

THE WORLD BANK GROUP ARCHIVES

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THE WORLD BANK

Washington, D.C.

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The World Bank

1818 H Street NW

Washington DC 20433

Telephone: 202-473-1000

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President G. D. Woods Chronofiles vol. 22 Jan. - Apr. 1968



The World Bank Group
Archives



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President George D. Woods Chronological Records - Volume 22

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April 2, 1968

Dear Sir:

On behalf of Mr. George D. Woods who was succeeded as President of the World Bank Group by Mr. Robert S. McNamara on April 1, I should like to acknowledge your letter dated March 26 and three copies of your latest collection of Central Bank Speeches. I shall forward your letter and a copy of your publication to Mr. Woods and I know that he would wish me to thank you for your thought.

Sincerely,

Rainer B. Steckhan
Personal Assistant to the President

Mr. Gabriel Ferras
General Manager
Bank for International Settlements
Basle, Switzerland

RBS:mek

1) ~~2054/1~~
2) ~~mm~~

March 29, 1968

Dear Jim:

I have your kind invitation dated March 25 to witness the second unmanned test flight of the Saturn V launch vehicle on April 3 at the John F. Kennedy Space Center, Florida. Your office has been advised by telephone that I must regret. I write to tell you how sorry I am not to be able to be present on this important occasion in the Nation's Space Program. Unfortunately, I have an unbreakable engagement for that day but I do hope that another opportunity will present itself at some future time.

Warm personal regards,

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. James E. Webb
Administrator
National Aeronautics and Space
Administration
Washington, D.C. 20546

RBS/GDW:mek

March 28, 1968

Dear Eddy:

I have your letter dated 19 March about the ideas you had put forward for raising the standard of living in the Middle East and what could be done to contribute to peace in the area.

The World Bank studies on the possibilities for accelerated economic development in the Middle East continue but it will be some months before conclusions can be reached. Meanwhile, your suggestion that somebody get in touch with the U.K. Atomic Energy Authority has been pursued. Mr. Piccagli, Assistant Director for Engineering in our Projects Department, has talked to people in the AEA and expects to do so again from time to time in the future to keep up with the rapidly changing situation in the nuclear field.

Thank you for your kind words on my leaving the Bank. I trust our paths will cross from time to time in London or New York.

Warmest regards,

Cordially,

((Signed) George D. Woods

George D. Woods

Mr. Edmund de Rothschild
New Court
St. Swithin's Lane
London, E.C. 4, England

MLL/GDW:mek

cc: Mr. Lejeune
cc: Mr. Piccagli

March 28, 1968

Dear Professor Roig:

I write to acknowledge your letter dated March 21 asking me to reconsider your invitation to address the Sixth International Program of your Institute to be held from June 17 through June 22 in Barcelona. As I stated in my letter dated March 15, it will not be feasible for me to be in Spain at that time and I am sorry to say that the matter cannot be reconsidered. Again I regret that I am compelled to send you this negative reply.

Although I will not be with you on the occasion of the Sixth International Program, I send you my best wishes for the Conference.

Sincerely,

(Signed) George D. Woods
George D. Woods

Professor Barto Roig
Director International Program
Universidad de Navarra
Avenida Pearson, 21
Barcelona 17, Spain

RBS:GDW:ml

1) RWS 3/28
2) mm

Mr. J. Burke Knapp

March 28, 1968

G. D. Woods

MOROCCO

Referring to the attached memorandum from Mr. Lejeune dated February 20, on the subject of Morocco and the appended documents:

As I have said to you, I feel that the Loan Committee, at its meeting on February 9, should have done no more than to recommend the suspension which is set out in paragraph 4 of the Minutes of the Special Loan Meeting on February 9, as a "decision." I think this is a matter which should be decided by the President or, in his discretion, referred with a recommendation to the Executive Directors for decision. When a loan agreement is signed with a member country the Bank is committed. The decision to cancel or suspend a Bank commitment is no more the prerogative of the Loan Committee than is the making of the original commitment.

With respect to the point that in the absence of the President such a decision could be made by the senior officer in charge, it should be observed that my planned date of return to Washington was Monday, February 19, and the letter of suspension was dated Friday, February 16, and I believe delivered to the responsible government official on February 19. In matters of this importance I do not believe that a few days' delay would be of any moment. Of course if the President is incapacitated or on an extended absence from the office and not to be easily reached by cable, I would agree that the senior officer in charge should decide such matters.

Should a similar set of facts present itself in the future I expect you and Mr. Cope will be guided accordingly.

(Signed) George D. Woods

Attachments

cc: Mr. McNamara
Mr. Cope

GDW/s

March 28, 1968

Dear Mr. Gressley:

I write to acknowledge your letter dated March 4, 1968, inviting me to place my papers in the Business History Research Center at the University of Wyoming.

I am flattered that you consider my files might be worth keeping for future research on the history of American business and finance in the twentieth century. However I think it best to decline your invitation. All correspondence, documents etc. relating to my term of office here at the World Bank will be retained in the Archives of the Bank. When I turn over my responsibilities as President of the World Bank Group on April 1 to Mr. Robert S. McNamara, I expect to be re-elected as a director of The First Boston Corporation and I shall accept invitations to join a limited number of other Boards. In the circumstances, I am not prepared to dispose of my personal and business--other than World Bank--correspondence, largely relating to the years prior to the date I came with the Bank, as these papers are necessary for my continuing work.

May I say that I appreciate your thinking of me in connection with your business history research project.

Cordially,

(Signed) George D. Woods

George D. Woods

Mr. Gene M. Gressley, Director
Business History Research Center
The University of Wyoming
Box 3334
Laramie, Wyoming 82071

RBS/GDW:mek

March 27, 1968

Dear Mr. Browne:

I have your letter dated March 1, 1968, inviting me to write an article for the Columbia Journal of World Business on the theme of self-help among the developing nations.

I am flattered by the invitation. The Columbia Journal of World Business is a highly regarded publication. Besides, your suggestion is appealing to me, as I sincerely believe that the impressive effort made by the some 25 fast-growing developing countries needs emphasizing. Nevertheless, I feel I must decline your invitation. As you know, I shall turn over my responsibilities as President of the World Bank Group to Mr. Robert S. McNamara on April 1. This change in the Presidency involves a considerable amount of work not only for the incoming President but also for myself. After five years of speech-making and public statements, I have decided to retire from "publications" for a period of time.

With warm regards,

Sincerely,

((Signed) George D. Woods

George D. Woods

Mr. George Browne
Managing Editor
Columbia Journal of World Business
Columbia University
New York, New York 10027

RBS/GDW:mek

7) RBS
7) mm

March 26, 1968

Dear Mr. Minister:

I write to confirm the following cable which has been transmitted to you:

"I WAS MOST HAPPY TO RECEIVE YOUR LETTER OF MARCH 8 ANNOUNCING THE DECISION OF YOUR GOVERNMENT TO PROPOSE TO PARLIAMENT TOTAL BUDGETARY APPROPRIATIONS FOR IDA DURING THE NEXT THREE YEARS OF 14 MILLION DOLLARS 17 MILLION DOLLARS AND 20 MILLION DOLLARS STOP I DONT KNOW HOW I COULD HAVE RECEIVED MORE WELCOME NEWS DURING THE LAST DAYS OF MY TENURE IN OFFICE AS PRESIDENT OF IDA ESPECIALLY AFTER THE TRIALS AND TRIBULATIONS WHICH WE HAVE PASSED THROUGH IN ACHIEVING AN AGREEMENT ON THE SECOND IDA REPLENISHMENT STOP THE CONSTANT SUPPORT WHICH I HAVE RECEIVED FROM YOUR GOVERNMENT AND FROM YOU PERSONALLY IN THIS MATTER HAS BROUGHT ME GREAT ENCOURAGEMENT STOP I DO WANT TO TAKE ADVANTAGE OF YOUR EXPRESSED WILLINGNESS THAT WE MAKE YOUR PROPOSAL PUBLIC AND WE ARE ISSUING A PRESS RELEASE NEXT MONDAY IN WASHINGTON AND PARIS FOR PUBLICATION IN TUESDAY MORNINGS NEWSPAPERS WHICH WILL PAY APPROPRIATE TRIBUTE TO YOUR GENEROUS ACTION STOP WITH WARM REGARDS"

There is really nothing I can add to the sentiments expressed above, but on a more personal basis I write to thank you for the thoughtful and generous expressions with which you concluded the letter of March 8 advising me of the decision of your Government. The not inconsiderable tasks of this post have been perceptibly lightened by the never-failing encouragement and assistance which I have always had from you and your colleagues in Stockholm. I deeply appreciate not only the enlightened viewpoint of your Government but also the willingness and ability to implement it which has consistently been present. I bespeak your continuing cooperation for my successor, Mr. Robert S. McNamara, who will assume this post next week.

Warmest personal regards.

Cordially,

(Signed) George D. Woods

George D. Woods

His Excellency Krister Wickman
Minister of State for Economic Affairs
Kungl. Finansdepartementet
Stockholm 2, Sweden

GDWoods/s

cc: Mr. Knapp (with copy of incoming)
General Files (with incoming)

1) PMS 3/25
2) mm

READE
INTBAFRAD
LONDON

MARCH 25, 1968

LT

ENGLAND

7

PLEASE ASCERTAIN EITHER THROUGH WILLIAM CLARK OR LORD FRANKS OFFICE
WHETHER LADY FRANKS WILL ACCOMPANY HIM TO WASHINGTON ON THE AFTERNOON
OF MONDAY APRIL FIRST

WOODS

George D. Woods
President

GDW/s

March 20, 1968

Dear Mr. Minister:

This is a somewhat belated acknowledgment of your letter dated February 23 advising me of the views of the German Government on the terms of the 1968 bond issue of the World Bank in Germany. Now that the purchase agreement for our bonds has been signed, I write to express my appreciation for your assistance in this matter. As I stated in my cable to you, I understand and completely sympathize with your desire to keep interest rates as low as possible. On the other hand, our bankers in Frankfurt who have the responsibility of selling the bonds had to make a judgment of their own on the appropriate terms of this issue. In these circumstances, I am delighted to see that the private bankers, the Bundesbank and the Federal Government were ultimately able to reach an agreement on the terms of our recent financing and I know that you personally contributed to a mutually satisfactory solution of a troublesome problem.

I consider your assistance as further evidence of the generous support extended by the German Government to the World Bank Group and I express the hope that you will continue to extend this support to my successor Robert S. McNamara.

With renewed thanks and warm personal regards,

Sincerely,

(Signed) George D. Woods

George D. Woods

Seine Exzellenz
Prof. Dr. Karl Schiller
Bundesminister für Wirtschaft
Bundesministerium für Wirtschaft
53 Bonn a Rh.
Federal Republic of Germany

RBS:GDW:ml

4/5) RB5
2) mu

March 19, 1968

Dear Mr. Papandreou:

I received your letter dated March 12 and noted the viewpoints and comments which it transmitted. As I am sure you know, our Executive Directors met on March 14 and approved my recommendation with respect to a loan to the National Investment Bank for Industrial Development (NIBID). I telephoned to you at the Hay Adams Hotel on March 15 and my office left a message that I had called. Not having heard from you, I feel I should make this acknowledgment of your letter.

I share your implied disappointment at the time required to negotiate the NIBID proposal since it was first made to us in January 1966, and I would have been happier had it been possible to conclude the loan earlier. As far as I am concerned, however, I am pleased that the matter has now been settled, and that the loan which has just been signed will soon be providing funds for industrial expansion, thus fulfilling its intended purpose of helping to improve the living standards of the people of Greece.

You are quite right that the discussion initiated with you and your father in April 1964 resulted in the settlement of the Greek international debts and the commencement of normal relationships between the Bank and Greece as a member country. I recall this cooperation with pleasure and satisfaction.

With warm regards,

Cordially yours,

(Signed) George D. Woods
George D. Woods

Mr. Andreas G. Papandreou
Chairman, Pan-Hellenic Liberation Movement
c/o American Committee for Democracy
in Greece
634 Eighth Avenue
New York, N. Y. 10036

GDWoods/s co: M.A. Kungu
Cleared with and cc: Mr. Cope

NOTENBANK
FRANKFURT (MAIN)

MARCH 18, 1968

LT

GERMANY

KARL BLESSING MANY THANKS FOR YOUR INVALUABLE AND INDISPENSABLE ASSISTANCE
IN CONNECTION WITH OUR RECENT FINANCING STOP CONTRACT HAS NOW BEEN SIGNED
AND EYE TRUST OFFERING WILL BE WELL RECEIVED BY INVESTORS STOP WARMEST
REGARDS

WOODS

George D. Woods
President

cc: Messrs. Aldewereld
Cavanaugh

DEUTSCHBANK

MARCH 18, 1968

FRANKFURT (MAIN)

LT

GERMANY

KLASEN GUTH GREATLY APPRECIATE SIGNING OF PURCHASE AGREEMENT FOR OUR BONDS
PARTICULARLY IN PRESENT UNSETTLED WORLD CONDITIONS STOP DELIGHTED TO LEARN
OF INVESTOR INTEREST AND SHARE YOUR HOPE THAT THE OFFERING WILL BE
COMPLETELY SUCCESSFUL STOP WARM PERSONAL REGARDS

WOODS

George D. Woods
President

cc: Messrs. Alderfeld
Cavanaugh

GDW /s

March 18, 1968

Dear Gagan:

Thank you very much for your note dated March 12 enclosing the Annual Report and Accounts for 1967 of the Industrial Credit and Investment Corporation of India Limited and your statement to the shareholders. I shall look forward to reading this and know that I shall find it extremely interesting.

With warm personal regards,

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. G. L. Mehta
The Industrial Credit and Investment
Corporation of India Limited
163, Backbay Reclamation
Bombay 1, India

RBSteckhan:ml

March 15, 1968

Dear Professor Roig:

Thank you very much for your letter dated March 6 inviting me to address the Sixth International Program of the Instituto de Estudios Superiores de la Empresa to be held from June 17 through June 22 in Barcelona. I was most interested to read about the purpose of your Program, and the idea of addressing senior European business executives and government officials on the subject of development finance is very appealing to me. However, as much as I would have liked to accept your invitation, I feel I must decline. You will know that I shall turn over my responsibilities as President of the World Bank Group on April 1 to Mr. Robert S. McNamara. In the circumstances, I do not expect to come to Barcelona for the Sixth International Program. I am indeed sorry that I am compelled to send you a negative response, especially as I am well aware of the importance of management training courses such as yours and the many opportunities they provide for a free exchange of views.

May I take this opportunity of expressing appreciation to you for thinking of me in this connection and send my best wishes for what I am sure will be a stimulating and thought-provoking conference.

Sincerely,

(Signed) George D. Woods

George D. Woods

Professor Barto Roig
Director International Program
Universidad de Navarra
Avenida Pearson, 21
Barcelona 17, Spain

RBSteckhan:ml

March 14, 1968

Dear Mr. La Pira:

I write to thank you and Mr. Jean-Marie Bressand for your letter dated March 2, 1968, enclosing various documents of the United Towns Organisation. I have read with particular interest the attached "Note Concerning the Necessity for a Reassessment and for New Teaching Methods of Cooperation and the Action of the United Towns Organisation in this Field" which you sent to His Holiness Pope Paul VI and many heads of state. You rightly emphasize that "cooperation is the fundamental problem of our time," and I am flattered to see that you mention my address to the Swedish Bankers Association in Stockholm in this connection.

You were also kind enough to indicate agreement with some of my personal and subjective views on the state of economic development, as set forth in my address before the United Nations Conference on Trade and Development in New Delhi. Such expressions of support are among the most encouraging rewards that come to me in my work in the field of economic development.

May I also say that I am very honored by your invitation to become a sponsor and patron of the United Towns Organisation. I am aware of the good work being done by your organization but, regretfully, I must decline. As you may know, I shall turn over my responsibilities as President of the World Bank Group on April 1 to Mr. Robert S. McNamara. In the circumstances, I am sure you will understand--and I hope sympathize with--my position.

With renewed thanks and my best wishes for the continued success of your Movement,

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. Giorgio La Pira
Président de la Fédération Mondiale
des Villes Jumelées a Paris
13, rue Racine
Paris 6^e, France

RBS:GDW:ml

1) ~~class~~ 3/15
2) mu

March 14, 1968

Dear Mr. Höglund:

Thank you for your letter of March 4 and the information it transmitted. I am glad to learn of your capital market situation, and I think it would be helpful for you to write to Mr. Robert S. McNamara, who will take over as President on April 1, along these lines at intervals, perhaps quarterly or semi-annually.

As you know, I am in accord with a procedure whereby the leadership for our bond underwriting syndicate in Sweden would rotate among the major banks. It seems to me that the order of leadership rotation should be arrived at by mutual agreement among the banks, perhaps with the advice of Governor Asbrink.

Provided the Government was wholeheartedly in agreement, we would definitely be interested in having a bond issue denominated in Swedish kronor publicly offered in the Swedish market sometime during this calendar year. For a combination of reasons, I doubt if an issue would be feasible before the close of our current fiscal year, which is June 30. It might be appropriate to explore the possibility at about the time of our next Governors' Meeting in September.

Again thank you for your letter and with warm personal regards,

Cordially yours,

(Signed) George D. Woods

George D. Woods

Mr. Rune Höglund
President
Svenska Handelsbanken
Stockholm, Sweden

GDWoods/s

Cleared with and cc: Mr. Aldewereld

cc: Mr. Cavanaugh
Mr. Karasz

March 14, 1968

Dear Mr. Shah:

I write to acknowledge your letter from California which I received this week, and I am delighted to learn that your particle board project continues to make progress. I have followed your activities in this matter over the years with interest and I wish you continuing success in your endeavors.

As you may know, I shall leave the Presidency of the Bank at the end of the month and Mr. Robert S. McNamara will take over from me as the new President of the World Bank Group on April 1.

Regarding the possibility of a brief visit with me, I suggest you contact my office (DUdley 1-2001) if you are in Washington on other business. However, do not trouble to make a trip to this city for the express purpose of calling on me, as I do not know yet what my plans will be for the remainder of this month.

With kind regards and best wishes,

Sincerely,

George D. Woods

Mr. Y. N. Shah
c/o Macdonald Associates Inc.
1100 Sharon Park Drive-C5
Menlo Park, California 94025

1) 2/15/68 3/14
2) mm

March 13, 1968

Dear Mr. Weatherhead:

I have your letter of February 27, and am happy that you wrote it because, as you suspected, Mr. Aldevereld and I have been engaged in activities which involved a considerable amount of travel and have not seen as much of each other as we normally would. While I had the conversation of last October in my mind, I had not talked to Mr. Aldevereld about it and your note was an appropriate reminder.

I have now talked to him--and am sending him this correspondence. He of course is intimately familiar with your activities and would like to pursue the subject we briefly discussed last fall, not only as it pertains particularly to the Middle East, but rather generally on the relationships between your firm and the Bank.

Mr. Aldevereld will communicate with you when he has a definite program which will bring him to London.

Warm regards.

Cordially,

(Signed) George D. Woods

George D. Woods

Mr. T. D. Weatherhead
Hunting Technical Services Limited
6 Elstree Way - Boreham Wood
Herts, England

GDWoods/s
cc: Mr. Aldevereld (with incoming)

~~1) KAS~~
y me

March 12, 1968

Dear Senator Sparkman:

Thank you for your note dated March 8 and the Congressional Record of March 6 with the reprint of an article about our friend Willis Robertson which you mentioned when we met a week or two ago. It gives a good account of Senator Robertson's activity and I am delighted to see it inserted in the Congressional Record so that his many old friends will be informed about him. Senator Robertson's contribution to the work of the World Bank Group is useful and I am happy to confirm the impression that his health and spirits are both excellent, which is conveyed by the article.

Warm personal regards.

Sincerely,

(Signed) George D. Woods

George D. Woods

The Honorable
John Sparkman
United States Senate
Washington, D.C. 20510

cc: Senator Robertson

RBS:GDW:ml

1) 4/15/68
2) rm.

March 12, 1968

Dear Ed:

We have missed each other on the telephone on several occasions and this note is merely to say that I will be happy to join you early in May in the Washington area for the kind of general discussion we talked about at lunch earlier this year. I mentioned the possibility to Bob McNamara just before he left on a holiday at the end of February and, in principle, he is interested.

It would be a little more convenient for me if you arranged it for the 5th and 6th of May, as I have a trustees meeting at South Bend on the 3rd and 4th, but I dare say I could skip the second day in South Bend and join you on the 4th if that's the way you finally fix it.

As you have doubtless heard, Bob is taking over on April 1. I expect to be available for his questions and miscellaneous chores throughout April and perhaps into May.

Warm regards.

Cordially,

(Signed) George D. Woods

George D. Woods

The Honorable Edwin M. Martin
c/o U.S. O.E.C.D.
New York APO 09777
New York City, New York

GDWoods/s

cc OUT 4/1 = MC NAMARA FILE

1) 2035
2) *new*
File &
Destroy

MILLER
INTBAVRAD
PARIS

MARCH 11, 1968

TELEX

FRANCE

265

THINKING OVER OUR TELEPHONE CONVERSATION THIS MORNING ON GRAND ASSIZE
WOULD IT NOT BE A GOOD IDEA FOR YOU TO PLAN TO GO TO FRANKFURT NEXT
MONDAY EIGHTEENTH WHERE SOMEONE IS NEEDED TO SIGN GERMAN BOND ISSUE
CONTRACT AND EITHER BEFORE OR AFTER SIGNING VISIT IN BONN ON GRAND
ASSIZE

WOODS

George D. Woods
President

March 11, 1968

Dear Mr. Farbstein:

I am grateful to you for your note dated March 4 enclosing a copy of the Congressional Record of Monday, February 26, 1968, in which you kindly inserted my address before the United Nations Conference on Trade and Development. I was glad to read that you put particular emphasis on the "grand assize" suggestion and the new opportunities for economic development being opened up as a consequence of modern technologies in the fields of agriculture, food production and population control.

These new opportunities will require sizeable amounts of development finance and I am happy to report that our industrialized member countries have pledged a total of \$1.2 billion under a plan to replenish the resources of the International Development Association (IDA). The United States is a major contributor to this second replenishment of IDA and I am hopeful that the legislatures of our member countries will soon approve the second replenishment.

With renewed thanks and kind regards,

Sincerely,

(Signed) George D. Woods

George D. Woods

The Honorable
Leonard Farbstein
House of Representatives
Washington, D.C. 20515

March 8, 1968

Dear Mr. Elliott:

I write to acknowledge receipt of a copy of a lecture entitled THE SHORT TERM MONEY MARKET IN AUSTRALIA, which was delivered by Professor W. G. Dewald at the University of Queensland, Australia, on August 22, 1967. I look forward to reading this and I know I shall find it very stimulating. Thank you for sending me a copy.

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. F. F. Elliott
The English Scottish and Australian
Bank Limited
Box 89A, G.P.O.
Melbourne, Australia

RBS:mek

cc: 1) Mr. Cavanaugh w/incoming letter
2) Mr. Cargill

March 6, 1968

Gentlemen:

I write to acknowledge receipt of a copy of "SOUTHERN AFRICA AND THE UNITED STATES," by Messrs. William A. Hance, Leo Kuper, Vernon McKay and Edwin S. Munger. I look forward to reading this and I know I shall find it very interesting. Thank you for sending me a copy.

Sincerely,

(Signed) George D. Woods
George D. Woods

Columbia University Press
440 West 110 Street
New York, New York 10025

RBS/GDW:mek

24/10
1) Ross
2) mm.

March 6, 1968

Dear Rene:

This is a belated acknowledgment and response to your letter of January 22, which transmitted an invitation to attend a round-table discussion on the subject of "The Inequalities of Development and Peace," scheduled for the evening of Monday, July 1, in Paris. I have delayed responding because I was unclear as to just when Mr. Robert McNamara might take over this post, although I was reasonably certain it would be prior to the date of your meeting. It has now been agreed that he will assume the duties on April 1.

I have talked to Mr. McNamara about your proposed discussion and, tentatively, he is interested in hearing more about it and has, I believe, an open mind about attending it. I assume you have in mind that some of the United Nations Specialized Agency meetings which you and I attend from time to time are scheduled to be held in Bucharest this year on July 3, 4 and 5. If this is the case, a stop-over in Paris for your meeting on July 1 might fit into Mr. McNamara's travel plans. I suggest that you communicate directly with him in the next few weeks. He is out of the city on a holiday this month but I am sure you will receive a prompt response from him after he returns, on April 1.

I have thoroughly enjoyed our relationship and many discussions during the past five years, and I trust that whenever your duties bring you to New York you will not fail to let me know. I am re-joining the Board of Directors of my old firm, The First Boston Corporation, at 20 Exchange Place (telephone DIgby 4-1515) and I would be most happy to have the opportunity of providing lunch for you whenever you are in that city.

Warm personal regards and every good wish for the future.

Cordially,

(Signed) George D. Woods

George D. Woods

Mr. Rene Maheu
Director-General
United Nations Educational, Scientific
and Cultural Organization
Paris 7e, France

GDW/s

(HOLD FOR MR. MC NAMARA)

1) RBS
2) m

March 6, 1968

Dear Mr. Medina:

I apologize for not having written to you sooner about the subject of our discussion in your studio a few weeks ago, and I hope you have not in the meantime committed the free period during the first two weeks of July to which you referred. Having talked it over with my colleagues, I write to say that I would like very much to sit for a portrait at your convenience during the last few days of June and continuing during the first ten days or two weeks of July. This commission will be undertaken on behalf of this Bank and I confirm that your compensation is to be the equivalent of Esc60,000.

I have had three predecessors in this post, and each of these canvases is approximately 29 3/4 inches by 24 1/2 inches. Please let me know if there is any further information you would like and also confirm that your time is still available as above.

Warm regards.

Cordially,

(Signed) George D. Woods

George D. Woods

Mr. Henrique Medina
26 Tv Escola Aranje - Ll
Lisbon, Portugal

GDWoods/s

cc: (1) Mr. Ripman (2) Mr. Twining "Information and File"

1) RST 3/1
2) Mm

Mr. M. M. Rosen

March 6, 1968

G. D. Woods

Ghana: National Investment Bank

Referring to Document SIC/M/68-15, dated February 29, Minutes of Staff Investment Committee Meeting held on February 16:

I do not agree that the Development Finance Companies Department should spend any time preparing a paper in connection with the National Investment Bank of Ghana, reflecting either a change in Bank policy respecting financing a government-owned development finance company or contemplating a departure from Bank policy in the particular case of a National Investment Bank of Ghana.

If there is to be a consideration of Bank policy on this matter, it should be discussed in the Senior Staff or the President's Council of the Bank, and if there is sufficient interest a paper on the subject could then be authorized. I do not consider this an IFC matter at this point.

I have no objection to the Development Finance Companies Department considering a solution which does not involve a change in, or departure from, current Bank policy. However, in the present circumstances of Ghana, I doubt if it makes much sense to spend time and energy on a privately owned development finance company. If there are small and medium-sized viable, well managed state enterprises, it seems to me we might approach the problem along the lines of the Yugoslavia approach.

Attachment

(Signed) George D. Woods

cc: Mr. Diamond

GDW/s

1) RBS 7/6
2) mm.

March 6, 1968

Mr. Marcus Wallenberg
Vice Chairman
Stockholms Enskilda Bank
Kungstradgardsgatan, 8
Stockholm 16, Sweden

Dear Marc:

Last fall, when I spoke to the Bankers Association in Stockholm, I made a suggestion about a "grand assize." The words I used are indicated on pages 12 and 13 in the enclosed copy of that address.

I have had numerous unsolicited expressions of approval of this suggestion, although I have not done very much to bring a qualified group into being because I have been occupied on the problems of replenishing IDA and one or two other things. However, my successor, Robert McNamara, is interested in having such a study and review go forward, and accordingly in the past few weeks I have been trying to bring it along as far as possible so that when he takes over on April 1 there may be something more than merely an idea for him to work on.

The governments in the United States, Canada, Great Britain and France, have indicated approval of the idea and a willingness to cooperate. I am now approaching The Netherlands, Italy, Germany and Japan. Such a study would be worth while only if the committee responsible for it was of the highest caliber from a standpoint of both intelligence and prestige, and such a committee would be no better than its chairman. My candidate for chairman at the time I spoke in Stockholm was Lord Franks, and this continues to be the case. But even the best of chairmen and the ablest of committees can only have effect if they receive open support from public bodies concerned with the issues involved.

With this general background, you will appreciate that expressions of approval from non-political entities and organizations which are working for peace in the world and appreciate that economic development on an increasing scale throughout the world is essential to that end, are most helpful and most desirable. It has been suggested to me that while it may never have been done before, it would be helpful if the Nobel Peace Prize Committee were to publicly ask for such a "grand assize" as a contribution to peace. This would be something different and interesting and, constituting an innovation, probably would attract attention to the Stockholm idea. The situation with respect to waning interest in development finance is serious and it calls for new and unusual measures. It should of course be made quite clear that while such a grand assize would have the Nobel Prize Committee's blessing it could not be considered for a peace prize. Nor is any financial contribution by the Committee suggested; the World Bank publicly underwrote the cost of the project with the Stockholm announcement.

Mr. Marcus Wallenberg

- 2 -

March 6, 1968

I am looking for encouragement, approval, impetus from the church organizations, from organized labor groups, from organized groups of agriculturists, and it is in this context that the Nobel Committee comes to mind. In the past it has encouraged and furthered education, diplomacy, science, and in the last third of the Twentieth Century perhaps development finance should be added to the list.

I felt that I know you well enough to write to you on this matter and, equally, you should feel no hesitancy in saying you would prefer to do nothing about it if that is the way you feel.

Warm personal regards.

Cordially,

(Signed) George D. Woods

George D. Woods

Attachment

GDWoods/s

Cleared with and cc: Mr. Wm Clark

cc: Mr. Demuth
Mr. McNamara (April 1)

1) *As Jallo*
2) *Mu*
File

March 5, 1968

Dear Carlo:

I am sorry that it was impractical for me to cable as I was leaving India, as we had discussed, regarding a possible meeting with you or Raffaele on the 15th or 16th of February. As it turned out, I arrived one morning, visited with Dr. Carli that afternoon, and left early the next day on an unexpected trip to Frankfurt. I then returned to Washington via Lisbon.

I continue to be unsuccessful in my efforts to obtain permission for a World Bank bond issue in your market, although the matter is still in abeyance and a public issue continues to be a possibility at an indefinite future time. To put it differently, the door is not closed but the required permission is not yet forthcoming.

The program of anticipating the maturity dates of Italian paper in the World Bank portfolio, which started last year, will probably continue in the current Bank fiscal year. This provides funds for immediate use but nevertheless is merely anticipating payments which would have been made in future years in any event; it has none of the advantages of new, additional funds from a long-term public offering of our bonds in the Italian market. I trust that you and Raffaele will continue to press in every fashion you properly can for the granting of the Government approval which would enable the public offering which you and I have discussed for about two years.

I am informing my successor, Robert McNamara, quite fully on this matter, and when you are next in this country I will be happy to arrange for you to meet him.

Warm personal regards.

Cordially,

(Signed) George D. Woods

George D. Woods

Dr. Carlo Bombieri
Banca Commerciale Italiana
6, Piazza della Scala
Milan, Italy

GDWoods/s

1) ~~DS 54/10~~
2) *mm*

March 5, 1968

Dear L.K.:

I have safely returned to Washington after the very brief visit in your country and after stop-overs in Rome and Frankfurt in an effort to arrange some World Bank financing. Belatedly, I write to thank you for the reception you arranged in Delhi for Louie and me. We saw a great many friends and acquaintances whom we would not otherwise have had an opportunity of meeting, and in general I found it a thoroughly worth while occasion.

I have enjoyed knowing you, talking with you and doing business with you over the years, and I trust that our paths will again cross from time to time in the future. It is likely that you will be visiting in this country, and I trust that whenever you are here you will not fail to let me know, as nothing would give me more pleasure than to have a meal--or at least a visit--with you. I expect to return to my apartment in New York and become a director (not a full-time operating officer) of my old firm, The First Boston Corporation. I can always be reached through that office (20 Exchange Place - DIgby 4-1515).

Warmest regards to you and your wife, in which Louie joins.

Sincerely,

(Signed) George D. Woods

George D. Woods

Shri L. K. Jha
Governor
Reserve Bank of India
Mint Road
Bombay 1, India

GDW/s

1) RST 4/10
2) mm

Mr. William Clark

March 5, 1968

G. D. Woods

IBRD Relationship with U.S. Senate

Someone in India gave me the attached list of entities which have supported U.S. AID before the Senate, and suggested that I should maintain a relationship with these organizations in the interests of obtaining authorization and appropriation approval for IDA.

I expect there are quite a number of similar entities registered here in Washington, and it occurred to me that you might want to have somebody look into the matter, determine whether we have a master list of lobbyists of this type, and whether they are furnished with annual reports, speeches and miscellaneous publications of the Bank and IDA as a regular matter and also whether with respect to a selected few it would be worth while to assign the job of continuous education to some individual.

(Signed) George D. Woods

Attachment

GDW/s

1) RAS 3/27
2) mm.

March 5, 1968

Dear Dr. Patel:

Thank you for your letter of February 21 and the enclosed cartoon. Nobody had sent it to me. I found it amusing and am delighted to have a copy for my scrapbook. It was pleasant to see you even for a brief visit in Delhi, and I trust our paths will cross again. When I leave here in April or May I expect to return to New York, where I will become a director (as distinguished from an operating officer) of my old firm, The First Boston Corporation. I will always be happy to hear from you in care of that office, 20 Exchange Place, New York City 10021, telephone Digby 4-1515.

We have done financing in both Malawi and Zambia and I am sure there is a considerable amount of information on both countries in our files. I will ask our Africa Department to collect some data and send them to you. To the extent they indicate the information is confidential, I am sure you will completely respect that classification.

Warm personal regards and every good wish for the future.

Cordially,

(Signed) George D. Woods

George D. Woods

Dr. M. S. Patel
Santa Cruz
Bombay 54-AS, India

GDWoods/s
cc: Mr. El Emary

March 5, 1968

To: Mr. A. G. El Emary

I quote the following from a letter written to me by an old friend, Dr. M. S. Patel, Santa Cruz, Bombay 54-AS, India:

"I have been making a study of the resources and potentialities of Malawi and Zambia for the last several weeks. I feel that I can be of some assistance to these countries by planning projects that have not been planned or projected so far to suit the local economy of the Africans. I met some people from these countries, and they told me that I might be able to help them perhaps better in many ways than some of the experts from the highly developed countries.

"I would, therefore, like to know whether the World Bank or its associated organizations have published any books or reports or notes on these two countries. If they have, I shall be highly obliged if you can please ask somebody in your organization to send me a list of these publications, and if possible and convenient arrange to send the publications to me, in case they are readily available in your office building."

Dr. Patel is a highly qualified engineer, particularly interested in development problems. I think he is right in feeling that his background and experience are such that he could be of considerable assistance in Africa. Please send him as much information about Malawi and Zambia as you feel advisable. You will find that Mahmud Burney had some relationship with Dr. Patel in Ethiopia.

G. D. Woods

Attachment

(Signed) George D. Woods

1) ~~2/5~~ 3/7
2) mm

Mr. William Diamond

March 5, 1968

G. D. Woods

Kenya - Development Finance Company

With reference to the attached memos regarding the development finance company situation in Kenya:

As far as I am concerned--and I am not aware of any disagreement on this point--the Aga Khan's group is "private" as distinguished from "public" capital, and as such we have no policy inhibitions about being associated with it in the development finance business. On this assumption, it seems to me that if for its own political reasons the Government of Kenya does not wish a part in making a joint venture out of IPS, IFC should step aside as far as an equity position in a development finance company in Kenya is concerned and watch developments over the next few years.

The country has a government-controlled development finance company and it has IPS, which is active and experienced, in the private sector. If at a future time IPS needs additional capital--and the Government continues in its posture of "good will toward IPS"--the Government might conceivably sponsor an IPS loan application to the World Bank for funds.

With the problems we have elsewhere in Africa--and for that matter in the world--with respect to organizing new development finance companies where none now exist and with respect to finding answers to management deficiencies in several existing development finance companies, it does not seem to me intelligent or advisable to start something new in Kenya.

I will be glad to talk to you and Mr. Rosen about this at your convenience if you so desire.

(Signed) George D. Woods

Attachments

GDW/s

RB 3/11
mm

March 5, 1968

Dear Mr. Miller:

I write to acknowledge a Resolution of the Committee on Science and Astronautics in appreciation of my participation in the Ninth Meeting of the Panel on Science and Technology, and your personal note dated March 1. I am very honored indeed by the Resolution of your Committee and I am delighted to know that you consider my keynote address to be a useful contribution to the discussion of this important subject matter in which we have a mutual interest. On the personal side, may I say how much I enjoyed being with you and the other members of the Panel and how much I appreciate the reception given to what I had to say.

With renewed thanks and warm personal regards,

Sincerely,

(Signed) George D. Woods

George D. Woods

The Honorable
George P. Miller
House of Representatives
Washington, D.C. 20515

DR. THE HONORABLE
NICOLAAS DIEDERICHS
MINISTRY OF FINANCE
PRETORIA

MARCH 5, 1968

FULL RATE

SOUTH AFRICA

THANK YOU FOR MESSAGE RECEIVED ON MARCH FOURTH THROUGH YOUR EMBASSY STOP
I SHALL PROMPTLY REPORT YOUR WILLINGNESS SUBJECT TO PARLIAMENTARY
APPROVAL TO PARTICIPATE IN THE SECOND IDA REPLENISHMENT WITH ONE MILLION
DOLLARS PER ANNUM FOR 1968 1969 AND 1970 TO ALL PARTICIPATING COUNTRIES
WHICH I AM SURE WILL WELCOME THIS DECISION STOP ACCEPT MY APPRECIATION FOR
YOUR CONSIDERATION OF THIS MATTER WHICH I KNOW PRESENTED MOST DIFFICULT
PROBLEMS FOR YOUR GOVERNMENT STOP REGARDS

WOODS

INTRAFRAD

cc: Mr. Knapp

George D. Woods
President

March 4, 1968

Dear Mr. Siech:

On behalf of Mr. George C. Wishart, who is now with the Bank's European Office in Paris, I write to acknowledge your letter dated February 16 and a copy of the January edition of INTERECONOMICS. I have read with particular interest excerpts of your article on "Licences for Developing Countries" and I shall take the liberty of passing it on to other interested officials in the Bank. Mr. Woods's suggestion on a "grand assize" is under study by the governments concerned and Mr. Woods is grateful to you for your interest in his suggestion.

Meanwhile, I should like to thank you for the thought which led you to write to the Office of the President.

Sincerely,

Rainer B. Steckhan
Personal Assistant to Mr. Woods

Mr. Werner A. Siech
Senheimerstr. 53
1 Berlin 28 (Frohnau)
Berlin (W), Germany

RBS:ml

1) LARS 4/10
2) mm.

DR. GUIDO CARLI

MARCH 1, 1968

BANKITALIA

FULL RATE

ROME

ITALY

APPRECIATE YOUR ASSISTANCE IN MY PROBLEM OF FINANCE ALTHOUGH EYE MUST
CONFESS SOME DISAPPOINTMENT THAT THE AMOUNT OF YOUR EXTERNAL OBLIGATIONS
TO US WHICH YOU ARE ANTICIPATING COULD NOT BE FIFTY MILLION DOLLARS STOP
EYE KNOW YOU HAVE PROBLEMS AS EYE DO BUT EYE WOULD LIKE TO FEEL THAT YOU
WILL REVIEW THE SITUATION AGAIN WITH MY SUCCESSOR BEFORE OUR FISCAL YEAR
CLOSES ON JUNE THIRTIETH WARM REGARDS

WOODS

George D. Woods

President

cc: Messrs. Aldersfeld
Cavanaugh
Gianani

GDW/a

February 29, 1968

My dear Mr. Ambassador:

I was glad to receive your letter dated February 22 enclosing a medal coined in Mexico to commemorate the visit to the United States by the President of Mexico, His Excellency Gustavo Diaz Ordaz, in October of 1967. I am very honored to be among the recipients of this attractive memento and I wholeheartedly subscribe to the fine sentiment inscribed on it. The relationship between Mexico and the World Bank Group has always been excellent and I accept the medal also as evidence of this mutually rewarding relationship.

With many thanks,

Sincerely,

(Signed) George D. Woods

George D. Woods

His Excellency
Hugo B. Margain
Ambassador of Mexico
2829 16th Street, N. W.
Washington, D. C. 20009

RBS:GDW:m1

February 28, 1968

Dear Mr. Hayes:

Thank you very much for your letter dated February 20 inviting me to a convocation called by the Foreign Policy Association on "Toward the Year 2018: The Challenge to United States Foreign Policy," on May 27-29 in New York. Much as I would have liked to accept your invitation I must decline due to previous engagements during that period.

With my best wishes for what I am sure will be a thought-provoking and successful meeting,

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. Samuel P. Hayes
Foreign Policy Association
345 East 46th Street
New York, N.Y. 10017

DECLASSIFIED

MAR 19 2012

WBG ARCHIVES

1) PAS 2/28
2) mm

Mr. James S. Raj

February 28, 1968

G. D. Woods

Pakistan - Fertilizer Projects

Referring to the attached paper (SIC/M/68-13) dated February 26, 1968:

I do not approve the agreement set forth on page 3, paragraph (f), that IFC "should recommend to the Pakistan Government postponement of the third proposed urea plant (Hysesons-Kaiser)."

The position of the World Bank group is that the Pakistan Government --with no advice or recommendation from the World Bank group--should decide which two fertilizer plants should be carried forward at this time. The decision should be clearly and unequivocally that of the Pakistan Government.

For your personal information, my hope is that the Government will decide to go ahead on the basis which requires the minimum amount of World Bank group finance and the maximum amount of finance by others.

Attachment

cc: Mr. Cargill

GDW/s

1) 2/25/68
2) mm

February 23, 1968

TO Jt. LIBRARY
2/28/68

Dear Karl:

Thank you very much for sending me a copy of the attractive book commemorating the Fiftieth Anniversary of the German Ministry of Economics; and also for the holiday greetings which accompanied it, which I heartily reciprocate.

May I take this opportunity to say how very sorry I am that you happened to be away from Bonn during my two visits to Germany in the last six weeks. I know how completely occupied you are and understand you are frequently away from your Ministry office; I nevertheless was disappointed at not seeing you. This is particularly true because I plan to retire on April 1 and turn over the responsibilities of this post, as of that date, to Mr. Robert McNamara. Thus, it is extremely unlikely that we will have a further opportunity to meet on official business, although I trust that our paths may cross in the future, as I have thoroughly enjoyed our brief relationship.

Warm personal regards and every good wish for the future.

Cordially yours,

(Signed) George D. Woods

George D. Woods

His Excellency
Professor Dr. Karl Schiller
Minister of Economic Affairs
Bonn, Germany

GDWoods/s

February 27, 1968

Dear Mr. Davidoss:

I have just received, sent with compliments of Calico Mills Ahmedabad and yourself, a 1968 calendar embroidered on Kantha cloth. This is a most unusual and interesting piece of art and I thank you for your thought in sending it to me. May I also take this opportunity to acknowledge receipt of your kind letter dated February 21.

With all good wishes for a happy and healthy 1968,

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. Jeenabhai Davidoss
Post Box 558
Chickpet
Bangalore-2, India

1) R/S 2/27
2) mu.

February 26, 1968

Dear Mr. Guindeg:

I am writing to thank you for your report on the Indian debt service problem, submitted in fulfillment of the mission which you undertook on behalf of the Bank in its capacity as Chairman of the India Consortium. I think the report is remarkable for the clarity and simplicity with which it treats an exceedingly complex subject, and my opinion is quite generally shared by all in the Bank who have read it. I must also thank you for the kind and generous references in the report to the members of the Bank's staff who assisted you.

I want you to know how gratified I am at your acceptance and execution of this mission, as I have been concerned about the burden of service on India's external debt ever since I came to the Bank. Now, during my last months as President, your visits to the Consortium member countries have contributed greatly to the understanding of the problem and your report presents an excellent foundation upon which to build a solution to it. If the Consortium is near an agreed action on debt service relief for India, an important share of the credit must be given to your efforts. As is implicit in your report, action on debt service relief cannot be considered as an end in itself. It must be accompanied by appropriate decisions by consortium countries relating to the terms of future finance for development in India and by continuing intensive effort on the Indian domestic scene, particularly in increasing exports. Nevertheless, your analysis and recommendations will, I am certain, be of decisive importance in ameliorating the problem to which you addressed yourself.

The Executive Directors of the Bank are meeting currently to consider the Bank's participation in a common Consortium action and expect to complete their discussion shortly. I am recommending a Bank participation as suggested in your report. Mr. Cargill will be able to give you an account of the discussion when he sees you in Paris next week, but my impression is that this recommendation will be accepted.

With warm personal regards and great appreciation for your assistance,

Yours sincerely,

(Signed) George D. Woods

George D. Woods

Mr. Guillaume Guindeg, Chairman
Caisse Centrale pour la Cooperation Economique
233, Blvd. St. Germain
Paris VIIe, France

RJGoodman/GDWoods:s
cc: Messrs. Cargill, Goodman

1) Ross 2/27
2) mm.

February 23, 1968

Dear Peter:

As requested in your note of the fourteenth, I enclose a copy of the address I delivered at UNCTAD earlier this month. The final print--only very slightly changed--will be available shortly and a copy will be sent to you.

(Will take care of this 2/27)

I have no thought of spending "all of the days to come" away from New York. I will turn this post over to Mr. Robert McNamara on April 1, and thereafter will spend a reasonable amount of time in Washington to be of any possible assistance to him. I expect to return to New York during the spring and be reelected a director of my old firm, The First Boston Corporation. I do not expect to be an active officer of that or any other concern, although I may take on a very limited number of directorships. The small house in Portugal is a place to go for a month or so once or twice a year, i.e., very much like a place in Florida or Arizona before the age of jet travel. It takes seven hours to fly to Lisbon, which is far less than it took to fly from New York to Los Angeles twenty years ago.

When you are next east give me a ring, either in Washington or New York as I would be delighted to provide lunch and hear about Northeast Brazil, which is an area I am interested in.

Warm regards.

Sincerely,

(Signed) George D. Woods

George D. Woods

Enclosure

Mr. Peter Nehemkis, Jr., Director
UCLA Committee on International and
Comparative Studies
Program for the Study of Development
University of California
Los Angeles, California 90024

1) 2/27/68
2) [signature]

February 23, 1968

Dear John:

Having safely returned to Washington after a few stops in Europe enroute, I write to thank you for the pleasure of having dinner with you earlier this month on the occasion of the Secretary-General's visit in New Delhi. I enjoyed the opportunity of getting to know you a little better, and look forward to seeing you--even though in all probability not in an official capacity--in the future.

Warm regards.

Cordially,

(Signed) George D. Woods

George D. Woods

Mr. John McDiarmid
Resident Representative
United Nations Development Programme
New Delhi, India

GDWoods/s

1) 2/27/27
2) mu

Mr. S. Aldevereld

February 23, 1968

G. D. Woods

IBRD Two-Year Bonds

The attached statement dated February 6, reflecting the ability of various central banks to buy our Two-Year Bonds is an excellent piece of work. I suggest that this review be prepared each six months--presumably in cooperation with the Monetary Fund--so that it will be available about a month before the telegrams announcing the new issue are dispatched to governments. It should be digested for each area department and for each executive director. The information it contains not only shows where the heaviest pressure should be applied, but also provides good arguments for use in applying that pressure.

(Signed) George D. Woods

Attachment

[Chart prepared by Intl Finance Div., Economics Dept., Feb. 6, 1968]

cc: Messrs. Cavanaugh
Friedman

GDW/s

1) ~~PPS~~ 2/27
2) *mu*

February 23, 1966

Dear Mr. Solari:

With reference to your letter of January 30, which was acknowledged in my absence from the country on February 2, I have no immediate suggestion--no name comes to my mind--for the position of Managing Director of your Algarve project. However, I am circulating your letter to some of my colleagues who might have a few ideas and if anything worth while results I will again communicate with you.

Cordially yours,

(Signed) George D. Woods

George D. Woods

Mr. Joseph G. Solari, President
Great Lakes Carbon Corporation
299 Park Avenue
New York, N. Y. 10017

GDWoods/s

cc: Messrs. Rosen, Raj, Cope (with incoming)

"If there are any suggestions which occur to you please communicate them directly to Mr. Solari."

1) ~~mm~~ 2/27
2) mm

February 23, 1968

Dear Trevor:

Your letter of February 16 has arrived, and it was nice to hear from you after the passage of so many years.

I am retiring from this post on April 1 and the list of invitees to our next Governors' Meeting, which as you know will be held in Washington during the last week of September, will be the responsibility of my successor, Mr. Robert McNamara. I am leaving a note recommending his favorable consideration of your letter.

Warm regards.

Cordially,

(Signed) George D. Woods

George D. Woods

Mr. Trevor Moore, Vice President
Imperial Oil Limited
111 St. Clair Avenue West
Toronto, Ont., Canada

GDWoods/s

cc: MMM (with incoming)

1) ASS 3/27
2) m...
~~3/24~~

February 23, 1968

Dear Charley:

I am honored and exceedingly pleased to have the news in your note of February 13 and will be happy to join you for dinner at The Federal City Club on the evening of March 25. I cannot imagine anything I would rather have than an identification with you and Averell in any project--even one of such questionable merit as this one--which you care to put forward.

Warm regards.

Cordially,

(Signed) George D. Woods

George D. Woods

Mr. Charles L. Bartlett
National Press Building
14th and F Streets, N. W.
Washington, D. C. 20004

GDWoods/s



RESTRICTION NOTICE

Print Form

File Title President George. D. Woods Chronological files vol. 22	Barcode Number 1769742
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Document Date Feb 23, 1968	Document Type Letter
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Correspondents / Participants
George D. Woods to Peter W. Hoguet

Subject / Title
Consideration of Candidate for Young Professional Program

Exception Number
 1
 2
 3
 4
 5
 6
 7
 8
 9
 10 A-C
 10 D

Reason for Restriction
Personal Information

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Withdrawn By Sherrine M. Thompson	Date Mar 19, 2012
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1) RBS 2/27
2) me

February 23, 1968

Dear Raffaele:

Upon my return from my brief visit in India and in Europe, I found awaiting me a reproduction of the golden "Doppio Testone" of Ludovico il Moro, sent with compliments of yourself and Messrs. Bombieri, Monti, Braggiotti and Osio. Milan was noted for its mint and the Doppio Testone exemplifies the excellent quality of the engravers' work. Thank you for the gift and particularly for your thoughtfulness in sending it to me.

I am sorry that our calendars did not permit a meeting earlier this month, but was happy to hear from Carlo Bombieri that you are active and enjoying good health. Louie and I look forward to seeing you at some future, hopefully not too distant, time.

Warmest personal regards.

Sincerely,

(Signed) George D. Woods

George D. Woods

Dr. Raffaele Mattioli, Chairman
Banca Commerciale Italiana
6, Piazza della Scala
Milan, Italy

RBS/GDWoods/s

17 APR 27/27 11 am
2) mm.

DR. FRANZ JOSEF STRAUSS
MINISTER OF FINANCE
BOHN

FEBRUARY 22, 1968

~~FULL RATE~~ URGENT

GERMANY

EARLY IN JANUARY BOTH BLESSING AND GUTH PROMISED ME THAT WORLD BANK BOND ISSUE WOULD FOLLOW JAPANESE BOND ISSUE IN FRANKFURT MARKET AND ALL NECESSARY MECHANICAL ARRANGEMENTS HAVE NOW BEEN MADE FOR AN OFFERING ABOUT MARCH ELEVENTH STOP THIS FINANCING IS MATTER OF URGENCY FOR WORLD BANK STOP EYE WILL DEEPLY APPRECIATE YOUR STATESMANLIKE ASSISTANCE IN RESOLVING DIFFICULTY WHICH HAS ARISEN AND THREATENS POSTPONEMENT OF THIS OFFERING DATE STOP EYE UNDERSTAND AND COMPLETELY SYMPATHIZE WITH YOUR DESIRE TO KEEP INTEREST RATES AS LOW AS POSSIBLE STOP HOWEVER EYE SUBMIT THAT UNLESS RESTRAINT ON ALL EXTERNAL FINANCING IS FEASIBLE NUMEROUS BOND ISSUES YIELDING SEVEN PERCENT AND HIGHER WILL CONTINUE TO BE MADE AND YOUR OBJECTIVE MAY NOT BE ACHIEVED WHILE THE WORLD BANK AMONG ALL THE FOREIGN BORROWERS NOW SEEKING FUNDS IN GERMANY WILL BE THE ONLY ONE EXCLUDED AND THEREBY SEVERELY PENALIZED STOP CAN AN ARRANGEMENT BE ADOPTED WHEREBY THE AMOUNT AND MATURITY OF THE WORLD BANK BOND ISSUE IS ANNOUNCED IMMEDIATELY AND THE RATE OF INTEREST AND THE OFFERING PRICE DETERMINED JUST PRIOR TO DATE OF OFFERING STOP EYE AM SENDING SIMILAR MESSAGE TO MINISTER SCHILLER AND SINCERELY HOPE SOME CONSTRUCTIVE PROCEDURE CAN BE DEvised WARM REGARDS

GEORGE WOODS

George D. Woods
President

GDW/s

17RAT 2/22 11 am
v/mm.

PROFESSOR DR. KARL SCHILLER
MINISTER OF ECONOMIC AFFAIRS
BONN

FEBRUARY 22, 1968

~~FULL RATE~~ URGENT

GERMANY

EARLY IN JANUARY BOTH BLESSING AND CUTH PROMISED ME THAT WORLD BANK BOND ISSUE WOULD FOLLOW JAPANESE BOND ISSUE IN FRANKFURT MARKET AND ALL NECESSARY MECHANICAL ARRANGEMENTS HAVE NOW BEEN MADE FOR AN OFFERING ABOUT MARCH ELEVENTH STOP THIS FINANCING IS MATTER OF URGENCY FOR WORLD BANK STOP EYE WILL DEEPLY APPRECIATE YOUR STATESMANLIKE ASSISTANCE IN RESOLVING DIFFICULTY WHICH HAS ARISEN AND THREATENS POSTPONEMENT OF THIS OFFERING DATE STOP EYE UNDERSTAND AND COMPLETELY SYMPATHIZE WITH YOUR DESIRE TO KEEP INTEREST RATES AS LOW AS POSSIBLE STOP HOWEVER EYE SUBMIT THAT UNLESS RESTRAINT ON ALL EXTERNAL FINANCING IS FEASIBLE NUMEROUS BOND ISSUES YIELDING SEVEN PERCENT AND HIGHER WILL CONTINUE TO BE MADE AND YOUR OBJECTIVE MAY NOT BE ACHIEVED WHILE THE WORLD BANK AMONG ALL THE FOREIGN BORROWERS NOW SEEKING FUNDS IN GERMANY WILL BE THE ONLY ONE EXCLUDED AND THEREBY SEVERELY PENALIZED STOP CAN AN ARRANGEMENT BE ADOPTED WHEREBY THE AMOUNT AND MATURITY OF THE WORLD BANK BOND ISSUE IS ANNOUNCED IMMEDIATELY AND THE RATE OF INTEREST AND THE OFFERING PRICE DETERMINED JUST PRIOR TO DATE OF OFFERING STOP EYE AM SENDING STRAUSS SIMILAR MESSAGE TO MINISTER SCHILLER AND SINCERELY HOPE SOME CONSTRUCTIVE PROCEDURE CAN BE DEvised WARMEST REGARDS

GEORGE WOODS

George D. Woods

President

GDW/s

February 21, 1968

Dear Mr. Armstrong:

Upon my return from an overseas visit, I found awaiting me your letter dated January 29 enclosing a pictorial record of Vice President Yen's visit to the United States last spring. I know that the Vice President's visit was very successful and I am delighted to have this attractive remembrance.

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. George E. Armstrong
American Bureau for Medical
Aid to China, Inc.
1790 Broadway
New York, N.Y. 10019

RBSteckhan:m1 RBS

~~ABS~~
Mr. File

DEUTSCHBANK
FRANKFURT (MAIN)

February 20, 1968

LT

GERMANY

FOR GUTH IS THERE ANY NEWS ABOUT OUR BOND ISSUE STOP WOULD IT NOT BE POSSIBLE
IN VIEW OF BUOYANCY IN YOUR MARKET TO MAKE PUBLIC ANNOUNCEMENT OF MATURITY
AND TIME SCHEDULE OF PROPOSED ISSUE WITHOUT REFERENCE TO INTEREST RATE
LEAVING THAT INFORMATION TO BE ANNOUNCED AT LATER DATE CLOSER TO TIME OF
OFFERING REGARDS

WOODS

George D. Woods
President

cc: Mr. Cavanaugh

GDW/s

DECLASSIFIED

MAR 19 2012

CONFIDENTIAL

WBG ARCHIVES February 20, 1968

Files

R.B. Steckhan and P. Sella

Government Consent for German Bond Issue

On Thursday, February 15, 1968, at 3:30 p.m., Messrs. Steckhan and Sella paid a visit to Dr. Dürre of the Federal Ministry of Economics at the Ministry in Bonn. There were present also Dr. Koinzer and Dr. Schroeder of the Federal Ministry.

Mr. Steckhan recalled to Dr. Dürre that in September 1967 Mr. Woods had spoken in Rio de Janeiro to the Minister, Dr. Schiller, about a Bank bond issue in Germany in the first quarter of 1968 and the Minister had told him that he did not foresee any difficulties. In early January 1968, Mr. Woods had discussed the matter with the Bank's bankers in Frankfurt and with Undersecretary Dr. Grund of the Ministry of Finance, in the absence of the Minister of Economics and the Undersecretary in the Ministry of Economics.

The Bank had now reached an agreement in principle with its bankers for a bond issue early in March and was requesting the Government's formal consent. The purpose of the visit was to deliver Mr. Woods's request for such consent.

Mr. Woods's letter was handed over to Dr. Dürre.

Dr. Dürre replied that his Government welcomed the return of the Bank to the German capital market in the proposed amount of DM150 million; the Ministry, however, had already received some preliminary indications about the terms of the issue and was concerned about a proposed coupon of 7%.

Mr. Sella then briefly explained the principal features of the proposed issue, which included, in addition to a DM150 million principal amount at a 7% coupon, a term of 12 years with no call for 10 years and no sinking fund requirements; the offering price obviously could not yet be determined. Mr. Sella added that, at the present time, the bankers expected that such an issue would also attract a demand from outside Germany.

Dr. Dürre stated that in the past year the Government had made great efforts to keep the interest rate on Government issues at not more than 6-½% and, with the assistance of the Bundesbank, had succeeded. At the time when an upswing in the German economy was beginning, the Government would be unhappy if a borrower like the World Bank would appear in the market with bonds carrying a 7% coupon. Also the Government, which would have to float a substantial amount of bonds in the future on the market, would be disappointed if a borrower of equivalent rating would issue 7% bonds.

In reply to a question by Mr. Sella, Dr. Dürre said that the nominal rate of interest was what concerned his Government. Dr. Dürre added that he was aware that a Japanese Government issue with a 7% coupon was about to be offered, but that on the one hand the World Bank enjoyed a much higher rating in the market than Japan, and on the other hand the Government had been disappointed by the terms of the Japanese issue and had cabled this disappointment to the Japanese Government.

Mr. Sella explained that, on a matter like the coupon rate, the Bank had to rely on the advice of its bankers and that it had been advised by them that it would not be possible to place at this time the proposed issue with a coupon of less than 7%.

Dr. Dürre suggested that the Bank request its bankers to review the matter with a view to finding terms and conditions for the proposed issue that would not require a 7% coupon. If no such formula could be found, then the matter should be further discussed between the German bankers and the Ministry. Dr. Dürre added that he had not discussed the proposed Bank issue with the Minister and Undersecretary Schöllhorn before they left Bonn, but that his views reflected the feelings of the higher echelons in the Ministry which he had briefly consulted.

Messrs. Steckhan and Sella told Dr. Dürre that they would convey his views to the bankers in Frankfurt who might wish to contact him directly.

In reply to a question by Mr. Sella, Dr. Dürre said that, once the question of the coupon had been settled, the Government's consent could be given in a few days.

Mr. Woods's letter was left with Dr. Dürre.

cc: Mr. Woods
Mr. Aldewereld
Mr. Broches
Mr. Cavanaugh
Mr. Sella

PSella:RBSteckhan:ml

WOODS
INTBAFRAD
NEW DELHI

February 9, 1968

LT

INDIA

EIGHT

MAY WE SEND UNCTAD SPEECH WITH YOUR CARD TO SELECTED MEMBERS CONGRESS
ESPECIALLY MEMBERS APPROPRIATE COMMITTEES AND THOSE KNOWN TO BE
PARTICULARLY INTERESTED IN DEVELOPMENT

GRAVES

Harold Graves (by B. Schmitt)

For Office of President

HNG/s

WOODS
INTBAFRAD
NEW DELHI

FEBRUARY 8, 1968

LT

INDIA

SEVEN

MRS. WILLIAM LANGLEY INVITES YOU AND MRS. WOODS TO SMALL BLACK TIE
DINNER HER HOME SATURDAY FEBRUARY SEVENTEENTH DO YOU WISH ACCEPT

LINAHAN

cc: B.S.

Marie E. Linahan

Office of the President

1) BBS 2/20 RECEIVED 2/19/68
2) km - German Bds

8

Mr. Siem Aldewereld

(Enroute Rome to India)
Tuesday, Feb. 6, 1968

G. D. Woods

Bond Issue - Germany

Dear Siem:

This is to confirm our phone talk from Rome yesterday:

(a) Guth of Deutsche Bank feels his market is slightly improved. The Japan 7% issue will be priced 1/2 point higher than had been promised to the Japan Government. It will probably sell well.

(b) If this proves to be fact, he recommends we get ready to proceed promptly--possibly offering at end of this month if 7% - 99 - same underwriting commission as previously - same purchase fund as previously - DM120 million minimum with possibility of up to DM150 million are acceptable terms.

(c) I said I felt we should get ready and see what the situation turns out to be after the Japan issue.

(d) I said I'd let him know when I'd be back in Europe and would possibly meet Krebs - as Guth will be away from Frankfurt after the 14th for a few days.

(e) On reflection, I think the lawyers should begin planning and you and Cavanaugh should phone Guth or Krebs next Monday, 12th, and see what the situation looks like. If it is reasonable I think a lawyer and a man from Treasurer's Department (perhaps Cavanaugh although it's likely to be a routine operation) should go to Frankfurt early in the week of the 12th to get everything lined up. On this basis I'll keep out of Frankfurt and away from Krebs, which on balance I think is the right way to handle the matter.

(f) If it works out this way please tell Guth and Krebs the team will go to Frankfurt in lieu of my proposed meeting with Krebs, possibly in Rome, as I talked with Guth on the phone from Rome yesterday.

Regards,

/s/ GDW

GDW/s

1) RBS 2/19
2) Mr.

Mr. Michael L. Lejeune

Rome, February 4, 1968
(Received February 7)

G. D. Woods

Banca Commerciale Italiana: Loans to Egypt and Tunisia

Dr. Carlo Bombieri of Banca Commerciale Italiana told me:

(a) BCI has agreed to make a \$50 million loan to Egypt to pay IMF and set the machinery in motion for further IMF loans to Egypt. I hope our mission is well along the road of organization and departure.

(b) BCI is arranging a \$7 million loan--2 year or so--to Tunisia which will ultimately be refunded with a public offering of Tunisia long-term bonds--the first since independence.

These, I think, are most encouraging developments. You should be in touch with the BCI people.

GDW/s

1) R...
2/15
1) Mr.

FILE

Rome, February 3, 1968

G. D. Woods

Meeting with Dr. Guido Carli at Banca d'Italia, Rome, February 3, 1968 --
IBRD Finance

1. Public issue of IBRD bonds is not advisable now.
2. Program to repurchase portfolio is "possible." Present amount is \$134 million (left statement) plus amount to be disbursed, \$42 million (?), total \$176 million.
3. I suggested repurchase program over 2 or 3 years with \$50 million in first year--before June 30, 1968.
4. Dr. Carli said no problem re \$30 million in miscellaneous currencies and I asked him to consider making it \$50 million this fiscal year.
5. I explained our 2-year note program, i.e., originally \$200 million in two issues maturing each September; then in March 1966 started to increase to \$400 million in four issues maturing each 6 months. Italy took large amount of the March 1966 issue maturing March 1968 (about \$26 million - I left statement with him). I said I now wanted to go to \$500 million, i.e., \$125 million each 6 months. He agreed that central banks in total could own substantially more than this amount and it is a conservative figure.
6. I said our Paris office would keep in touch with his people on this new offering. I would (a) like to go to \$125 million and (b) decrease Italy substantially, i.e., to perhaps \$12 million as I did not want any one bank to be too substantial in its holding; thus far we have had a \$10 million limit (except for Italy). I asked him to keep an open mind on the amount --if we could we would reduce it but if necessary to get to \$125 million we'd like him to continue his present holding. He thought this "possible" and I left it we would settle his amount when the subscriptions were in on February 28.
7. I left it that I'd phone him when I passed through in about two weeks.

G.D.W. /s

Copies to: Messrs. Alderfeld, Cavanaugh (Foore), deLesseps

GEORGE WOODS

FEBRUARY 3, 1968

EXCELSIOR

LT

ROME

ITALY

JERTATA CABLES WILL MEET ON ARRIVAL DELHI WEDNESDAY INVITES LUNCHEON OR
EARLY DINNER INFORMALLY TATA HOUSE SEVENTH STOP PLEASE CABLE REPLY
TATINDELHI OR THROUGH INTBAFRAD

SCHMITT

B. Schmitt

Office of President

February 2, 1968

Dear Dr. Polster:

Mr. Woods, who is at present on an overseas visit, was unable to consider your letter dated January 22 before he went abroad. This will be brought to Mr. Woods's attention upon his return to this office during the latter part of February.

Yours sincerely,

Rainer E. Steckhan
Personal Assistant to Mr. Woods

Dr. Arthur H. Polster
The Comstock Club, Inc.
2215 Jay Street
Sacramento, California 95816

RBSteckhan:ml

GEORGE D. WOODS

FEBRUARY 2, 1968

EXCELSIOR

LT

ROME

ITALY

1

FROM RAJAN QUOTE HAVE JUST RECEIVED CABLE FROM DELHI STATING DEPUTY PRIME
MINISTER PROPOSING GIVE LUNCH YOUR HONOR FRIDAY NINTH STOP RESERVE BANK
GOVERNOR JHA WISHES GIVE EVENING RECEPTION YOUR HONOR SAME DAY NINTH NOT
EIGHTH AS GILMARTIN INDICATED EARLIER STOP TRUST ABOVE ARRANGEMENTS
CONVENIENT AND ACCEPTABLE STOP IF ANY CHANGES DESIRED KINDLY CABLE ME OR
DELHI REGARDS UNQUOTE

FROM MIKE HOFFMAN QUOTE ~~SEE~~ SHRI DINESH SINGH PRESIDENT UNCTAD CONFERENCE
INVITES YOU TO LUNCH THURSDAY EIGHTH PLEASE ADVISE KARASZ UNQUOTE

SCHMITT

B. Schmitt

Office of President

February 2, 1968

Dear Mr. Hogue:

I write to acknowledge your letter dated January 29 to Mr. Woods who is at present on an overseas visit. Your letter will be brought to Mr. Woods's attention upon his return to this office during the latter part of February.

Yours sincerely,

Rainer B. Steckhan
Personal Assistant to Mr. Woods

Mr. Peter W. Hogue
200 East 66th Street
New York, N.Y. 10021

RBS:ml

February 2, 1968

Dear Professor Rosenstein-Rodan:

On behalf of Mr. Woods who is at present on an overseas visit, I write to acknowledge receipt of your letter dated January 29. It will be brought to Mr. Woods's attention upon his return to this office during the latter part of February.

Yours sincerely,

Rainer B. Steckhan
Personal Assistant to Mr. Woods

Professor P.N. Rosenstein-Rodan
Massachusetts Institute of Technology
Center for International Studies
50 Memorial Drive
Cambridge 39, Massachusetts

RBS:ml

February 2, 1968

Dear Mr. Solari:

In the absence of Mr. Woods who is at present on an overseas visit, I acknowledge receipt of your letter dated January 30. Your letter will be laid before Mr. Woods upon his return to this office during the latter part of February.

Yours sincerely,

Rainer B. Steckhan
Personal Assistant to Mr. Woods

Mr. Joseph G. Solari
Great Lakes Carbon Corp.
299 Park Avenue
New York, N.Y. 10017

RBS:ml

GILMARTIN
INTBAFRAD
NEM DELHI

FEBRUARY 2, 1968

LT

INDIA

31

YOUR 25 ARRIVED AFTER DEPARTURE WOODS STECKIAN

Schmitt

Bernadette Schmitt

Office of President

mc

February 1, 1968

Dear Randy:

Thank you for your letter of January 26 advising of the arrangements for Thursday, May 16, in Stockholm.

While it is not final, every indication is that I will have turned my responsibilities here at the Bank over to Mr. McNamara by the middle of May, and assuming this to be the case I do not expect to be among those present at the 300th Anniversary celebration of the Sveriges Riksbank. Accordingly, I do not think you should include my name on the list of invitees for the luncheon on May 16.

Warm regards.

Cordially,

(Signed) George D. Woods

George D. Woods

The Honorable
W. Randolph Burgess
The Per Jacobsson Foundation
19th and K Streets, N.W.
Washington, D. C. 20431

GDWoods/s

Mr. A. Broches

January 31, 1968

G. D. Woods (

Question as to the adjustment of the amount repayable on IDA credits

Referring to the attached, I think we should appoint a committee, comprising Mr. Cope, Mr. Cavanaugh and a lawyer of your selection, to make a recommendation and coincidentally to incorporate the substance of their recommendations in a memorandum to the Executive Directors which they should draft.

If you agree, please issue a memorandum over my name to the three people.

Attachment

GDW/s

G. D. BIRLA

SUNSHINE

NEW DELHI

INDIA

JANUARY 31, 1968

FULL RATE

ONE LOUIE AND EYE EXPECT ARRIVE DELHI FROM ROME WEDNESDAY SEVENTH
TWO HAVE ABANDONED IDEA OF VISITING DARJEELING OR CALCUTTA
THREE DO NOT WISH HAVE ANY LARGE OR OFFICIAL FUNCTIONS BUT WOULD
 BE HAPPY TO HAVE SMALL LUNCHEON OR DINNER WITH YOU WHICH WE
 CAN DISCUSS AFTER ARRIVAL

GEORGE D. WOODS

INTBAFRAD

George D. Woods

President

RBSteckhan:ml

January 31, 1968

Dear Mr. Jennings:

I write to acknowledge with thanks receipt of your letter dated January 29 inviting Mrs. Woods and me to attend the Sixtieth Annual Banquet of the Washington Chapter of the American Institute of Banking at the Sheraton-Park Hotel on Saturday, February 24. Regretfully, I must decline due to a previous engagement.

I may, however, take advantage of the welcome you have kindly extended to an associate to represent the World Bank. Mr. Robert W. Cavanaugh, our Treasurer, will be back from vacation on February 12 and I am sure he will be happy to accept your invitation if he has no other commitments on that day. I have asked Mr. Cavanaugh to contact you, as soon as he gets back.

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. L. A. Jennings
Chairman of the Board
The Riggs National Bank
1503 Pennsylvania Avenue, N. W.
Washington, D.C. 20013

RBS/GDW:mek *RBS*

cc: Mr. Cavanaugh w/incoming

January 31, 1968

Dear Mr. Nelson:

Thank you very much for sending me a copy of "OMBUDSMEN FOR AMERICAN GOVERNMENT?", the latest publication of the American Assembly. I appreciate your keeping my name on the distribution list for the publications sponsored by the American Assembly and shall look forward to reading this with much interest.

Sincerely,

((Signed) George D. Woods

George D. Woods

Mr. Clifford C. Nelson
President
The American Assembly
Columbia University
New York, New York 10027

RBS:mek *RBS*

Note: Book sent to library

READE
INTBAFRAD
LONDON

JANUARY 30, 1968

LT

ENGLAND

PLEASE TELL SHOALB THAT WOODS LEAVES WASHINGTON FEBRUARY FIRST AROUND NOON
FOR NEW YORK AND LEAVES NEW YORK FEBRUARY SECOND AT 0945 FOR ROME
SHOALB COULD PHONE WOODS IN NEW YORK TEMPLETON 8-0800 OR FLY THERE DIRECTLY
FROM LONDON

STECKHAN

R. B. Steckhan *RBS 1/31*
Office of President

1) RATS 1/31
2) mu.

January 29, 1968

Dear Dr. Kamitz:

While it is a matter of regret to learn from your note of January 22 that you are retiring as President of the National Bank, I was aware of your illness and therefore not as surprised as I otherwise might have been. You had an admirable career, and in retiring I am sure you have a sense of satisfaction. Your many friends at the World Bank, and for that matter in the community of finance throughout the world, wish you well.

As you may know, I, too, will shortly be retiring as President of this Bank. I look forward to a period of rest and relaxation, and should the weeks of holiday bring me to Vienna I will communicate with you.

Warm regards.

Cordially,

(Signed) George D. Woods

George D. Woods

Prof. Dr. Reinhard Kamitz
Oesterreichischen Nationalbank
IX, Otto Wagner-Platz 3
Vienna, Austria

GDWoods/s

1) RST/31
2) mm

January 29, 1968

Dear Gagan:

My plans have finally taken shape and I can tell you I will arrive in Delhi on February 7 and will be in India for a week or ten days. I am unable to say definitely when I will be in Bombay, although Louie and I will be most disappointed if we do not have at least a day to see a few of our closer friends there. Until my business engagements have been fixed--which will not be until after I arrive--I cannot be more definite. However, I will communicate with you. In one of your notes you suggested that we might have lunch or dinner, and while I appreciate your thought, it seems to me that, on balance, it would be best not to plan on having a meal together this trip.

I trust your schedule is now lighter and as a result your health is better, and I look forward to

Warm regards.

Cordially,

(Signed) George D. Woods
George D. Woods

Mr. G. L. Mehta, Chairman
The Industrial Credit and Investment
Corporation of India Limited
163, Backbay Reclamation
Bombay 1, India

GDWoods/s

DELESSEPS

JANUARY 29, 1968

INTBAFRAD

TELEX

PARIS

FRANCE

PLEASE MAKE DISCREET INQUIRY AND TELL ME ANYTHING YOU CAN LEARN ABOUT THE
TIMING AND AMOUNT OF A JAPANESE ISSUE DENOMINATED IN DM IN GERMANY REGARDS

WOODS



George D. Woods 

President

1) PMS/30
2) mm

January 29, 1968

Dear Jeh:

That was an exceedingly interesting piece in the LONDON ECONOMIST a few weeks ago about your businesses. I started to say I wish there was more publicity of this sort coming out of India but, of course, this is not possible because there is only one "Tata." You may be justifiably proud of your organization, the job it does with a minimum of constructive collaboration from the Government bureaucracies, and also of the very high regard in which it is held throughout Western Europe and North America.

Louis and I will be in India for a week or ten days starting on the 7th of February--we will be on Air India Flight No. 102 leaving Rome on Tuesday, the 6th. We look forward to the opportunity of seeing you and Thelly, although we will have to "play it by ear" until I know a little bit more about my business appointments.

Warm regards.

Cordially,

(Signed) George D. Woods

George D. Woods

Mr. J. R. D. Tata
The Tata Iron & Steel Company Limited
Bombay House - 24, Bruce Street
Fort, Bombay 1, India

GDWoods/s

CY - Indian Folder

mu
File

READE

JANUARY 28, 1968

INTRAHEAD

LT

LONDON

ENGLAND

ONE ASK WILLIAM CLARK ODI PHONE WOODS UNIVERSITY CLUB CHICAGO AREA 312 RA 6-2840
MONDAY TWENTYNINTH ABOUT 1300 CHICAGO TIME 1900 LONDON OTHERWISE ABOUT 0800 TO
0830 TUESDAY THIRTIETH SHERATONPARK WASHINGTON AREA 202 COLUMBUS 5-2000
TWO ASK SIR DENIS RICKETT IF PARAGRAPH RE UK TRANSMITTED HIS JANUARY TWENTIETH
LETTER IS OKAY TO USE AND CABLE REPLY THANKS

SCHMITT

B. Schmitt 

Office of President

1) Res 1/23
2) mmi
File

January 27, 1968

Dear Morarji:

Thank you for your letter of January 16. Louie and I are looking forward to seeing you when we come to New Delhi early in February. I'd like to do a little traveling after making my UNCTAD address, but I am afraid that the pressure of matters here will necessitate an early return to Washington.

I shall, of course, be glad to discuss with you the question of the Bank's special deposit with the Reserve Bank of India and also the longer term problem of the financing of the Fourth Plan. I have reached no conclusion as to how we should handle the special deposit, but you may rest assured that whatever I propose to the Executive Directors will take fully into account the problems you mention in your letter.

With my best wishes and warm regards,

Sincerely,

(Signed) George D. Woods

George D. Woods

The Honorable
Morarji R. Desai
Deputy Prime Minister and
Minister of Finance
Government of India
New Delhi, India

IPMCargill/GDWoods:s

cc: Mr. Cargill (with copy of incoming)

cc: GDW's INDIA FOLDER
(with copy of incoming)

January 26, 1968

Dear Miss Burns:

I write to acknowledge receipt of your letter dated January 22 inviting me to attend the Third Conference for Corporation Executives on "Europe: 1968," at the School of Advanced International Studies in Washington on Friday, February 16. Regretfully, I must decline as I will be out of the country on that date.

With my best wishes for what I am sure will be an interesting and successful occasion.

Sincerely,

(Signed) George D. Woods

George D. Woods

Miss Barbara M. Burns
Conferences for Corporation Executives
School of Advanced International Studies
1740 Massachusetts Avenue, N.W.
Washington, D.C. 20036

RBS:mek *RBS*



RESTRICTION NOTICE

Print Form

File Title President George. D. Woods Chronological files vol. 22	Barcode Number 1769742
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Document Date Jan 25, 1968	Document Type Memorandum
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Correspondents / Participants G. D. Woods to Hugh B. Ripman

Subject / Title Juan Haus-Solia (Bolivia)

Exception Number <input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> 6 <input type="checkbox"/> 7 <input type="checkbox"/> 8 <input type="checkbox"/> 9 <input type="checkbox"/> 10 A-C <input type="checkbox"/> 10 D
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Reason for Restriction Personal Information

The items identified above have been restricted in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.

Withdrawn By Sherrine M. Thompson	Date Mar 19, 2012
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EXCELSIOR ROMA

NET JANUARY 25, 1968

Rome

NLT

ITALY

FOR ARMANNI MR WOODS AND EYE NOW ARRIVE ROME TWA 802 SATURDAY FEBRUARY THREE
REPEAT FEBRUARY THREE 1:05 AM PLEASE CHANGE RESERVATIONS ACCORDINGLY AND
CONFIRM

STECKHAN

INTBAFRAD

Rainer B. Steckhan

cc: Mr. Hauenstein

Office of President

RBSteckhan:ml

1) PAS/25
2) mm.

January 24, 1968

To: Mr. Livingston T. Merchant

Re: Zambia - Kariba Dam

I took the liberty of talking to The Vice President, before he left for Africa at the end of December, on the subject of Zambia, and particularly the Kariba Dam. As a result, we have had a visit from a Zambian team headed by the Foreign Minister, which was constructive. Dr. El Emary can give you any information you may wish regarding it.

Upon his return, The Vice President wrote to me, and I have today acknowledged his note.

I enclose copies of this correspondence.

(Signed) George D. Woods

G. D. Woods

Enclosures

GDWoods/s

1) RRS/25
2) mu.

January 24, 1968

Dear Hubert:

Thank you for your note of the fifteenth --your comments to President Kaunda in Zambia had an immediate effect, and I am very grateful to you for remembering our brief telephone conversation before you left.

As you know, a team headed by the Foreign Minister was here last week. As a result, I think relationships between Zambia and the World Bank have been re-assumed on a sound basis. I am very happy about this, as I had sensed that we were drifting apart. You may be interested in the attached letter I have today sent to Dr. Kaunda.

Warm personal regards.

Cordially yours,

(Signed) George D. Woods

George D. Woods

The Honorable
Hubert H. Humphrey
The Vice President
Washington, D. C. 20501

GDWoods/s

cc: Mr. Merchant

1) RET/26
2) mu

January 24, 1968

Dear Mr. Rice:

I have your letter of January 19. I must confess that I do not have the slightest recollection of talking to Chief Adebo about "keynoting" your March 7 meeting, and if I did talk to him I made no note of the conversation. Be this as it may, I can see from the preliminary program which you circulated that Chief Adebo was in no doubt about the conversation and, accordingly, I write to say I will be happy to be with you at the Shoreham Hotel at 10 o'clock on Thursday, March 7.

Warm regards.

Cordially,

(Signed) George D. Woods

George D. Woods

Mr. Andrew E. Rice
Executive Secretary
Society for International Development
1346 Connecticut Avenue, N. W.
Washington, D. C. 20036

GDWoods/s
cc: Mr. Demuth (with incoming)

(5 - copy - out 2/19)

1) NBS 1/24
2) mu

January 24, 1968

To: Mr. Emmett J. Rice

Re: Charles Maguire Company - Lebanon Highway Project

Referring to your memorandum of January 22, relating to Maguire Co. (copy attached), I had an inquiry about two weeks ago from Speaker McCormack, who telephoned to me from Boston on this same subject. I inquired into it and received a memorandum from Mr. Lejeune dated January 12, which is attached.

I had intended to ask you or Mr. Merchant to pick this up with the Speaker's office, but other, more pressing matters intervened.

Now that you have responded to Governor Peabody, I will appreciate it if you would give a similar response to Speaker McCormack on my behalf.

(Signed) George D. Woods

George D. Woods

Attachments

GDWoods/s

cc: Mr. Lejeune

S

G.L. MEHTA

JANUARY 24, 1968

CREDCORP

NLT

BOMBAY

INDIA

REURCAB MR WOODS'S VISIT TO BOMBAY PROBABLE BUT NOT DEFINITE YET

STECKHAN

INTBAFRAD

Rainer B. Steckhan

Office of President

RBS:ml

cu S

GILMARTIN

JANUARY 23, 1968

INTBAFRAD

NLT

NEW DELHI

INDIA

20

MR AND MRS WOODS AND EYE WILL ARRIVE NEW DELHI ON AI 125 FEBRUARY SEVEN
AT 7:45 AM PLEASE ADVISE KARASZ AND ARRANGE FOR TRANSPORTATION

STECKHAN

Rainer B. Steckhan

cc: Mr. Hauenstein

Office of President

RBS:ml

1) *[Handwritten signature]* 1/23
2) *[Handwritten signature]*

January 22, 1968

Dear Bob:

I am replying to your letter of January 15, about the Travel Program for Foreign Diplomats. Although I remain convinced of the value of this program in showing representatives of foreign governments what America is really like, I am afraid I cannot authorize a further contribution by the World Bank.

As an international financial institution we constantly receive requests for financial support of good works in many parts of the world. We cannot accede to every request and we do not wish to appear to favor one country over another, so for some time we have had a policy of confining our philanthropy to the Washington community where we live and to occasional contributions to one or two programs immediately and closely related to economic development.

I am sure you will appreciate our position. I looked upon last year's donation as a one-time gesture of help to your excellent program, but not as the first of a series of annual contributions. Nevertheless, I think you know that I personally support your efforts wholeheartedly.

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. Robert B. Anderson
One Rockefeller Plaza
New York, N. Y. 10020

HB Ripman/JETwining/GDWoods:s

cc: Messrs. Ripman/Twining (with incoming for file)

January 22, 1968

Dear Mr. Pai:

I have just received the text of the A.D. Shroff Memorial Lecture delivered by Mr. H.V.R. Iengar on October 27, 1967, which you mentioned in your letter dated October 28, 1967. I am very grateful to you for sending me this speech and I shall certainly peruse it with much interest. I take this opportunity to acknowledge also a brief report of the Forum of Free Enterprise for the year ended June 30, 1967.

Sincerely,

((Signed) George D. Woods

George D. Woods

Mr. M. R. Pai
Forum of Free Enterprise
Post Box 48-A
Bombay-1, India

cc: Mr. Bell w/incoming
Mr. Cargill "

RBSteckhan:ml



RESTRICTION NOTICE

Print Form

File Title President George. D. Woods Chronological files vol. 22	Barcode Number 1769742
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Document Date Jan 17, 1968	Document Type Letter
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Correspondents / Participants
George D. Woods to James B. Reston

Subject / Title
Tom Hamilton

Exception Number
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Reason for Restriction
Personal Information

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Withdrawn By Sherrine M. Thompson	Date Mar 19, 2012
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2) mu } File a
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PROHAMILTON
NYTIMES
GENEVA

JANUARY 17, 1968

FULL RATE

SWITZERLAND

DECISION RESPECTING DIRECTOR INFORMATION DEPARTMENT BECAME FEASIBLE WITH FAR
GREATER SPEED THAN I ANTICIPATED WHEN WE MET AND HAS NOW BEEN TAKEN STOP
I REGRET THAT AS MATTER HAS DEVELOPED IT WILL NOT BE POSSIBLE FOR US TO HAVE
A FURTHER DISCUSSION AS I HAD EXPECTED WHEN YOU LEFT NEW YORK STOP ANNOUNCEMENT
OF APPOINTMENT WILL BE MADE IN WEEK OR TEN DAYS

GEORGE WOODS

INTBAPRAD

George D. Woods
President

cc: Mr. Reston

GDW/s

Mr. Mohamed Shcaib

1) *2005*
2) *Ann.*
January 17, 1968

G. D. Woods

Kuwait

I was happy to have your letter of January 11 from Karachi, which was circulated, as you requested, to Messrs. El Haary, Lejeune and Cavanaugh. I am also giving a copy to Messrs. Knapp and Aldewereld.

I cabled to both Al-Ateeqi and Al-Hamad about the IDA proposals of January 16, and attach copies of these cables for your information. We have sent the detailed memorandum on IDA to the Kuwait Ambassador here in Washington. In due course I expect to hear from Kuwait in response to the cables.

I write this note particularly in response to that portion of your letter which has to do with Kuwait's investing in World Bank bonds---along the line which you and I had discussed. I do not wish to have this relationship or negotiation with the Kuwaitis handled by Bob Cavanaugh at this time. Accordingly, this memorandum is for your information but also for the purpose of advising Bob Cavanaugh that I will be glad to have a memorandum from him on the subject for transmittal---if it seems advisable---to Al-Hamad, although I think before starting the preparation of such a memorandum it might save time if Bob Cavanaugh talked it over with me. I do not envisage any visits to Kuwait in connection with this matter in the foreseeable future.

(Signed) George D. Woods

cc: Messrs. Knapp, Aldewereld, Cavanaugh

GDW/s

1) RIST 1/14
2) mm

January 12, 1968

Dear Gagan:

I received your note of January 3 transmitting a copy of the address you made a few weeks ago before the Indian Economic Association in Madras. I read it with interest. As is always the case with your talks, it is interesting, easy to read, and makes a number of very good points. Thank you for sending it to me.

Warm regards.

Cordially,

((Signed) George D. Woods

George D. Woods

Mr. G. L. Mehta, Chairman
The Industrial Credit and Investment
Corporation of India Limited
163, Backbay Reclamation
Bombay 1, India

GDWoods/s

(Note: Incoming with speech sent to Messrs. Cargill, Demuth)

7/2/14
J. M. W.

January 11, 1968

My dear Parekh:

I write to add my voice to the many I am sure you are hearing and congratulate you on the well deserved recognition of your performance on behalf of ICICI over the past ten or twelve years. It must be a source of great personal satisfaction to you to be designated Deputy Chairman and Managing Director of a successful concern, in which success you have played an important role.

Every good wish for the future. Whenever any of your friends in the World Bank group can be of assistance to you I trust you will not hesitate to let us know.

Warm personal regards.

Cordially,

(Signed) George D. Woods

George D. Woods

Mr. H. T. Parekh
Deputy Chairman & Managing Director
The Industrial Credit & Investment
Corporation of India Limited
163, Backbay Reclamation
Bombay 1, India

GDWoods/s

cc: Messrs. Rosen, Cargill, Diamond

January 11, 1968

Dear Karl:

After I returned from my visit to Frankfurt and Bonn, I found awaiting me your letter dated December 8 and the second volume of the illustrated book on "Deutsche Taler."

It was very good of you to receive me on such short notice and the advice you gave on various financing problems of the World Bank Group was exceedingly helpful. My visits in Frankfurt have strengthened my expectation that the World Bank will obtain a sizable amount of "Deutsche Taler" in this first quarter of 1968 from the German capital market.

In thanking you for keeping my name on the distribution list, I reciprocate your good wishes and send you my own for a happy and healthy 1968.

Sincerely,

(Signed) George D. Woods

George D. Woods

Dr. Karl Blessing
Deutsche Bundesbank
Taunusanlage, 4-6
Frankfurt (Main), Germany

cc - Mrs. Conaway's Copy book

January 11, 1968

Dear Mr. Virany:

Mr. Woods, President of the World Bank, has received a memorandum from your brother, Dr. Egon Virany, Budapest, on a "Homeopathic Cure of the Gold Disease." At your brother's request, I send the acknowledgment of this memorandum to you. As you may know, the World Bank assists the economic development of its less fortunate member countries. Plans to restrain the gold speculation are beyond the scope of activities of the World Bank.

Sincerely,

Rainer B. Steckhan
Personal Assistant to Mr. Woods

Mr. Paul E. Virany
Whitney Street
Westport, Connecticut

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Files

AUG 25 2023

January 10, 1968

R.B. Steckhan

WBG ARCHIVES

Mr. Woods's Visit to Bonn

1. On January 4 at 11:00 a.m. and 4:00 p.m., Mr. Woods met with Undersecretary Grund and Dr. Hartig of the Ministry of Finance. Mr. Steckhan was also present.

Mr. Grund welcomed Mr. Woods's visit and explained the German position on IDA replenishment which was taken by Cabinet decision. He was ready to listen to Mr. Woods's suggestions and convey them to his Minister. Mr. Grund promised a reaction of his Minister within ten days.

Mr. Grund repeatedly emphasized that any increase of the presently contemplated German contribution to the IDA replenishment above the level of \$400 million would not be feasible for two reasons. The first reason was that any such increase would have to come out of bilateral aid appropriations and that such a cut in bilateral aid appropriations was undesirable. Mr. Grund explained that the 1968 budget with the over-all aid appropriations was introduced into the Bundestag in 1967 and was expected to be ratified in March 1968. He added that both the French and the German Governments strongly believed in the political and economic justification for bilateral aid and therefore did not want to increase their IDA contributions at the expense of their bilateral aid programs. Moreover, a cut of German bilateral aid would severely affect countries like India and Pakistan, a result Mr. Grund was sure was also undesirable from the standpoint of the World Bank. Mr. Woods assured Mr. Grund that his intention was not to suggest a shift of allocations from the bilateral program to the multilateral program but to increase the over-all finance available for development purposes. He felt that Germany had a key position in these negotiations. If Germany were prepared to increase its contribution by \$20 million a year, this, Mr. Woods was sure, would trigger off an over-all increase of \$200 million over the presently envisaged level of the second IDA replenishment. Mr. Woods emphasized that any increase of the German contribution above the level of \$400 million presently contemplated would not have to come in 1968 but could be deferred to 1969 and 1970. Mr. Grund replied that the German "medium-term budget" would foreclose any increase in Germany's contribution even for 1969. He explained that although the medium-term budget was a planning exercise without binding force it put in effect a curb on future aid allocations. The second reason for Germany's inability to raise its IDA contribution was that it could not do so without consulting the French Government. Mr. Woods commented that France--by reason of its large aid program--was a special case. Even if France was not able to follow a German lead, he, Mr. Woods, was sure to find the necessary funds elsewhere.

In reply to a question by Mr. Grund, Mr. Woods explained that it was not advisable for the U.S. to increase its percentage share in the IDA replenishment, even temporarily, to more than 40%, thereby decreasing the share of other countries. In Mr. Woods's view, a U.S. share of 40% in IDA was the maximum amount and influence any country should have in an international institution such as IDA. Moreover, Congress had always been told that for each dollar the

U.S. put up for IDA purposes other countries would put up \$1.50 and this argument had always convinced Congress to support IDA contributions and for that reason should not be changed.

In response to a question by Mr. Woods, Mr. Grund advised, on a strictly personal basis, against calling a conference of the three Finance Ministers of the U.S., U.K. and Germany. However, Mr. Grund felt, again on a personal basis, that a compromise suggestion by Mr. Woods in writing to the interested governments on an adequate replenishment of IDA might be helpful. Such a suggestion should not be considerably in excess of the present German position in order to assure success. Personally he felt sure that the German Government would approach any such suggestion by Mr. Woods with an open mind. However, all this was subject to approval by his Minister.

2. On Thursday, January 4, at 12:30 p.m., Mr. Woods, accompanied by Mr. Steckhan, met with Undersecretary Lahr and Count Hardenberg of the German Foreign Office. Dr. Lahr assured Mr. Woods that his Office was in support of foreign aid as an important aspect of foreign policy and foreign aid included both bilateral and multilateral aid. However, his Ministry was bound by the recent Cabinet decision on the contemplated maximum amount of the IDA replenishment. Dr. Lahr underlined the political importance for Germany as well as for France of bilateral aid and added that any further increase of multilateral contributions would have to be at the expense of bilateral aid. He also felt that the German position of increasing its IDA contributions by over 60% was an enormous step in the right direction and should sufficiently impress the developing countries at the upcoming UNCTAD Conference in New Delhi. A curtailment of bilateral aid at the expense of multilateral aid would mean cuts in German contributions to Pakistan and India, a result which, as he was told by U.S. officials, was especially undesirable from the American point of view. Dr. Lahr also pointed at the severe cuts in the U.S. bilateral aid program which were not compensated by the relatively modest increase in the U.S. multilateral contributions. In conclusion, Dr. Lahr raised the question of whether it was not advisable for the U.S. to increase its percentage in IDA because of its severe cuts of the bilateral U.S. aid program.

3. On January 5, at 10:00 a.m., Mr. Woods met with Mr. Wischnewski, Minister of Economic Cooperation, Undersecretary Hein and Dr. Lambi (in charge of multilateral contributions) of the same Ministry. Mr. Steckhan was also present.

Mr. Wischnewski emphasized that he understood Mr. Woods's position but felt that the contemplated German contribution to IDA was the absolute maximum not only for 1968 but also for the ensuing years. If Germany were to further increase its IDA contributions, this could only be done by cutting bilateral governmental aid, especially to India and Pakistan. He underlined that the envisaged German contribution to IDA constituted a 62% increase over its present IDA contribution and that this was the highest increase in any item of the present German budget. He added that unlike many other countries Germany paid its annual instalments in a lump sum without waiting for calls. Mr. Wischnewski asked Mr. Woods not to hold out any hope for a further increase in the contemplated German contribution to IDA.

cc: President's Council

RBSteckhan:ml

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WBG ARCHIVES January 10, 1968

Files

R.B. Steckhan

Bond Issue in Germany

1. Meeting Dr. Blessing, Dr. Emminger and Mr. Woods, January 2, 1968, 4:00 p.m., at Bundesbank. Mr. Steckhan accompanied Mr. Woods.

Mr. Woods raised the question of a public bond issue in Germany. Dr. Blessing pointed to the prevailing high interest rate of 7%--for mortgages, 7.2%--and the possible further detrimental effect on interest rates of the most recent measures announced by the United States Government to safeguard the U.S. balance of payments. Dr. Blessing felt in particular that the U.S. subsidiaries in Europe would fill their future capital needs in the European capital markets thereby adding to the pressure on interest rates. Mr. Woods said he was willing to pay the interest rate he had to pay but was eager to have an issue within the first quarter of 1968. Mr. Woods outlined the capital needs of the Bank for fiscal 1967/1968 and explained the desirability of a World Bank issue in Germany not only in terms of a desire to stay in the German market but also as a necessary condition for the permission by the U.S. Government for a World Bank issue in the United States some time this spring.

With respect to amounts, Dr. Blessing mentioned an upcoming Japanese issue of DM100 million to DM150 million and added that the World Bank issue should be within that range. Dr. Emminger, who was also present, had previously mentioned a figure of DM150 million to DM200 million. Mr. Woods emphasized the need for the Bank to float an issue in the German market somewhat in excess of the contemplated Japanese issue for prestige reasons and in order to make the difference between the previous World Bank issue of DM250 million and the contemplated issue not appear too striking.

Dr. Blessing concluded by giving his support in principle to Mr. Woods's plan for a German bond issue of DM100 million to DM150 million in the first quarter and suggested to watch the market for a few weeks before going ahead.

2. At 5:30 p.m. on January 2, Mr. Woods met with Dr. Wilfried Guth at the Deutsche Bank to discuss the contemplated bond issue. Dr. Guth explained that this was his first day as a director of the Deutsche Bank in charge of foreign bond issues and that all future correspondence with respect to the contemplated issue should be addressed to him. Mr. Krebs worked under his direction in the same department.

Dr. Guth emphasized the prevailing high interest rates and added that January was not a good month for a World Bank issue. Dr. Guth appreciated the importance of a bond issue as a necessary, although not sufficient, condition for a possible World Bank issue in the United States in the spring of 1968. With respect to amounts, Dr. Guth mentioned the upcoming Japanese issue which was not yet finalized but should be of the order of DM100 million. Mr. Woods emphasized that for prestige reasons the World Bank issue should be somewhat higher than the Japanese issue and Dr. Guth concurred. Dr. Guth

excluded DM200 million as the maximum amount for a World Bank issue but agreed that it should be somewhere between say DM150 million and the amount of the Japanese issue. As to timing, Dr. Guth and Mr. Woods felt that there should be few if any foreign issues between the Japanese issue and the envisaged World Bank issue. Both felt that the World Bank issue could be floated in the first quarter of 1968. With respect to interest rates, Mr. Woods asked Dr. Guth to reserve his judgment until a time closer to the date of the contemplated issue and Dr. Guth concurred.

In conclusion, Dr. Guth was sympathetic to a World Bank issue in the order of DM100 million to DM150 million in the first quarter of 1968 but thought it wise to watch the market for a few weeks before going ahead. Mr. Woods thanked Dr. Guth for his positive reaction and emphasized that it was up to his German bankers to decide on the precise timing, amount and interest rate of the envisaged issue. It was agreed that the World Bank and the Deutsche Bank would keep in touch over the next weeks on the situation in the German capital market.

3. Subsequently, on Thursday, January 4, Mr. Woods met with Undersecretary Grund of the Ministry of Finance and reported, at the Undersecretary's request, on the talks with the Bundesbank and the Deutsche Bank. Mr. Grund was interested in the amount and the terms of the loan, especially in the light of President Johnson's recent message on measures to alleviate the American balance of payments. He was worried about the possible effect of these measures on the German capital market. If the World Bank were to pay a very high interest rate for its contemplated bond issue, this might, in the view of the Undersecretary, add to a trend of rising interest rates. Mr. Woods replied the World Bank would pay the going interest rate and not a higher rate and Mr. Grund felt reassured. Mr. Woods also emphasized that the size of the loan as well as the precise timing and the interest rate were still undecided and that the World Bank would be guided by the recommendations of the Bundesbank and the Deutsche Bank. Mr. Grund expressed satisfaction at this procedure and voiced the opinion that the German market would not carry a World Bank bond issue of the order of DM250 million. A World Bank issue of DM150 million or less, however, might be acceptable. Mr. Woods concluded that, as to conditions, he was in the hand of his bankers and nothing would be finalized without the required permission of the German Government.

cc: President's Council
Mr. Cavanaugh
Mr. de Lesseps

RBSteckhan:ml



Record Removal Notice

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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.		
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Withdrawn by Sherrine M. Thompson	Date 3/19/2012			

1) RATS 1/7
2) Min.

INTBAFRAD
PARIS

5
JANUARY 4, 1968

TELEX

FRANCE

FOR CORDERY LONDON

YOUR 15 ~~REKXSE~~ ADVISE CLARK MEETING DISCUSSED WITH WOODS SCHEDULED 3 pm
MONDAY FIFTEENTH STOP IRVING FRIEDMAN INVITES HIM TO DINNER SIXTEENTH
PLEASE ADVISE REGARDS

SCHMITT

OK
8/1/5

B. Schmitt
Office of President

1) RAS/1
2) mm

January 2, 1968

Dear Mr. Key:

I have your note of December 12. On balance, I feel it is best to decline your invitation, which I hereby do. As I am sure you know, Mr. Robert McNamara has been appointed President of the World Bank and I am in the final weeks or months of my tour of duty. I put it this way because the date when Mr. McNamara will be available to take over has not yet been determined, but there is an excellent possibility that it could be announced at just about the time you had scheduled a "discussion period" for me, and this would not be a particularly desirable situation.

In addition, I am hesitant about making any engagements of this sort for February or March because of the uncertainty of my travel plans in connection with the negotiation for the replenishment of the IDA fund.

I appreciate your thought and trust you will understand my reluctance to accept your invitation. Every good wish for the New Year.

Cordially,

(Signed) George D. Woods

George D. Woods

Mr. William G. Key
Vice President and General Manager
The International Club of Washington
1225 Nineteenth Street, N.W.
Washington, D. C. 20036

GDWoods/s

1) PHS 1/1
2) hms

January 2, 1968

Dear Gagan:

Your cable of December 14 transmitting the information that Mr. Parekh had been appointed Deputy Chairman and Managing Director of ICICI was circulated among your many friends here in the Bank, and I dare say you and Parekh have heard from several of them.

This note is to say to you how very happy I am at the solution you have worked out for the problem of succession in the ICICI management. I have always been delighted and completely satisfied with the way you have discharged your responsibilities since you took the fateful step from diplomacy to banking, which, if my memory serves me, was in 1958. Now, you have arranged it so the policies and procedures which have evolved under your administration can be carried on in an orderly fashion and without interruption. I congratulate you and at the same time express my deep appreciation, not only for what you have been doing during the past ten years, but also for this intelligent solution, which should take care of ICICI management for another ten years. I trust the necessary GOI approval or concurrence will not be unduly delayed.

I expect to be in New Delhi about the 3th or 9th of February to address the UNCTAD. If my negotiations regarding the replenishment of IDA are in a posture which will permit, I hope to spend a week or ten days in India. If I do, I will look forward to seeing you.

Every good wish to you and Mrs. Mahta for the New Year, in which Louie joins.

Sincerely,

(Signed) George D. Woods

George D. Woods

Mr. G. L. Mehta, Chairman
The Industrial Credit and Investment
Corperation of India Limited
163, Backbay Reclamation
Bombay 1, India

GDWoods/s

cc: Messrs. Rosen, Diamond, Cargill