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THE WORLD BANK  
Washington, D.C.


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McNamara Papers

Chronological files, 1972 (Jan - Apr.)

The World Bank Group  
**Archives**



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Robert S. McNamara Personal Chronological Files - Chrons 17

17

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INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
WASHINGTON, D. C. 20433, U.S.A.

OFFICE OF THE PRESIDENT

April 24, 1972

490/6/47

Dr. Gudmund Harlem  
Overlege  
Sinsenvegen 76  
Oslo 5, Norway

Dear Dr. Harlem:

I am most grateful for the time you took to meet with Leif Christoffersen and then to write me of your feeling that my wife's christening of Otto Tidemand's ship would not be misinterpreted in Oslo. As a result, we shall plan to visit Norway sometime during the next two months, and it would be our hope that during our visit we should have an opportunity to renew our friendship with you.

I am sending a copy of this note to you in care of Bill Bundy in Cambridge. If it reaches you there, I would be delighted to have a chance to chat with you on the telephone, and Margaret and I would be even more pleased if you could dine with us in Washington.

Again, many thanks for your helpful advice.

Sincerely,

Robert S. McNamara

490/6/46

POSSIBLE CUTS IN P & B BUDGET RECOMMENDATIONS

1. Reduce the Sector study programs as outlined in the Sector Working Papers to more realistic levels.
2. Hold the percentage increase in non-professional staff to not more than the percentage increase in professional staff. (It is apparent we have been operating consistently below the authorized non-professional budget levels; should not a factor be introduced into the '73 budget which recognizes that this is likely to continue?)
3. Hold per unit costs of supervision missions to the 1972 level.
4. Reintroduce the cuts recommended by me in my reply to John Adler's March 27 memo.
5. Set up special studies and/or special panels to examine particular elements of the budget in which potential for savings of at least \$200,000 per year exist. For example, travel costs; variations among Departments performing similar functions (e.g., among Area Departments and among Projects Departments); field offices.
6. Hold country and sector program paper real costs in '73 to '72 levels; i.e., eliminate the 27% increase.
7. Hold the EDI increase in '73 over '72 to 15% instead of 30%.
8. Consider charging the students a percentage (e.g., 50%) of their travel costs.
9. Hold the increase in PEMA in '73 over '72 to 15% instead of 31%.
10. Do not increase travel costs per professional in the Area Departments in '73 (budgeted at \$11,400) over '72 (\$10,300) in real terms.
11. Hold the percentage increase in the Population Projects Department to 25% instead of 35%. (Defer decision on full complement of nutrition professionals until after a review of the proposed nutritional program.)
12. Reduce the appraisal cost per unit in the Public Utilities Department which in real terms rose from \$42,000 in '72 to \$60,000 in '73; hold it to \$50,000 per unit.
13. Reduce the number of professionals in the Special Projects Department; particularly in the Bangladesh Division; hold to 1972 levels and cut therefore from 45 to 40 professionals.
14. Cut operational travel 5% at least and save approximately \$650,000 (e.g., hold operational travel to '72 levels plus an allowance for the increase in professional staff, plus the price increase, for a total increase of approximately 14.5% instead of the proposed 19.8%.
15. Hold the Industrial Projects Department increase to 25%.
16. Cut the Projects Department contingency allowance to \$350,000 and save \$250,000.
17. Cut P&B to an increase of 25% instead of 42% and save \$250,000.
18. Limit the increase in the Information Department to 10%.
19. Limit the increase in the European Office to 10%.



20. Do not allow an increase in the cost of ADS to Bank, i.e., hold in '73 to \$76,000 instead of \$110,000.
21. Provide me a list of chauffeur costs per President's Council member, showing straight time and overtime costs for the most recent 12-month period. For the President's chauffeur, show similar costs for the years 1966, 67, 68, 69, 70, 71, 72.
22. Do not add 2 to the 58 messengers and study how to cut from 58 to 30. (A good subject for a cost study or panel review.)
23. Information Department: Should not the professional staff be held at June 30, 1972 budget level; travel at '72 plus price increase; printing at '72 plus price increase (would not Finance and Development at \$259,000 and IPA booklets at \$118,000 be good subjects for a cost study or panel review?); "other" at '72 plus price increase; ODI grant at \$15,000; Protein Advisory Group at \$25,000 instead of \$50,000; transfer IAEA grant to "public utilities": eliminate '73 conferences at \$10,000.
24. Do not provide for environmental specialists in IFC.

RMcN  
4/24/72

CIRROW.

490/6/45

April 19, 1972

Mr. Franklin A. Lindsay  
President  
Itek Corporation  
10 Maguire Road  
Lexington, Mass. 02173

Dear Frank:

Marg and I thoroughly enjoyed the portfolio  
of lithographic prints. Great work by Itek; thanks  
so much for sharing them.

With best regards,

Sincerely,

Robert S. McNamara

490/6/44

April 18, 1972

MEMORANDUM FOR MR. KNIGHT

In your memorandum dated April 17, you stated, "I fully recognize the need for you to be able to express views on development matters without in any sense clearing the text of your remarks with the Board." I fully agree with your position and, as a matter of fact, that is a precedent which has been followed by the Presidents of the Bank for 25 years. Therefore, it has come to be recognized that they speak for themselves and not for the Bank. That, of course, was the context in which I made the statement at UNCTAD that "These achievements ['the necessary increases in IDA assistance, and in other forms of ODA'] would be facilitated if plans were made to link the financing of such aid either directly or indirectly to future issues of Special Drawing Rights."

You are, of course, correct in saying that the role of SDRs is at present being vigorously discussed within the International Monetary Fund. However, the possible linkage of SDRs to development aid is a matter so closely related to the responsibilities of the Bank, and hence of the Bank President, that it is a subject which I felt I could not ignore.

Robert S. McNamara

RMcN:mss

490/6/43

April 17, 1972

Dear Mr. Nims:

Mr. McNamara has asked me to tell you that he will plan to attend the meeting of the National Affairs Committee on Wednesday, June 28 from 11:00 a.m. to 1:00 p.m.

Sincerely,

(Miss) Margaret S. Stroud  
Secretary to Mr. McNamara

Mr. William H. Nims  
Assistant Secretary  
The Ford Foundation  
320 East 43rd Street  
New York, N. Y. 10017



490/6/42

2412 Tracy Place, N.W.  
Washington, D.C. 20008

April 11, 1972

Mr. Harold P. O'Connell, Jr.  
Vice President  
Continental Illinois National  
Bank and Trust Company of Chicago  
Chicago, Illinois 60690

Dear Mr. O'Connell:

I am leaving this afternoon for Chile, expecting to return early next week. I may need approximately \$77,000 for a "closing" tentatively scheduled for April 21. To facilitate prompt transfer of the funds, if and when it becomes necessary for me to request such a loan from you, I am enclosing a signed note. May I suggest that you hold it, and upon my return from Latin America, I will determine whether further action should be taken to consummate the transaction. In the event that it is not necessary for me to request such a loan, you will, of course, act to destroy the note.

Many thanks for your assistance.

Sincerely,

Robert S. McNamara

Enclosure: Note

490/6/41

April 11, 1972

Dear Mr. Nims:

Mr. McNamara has asked me to tell you that he plans to attend the meeting of the International Committee on Wednesday, June 28 at 9:30 a.m.

Sincerely,

(Miss) Margaret S. Stroud  
Secretary to Mr. McNamara

Mr. William H. Nims  
Assistant Secretary  
The Ford Foundation  
320 East 43rd Street  
New York, N. Y. 10017

490/6/40

April 11, 1972

Martha's Vineyard National Bank  
Vineyard Haven, Mass. 02552

Gentlemen:

Mr. Robert S. McNamara has asked me to send you the enclosed signature cards in accordance with instructions from Mr. Horace Robinson who suggested that there be two accounts -- one in Mr. McNamara's name and one in the name of the Robert S. and Margaret C. McNamara Foundation.

Sincerely,

(Miss) Margaret S. Stroud  
Secretary to Mr. McNamara

Enclosures - 2



490/6/39

April 5, 1972

Dear Darwin:

I am rushing to clean up my desk before leaving for London and Santiago, but before departure I want to write to say I would be delighted to serve as a character reference for you.

Don't hesitate to give my name to anyone who wishes such information. You know I have the highest regard for your personal character and your professional ability.

With best wishes,

Sincerely,

Robert S. McNamara

Mr. Darwin Charles Brown  
Suite 528 Barr Building  
910 - 17th Street, N.W.  
Washington, D. C. 20006

490/6/38

INTBAFRAD

APRIL 5, 1972

LONDON

NL

ENGLAND

126 FOR CORDERY PLEASE RELAY TO ROY JENKINS MR. MCNAMARAS ACCEPTANCE  
OF LUNCHEON INVITATION FOR SATURDAY AT EAST HENDRED STOP ALSO ASCERTAIN  
TIME AND GIVE THAT INFO TO DRIVER WHO WILL MEET MR. MCNAMARA AT HEATHROW

STROUD

Robert S. McNamara

President

mss

1. At the Annual Meeting of the Governors of the World Bank Group in September 1969, the Governors established a time schedule for the Third Replenishment of IDA: The formula for the replenishment was to be negotiated in the period October 1, 1969 and July 1, 1970; the negotiated formula was to be ratified by the legislatures of the member governments during the twelve months ending June 30, 1971; and the Third Replenishment funds would be available for commitment by the Gank Group July 1, 1971.
2. During the 9-month negotiating period, the U.S. Government took the lead in suggesting the size of the replenishment and in urging other governments to support it: The U.S. proposed a replenishment of \$1 billion per year, of which the U.S. share was to be \$400 million. Ultimately the 23 governments involved (including, for the first time, Ireland, Spain and Yugoslavia) agreed upon a replenishment of \$800 million per year, with a U.S. share of \$320 million. In accordance with the original schedule, negotiations were completed in July 1970.
3. Early in 1971 it became apparent that although the legislatures of other governments would be in a position to ratify the agreement by July 1, 1971, the U.S. Congress would not. At that time I discussed the matter with Secretary Connally who, on April 8, 1971, authorized me to say to the Executive Directors of the Bank:

At the present time there appears to be virtually no chance that the necessary IDA legislation will have been passed by the U.S. Congress by June 30th, 1971. I have, however, discussed the matter with the Secretary of the United States Treasury who has assured me:

(a) that President Nixon continues to attach the greatest importance to the replenishment of IDA at the agreed level and will use his influence to the full to secure the passage of the legislation -- the Administration expects passage not later than December 31st, 1971;

(b) that, in the meantime, the U.S. Administration would strongly welcome any steps which other Part I countries are able to take to ensure that IDA is not left without further commitment authority by July 1st next.

4. Acting on the statement of the Secretary, I personally approached the responsible authorities of member governments (including Messrs. Heath, Sato, D'Estaing, Schiller and Benson) to urge them to voluntarily contribute to IDA to permit its operation after July 1, 1971.

In recognition of the President's assurance that he would "use his influence to the full to secure the passage of the legislation" and that "the U.S. Administration would strongly welcome any steps which other Part I countries are able to take to ensure that IDA is not left without further commitment authority", 14 governments took executive and legislative action to advance \$379 million to the Association. That sum, plus the transfer of \$110 million of Bank profits, plus the net gain on revaluation, has permitted IDA to operate until today.

Today, in essence, we lack further commitment authority and must stop operations (the first victim was Turkey, for which a project to provide financial assistance to raise the income of 12,000 livestock farmers in 250 villages was passed this morning by our Board of Directors -- the project cannot be implemented until further funds are available).



5. It is obvious that the cessation of IDA operations will severely penalize development in the 40 or 45 nations which are so dependent upon it for external support -- nations in which mortality rates are high, illiteracy widespread, unemployment rising, and external debts already at critical levels and increasing.

6. What is not so obvious, but of more immediate importance to the U.S., is that a failure to ratify an agreement negotiated in good faith with the major nations of the world cannot help but undermine the credibility of U.S. foreign policy.

RMcN

4/4/72

Clerk

490 / 6 / 36

April 4, 1972

Mr. Howard R. Dressner  
Secretary  
The Ford Foundation  
320 East 43rd Street  
New York, New York 10017

Dear Mr. Dressner:

Following are Mr. McNamara's expenses incident to  
the March meetings:

Air fare	\$ 68.00
Taxis	15.15
River Club	166.50
Meals	33.65
Tips and phone	<u>9.40</u>
Total	\$292.70

Thanks so much.

Sincerely,

(Miss) Polly Yates  
Secretary to  
Mr. McNamara

490/6/35

April 4, 1972

Dear Miss Bates:

As you requested, I enclose a biographical sketch of Mr. McNamara.

He has asked me to tell you that the land purchase transaction has not yet been fully consummated, but closing is expected soon.

Sincerely,

(Miss) Margaret S. Stroud  
Secretary to Mr. McNamara

Miss Olga Marie Bates  
Secretary to Anne W. Simon  
322 East 57th Street  
New York, N. Y. 10022

Enclosure



490 / 6 / 34

INTBAFRAD

APRIL 4, 1972

LONDON

NL

ENGLAND

123

FOR CORDERY PLEASE ADVISE MR. RICHARDSON MR. MCNAMARA ACCEPTS DINNER  
INVITATION APRIL EIGHTH STOP

STROUD

Robert S. McNamara

President

mss.

490/6/33

March 27, 1972

Dear Joe:

Ambassador Soedjatmoko, I think you will agree, was one of the ablest and most interesting men to come to Washington in recent years. A close second is Ambassador L. K. Jha of India. He would be a great addition to one of the Seminars during the summer or fall of this year.

If I can help you in persuading him to accept, I would be happy to do so.

Best wishes.

Sincerely,

Robert S. McNamara

Mr. Joseph E. Slater  
President  
Aspen Institute for  
Humanistic Affairs  
717 Fifth Avenue  
New York, N. Y. 10022

490/6/32

RT. HON. ROY JENKINS, MP  
HOUSE OF COMMONS  
LONDON, S.W. 1, ENGLAND

MARCH 27, 1972

NL

WILL BE IN LONDON CMA STAYING AT CLARIDGES CMA FOR A UN MEETING FRIDAY CMA  
APRIL 7 STOP COULD YOU AND JENNIFER JOIN ME FOR LUNCH ON SATURDAY STOP  
REPLY CAN BE SENT TO THE IBRD LONDON OFFICE STOP BEST WISHES STOP

BOB MCNAMARA

INTBAFRAD

Robert S. McNamara

President



490/6/31

GORDON RICHARDSON, ESQ.

MARCH 27, 1972

J. HENRY SCHRODER WAGG & CO. LTD.

NL

120 CHEAPSIDE

LONDON, E.C. 2, ENGLAND

WILL BE IN LONDON CMA STAYING AT CLARIDGES CMA FOR A UN MEETING ON FRIDAY CMA  
APRIL 7 STOP COULD YOU AND MARGARET JOIN ME FOR DINNER SATURDAY EVENING STOP  
REPLY CAN BE SENT TO THE IBRD LONDON OFFICE STOP BEST WISHES STOP

BOB MCNAMARA

INTBAFRAD

Robert S. McNamara

President

490/6/30

HONORABLE ANGIER BIDDLE DUKE  
47 CHESTER SQUARE  
LONDON, S. W. 1

MARCH 24, 1972

DL

ENGLAND

BECAUSE OF UNEXPECTED COMPLICATION IN MY SCHEDULE WOULD IT BE POSSIBLE  
TO CHANGE DATE OF LUNCHEON TO WEDNESDAY APRIL NINETEEN

BOB McNAMARA

Robert S. McNamara  
President

RMcN:mss

MEMORANDUM OF CONVERSATION WITH SECRETARY CONNALLY

March 21, 1972

Chun

490 / 6 / 29

I stated I had two topics to discuss:

1. A short-term problem: the necessity for immediate action by the President and Connally to insure Congressional ratification of the Third Replenishment of IDA. I emphasized that a failure to ratify would weaken the foundation for international cooperation on which a major part of U.S. foreign policy rested.

2. The longer term problem of determining the form and content of U.S. economic aid policy. I said that I sensed that Connally and others were beginning to question some of the basic premises of that policy and in effect were asking: (1) Is economic aid in the U.S. interest?: (a) Should weight be given to humanitarian considerations? (b) Are there U.S. economic and/or political interests to be served by economic aid? (2) Should a portion of whatever U.S. aid program is decided upon be channelled through multilateral institutions: (a) Can such institutions be relied upon to take account of U.S. interests? (b) Will they operate efficiently?

John stated:

1. With respect to the Third Replenishment of IDA, Passman had said he would force renegotiation of the international agreement. In response to my comment that it was impossible to negotiate with Passman and that the only effective way to deal with him was to outvote him, which in this instance required that John make clear to the four Republicans on the Subcommittee that the President expected their votes, John said he would make every effort to obtain them. I offered whatever assistance he would request of me.

2. The three questions I referred to were forming in his mind and he had begun to discuss the long-range implications of U.S. aid policy with the President some months ago. They were questioning the major premises of past policy. I read to him an extract from Pete Collado's letter which referred to problems of raw material supply and market access and said that in addition the U.S. must recognize the need for "policy support": His proposal to substitute the "Group of Twenty" for the Group of Ten might well result in his being outvoted 19-1 instead of 9-1.

3. He proposed to intervene more and more frequently and more and more directly in the affairs of international institutions in order to protect U.S. interests. He pointed out that Japan was receiving 90% of the procurement under ADB loans and the U.S. only 6%, and that he would destroy the ADB unless this relationship changed.

I concluded by emphasizing my willingness to participate in a discussion of the three questions I referred to above at any time convenient to him.

RMcN

3-21  
490 / 6/28

QUESTIONS RELATING TO U.S. ECONOMIC AID POLICY

- I. Is economic aid in the U.S. interest:
  - (a) Should weight be given to humanitarian considerations?
  - (b) Are there U.S. economic and/or political interests to be served by economic aid?
  
- II. If economic aid is in the U.S. interest, how should the amount of such aid be determined?
  
- III. Should a portion of whatever U.S. aid program is decided upon be channeled through multilateral institutions?
  - (a) Can such institutions be relied upon to take account of U.S. interests?
  - (b) Will they operate efficiently?



3/11/72  
4910/6/27

1. If the Third Replenishment is delayed or reduced, supplement it with a McNamara-Horwitz subsidized IBRD loan program.
2. Call Dr. Burke at Johns Hopkins -- Public Health specialist who has done work on river blindness.
3. Call Dr. Knowles of Rockefeller Foundation re river blindness.
4. Ask John Adler to expand the external aid section and otherwise modify the program sheets as I indicated on the Mali sheet.
5. Ask John Adler to set up a book of country lending program summary tables and institute a system to revise them perhaps quarterly on a rolling basis.
6. Organize a Consultative Group for river blindness. Ask WHO and UNDP to join in sponsoring the group. Employ a full-time professional under Roger to act as secretariat for the group.
7. Employ on the staff of the Bank or as a consultant a French-speaking telecommunications expert to move forward the projects in the 1973 lending program for Upper Volta and the Ivory Coast.
8. Could we organize under the EDI an experimental, on-the-job project leadership training program starting with two or three men from Upper Volta to be trained for leadership on specific projects, e.g., Rural Development, Agriculture, etc.?
9. Should we make a "Zaire" type grant for consultants for Bokassa?
10. Set up a table of factors, e.g., cost of water; yields per hectare; copper prices, etc.
11. Negotiate a contract with UNIDO.
12. Speak to Nick Katzenbach about the optimum approach to learning French.
13. Should we not employ a full-time professional either on the staff of the Bank or as a consultant to work on a rural education program for Niger, utilizing TV if possible? Note that is one of the few countries willing to move away from the classical tradition in education. Note also that Pompidou apparently agreed in principle to finance the necessary telecommunications and that Canada apparently will finance a pilot telecommunications project to Tilabery. Further emphasize that Niger has a reasonable plan of gradually expanding the TV educational system to 24,000 students in ten years. If there is an educational mission going to Niger soon (I believe one is scheduled for April) what instructions should it receive regarding rural education and TV?
14. Should not we employ one full-time professional on the staff of the Bank or as a consultant to work on developing an agriculture sector program for Niger (with or without irrigation) to assure food self-sufficiency in the future?
15. Talk to John Connally about Ed Martin.

16. Include in the urbanization paper a graph of the growth of urban populations of the developing countries 1950-2000 (see "The limits of Growth").
17. Include as a quote in the UNCTAD speech: "Ten to twenty million deaths each year can be attributed directly or indirectly to malnutrition." Page 52, "Limits of Growth"
18. Ask Hollis to prepare a written proposal for establishing a set of Advisory Panels, starting perhaps with a panel on the Agricultural Sector. Establish a list of possible members, including the Director of FAO.

1. A. L  
2. Return to Policy

4910/6/25

February 24, 1972

MEMORANDUM FOR RECORD

with 2/24

Andre Meyer called this morning to urge that we accept the offer of a French underwriting syndicate including Lazard Freres (which had engaged in extensive discussions with the World Bank in 1964, 1965, and 1966 regarding borrowing in France) to underwrite a \$200 million franc issue to be placed in the Euro-franc market. He stated the interest cost (before underwriting commissions) today would approximate 7%, which he considered a very favorable rate for a maturity of twelve to fifteen years. He was confident the French Government would approve such a transaction.

I explained to Andre that we could not consider any new large-scale borrowings prior to June 30, 1972 unless we revised our present liquidity policy -- consideration was being given to such a revision. I also told him that I was planning to meet Giscard d'Estaing in Paris next week and had intended to discuss the subject of borrowing in French francs with him.

I promised to call Andre upon my return from Africa in two or three weeks.

Robert S. McNamara

cc: Mr. Aldewereld  
Mr. Rotberg

RMcN:pay



490/6/24



INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
WASHINGTON, D. C. 20433, U.S.A.

OFFICE OF THE PRESIDENT

March 15, 1972

MEMORANDUM OF CONVERSATION

I called Andre Meyer to tell him:

a. We are prepared to negotiate the placement of a euro-franc bond issue.

b. As a first step, I propose to ask our Vice President of Finance, Mr. Siem Aldewereld, and our Treasurer, Mr. Eugene Rotberg, to initiate discussions with Christian Valensi.

Andre agreed with the procedure and asked whether we would wish Valensi to come to Washington, and if so, when. I told him I was uncertain as to whether the meeting should take place in Washington or Paris, and I would have to leave the decision to Mr. Aldewereld who would decide after he knew when he would be going to Japan. This was perfectly acceptable to Andre.

Robert S. McNamara

cc: Mr. Aldewereld  
Mr. Rotberg

*Background papers filed w/orig in ordered for Record*



490/6/22

February 16, 1972

MEMORANDUM FOR MR. BROCHES

Anticipating that the Asian Development Bank will consider the "Chinese question" at its annual meeting in April, I should like to review: a list of Directors and Alternate Directors, the countries they represent, and the voting power of each; the form in which the question might be raised; and the provisions of the Bank's articles or bylaws which relate to such a question.

Can you collect such information for me?

Robert S. McNamara

RMcN:mss

4010/6/20  
2/10/72

Following the discussion on Tuesday of the memorandum dated December 15, 1971, subject, Scale of IBRD Financial Operations, FY 74-78, my associates and I examined the transcript of that discussion. The record indicates that a strong majority of Executive Directors believe it desirable to establish an indicative plan, covering approximately five years, as a guideline for the operations of the Bank, and particularly for those aspects of its operations which have long lead times. Further, the record shows that seventeen of the twenty-one Directors supported the indicative planning figures for future lending and borrowing which are summarized in paragraph 4 on page 2 of the memorandum; several of the Directors expressed the view that these figures should be considered as minimum figures for planning purposes. Most of the Directors emphasized the necessity for reviewing the figures periodically and not less frequently than annually, so that adjustments can be made whenever appropriate. Several Directors asked for assurances that the level of lending indicated in paragraph 4 on page 2 would not be pursued at the expense of the quality of projects to be financed, of lending to smaller and poorer countries, or of financing projects which were difficult to prepare and implement; these assurances were given by the Chairman.

I propose that the minutes of today's meeting record the conclusions of our discussion as follows:

A consensus was reached that it is desirable to establish indicative planning figures covering lending and borrowing for the period FY 74-78 to serve as guidelines for the operations of the Bank, and particularly those aspects of its operations which have long lead times. A consensus was also reached that the lending and borrowing figures stated in paragraph 4 of page 2 of the document entitled "The Scale of IBRD Financial Operations, FY 74-78" were suitable for these planning purposes. There was an understanding that the increased lending would not be pursued at the expense of the quality of projects to be financed, of lending to smaller and poorer countries, or of



financing projects which were difficult to prepare and implement.

The indicative planning figures will be reviewed annually and at such other times as the Executive Directors or the President believe desirable and adjustments will be made whenever appropriate.

Following the discussion on Tuesday of the memorandum dated December 15, 1971, subject: Scale of IBRD Financial Operations, FY 74-78, my associates and I examined the transcript of that discussion. The record indicates that a strong majority of Executive Directors believe it desirable to establish an indicative plan, covering approximately five years, as a guideline for the operations of the Bank, and particularly for those aspects of its operations which have long lead times. Further, the record shows that seventeen of the twenty-one Directors supported the indicative planning figures for future lending and borrowing which are summarized in paragraph 4 on page 2 of the memorandum; several of the Directors expressed the view that these figures should be considered as minimum figures for planning purposes. Most of the Directors emphasized the necessity for reviewing the figures periodically and not less frequently than annually, so that adjustments can be made whenever appropriate. Several Directors asked for assurances that the level of lending indicated in paragraph 4 on page 2 would not be pursued at the expense of the quality of projects to be financed, of lending to smaller and poorer countries, or of financing projects which were difficult to prepare and implement; these assurances were given by the Chairman.

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A consensus was reached that it is desirable to establish indicative planning figures covering lending and borrowing for the period FY 74-78 to serve as guidelines for the operations of the Bank, and particularly those aspects of its operations which have long lead times. A consensus was also reached that the lending and borrowing figures stated in paragraph 4 of page 2 of the document entitled "The Scale of IBRD Financial Operations, FY 74-78" were suitable for these planning purposes. The indicative planning figures will be reviewed annually and at such other times as the Executive Directors or the President believe desirable and adjustments will be made whenever appropriate.



490/6 126

The next item on the agenda is the memorandum on IBRD Financial Operations FY74-78 (R71-276). This was extensively discussed on February 8 and February 10. The meeting on February 10 indicated that, with exceptions I will mention in a moment, the Executive Directors were ready to act affirmatively on the draft minute recording the conclusions of our discussion which I distributed at the meeting of February 10, copies of which you will find before you on the table. The exceptions were: Mr. Vienot, who had reservations which he stated clearly and which I do not need to repeat; Mr. Cranswick, who said that Mr. Knight would want to speak on the issue at today's meeting; and Mr. Wieczorowski, who preferred to state his position at today's meeting. It was therefore decided to meet again today for the purpose of concluding our discussions. Several Directors who supported the memorandum said that in view of the fact that two of their colleagues wanted to make further statements, they felt they should not close their minds on the subject, although they did not expect that they would change their point of view. I further took it to be the consensus of the meeting on February 10 that, subject to the statements by Messrs. Wieczorowski and Knight, there was no intention to reopen the whole paper for discussion and I hope we can proceed on this basis. I shall therefore call on Mr. Wieczorowski first, and then on Mr. Knight.

One final word — at the meeting on February 10, Mr. Rinnooy Kan proposed the insertion of the word "internal" in front of the word "guidelines" in the third line of the proposed minute. A copy of the proposed minute in front of you shows this word pencilled in. We have circulated as SecM72-99 a summary of Mr. Rinnooy Kan's statement on definition of the term "internal." I believe there is substantial agreement on accepting Mr. Rinnooy Kan's suggestion and I propose it be accepted.

490/6/21

February 10, 1972

Dear Mr. Meserve:

My duties as President of the World Bank may sometimes make it impossible for me to attend meetings of the Commission on Correctional Facilities and Services. If you and the Chairman of the Commission nonetheless wish me to serve another year as a member of that Commission, I shall be happy to do so.

With best wishes,

Sincerely,

Robert S. McNamara

Mr. Robert W. Meserve  
President-elect  
American Bar Association  
American Bar Center  
Chicago, Illinois 60637

490/6 19

February 9, 1972

Dear Alex:

Only those of us who shared with you a few of the years during which you have contributed so much to our nation know how heavy has been the burden you have carried. We are all indebted to you and we all send you best wishes for a speedy recovery.

Sincerely,

Robert S. McNamara

The Honorable  
U. Alexis Johnson

490/6 1/8

February 9, 1972

Dear Mrs. Swartz:

I'm sure that Mr. McNamara would be happy  
to autograph your copy of The Essence of Security.  
We will be on the lookout for its arrival.

Sincerely,

(Miss) Polly Yates  
Secretary to  
Mr. McNamara

Mrs. Roy D. Swartz  
115 Merry Drive  
Elkhart, Indiana 46514



February 7, 1972

490 / 6 / 16

Dear Mr. Slater:

Mr. McNamara has asked me to tell you that he expects to return from a trip to Africa on Saturday, March 11. Assuming that his plans remain firm, he will plan to attend the dinner in New York on the evening of Monday, March 13.

Sincerely,

(Miss) Margaret S. Stroud  
Secretary to Mr. McNamara

Mr. J. E. Slater  
President  
Aspen Institute for  
Humanistic Studies  
600 Fifth Avenue  
New York, N.Y. 10020

February 7, 1972

490/6/15

Dear Dr. Wong:

Enclosed herewith is the picture which you brought to Mr. McNamara's office, autographed by him.

Mr. and Mrs. McNamara regret that it will not be possible for them to dine with you.

Sincerely,

(Miss) Margaret S. Stroud  
Secretary to Mr. McNamara

Dr. Chung-ming Wong  
2710 Daniel Road  
Chevy Chase, Md. 20015

February 4, 1972

490/6/14

Dear Mr. Ambassador:

I very much appreciate your thoughtfulness in sending me the book on Madagascar. From the pictures it appears to be a beautiful island.

With best wishes for the new year,

Sincerely,

Robert S. McNamara

His Excellency  
The Ambassador of the  
Malagasy Republic  
2374 Massachusetts Ave., N.W.  
Washington, D. C. 20008

490/6/13

February 4, 1972

Dear Mr. Gordon:

Mr. Robert McNamara has asked me to tell you that he will be out of the country on April 12 and thus unable to attend the Business School dinner at the Americana on that evening.

Sincerely,

(Miss) Margaret S. Stroud  
Secretary to Mr. McNamara

Mr. Albert H. Gordon  
Suite 905  
52- Madison Avenue  
New York, N. Y. 10022



490/6/12

February 3, 1972

Dear Mr. Garment:

I returned from Asia yesterday to find your letter recommending Mr. Iverson Mitchell for a position in the World Bank awaiting me. Today I met with Mr. Mitchell to discuss his interest and qualifications.

As you pointed out, he has had wide experience in administrative posts. Unfortunately, he has had very little education beyond high school and none in the field of international economics. It will be difficult, therefore, to find a post in the Bank for which he is qualified at the salary level (\$26,000 per year) in which he is interested. I will make every effort to do so, however.

Sincerely,

Robert S. McNamara

Honorable Leonard Garment  
The White House  
Washington, D. C. 20500

490/6/11

February 3, 1972

Dear Mr. Raymond:

Mr. McNamara has asked me to tell you that it will not be possible for him to attend the Board of Directors meeting in Paris on February 20 and 21. He has just returned from a trip to Asia and is leaving again in several weeks, and he just does not have the time to make another overseas trip at this time.

Sincerely,

(Miss) Margaret S. Stroud  
Secretary to Mr. McNamara

Mr. Jack Raymond  
President  
International Institute  
for Environmental Affairs  
600 Fifth Avenue  
New York, N. Y. 10020



OFFICE OF THE PRESIDENT

INTERNATIONAL BANK FOR  
RECONSTRUCTION AND DEVELOPMENT  
WASHINGTON, D. C. 20433, U. S. A.

490/6/10

February 2, 1972

His Excellency  
A.A. Valian  
Minister of Cooperation  
and Rural Affairs  
Teheran, Iran

Dear Mr. Minister:

You were most thoughtful to bring to me the handsome silver cigarette box and the lovely fabric for Mrs. McNamara. We both deeply appreciate your generous thoughts of us.

With all best wishes for the year ahead,

Sincerely,

(Robert S. McNamara)

C. Wilson  
490/6/9

January 19, 1972

Dean Arjay Miller  
Graduate School of Business  
Stanford University  
Stanford, California 94305

Dear Arjay:

You have asked for my evaluation of Mr. Henry Rowen whom I understand you are considering for appointment as a senior faculty member to help launch a new program in the Public Management Field.

My appraisal of Mr. Rowen is based upon close association with him in the Department of Defense over a period of nearly five years. Based on that association, I consider him superior to all other individuals whom I might consider qualified for such a post, with the possible exceptions of Mr. Richard Neustadt and Mr. Alain Enthoven. He would bring to Stanford a first-class mind, long experience in and with government, and a deep understanding of the national and international scenes.

I am leaving in a few minutes for Asia, but upon my return, I should be happy to expand upon these comments and answer any specific questions you may wish to address to me.

With best wishes,

Sincerely,



Ch. Row  
490/6/8

January 19, 1972

Dear Dr. Brown:

Your letter of January 17 to Mr. McNamara arrived after his departure to South Asia. I will, of course, bring it to his immediate attention upon his return.

Best wishes for a great 1972.

Sincerely,

(Miss) Polly Yates  
Secretary to  
Mr. McNamara

Dr. Harold Brown  
President  
California Institute of Technology  
Pasadena, California 91109



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WASHINGTON, D. C. 20433, U.S.A.

January 19, 1972

*Chris,*  
*490/6/7*

Dear Professor Andreadis:

I have received the folder of Views of Ancient Greece which you so kindly sent to me. They are indeed handsome, and I appreciate your thoughtfulness in sharing them with me.

With best wishes for the New Year,

Sincerely,

*Robert S. McNamara*  
Robert S. McNamara

Professor Stratis G. Andreadis  
President and Chairman  
Commercial Bank of Greece  
11 Sophocleus Street  
Athens 122, Greece





OFFICE OF THE PRESIDENT

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WASHINGTON, D. C. 20433, U. S. A.

*Chan*  
490 16/6

January 19, 1972

His Excellency  
Eduardo Z. Romualdez  
Ambassador of the Philippines  
2253 R Street, N.W.  
Washington, D.C. 20008

Dear Mr. Ambassador:

You were most kind to send the wonderful  
beer during the holiday season. My family and  
I deeply appreciate your thoughts of us.

With all best wishes for the New Year,

Sincerely,

A handwritten signature in cursive script, reading "Robert S. McNamara", is written over the typed name.

Robert S. McNamara

490/6/5

January 18, 1972

Dear Mr. Donati:

Many thanks for the volume on Sicily which was sent to me in the name of your bank. It will be a handsome addition to our library.

With best wishes for the new year.

Sincerely,

Robert S. McNamara

Mr. Antigono Donati  
Managing Director  
Banca Nazionale del Lavoro  
Via Vittorio Veneto 119  
Rome, Italy



490/6/4

January 17, 1972

Dear Mr. Furtado:

You were most thoughtful to remember me with such fine liqueur and I very much appreciate having it.

With my thanks and best wishes for the new year.

Sincerely,

Robert S. McNamara

Mr. Eduardo Furtado  
Banco Pinto & Sotto Mayor  
Lisbon, Portugal

4910/6/3

January 17, 1972

Dear Mr. Naessens:

I appreciate more than I can tell you the lovely book which you sent to me in celebration of the one hundredth anniversary of your bank.

With my thanks and best wishes for the new year.

Sincerely,

Robert S. McNamara

Mr. Maurice Naessens  
Directeur General de la Banque  
de Paris et des Pays-Bas Belgique  
Rue des Colonies 31  
1000 Brussels, Belgium

490/612

January 15, 1972

Dear Otto:

Margaret and I are just about to leave for a visit to Asia, but before doing so, I want to tell you how deeply touched we both were by your invitation to her to christen your new ship. Our travel plans for May and June are not yet firm, but there is some possibility we could be in Oslo early in May. Would such a time be acceptable, and how far in advance of the event would arrangements have to be completed?

If you can let me have answers to these questions, I will send you a more definitive reply upon my return from the sub-continent.

Our best wishes to both you and Karin.

Sincerely,

Robert S. McNamara

His Excellency  
Otto Grieg Tidemand  
Haakon VII's gt. 6  
Oslo 1, Norway



490/611

January 14, 1972

Mr. Harold P. O'Connell, Jr.  
Vice President  
Continental Bank  
231 S. LaSalle Street  
Chicago, Illinois 60690

Dear Mr. O'Connell:

Enclosed is a note for \$7,000.00, signed by me, representing the amount I should like to borrow from the Continental Bank. I understand you will arrange to have it transferred, effective January 17, to the Commercial Account of Robert S. or Margaret C. McNamara in the Manufacturers National Bank of Detroit.

Many thanks for the expeditious way in which you are handling this transaction.

Sincerely,

Robert S. McNamara