS OF SERVICE: IBF GOVT

PLEASE DELIVER FOLLOWING MESSAGE TO PRESIDENT AYUB KHAN QUOTE AS PROMISED
EYE HAVE TALKED WITH OUR FRIENDS HERE FOLLOWING OUR CONVERSATION IN
LONDON STOP AS YOUR BANKER EYE SEE CLEAR NEED FOR VISIT FOR A FEW DAYS
BY SHOALB AS SOON AS POSSIBLE TO DISCUSS VARIOUS OUTSTANDING PROBLEMS
STOP THERE IS CLEAR SENTIMENT AMONG UNITED STATES GOVERNMENT AUTHORITIES
FOR POSTPONING CONSORTIUM PLEDGING MEETING SCHEDULED FOR JULY 27 UNQUOTE

WOODS

DECLASSIFIED

JAN 30 2012

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McGeary
JUL 2 5 16 PM 1965

CODE ROOM: Full message to be in secret cipher and no copies to be distributed

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME George D. Woods

DEPT. President

SIGNATURE *George D. Woods*
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

GDWoods:ml

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

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JUL 2 5 16 PM 1965

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL FINANCE
CORPORATION

OFFICE OF THE PRESIDENT

August 2, 1965

To: The Hon. Thomas C. Mann

I think I sent you a copy of my letter of July 19, to which the attached responds.

There are several things I could say if I were to reply, but on balance I think I will let the matter rest. I am very sorry that President Ayub, when he refers to "every indication that there is a good deal more to it," is not taking the trouble to balance out the sources of "indications."

G. D. Woods

81

Attachment

AUG 2 REC'D

N

PRESIDENT'S HOUSE,
RAWALPINDI.

From: Field Marshal
Mohammad Ayub Khan, N.Pk, H.J.

27th

July, 1965.

9DW

My dear

George,

I am in receipt of your letter of the 19th July, 1965. You have always been a good friend of Pakistan and we are grateful to you for all the assistance that you have given us in the past. I greatly appreciate your solicitude for the welfare and future growth of Pakistan which we are resolved to develop as a single entity and I can count upon your continuing support in the Bank and outside. The position that has developed today is that the US Government has tried to inject politics in our discussions about economic aid. What has caused us concern is not so much that the United States has without warning and without prior consultation with either the other donor countries or the party most affected, taken action which led to the postponement of the Consortium meeting and thereby prevented the Bank and those countries also from pledging their share of aid for two months, but the attempt by the United States to use aid as an instrument of political pressure. The present US action may have been partly influenced by the mood of the Congress, but there is every indication that there is a good deal more to it than that, namely, that our policy in Asia is being misunderstood. We are wedged in by three big countries, the USSR, China and India. Our efforts to maintain friendship with US and the West and at the same time avoid conflict with our neighbours spring from a geographic compulsion. Our foreign policy is as simple as that. We cannot afford to have too many enemies around us. India is more than enough. Our friendship with the United States is not incompatible with the restoration of good neighbourly relations with other countries.

2. Now that the basic issue is political, I doubt whether any useful purpose will be served by Shoaib visiting the US at this point of time to conduct a dialogue on the economic plane. I sincerely hope that you will continue your efforts on our behalf to get the necessary aid for our Third Five Year Plan as well as for Tarbela. Our Ambassador G. Ahmad will assist you in every way possible.

With best regards,

Yours sincerely,

Mr. George D. Woods,
President,
International Bank for
Reconstruction and Development,
Washington, D.C.



File No. 276

Ministry of External Affairs
New Delhi

July, 1965

276

From: Mr. [Name]
To: Mr. [Name]

Dear Sir,

I am in receipt of your letter of the 27th July, 1965. You have always been good to me and I have been glad to have you for all the assistance that you have given me in the past. I greatly appreciate your attitude for the welfare and future growth of India and I am sure that your support in the UN and elsewhere will be of great help to us. I can assure you that the Government of India has always been in the position that it has developed today to give the UN Government the best possible support in our discussions about economic aid. What has caused my concern is not the fact that the United States has without warning and without prior consultation with either the other donor countries or the party most affected, taken action which led to the postponement of the Committee meeting and thereby prevented the Bank and these countries from contributing their share of aid for the month, but the manner in which the United States has acted in the implementation of political treaties. The present US action may have been partly influenced by the mood of the Congress but there is every indication that there is a good deal more to it than that. Our policy in India is to be friendly and helpful. We are working in friendly co-operation with the USSR, China and India and efforts to maintain friendship with US and the West and at the same time avoid conflict with our neighbours. We are a peace-loving nation and our policy is as simple as that. We cannot afford to have too many enemies around us. India is a friendly and helpful nation. Our friendship with the United States is not a comparable relationship of good neighbourly relations with other countries.

Now that the basic issue is political, I doubt whether any useful purpose will be served by Shroff visiting the US at this point of time to conduct a dialogue on the economic plane. I sincerely hope that you will continue your efforts to help us get the necessary aid for our Third Five Year Plan as well as for the aid for the Ambassador. I shall be glad to assist you in every way possible.

Yours sincerely,

[Handwritten signature]

RECEIVED
GENERAL FILES
COMMUNICATIONS
JUL 31 AM 11:17
1965

Mr. [Name]
President
International Bank for
Reconstruction and
Development

alpha
Pirkey Col. F.Z.

December 9, 1963

Dear Colonel Pirkey:

Thank you for sending me under date of November 18, 1963, your challenging concept of a proposal to transfer surplus waters from the Columbia River to the Colorado and the arid lands adjacent to it.

While I have not been able to study the text of the report in great detail, I have been impressed by its scope and I have found it most interesting. As suggested by you, I shall pass it on to General Wheeler, who, I am sure, will be pleased that you thought of him in this connection.

Sincerely yours,

((Signed) George D. Woods

George D. Woods

Col. F. Z. Pirkey, U.S.A. (Ret.)
Consulting Engineer
3221 Mountain View Avenue
Sacramento 21, California

HDV/agk/12-3-63

12-9-63: Incoming letter plus attachment forwarded
to General Wheeler

ROUTING SLIP

Date

12-9-63

NAME

ROOM NO.

Pam

To Handle

Note and File

Appropriate Disposition

Note and Return

Approval

Prepare Reply

Comment

Per Our Conversation

Full Report

Recommendation

Information

Signature

Initial

Send On

REMARKS

Here's the whole works

*- could you find a
place for it? Thanks -*

Acdis

From

FORM No. 75
(2-60)

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE
CORPORATION

INTERNATIONAL DEVELOPMENT
ASSOCIATION

ROUTING SLIP

Date

12-9-63

NAME

ROOM NO.

~~General R.A. Wheeler~~

~~345~~

~~Gen Vogel~~

~~Thank you.~~

RAW

see

To Handle

Note and File

Appropriate Disposition

Note and Return

Approval

Prepare Reply

Comment

Per Our Conversation

Full Report

Recommendation

Information

Signature

Initial

Send On

REMARKS

From

H. D. Vogel

December 9, 1963

Dear Colonel Pirkey:

Thank you for sending me under date of November 18, 1963, your challenging concept of a proposal to transfer surplus waters from the Columbia River to the Colorado and the arid lands adjacent to it.

While I have not been able to study the text of the report in great detail, I have been impressed by its scope and I have found it most interesting. As suggested by you, I shall pass it on to General Wheeler, who, I am sure, will be pleased that you thought of him in this connection.

Sincerely yours,

(Signed) George D. Woods

George D. Woods

Col. F. Z. Pirkey, U.S.A. (Ret.)
Consulting Engineer
3221 Mountain View Avenue
Sacramento 21, California

HDV

HDV/agk/12-3-63

12-9-63: Incoming letter plus attachment forwarded to General Wheeler

OFFICE MEMORANDUM

DEC 4 REC'D

TO: Mr. George D. Woods

DATE: December 3, 1963

FROM: H. B. Ripman

SUBJECT: Letter from Colonel F. Z. Pirkey

I attach a letter for your signature acknowledging receipt of the report Colonel Pirkey sent you, together with a short memorandum prepared by General Vogel which sums up Colonel Pirkey's proposal.

HBRipman:pgn

12/6
OFFICE MEMORANDUM

TO: Mr. George D. Woods

DATE: December 3, 1963

FROM: S. Aldewereld *ASB*SUBJECT: Letter from Col. F. Z. Pirkey
Dated November 18, 1963

The subject proposal by Col. F.Z. Pirkey cannot be criticized as presenting too limited a view. He sets forth a critical problem: water shortage in the southwestern United States, where paucity of rainfall limits the economic growth.

To this area Col. Pirkey proposes to transfer water from the Columbia River, where it is surplus to needs. He would do this by pumping it 4500 feet vertically and then moving it in artificially constructed channels, and through natural lakes and reservoirs, a distance of 1200 miles. Involved are problems of creating the power to do this and recapturing a part of it at the outflow.

The price tag is enormous. Initial investment by the U.S. Government is estimated at nearly 13 billion, which is about the amount spent by it for resource development up to 1960. This initial amount would be repaid in part beginning in 10 years, but without interest. Deductions would be made for presumed benefits received by the Federal Government, most of which are subject to contention.

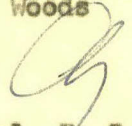
Following the initial investment, financing would be by sale of water rights, the whole undertaking to be under a "Western Water Authority" created by a state compact.

Without arguing the need or desirability of the proposal, it can be viewed as physically possible of accomplishment. The question is whether it can be justified economically either now or at a foreseeable time in the future. Figures given are estimates only and are subject to considerable doubt. Questions could be raised as to the validity of quantities and unit costs as given.

If this proposal were to be taken seriously, the next step would be to undertake a preliminary survey leading to a full scale feasibility study. Prior to that it can be considered only as an interesting possibility.

Mr. George D. Woods

December 3, 1963

S. Aldewerseld 

Letter from Col. F. Z. Pirkey

Dated November 18, 1963

The subject proposal by Col. F.Z. Pirkey cannot be criticized as presenting too limited a view. He sets forth a critical problem: water shortage in the southwestern United States, where paucity of rainfall limits the economic growth.

To this area Col. Pirkey proposes to transfer water from the Columbia River, where it is surplus to needs. He would do this by pumping it 4500 feet vertically and then moving it in artificially constructed channels, and through natural lakes and reservoirs, a distance of 1200 miles. Involved are problems of creating the power to do this and recapturing a part of it at the outflow.

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Following the initial investment, financing would be by sale of water rights, the whole undertaking to be under a "Western Water Authority" created by a state compact.

Without arguing the need or desirability of the proposal, it can be viewed as physically possible of accomplishment. The question is whether it can be justified economically either now or at a foreseeable time in the future. Figures given are estimates only and are subject to considerable doubt. Questions could be raised as to the validity of quantities and unit costs as given.

If this proposal were to be taken seriously, the next step would be to undertake a preliminary survey leading to a full scale feasibility study. Prior to that it can be considered only as an interesting possibility.

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL FINANCE
CORPORATION

ROUTING SLIP

Date

Nov. 27, 1963

OFFICE OF THE PRESIDENT

Name

Room No.

Mr. Aldewereld

340

Action

Note and File

Approval

Note and Return

Comment

Prepare Reply

Full Report

Previous Papers

Information

Recommendation

Initial

Signature

Remarks

Please have someone look over the attached material which I have received from a Colonel F. Z. Pirkey, and let me have a reply to send to him.

G. D. Woods



From

NOV 27 REC'D

3221 Mountain View Avenue
Sacramento 21, California
November 18, 1963

Mr. George D. Woods
President
World Bank
1818 "H" Street
Washington, D.C.

Ack: Dec. 9/63

Dear President Woods:

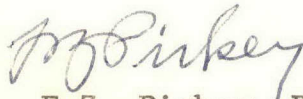
Herewith for your information and without obligation is a copy of a confidential report "Water for All" together with a copy of a recent press release and map. The title should more appropriately be "Water, Power and Prosperity for All".

There may be some ideas of interest to the World Bank in the proposed solution to Water and Power problems of the Western United States from a total planning concept. I suspect that General Wheeler will be particularly interested.

All favorable factors are put together in a one package deal including International, political, economic, legal, financial and engineering. The central idea is in the interest of free enterprise through a permanent initial investment relieving the project of debt service (and of course taxes) after which the project expands itself gradually through accumulated earnings, thus using interest to work in its favor instead of against it.

Ultimately the earnings will be about \$430,000,000 per year which could accumulate at say 4% interest to constitute a development fund for the entire western region to promote similiar self expanding development projects.

Sincerely,



F.Z. Pirkey, B.S., C.E., LLB
Col. U.S.A. ret'd.
Consulting Engineer

Released for publication at any time. Material may be copied or quoted provided author is given full credit

F.Z. Pirkey 

Water, Power and Prosperity for All

by

F. Z. Pirkey, C.E.

A Western Water Project is proposed which would solve most of the present and future water and power problems of the western United States by diversion from the lower Columbia River of water wasting to the Pacific Ocean and conveyance of same to the southwestern United States. A guarantee of first priority on all water would be given to the people of the entire Columbia River Basin for all present and future use. The only water loser would be the Pacific Ocean. The benefit cost ratio of the project is estimated at 3.4 to 1 with an ultimate increase of national wealth comparable to the national debt and an ultimate increase of annual gross national product of 10 billion dollars, all of this for an initial investment of less than 13 billion dollars spread over a construction period of about 10 years. No further investment is required as the project would pay for its own expansion while furnishing ample high quality water at \$4.00 per acre foot for irrigation and 10 cents per 1,000 gallons for municipal and industrial use. The first stage of the project would furnish about 13,000,000 acre feet of water per year to eastern Oregon, Nevada, California and Arizona. The capital cost for the first stage construction would be raised by assessments of beneficiaries of the project; thus eliminating interest and amortization charges. The present worth of all benefits of a national character is estimated to exceed 25 billion dollars. Sale of water rights would in effect constitute an assessment of the local water users.

The Columbia River has an average annual flow of about 170,000,000 acre feet at Portland, Oregon with floods occurring in the late spring and early summer at which time there is excess or waste hydro-electric power

available which could be purchased at a low cost to assist in pumping from the flood flow. Power recovered in the southwest would bring a relatively higher price and due to recent high efficiencies of hydro-electric equipment a power recovery of about 75% would be attained. The canal to the southwest would not only transport water but also would constitute an equivalent power transmission line or power inter-tie from the Columbia River Basin to the Colorado River Basin power net as well as to California also.

The proposed 923 miles of Western Aqueduct with initial capacity of 21,000 cfs from the Columbia Basin to Lake Mead on the Colorado River would have no tunnels or pipe lines enroute other than penstocks of pumping and power plants and could be constructed largely by floating pipe line dredges. The cost of the canal together with the rights of way for the entire ultimate project would be less than 14% of the estimated capital cost of the first stage.

The proposed diversion from the lower Columbia River would be from the Dalles 160 feet above mean sea level at the mouth of the Deschutttes River east of the Cascade Mountain Range and about 90 miles east of Portland. An ascending cascade of 12 reservoirs formed by a series of dams is proposed up the Deschutttes and Crooked Rivers raising water, by means of pump-turbine plants at each dam, to an initial elevation of 4,600 feet. The pump-turbines when not required to pump export water would be utilized in pumped storage operations to deliver on-peak power to the Columbia Basin power net.

Increases in capacity of the Western Aqueduct would require only installation of additional pumps and power plants, in increments of one unit of 4,000 cfs capacity (about 1,500,000 acre feet per year) at each dam, pumping or generating station. The western aqueduct at ultimate capacity of 85,000 cfs at intake would deliver 60,000,000 acre feet per year.

The entire Western Water Project in addition to the western aqueduct would include the Shasta Conduit discharging into existing Shasta Lake on the upper Sacramento River in Northern California via Klamath Lake in Oregon, the Mojave Conduit from the Western Aqueduct in Nevada to the Owens Valley in California following generally the route of the existing Los Angeles Aqueduct, the pumped storage project on the Bill Williams River in Arizona discharging into the lower Colorado River immediately above Parker dam;

and the Arizona Conduit extending from the mouth of the Bill Williams River to a point beyond Tuscon, Arizona.

Pumped storage operation in conjunction with atomic and non-atomic power plants on the Deschutttes River in Oregon, McCloud River in Northern California, Kern River in California and Williams River in Arizona would firm up practically all the power nets of the Western United States.

The first stage includes purchase of rights of way for the entire ultimate Western Water Project. 12 dams, reservoirs and pump turbine plants on the Deschutttes and Crooked Rivers, the Western Aqueduct, the pumped storage project on the Bill Williams River and the Arizona Conduit; at an estimated capital cost of \$12,794,000,000 spread over a construction period of about 10 years.

Insurance of maximum benefits from the Western Water Project will require comprehensive regional and inter-regional planning for agricultural and industrial developments of all affected regions including the Columbia Basin, the southwest and regions between. An interstate compact is proposed, (preliminary draft available) between Oregon, California, Nevada and Arizona with the United States as a party, to authorize a Western Water Authority to construct and operate the Western Water Project free of governmental restrictions, politics and bureaucratic growth. An advisory committee is proposed of neighboring states having some immediate interest in the project.

The accomplishments of the Western Water Project are estimated as follows:

1. Divert from the lower Columbia River only surplus water that otherwise would waste to the Pacific Ocean.
2. Reserve to the people of the Columbia Basin first priority on all water therein.
3. Provide a market for surplus energy in the Northwest Power Pool.
4. Improve hydro-electric power heads and power on the lower Columbia River.
5. Change the Bonneville Power Administration deficit to a surplus.

6. Reduce flood peaks and hence flood damage on the lower Columbia River.

7. Insure navigation flows on the lower Columbia River and reduce navigation maintenance.

8. Provide increased peaking capacity and energy for the Northwest Power Pool.

9. Stimulate and accelerate the development of hydroelectric power in the Columbia Basin by insuring practically 100% plant factors for the new plants.

10. Stimulate industrial development of all regions including particularly the Columbia Basin.

11. Furnish the arid southwest and areas enroute an adequate supply of high quality water at reasonable cost for present and future requirements.

12. Furnish electric power and peaking capacity to the southwest and areas enroute thus serving as a power intertie by means of a water transmission line or canal.

13. Provide greatly increased land values for all lands served particularly in the southwest where several crops per year can be grown.

14. Dilute the salt concentration of the Colorado River water raising the quality from barely usable to highly satisfactory.

15. Permit growth and development in the southwest on an efficient pre-planned basis of land use, transportation and urbanization with dispersed industry, cooperative defense through properly designed survival cells, as well as strengthen the economy of the entire nation.

16. Utilize available storage space in Lake Mead on the Colorado River and maintain power heads at Hoover Dam and other dams on the lower Colorado River.


17. Resolve the present controversies over water between:
- a. Upper Colorado River Basin and Lower Basin
 - b. U.S. and Mexico
 - c. Arizona and California
 - d. Northern California and Southern California

18. Provide vast recreation opportunities.
19. Reduce and practically eliminate future litigation over water.
20. Construction work would provide employment for a large number of people over many years.
21. Construction of proposed works might extend over a period of business recession, providing a valuable impetus to recovery as well as low construction cost.
22. The federal government would collect income taxes in the order of \$225,000,000 per year initially and ultimately \$1,125,000,000 per year. In addition the value of federal lands would greatly increase.
23. State and local governments would benefit from the increased tax revenues and land values.
24. A substantial amount of pumped storage is proposed on the Williams River to provide peaking capacity and to firm up the power net of the Colorado River Basin. This would be accomplished by fuel plants either atomic or non-atomic or both. The coal, oil, shale oil and uranium resources of the southwest would be available for this purpose.
25. The initial or first stage of the project would provide an emergency water supply to California via Goose Lake and the Pit River in case of an exceptionally dry period. This supply could even be made available in part to Southern California via the Sacramento River, proposed central valley canal to Bakersfield and thence up the Kern River to the Antelope Valley.
26. An initial water supply could be discharged into Lahontan Reservoir in Nevada thereby releasing most of up stream flow of the Walker and Truckee Rivers for up-stream users as well as to increase as necessary the supply to water users below Lahontan Reservoir.
27. Water users of eastern Oregon would be insured an ample supply for all present and future needs.

28. The Western Water Project firms up most of the power nets of the Western United States.

The proposed Western Water Project solves water and power problems with water for all for both present and future needs without depriving anyone of water. It provides an economic break through, a profitable self expanding investment in America with benefits to all and detriments to none.

11/16/63


F.Z. Pirkey, C.E.
3221 Mountain View Avenue
Sacramento, California 95821

January 22, 1964

Dear Dave:

Thank you indeed for your letter of January 17. I am glad to say that I now feel almost completely recovered from my bout with the surgeon last July.

I am delighted to hear from you that PPG and the Birla group have resumed contact. The eventual basis on which you may agree to do business is a matter, of course, for your two concerns. In view of my high opinion of both PPG and the Birla enterprises, I trust that you can reach a true meeting of minds. Yes, I would appreciate being kept informed.

Warm regards and best wishes for 1964.

Cordially,

George D. Woods

George D. Woods

Mr. David G. Hill
Pittsburgh Plate Glass
Company
One Gateway Center
Pittsburgh 22, Pennsylvania

GCW:GDW:cmL:s

PITTSBURGH PLATE GLASS COMPANY

JAN 21 REC'D



GENERAL OFFICES:
ONE GATEWAY CENTER, PITTSBURGH 22, PA.

DAVID G. HILL, PRESIDENT

January 17, 1964

Mr. George D. Woods, President
The International Bank for Reconstruction
and Development
1818 H Street N. W.
Washington, D. C.

Dear George:

First of all, I was delighted to hear from Frank Denton the other day that he had just talked with you and that you were feeling fine. This is certainly good news, and I trust that you, either on your own or upon the admonition of your wife, will not allow yourself to become overburdened with work to the detriment of your good health.

Since you had an interest in our negotiations with Birla and are aware that we came to a temporary parting of the ways last year, I thought you would be interested in knowing that we have made a re-evaluation of the situation and have indicated to the Birlas that under certain circumstances we will be happy to reopen our discussions. The basis on which we would now be agreeable to going forward is one that would assure us of a more favorable return than we had originally contemplated. The Birla group may consider this too rich for us and too lean for them, and as a consequence nothing may come of it. However, we think it is a fair and realistic proposal, and that we would not be justified in going forward on any less favorable basis.

I think we should hear from the Birlas in a matter of two or three weeks and, if you have a continuing interest, I will be happy to let you know how this matter progresses.

With very best regards, I am

Sincerely yours,

President

DGH:RG

[Faint, illegible text, possibly bleed-through from the reverse side of the page]

1964 JAN 21 AM 9:43

RECEIVED
GENERAL FILES
CORRESPONDENCE

ROUTING SLIP

Date

March 9, 1964

OFFICE OF THE PRESIDENT

Name

Room No.

1. Mr. Wilson

2. Mr. Demuth

845

Action

Note and File

Approval

Note and Return

Comment

Prepare Reply

Full Report

Previous Papers

Information

Recommendation

Initial

Signature

Remarks

Mr. Demuth:

For information. Perhaps
we should use Prud'homme.

G. D. Woods

From

Prud'homme

G DW

March 9, 1964

Dear Hector:

Thank you for your letter of March 2 which I found awaiting me on my return to my office here after a short absence from Washington. It was a pleasure to have you and your wife as guests at our last Annual Meeting. It was my own first experience of being intimately involved in these proceedings and I was heartened by the presence of many friends.

We are moving forward with our plans to step up the financial assistance which the Bank and IDA can provide for educational projects in our member countries. Your correspondence with Ebtahaj is of interest and your thinking coincides to a very large extent with my own. Such financing as we may be prepared to offer must be directed towards technical and vocational training, and for general secondary education where that is necessary to produce a sufficient number of candidates for more specialized training and jobs. In a general way we will favor such projects as supplemental to our primary function of providing finance to enlarge the productive facilities.

I am enclosing, for your personal information, a copy of the report which I submitted to our Executive Directors last October. The proposals set out in that report received general approval and we are now working on their implementation.

Warm regards,

Sincerely,
(Signed) George D. Woods

George D. Woods

Mr. Hector Prud'homme
Director of Resources
University of Hartford
200 Bloomfield Avenue
West Hartford 17, Connecticut

GCWishart:cml

cc: with incoming
Mr. Wilson
Mr. Demuth

DECLASSIFIED

JAN 30 2012

WBG ARCHIVES

Rhodina group
CONFIDENTIAL

9DW

Message from Mr. Knapp to Mr. Woods, as read by Mr. William C. Kinsey, State Department, on December 20, 1965:

"Have completed full and cordial talks with President Kaunda, and at Smith's request am returning Salisbury tomorrow (Monday, December 20) for final talk. Hold space Salisbury to London Tuesday night but hope obtain space to Nairobi Monday night proceeding London daytime Tuesday. Have had full review of problems with top level British delegation here and have kept U.S. Embassy informed. Substance of talks reported in notes being brought by Larsen. However, since his departure, Kaunda has told me he is unwilling to support any idea of the Bank's presence at Kariba unless accompanied by troop protection. He feels any lesser measure would be exploited by Smith for propaganda purposes. Hence, net results under this heading nil. I am still actively pursuing issue relating to maintenance of effective operation of common power authorities and some recently precipitated problems of debt servicing by power corporation. Both of these require further discussion in London, where meetings arranged for Wednesday. Regards.

Burke Knapp"

B. Schmitt

12/20/65

cc Becker

~~S
Am I right that a copy of this has already gone to Mr. Burke?
JW
2/20/66~~

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

OFFICE OF THE PRESIDENT

File

Mr. Woop.

Here are the papers you
wanted on the letter written
to Mr. de CVBAS of
Westinghouse.

JW

3 JUN 1962

No further
action.

post
per D Schmitt
9/18/62

AUG 4 REC'D

STUART SYMINGTON
MISSOURI

STANLEY R. FIKE
ADMINISTRATIVE ASSISTANT

Symington S.

COMMITTEES AND SUBCOMMITTEES:

AERONAUTICAL AND SPACE SCIENCES

ARMED SERVICES

CHAIRMAN, SUBCOMMITTEE ON NATIONAL STOCKPILE AND
NAVAL PETROLEUM RESERVES

PREPAREDNESS INVESTIGATING SUBCOMMITTEE

FOREIGN RELATIONS

CHAIRMAN, NEAR EASTERN AND SOUTH ASIAN AFFAIRS
SUBCOMMITTEE

DISARMAMENT SUBCOMMITTEE

CANADIAN AFFAIRS SUBCOMMITTEE

APPROPRIATIONS

EX OFFICIO MEMBER FOR DEFENSE, MILITARY
CONSTRUCTION, AERONAUTICAL AND SPACE
APPROPRIATIONS

DEMOCRATIC POLICY COMMITTEE

United States Senate
WASHINGTON, D.C.

August 3, 1965

Mr. George D. Woods, President
International Bank for Reconstruction
and Development
Washington, D.C. 20433

Dear George:

Thank you very much for your courtesy in
sending me that memorandum re the facts with
respect to recent Consortium Meetings in
connection with India and Pakistan.

Unfortunately I am going out of the country for
the rest of this week, but will be back the
middle of next week and will take the liberty
of giving you a ring.

With appreciation and kind regards.

Sincerely,



Stuart Symington

SS/1

Mr. Woods 8/4
No reply required.

8 Aug.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

MEMORANDUM

TO : SAC, [illegible]

FROM : [illegible]

SUBJECT: [illegible]

DATE: [illegible]

[illegible text]

[illegible text]

[illegible text]

[illegible text]

[illegible text]

1965 AUG -4 AM 9:57

RECEIVED
GENERAL FILES
COMMUNICATIONS