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Washington, D.C.

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McNamara Papers

Montebello Conference - Febr. 22/23, 1970
1969 (Nov.) - 1970 (Febr.) (vol. 1)

Folder 5


Archives



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Montebello Conference, Febr. 22, 1970 - Correspondence 01

CANADIAN EMBASSY



AMBASSADE DU CANADA

1746 Massachusetts Avenue, N.W.,
Washington, D.C. 20036,
January 15, 1970.



Dear Mr. McNamara,

I was pleased to learn of your acceptance of the invitation extended to you by the Canadian Secretary of State for External Affairs to attend the informal aid meeting which is being held at Montebello, Quebec, on February 22-23.

As was explained in Mr. Sharp's letter of November 28, 1969, the main theme of the meeting will be the organization and coordination of international development efforts, with particular reference to the recommendations contained in the Pearson and Jackson Reports and the formulation of strategy for the Second Development Decade. It is still intended to emphasize informality in the discussions and to avoid any rigidly structured agenda. Because of the need to give some order to the discussions, however, it is now planned to have opening presentations made by Mr. Pearson, Mr. Jackson and Mr. Tinbergen on the overall organization and coordination implications of their reports. During subsequent discussions, it is hoped that Messrs. de Seynes, Hoffman, van Lennep (or Martin) and Perez Guerrero will comment on the coordination and organization implications for their institutions and then, later in the meeting, that the regional bank presidents might wish to speak about the implications for their areas and institutions. It is of course hoped that participants will endeavour to avoid formal statements. I understand that you have already agreed to comment on these aspects as they affect the World Bank.

To assist the discussions, the Canadian International Development Agency is preparing some graphic and brief written material to help point up some of the issues. These will in no sense be papers. One idea to which thought is being given is a review of various issues mentioned in the Pearson and Jackson Reports, showing into which segments of the international community they fall and how they are dealt with. One typical issue that might be treated in this manner would be the need for a better evaluation of donor and recipient performance, which is mentioned in the Pearson Report. The material prepared will neither make recommendations nor argue points of view.

... 2

The Honourable Robert S. McNamara,
President, International Bank for Reconstruction
and Development,
Room A-1230,
1818 H Street, N.W.,
Washington, D.C. 20433.

The Seigniory Club, where the conference is to be held, is located in Montebello, Quebec, which is between Montreal and Ottawa. You would be most welcome at the Seigniory Club at any time following the Columbia University Conference although the conference itself won't begin until Sunday, February 22. To facilitate accommodation and transportation arrangements, we should know as soon as possible the numbers and names of any assistants who will accompany you, and the date and time you expect to arrive at the Club. Wives who have accompanied participants to the New York meeting are welcome to Montebello as well, although we would also like to be informed well in advance in order to complete the necessary arrangements.

*mainly
not yet
decided*

There is no direct access to Montebello from New York and transportation can be arranged in two alternative ways. If you wish to travel to Montreal on Saturday, February 21, the Conference organizers will be pleased to meet you in Montreal and transport you to Montebello by road. Should you wish to spend the balance of Saturday and Saturday night in New York, then it is planned to make arrangements for travel from New York to Ottawa by charter flight and then to Montebello by road. The flight would leave New York on Sunday morning and lunch would be provided during the flight. Similar arrangements can be made for transportation to Montreal or New York on departure from Montebello on February 24. It is hoped that as many participants as possible will avail themselves of the charter flight as that would greatly facilitate transportation and accommodation arrangements, customs formalities and check-in and departure at the Seigniory Club. Before the charter flight arrangements are confirmed, CIDA will have to know that sufficient numbers are interested in this means of travel. We would therefore like to know as soon as possible whether you would wish to travel on the charter flight and, if you are making your own travel arrangements, your flight numbers and times of arrival and departure.

OK

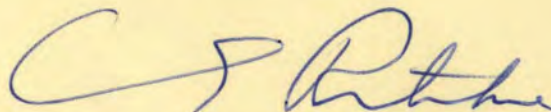
Yes

All the accommodation and meal expenses of participants and the persons accompanying them from the time of arrival at Montebello on either February 21 or 22 until departure on February 24, as well as the cost of the New York-Ottawa charter flights and road transportation to and from Montebello, will be met by the Canadian Government. It will not, however, be possible to meet the cost of travel between New York and Montreal by means other than Government charter flights.

*try to
return
Monday*

Please do not hesitate to let us know of any medical, dietary or other problem which you anticipate might arise at Montebello.

Yours sincerely,



A. E. Ritchie,
Ambassador.

TIME AND PLACE OF MEETING



An informal meeting on international development will be held during the period February 22 - 23, 1970 at the Seignior Club in Montebello, Quebec.

Montebello is approximately 80 miles northwest of Montreal and 45 miles east of Ottawa on the north side of the Ottawa River.

A description of the Seignior Club and its facilities is provided in enclosed pamphlets.

MEETINGS

All meetings will be held in the Manor House which is approximately 300 yards from the main Log Chateau.

The first meeting is expected to be held on Sunday, February 22, between 4.00 and 5.30 p.m. The remainder of the meetings will be scheduled throughout Monday, February 23.

LIST OF PARTICIPANTS

The Honourable Mitchell Sharp,
Secretary of State for External Affairs, Canada

Mr. Maurice F. Strong,
President,
Canadian International Development Agency, Canada

Mr. M. Aziz Alamoodi,
Vice-President,
African Development Bank

Dr. Philippe de Seynes,
Under-Secretary General for Economic and Social Affairs,
United Nations Organization

Herr Erhard Eppler,
Federal Minister of Economic Cooperation, Germany

M. Jean-Pierre Goyer,
Parliamentary Secretary to Secretary of State for
External Affairs, Canada

Dr. John A. Hannah,
Administrator,
United States Agency for International Development

The Right Honourable Judith Hart,
Minister for Overseas Development, U.K.

Sr. Felipe Herrera,
President,
Inter-American Development Bank, Washington

Mr. Paul Hoffman,
Administrator,
United Nations Development Programme

Sir Robert Jackson,
Commissioner,
Study of the Capacity of the United Nations

M. René Larre,
Director of the Treasury, France

Sir W. Arthur Lewis,
President, Caribbean Development Bank,
Princeton, New Jersey, U.S.A.

Mr. Edwin M. Martin,
Chairman,
Development Assistance Committee,
Organization for Economic Co-operation and Development, Paris

Mr. Robert S. McNamara,
President,
International Bank for Reconstruction and Development,
Washington

Mr. Ernst Michanek,
Director General,
Swedish International Development Agency

C.V. Narasimhan,
Deputy Administrator,
United Nations Development Programme

H.E. Egidio Ortona,
Ambassador of Italy,
Washington

The Rt. Honourable Lester B. Pearson,
Chairman,
Commission on International Development, Ottawa

Sr. Manuel Perez-Guerrero,
Secretary-General,
United Nations Conference on Trade and Development, Geneva

Dr. Raul Prebisch,
Director General,
Latin American Institute for Economic
and Social Planning, Washington

The Honourable Raymond Scheyven,
Minister,
Department of Cooperation for Development, Belgium,

M. P-P Schweitzer,
Managing Director,
International Monetary Fund

Dr. Jan Tinbergen,
Chairman,
Committee for Development Planning,
United Nations Organization

H.E. B.J. Udink,
Minister for Development Cooperation, Netherlands

Jonkheer E. van Lennep,
Secretary-General,
Organization for Economic Cooperation and Development, Paris

Mr. Takeshi Watanabe,
President,
Asian Development Bank

Sir Geoffrey Wilson,
Permanent Secretary,
Ministry of Overseas Development, U.K.

H.E. Takeshi Yasukawa,
Ministry of Foreign Affairs, Japan

814/1/5

December 15, 1969



Dear Mr. Minister:

I shall be very happy to accept your invitation to join in the informal meeting of representatives of the major donor countries and senior international officials which you are planning for February 22 and 23.

Many thanks for the invitation.

Sincerely,

Robert S. McNamara

The Honorable
Mitchell Sharp
The Secretary of State
for External Affairs
Ottawa, Ontario, Canada



November 28, 1969.



Mr. Robert S. McNamara
President
International Bank for
Reconstruction & Development
WASHINGTON, D.C.
20433

Dear Mr. McNamara:

I understand that you, along with a number of ministers, officials and senior personalities from international aid agencies, have been invited to attend a two day Conference at Columbia University in New York City, February 20-21, 1970 to discuss development strategy in the 70s. This should prove to be a valuable opportunity to review our common interest and objective in giving greater impetus to the international development effort.

We in Canada are very conscious of the critical stage in which international development stands today, as well as of the important decisions which will need to be faced in the next year in co-ordinating the development effort if maximum results are to be achieved during the decade we are about to enter. The Report of the Commission on International Development, chaired by our former Prime Minister, the Right Honourable Lester B. Pearson, has already appeared with its very important recommendations for future action. Other major assessments of developmental concern, such as the Jackson Report, and the proposals to be put forward to the United Nations by the Tinbergen Committee, will be completed shortly.

It has, therefore, occurred to me that it might be both timely and beneficial to take advantage of your presence and that of some of the others who will be in New York City, to arrange a quite informal consultation between the representatives of the major donor countries

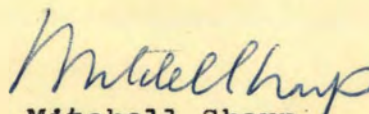
and the senior international officials responsible for development funds. Such a meeting could examine the implications of the Columbia University Conference and discuss ways in which effective co-ordination of the various recommendations being made by the specific international groups could begin to be formulated. Special emphasis might be given to the recommendations which do not clearly fall within the responsibility of any individual agency, or where responsibility may be uncertain.

Our discussions with a number of senior members of the international development community have encouraged us to believe that an informal gathering of this nature would serve a useful purpose. It would in our view be an integral part of the continuous process of consultation among those involved with aid policy and administration.

Accordingly, in my capacity as the minister responsible for international development in Canada, I should now like to extend a most cordial invitation to you to join me and Mr. M. F. Strong, President of the Canadian International Development Agency, as our guest at the Seigniory Club, Montebello, Québec, from February 21 to February 23, 1970. We would be glad to receive you at the Club any time after the close of the New York sessions on Saturday, February 21. The informal, and we hope fruitful discussions might then convene on the Sunday evening, February 22, and continue through the whole of Monday, February 23.

I do hope that you will be able to be with us on this occasion and I will let you have further details on the arrangements for this informal gathering in due course.

Yours sincerely,


Mitchell Sharp.

Pearson

General agreement on importance of multi-lateralism and partnership.

Tinbergen

Evaluation of assessment:

Countries, both ways, should be prepared to accept.

No new body is desirable -- but there is need for a body not responsible to governments.

Duplication is occurring and should be avoided; in part, a matter of personal attitude; guidelines for allocation of tasks can be prepared.

Recipient nations should be part of evaluation of donor's performance at the world level.

World Bank analyses can be very useful and need to be integrated into the evaluative process.

Consortia - useful and effective instruments --

Perhaps could organize group consortia for smaller countries.

General policy deliberations --

Final word should be in the UN organization.

Harmonizing of commercial policies with development objectives --

Developed countries must play their part in the restructuring of the economies of the LDCs -- rich countries must be willing to change their trade policies and restructure their economies.

Jackson

The country level and coordination at that level is more important than ~~regular~~ ^{national} and inter-levels. *regional*

Avoid new machinery if possible and make the existing machinery work.

Excessive evaluation by the international bodies and donor countries is so great as to impede development.

At the country level, the LDCs indicated that the UN was the most acceptable organization for the coordinating process and therefore the Resident Representative was the key figure.

Over two or three years the Resident Representative in 25 or 30 countries should come to represent both the UN and the World Bank.



Tinbergen

Re Pearson's question as to what body, not responsible to governments, would evaluate performance: a group of independent experts would appraise performance and make them available to experts (the report would be public).

de Seynes

Distinguish what we are aiming at:

1. Determine what we can do in the field to assist governments to improve their own planning procedure -- if we do this, assistance and evaluation are very closely related and require residence in the field -- this function needs improvement. Need to find out how we can better organize existing resources of men and organizations having field knowledge at present. This becomes more important as ^{mutual}inter-aid becomes more associated with social problems.
2. The second function is one performed in the first installment by the Pearson Commission: appraise problems and performance to inform governments and inter-agencies and to impress public opinion. If we had had this exercise before, the inter-agencies would have responded more quickly to "green revolution," population problem, etc. The inter-community needs this kind of diagnosis which must be broadened to include more fields and broader participation, including Socialist countries. An intriguing question as to what the role of the World Bank could be in such an exercise.
3. Could there be something more muscular in the coordination of aid programs? This should be separate from appraisal of general policies. It is not wise to publicize that aid will be given in relation to performance and performance judged by donors.

Work of DAC is of tremendous value and there is tremendous opportunity through it for coordination of the policies (e.g., tying of aid) of the donors. Fear of LDCs of DAC has largely faded away. One of the things they could consider is how to do something about Ecosoc.

Hoffman

These jobs lie ahead of us:

1. Must strengthen the UNDP.
2. Need to increase funds of the program.

McNamara outlined actions of Bank re:

1. Country programs of technical assistance and pre-investment.
2. Development of working agreements with IMF, etc., to avoid overlap and reduce burden on developing countries.

3. Expanded program of country missions for benefit of all.
4. Expansion of number of consultative groups.

Schweitzer

Avoided too much talk of performance; evaluate progress.

van Lennep

Have proposed that will no longer restrict to DAC coordination of aid and aid policies; instead, will also now confront the economic policies of the member countries with the development objective: this work will be undertaken by OECD and its policy committees, e.g., Agriculture Policy Committee will consider their non-agriculture policies in relation to the development objectives.

Prebisch

One of the greatest obstacles to planning is governments are discouraged by lack of clear indication of lending agencies to commit resources for duration of plan, or to offset shortfall, or to lend for internal expenditures if local resources are not enough; therefore, are discouraged with planning.

Perez-Guerrero

Herrera

Regionalism is a weapon for small nations to overcome their own difficulties in development. Regional institutions in the Western Hemisphere are working well in a coordinated way.

Has never seen a paper which could convince governments of Latin America of what is good performance. Standards of performance have been changing. If followed, perfectionist standard of performance would only operate in two or three.

Will weaken national efforts if give the impression international agencies have the best staff and the source of wisdom -- countries will rely too much on outside.

Watanabe

ADB's approach is different from that of IDB and Asia is more heterogeneous than Latin America. Must convince Asian nations that ADB is their bank. Anything appearing foreign will be resisted.

Coordination could be made at high level; regional level; or country level.

But at country level, there is the danger that representatives will stray from policy of their headquarters. There is a great deal to be said for coordination at the regional level. Questions whether it is wise to organize a new world-wide agency for coordination.

Coordination with World Bank requires more than once per year meeting and he is very satisfied with present arrangement under which World Bank missions stop in Manila and exchange information on every trip.

Rather than world-wide conference, organize a conference of appropriate agencies on a regional basis.

Azia Alamoody

Welcomes suggestion for establishment of coordination machinery.

Recipients should be associated fully so machinery is not dominated by the donor countries.

Have established an FAO desk in the African Development Bank.

Have established a standing group of UNDP, IBRD, Af. ADB, and Economic Commission.

Af.

/ADB welcomes review of performance but must be on a cooperative basis and not dominated by donors -- some donors are equally culpable.

Lewis

DAC statistics show how arbitrary is distribution of aid, and, therefore, Pearson Commission made only one recommendation twice: increase contributions to IDA to permit it to redress the imbalance in aid distribution among LDCs.

Narasimhan

General debate in deliberative bodies (GA and Ecosoc)^{as} are contrasted with governing bodies of operating agencies, are constructive.

National governments need uniform policy in all international bodies and in coordination of international aid and bi-lateral aid; this later can be done best at country level.

Hope within the year for UNDP to work out an information system of value to all parties.

Scheyven

Favors international assistance: some international agencies are good but not all: e.g., World Bank, IMF, UNDP are good; others are not. Ecosoc should be a keystone in international review and direction of aid, but how can it be organized to do this effectively?

Pearson

He is encouraged by improvement in relations between international agencies but provision has not been made for continuing overall assessment of development progress. Ecosoc can't do it nor can any other existing agency. A new agency, including bi-lateral (including Soviets if they would take

part) donors, international agencies, and representatives of recipient countries is required.

Hamilton

Improvement in relations among multi-agencies, desirable and important as it is, and encouraging as it is, is a minor part of the problem. The major part is the total review of requirements for aid and progress and policies in its use and this requires an agency to review relations between bi-lateral and multi-lateral agencies and total problem.

Multi-lateral agencies need to be larger but will only be 20% of a larger flow, and, therefore, the problem is how to multilateralize the decision-making process.

The basic unit is the country level: the problem is to evolve a system to coordinate the external imports into the country program.

The consortia and consultative groups are helpful but only a beginning: they have no staff and don't exist most of the year; the question is how to get the multi-lateral control at the country level. World Bank can't and shouldn't lead the groups in all cases: in some cases technical assistance and pre-investment is most important and there Resident Representatives should take the lead.

How should such a world network be set up -- a world headquarters is required; a center of action and initiative to unite international organizations, bi-lateral donors (5 largest which provide 80% of bi-lateral aid) and the recipient countries. Such a headquarters could also play a major role in aggregating and making visible the country level programs, progress and requirements.

Very hard to believe Ecosoc could evolve into the kind of organization he is describing. Could make the case that multi-lateral agencies are fragmenting at working levels: more organizations represented at country level (e.g., World Bank missions will probably grow into resident missions) and more individual agency plans unrelated and uncoordinated.

~~How~~
Hard to set up a World Aid Authority -- a de facto advisory organization to provide some chance of developing sufficient public confidence to lead to a larger aid flow.

Hart

Many of LDCs are now more sophisticated in their planning process and this leads to conclusion (a) they should be more involved in development planning, and (b) planning should be at the country level. But it also means they are more sensitive and this requires effective partnership which multi-lateral organizations must adjust to. UN machinery is more acceptable to the LDCs than other forms (e.g., World Bank), and, therefore, this should be used.

This requires strengthening of UNDP Resident Representative system and in a few years time, at the country level, he would become acceptable to other organizations (e.g., World Bank). The UNDP Resident Representative should be the democratizing influence and the center of country coordination. Some other organizations may have to give up people to UNDP to strengthen the UNDP.

How much emphasis should we place on evaluating performance; how should it be measured; and how much should aid be related to performance?

LDCs are growing up -- we can't afford to be paternalistic. We must be sensitive to their feelings. We should not only accept but welcome their insistence that they make their own decisions.

Does not agree with Hamilton's plan. His structure would be efficient and he says this would be an argument for more external aid, but she does not agree with this linkage. Moreover, the Advisory Body would infringe upon the LDCs own right to make its own decisions. It would look upon the body as a white man's club -- the LDCs don't object to the white man's club unless it is efficient.

Eppler

His text is Pearson's statement: if bi-lateral donors want to insure that bi-lateral aid is effective, they should strengthen the multi-lateral agencies. If you accept Jackson's "Development Coordination Cycle" it is hard not to accept majority of his conclusions. May be hard to draw line between UNDP and World Bank but need not always be drawn on sectoral line, but may sometimes be drawn on regional line.

The Jackson report is a fact and there will be a negative effect if there is not positive action.

Multi-lateral framework for bi-lateral program is important to demonstrate to the public. ^{that} A rational plan and successful results are important to maintain public confidence, in contrast to Hart's view, neither the Financial Minister nor the public cares whether the aid program is efficient.

Hannah

Supports many of points expressed by Hamilton.

Foreign aid has fewer supporters and more vigorous critics than at any time since Truman started Pt. IV 20 years ago. Then it was clearly in U.S. interest to help restore Western Europe. Today it is not so obvious. It was comparatively simple to restore Western Europe to what expected before; it is much more difficult to help poor countries build what never was. Many mistakes were made and this has been disillusioning. And now the additional factor of priority of control of inflation will influence aid program.

President will send Peterson Report to Congress to comply with Javits amendment and two months later will follow with his views, without a legislative program which will follow in January 1971.

President has spoken strongly in favor of multi-lateral aid and that is why Hannah is pleased with Hamilton's comments. The action of multi-lateral agencies will determine how much U.S. aid is approved. Therefore, those who have roles in the multi-lateral agencies will help, including U.S. aid, if they make them as invulnerable as possible.

One of the things working for aid U.S. is increasing interest in quality of life in U.S. and this moves to interest in increasing interest in improving quality of life in LDCs.

Samuels

Should not confuse: (a) programming and implementation, and (b) policy coordination. The latter is a task of national governments harmonizing a wide variety of their economic policies. If the latter are harmonized, can afford to have diversity of programming and implementation.

Will continue to have U.S. bi-lateral program as a flexible supplement to multi-lateral program.

Will want to integrate bi-lateral effort into multi-lateral effort, e.g., are pleased at greater work of World Bank/IMF missions, and U.S. will want to make more use of it instead of continuing to duplicate it by bi-lateral action.

Would consider as very desirable closer relationship of Regular Banks to World Bank.

CIAP

Latin American countries (particularly energy countries) have not reacted very favorably to strengthening ^{CIAP,} ~~it~~, but U.S. believes the ^{regulars} ~~regulars~~ must take greater responsibility in programs they present to the donors, even at cost of efficiency and time.

Will be virtually impossible to separate policies toward developed countries from policies toward LDCs, e.g., trade policies.

Udink

It is important to organize and coordinate development efforts but the most important problem facing us is to organize successful start of Second Development Decade. What are the 4 or 5 minimum requirements to be fulfilled to have a credible statement of objectives and strategy for Second Development Decade?

Parliament has said Netherlands ^{contributions} entries to UNDP can't be increased unless at June session of General Council measures are taken to increase the effectiveness of the organization.

He supports Jackson's emphasis on: (a) country level planning; (b) the development coordination cycle; (c) the strengthening of the role of the Resident Representatives; (d) the greater control of UNDP over the funds of the Special Agencies, but this would require a restructuring of administrative responsibility in the donor countries where ^{an} increase in the power of the Foreign Minister or Aid Minister. ^{with}

Pearson suggested World Bank call a conference re organization of world-wide review and appraisal of development effort. In the meantime, have had recommendations of Tinbergen that a "wiseman's" committee be organized for this purpose and also Hamilton's proposal. Would it be worthwhile to have informal conferences called by scientific institutes with one of donor countries as a host to study the question?

Believes that use of coordination of bi-lateral programs with multi-lateral can increase: e.g., Resident Representative in Indonesia coordinates UNDP and bi-lateral programs of technical assistance and World Bank through consultative groups coordinates bi-lateral and multi-lateral aid.

Michanek

All is not black: 13 DAC countries increased their aid 90% '63 to '68; terms are improving; untying is taking place.

But organization improvement is required. The chart "the development maze" shows no coordination of effort at the center. The Recipient Country should be put at the center of the effort. Secondly, the planning rather than evaluation must be put at the center of the activities.

Multi-nationalism of aid can expand (e.g., the Colombo plan; co-financing, etc.).

Must find some way to bring the planners of the multi-lateral and bi-lateral organizations into a unified effort -- the best system developed so far is the consultative groups of World Bank, but are not as efficient as they can be: too few and too weakly staffed.

He fears the potential strength of the World Bank as a coordinating mechanism. But is equally afraid of the weakness of the UN system, and this must be strengthened as Jackson recommends.

Can't see anything better than building up the UNDP and Ecosoc to fulfill the coordinating responsibility. If such a strengthened organization within the UN system comes about, the bi-lateral donors will associate themselves with it.

Martin

Global review and appraisal: the Second Development Decade will start with a strategy that is not satisfactory to anyone and it will need continuous adjustment. Moreover, it is necessary to keep the problem of development assistance in the public mind. This requires a new entity: above the operating agencies; a breadth of approach seeing development as economic, social, and political; it must be seen as objective; in its judgments it must be seen sharp and controversial, ~~in its judgments~~; it has to have a political sense of public opinion. (Ed said earlier he favored Bowie's plan for this purpose.) GA and Ecosoc will play a part but need to set up a new entity to act as the public conscience.

Ortona

Aid is much more effective when receiving countries participate in its planning and administration.

Coordination agency should be a group of people composed of regional agencies and ~~XAG~~ ("X"?) might be set up by a resolution of Ecosoc. ~~("X"?)~~. Must not impose new financial burdens on Parliament for operating expenses. This sort of body is extremely important for the public relations of the problem.

Yasukawa

Japan has an organization problem in carrying out its own aid program: for example, Japan has no aid agency.

Must judge both the performance of the developed and developing countries.

Cabinet has recently set up a cabinet committee to review aid policies and programs and an advisory committee of experts, including Okita, to recommend policies and programs.

Sharp

Summary of where we have arrived. There are general points of agreement:

1. Must put better order in the international system.
2. When talking of international system, are including better coordination of bi-lateral and multi-lateral aid.
3. Coordination must begin at level of recipient country.
4. UN is most acceptable around which to organize coordination.
5. Reality must be given to concept of partnership.
6. Regular organizations can promote coordination.
7. There is a need for review on a global basis and as a by-product this would provoke financial support from donor countries and its main purpose would be to improve performance.

Okita

Might strengthen Ecosoc; use existing forum of OECD; and at least in short/can use existing institutions.

Wilson

Re review on a global basis, with respect to Hamilton and Martin schemes, would have great difficulty in ~~increasing~~ such a body and any continuing body, therefore, runs risk of losing its impact. Why not build on experience of Pearson Commission which has had great impact: schedule similar reviews at 5+ -year intervals.

McNamara

Suggested independent study of specific question for later discussion by a similar group convened by similar sponsorship.

Strong

Supported McNamara's proposal and suggested the question be the one referred to by the Pearson Commission in its recommendation that the Bank convene a group.

van Lennep

There was general agreement that a distinction should be made between coordination of programs on one hand and policies and progress on the other.

Avoid creating a new inter-governmental body to do the review work; this is one of the objections to Hamilton's proposal. Should provide for the injection of independent outside views. There is much to be said to Wilson's suggestion of an independent authoritative review every 4 or 5 years, supplemented by informal meetings of this kind without requirement of government instructions or communiques.

He also supported views of McNamara re use of independent study group on question.

Hart

Future meetings of this kind should be as informally documented, and, therefore, should be careful of documentation for future meetings. Also should have LDC representative at meeting.

Pearson

May get into difficulty if start inviting people to future meetings in personal capacity.

Must not be frightened away from starting new international machinery just because we may have too much now: would depend on its purpose and effectiveness.

Primary consideration of Hamilton suggestion was not to give appearance of efficiency, although that hopefully would follow, but to give more meaning and visibility to development process.

A major objective would be a greater harmonization of objectives and a global view.

Martin

Reported to McNamara that after he left at 5:10 and before the meeting adjourned about 6:00 PM:

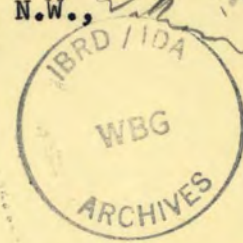
1. De Seynes (who left with Hoffman at 5:30) stated the operational effects of the differences between the "weighted" voting formula of the Bank and the "democratic" voting procedures of the UNDP had been greatly exaggerated.
2. Alamoody charged that the Bank's chairmanship of the African consultative groups led to friction and they should be chaired by the Regular Bank.
3. It was emphasized (by de Seynes) that there was a basic difference between the form of "review" organization proposed by Hamilton and that suggested by Martin. And in any event the recommendations for Second Development Decade would provide for a review agency.
4. The meeting concluded with an agreement to follow McNamara's recommendation: arrange for a study and meet again, possibly in June in Bonn.
5. After the meeting, in an informal group, Jackson stated Hoffman and McNamara had given an erroneous picture of the harmony and cooperation between their agencies: "such might exist at the top but friction and controversy prevailed at the working level."

CANADIAN EMBASSY



AMBASSADE DU CANADA

1746 Massachusetts Ave., N.W.,
Washington, D.C. 20036,
February 13, 1970.



BY HAND

Dear Mr. McNamara,

The organizers of the Aid Meeting which will take place at Montebello on February 22-23 have provided further amplification of the possible sub-themes for the discussion of the organization and coordination of the international development effort which it has proposed for discussion at the meeting. Their suggestions are, of course, merely a framework within which participants may wish to contribute to the discussion. Participants are in no way obliged to restrict the comments they may wish to make.

The general theme will be the question "What are the major problems in the organization and coordination of the international development effort and how and to what extent can they be rectified?" The sub-theme will centre around the following questions:

- I. What are the major strengths and weaknesses of the existing machinery and methods for the planning and implementation of bilateral and multilateral international development programmes?
- II. To what extent and in what ways is improved coordination of development programmes and policies feasible and desirable? What can be done to improve the existing machinery, procedures and practices, and what, if any, new machinery, procedures and practices can be usefully established?
- III. What steps can be taken both at the national and international level to bring commercial and monetary policies and the policies affecting private capital flows into greater harmony with international objectives?

The organizers of the meeting have also confirmed the arrangements for the charter flight. The flight will leave from New York on Sunday, February 22, at 11:00 a.m. from Kennedy Airport. Ground transportation has been arranged from the Barclay Hotel, 111 East 48th Street

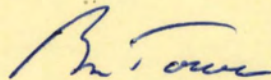
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The Honourable Robert S. McNamara,
President,
International Bank for Reconstruction
and Development,
WASHINGTON, D. C.

to the airport, departing at 9:30 a.m.

You will have received from the Canadian International Development Agency a brochure setting out the administrative arrangements for the forthcoming meeting. I am, however, attaching a summary of the information contained in that brochure in the event it has been delayed.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'P. M. Towe'.

P. M. Towe,
Charge d'Affaires, a.i.