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THE WORLD BANK
Washington, D.C.

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McNamara Papers

1974 (Mar. - Apr.) Vol. 40

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April 29, 1974

491/5/164

MEMORANDUM FOR MESSRS. BAUM AND CHENERY

Rural Development Policy Paper

The paper on Rural Development will provide an important base for the Bank's efforts to increase productivity of small farmers and improve living conditions for the poorest 40 percent in rural areas of developing countries. It should incorporate the thinking behind the Annual Meeting Speech 1973 and the subsequent policy papers on agricultural credit and land reform with our operational experience. The draft for management review should contain specific work programs.

Please prepare a short note (no more than 2 pages) by May 15 on the main issues to be addressed in the Rural Development paper and attach an outline and a time schedule for its preparation, showing allocation of responsibility.

Robert S. McNamara

ALjungh:ml

497/5/162

APR 29 1974

Mr. A. Labidi
President
African Development Bank
P.O. Box 1387
Abidjan
Ivory Coast

Dear Mr. Labidi:

I am writing to you about the program for the control of river-blindness (onchocerciasis) in the Volta river basin. You know, I think, about the establishment of an initial fund of \$7.5 million to cover the first year's commitments which is made up of contributions from six Governments and the World Bank. This is all grant money and available to finance procurement in any part of the world. The fund will be administered by the World Bank and will be used to finance the expenses incurred by the World Health Organization as executing agency for the program of vector control. The UNDP and FAG are also giving the program their full support.

We are now giving our attention to the organization of the external financing required for the remainder of the first six years of the program (1974-79), and we are planning to convene another meeting of donor and participating governments and international agencies in Paris on June 26-27. I very much hope that you will be able to send a representative to this meeting, as you did last year, and we shall be issuing formal invitations early in May. The purpose of the meeting will be to review progress to date, to discuss the inter-governmental machinery for the management of the campaign and to review the costs and financing for the first six-year phase on the basis of revised cost estimates which the WHO is currently preparing (to take account of inflation).

The total cost for the first six years is now likely to work out at around \$50 million, including allowances for price escalation and contingencies, and we would hope to obtain about three-quarters of this amount from the initial contributors, all of whom have indicated an interest in continuing to support the program. However, we will need additional donors to provide the remaining \$10-15 million, and I wonder whether you might be able to consider recommending to your Board a small grant of up to, say, \$2 million from the African Development Fund. The program has the full

Mr. A. Labidi

- 2 -

backing of the seven African Governments directly involved, and I am sure that participation by the Fund in this important regional project would be widely welcomed.

Mr. Peter Wright of our West Africa Regional Office has already discussed the program with Mr. Sakaf and he will be happy to provide any further information your staff may require.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

cc: Mr. J. Burke Knapp
Mr. R. Chauffournier o/r
Mr. X. de la Renaudiere o/r
Mr. M.L. Hoffman
Mr. Delaume
Mr. Bazin
Mr. Wyss (PMWA)
Mr. Ljungh (2)

EPWright:vr
April 23, 1974
Re: Riverblindness

491/5 /159

APR 25 1974

Dear Mr. Minister:

Thank you very much for your letter of March 29, 1974 requesting that a Bank Group mission visit Bolivia to assess the damage caused by the recent heavy rains, and the need for reconstruction aid.

My staff will be pleased to meet with you when you come to Washington later this month to discuss your request for reconstruction aid. They would be particularly interested in exploring whether the Bank Group could be of help in accelerating work on projects already under preparation, in sectors in which the Bank Group has been participating.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Jaime A. Quiroga Matos
Minister of Finance
Ministry of Finance
La Paz
Bolivia

April 19, 1974

cc: Mr. McNamara's office (2)

JAMartinez:cc

491/5/158

APR 25 1974

Dear Mr. Minister:

Thank you very much for your letter of April 19, 1974, requesting Bank Group assistance for the damage caused by the recent heavy rains.

Replying to a letter from the Minister of Finance I have pointed out that my staff will be pleased to meet with him when he comes to Washington later this month to discuss the request for reconstruction aid. They would be particularly interested in exploring whether the Bank Group could be of help in accelerating work on projects already in operation in sectors in which the Bank Group has been participating.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Genl. Alberto Guaman Soriano
Minister of Foreign Affairs
Ministry of Foreign Affairs
La Paz
Bolivia

April 24, 1974

cc: Mr. McNamara's Office (2)

JAMartinez:cc

cc: Dr. Barrios Tassano

491/5/157

APR 25 1974

Monsieur le Président:

Je vous remercie vivement de votre lettre du
1er avril par laquelle vous m'informez de la réunion
que vous avez l'intention d'organiser en juin prochain
pour la discussion des projets de l'OMVS.

Comme vous, nous attachons la plus grande importance
à la mise en valeur du Fleuve Sénégal et à l'examen de
toute réalisation permettant aux pays riverains d'être
moins vulnérables aux conséquences de la sécheresse. Nous
serons donc heureux d'envoyer à Nouakchott une mission qui
nous représentera à la réunion de juin et c'est avec le
plus grand intérêt que nous étudierons le rapport de syn-
thèse dont vous nous annoncez l'envoi pour le début du
mois de mai.

Veillez agréer, Monsieur le Président, l'expression
de ma plus haute considération.

(Signed) Robert S. McNamara
Robert S. McNamara

cc: M. Kochman, Administrateur

Son Excellence
Monsieur Moktar Ould Daddah
Président de la République
Islamique de Mauritanie
Nouakchott
Mauritanie

Cleared with and cc: Mr. W. Thalwitz
cc: Messrs. Chauffournier o/r, de la Renaudière o/r, Rowe
CBourgin/Xde la Renaudière:sjb:ch:vr
April 24, 1974

Translation of letter from Mr. McNamara to the President of the Islamic Republic of Mauritania.

Mr. President:

Thank you very much for your letter of April 1 informing me of the meeting you intend to organize in June to discuss the OMVS projects.

Like you, we attach great importance to the development of the Senegal River and the examination of any work permitting the riparian countries to be less vulnerable to the consequences of the drought. We will therefore be most happy to send to Nouakchott a mission to represent us at the June meeting, and we will study the summary report which you intend to send us at the beginning of May with great interest.

Translation by Caroline Hartshorne, Agric. I

Claude Bourgin OK

Summary of letter from President of Islamic Republic of Mauritania to Mr. McNamara - dated April 1, 1974.

The President is inviting the Bank to attend a meeting in Nouakchott at beginning of June 1974. The purpose of the meeting would be to discuss OMVS projects and their possible financing by the Bank. At the beginning of May 1974 OMVS will send a summary report on studies already made and on financing requirements for project implementation.

translation by Caroline Hartshorne, Agric. I

Claude Bourgin OK

الجمهورية الإسلامية الموريتانية

REPUBLIQUE ISLAMIQUE DE MAURITANIE

شرف - اخاء - عدالة - JUSTICE - FRATERNITE - HONNEUR

Le Président de la République
Président en Exercice de la
Conférence des Chefs d'Etat
de l'OMVS.

رئيس الجمهورية

- 1 AVR. 1974

№ 0 0 2 4 7

Monsieur le Président,

Par lettre en date du 3 mars 1973 j'ai eu le privilège de Vous adresser, au nom des Chefs d'Etat de l'Organisation pour la Mise en Valeur du Fleuve Sénégal (OMVS), une requête pour la participation du Groupe de la Banque Internationale pour la Reconstruction et le Développement au financement du programme intégré de Mise en Valeur du Bassin du Fleuve Sénégal.

Dans les notes jointes à cette requête, ont été exposées les grandes lignes du programme de développement de l'OMVS.

Une mission de notre Organisation comprenant le Président du Conseil des Ministres et le Secrétaire Général a eu des entretiens le 17 juillet 1973 avec M. CHAUFURNIER, au siège de la Banque, au sujet des actions que l'OMVS compte entreprendre dans le Bassin du Fleuve Sénégal dans le moyen et le long terme. Ces entretiens ont été amorcés à Dakar, Nouakchott et Bamako par une mission de la BIRD conduite par M. THAL WITZ.

Le Mali, la Mauritanie et le Sénégal continuent à ressentir durement les effets de la sécheresse qui dure depuis 5 ans. C'est pour quoi ils attachent la plus grande importance à la Mise en Valeur du Fleuve Sénégal qui revêt désormais pour eux une priorité absolue.

Monsieur le Président de la
Banque Internationale pour la
Reconstruction et le Développement

WASHINGTON -

... / ...

Les Présidents Léopold Sédar SENGHOR, Moussa TRAORE et moi-même, nous avons enregistré avec satisfaction Votre réponse du 23 mars 1973 à notre requête, de même que nous avons apprécié le concours appréciable du Groupe de la Banque pour l'aide d'urgence à nos pays victimes de la sécheresse.

Le financement des projets de l'OMVS fera l'objet de négociations avec les sources de financement à Nouakchott dans la première quinzaine du mois de juin 1974. La date exacte sera précisée ultérieurement.

Nous espérons qu'à cette réunion, dont je présiderai personnellement la séance d'ouverture, les représentants des pays et organismes amis susceptibles de nous apporter leur assistance, prendront des engagements précis pour la réalisation des projets retenus par l'OMVS.

Pour aider les participants à cette rencontre de prendre des décisions dans ce sens, l'OMVS leur fera parvenir dans le courant de la première semaine du mois de mai 1974, un rapport de synthèse qui fera le point des études déjà faites et précisera les financements requis.

J'ai l'honneur d'inviter le Groupe de la Banque à participer à cette réunion.

Je Vous prie d'agréer, Monsieur le Président, les assurances de ma haute considération. /.-



Moktar Ould Daddah
MOKTAR OULD DADDAH

491/5/155

APR 25 1974

Dear Rene:

Thank you for your letter of April 19, calling to my attention incidents in the operation of the Cooperative Program which have given concern to your people. I appreciate the frank and cordial way in which you raise these questions and will reply in the same spirit.

Although you do not mention countries by name, inquiry here in the Bank suggests that operations dealing with Iran and Saudi Arabia on the one hand, and with Kenya on the other, may recently have prompted some concern. I believe you know that I have myself given special attention to the Bank's relations with the first two of these countries, and it is possible that quite unintentionally the follow-up to these activities has given the appearance of not keeping Unesco in the picture. I can assure you that neither in the countries mentioned nor in any country would this be the Bank's intention.

Beneath these specific incidents, I understand, there has been some continuing difference of opinion regarding the respective responsibilities of our two agencies for certain types of service to our member countries. Wisely, I think, our staff members have sought to suppress these differences and to emphasize the positive aspects of our cooperation. Nevertheless, the time may have come, as you suggest, to review the situation and we will be very happy to do so with Mr. M'Bow when he visits Washington.

With cordial regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Rene Maheu
Director General
United Nations Educational, Scientific
and Cultural Organization
7, place de Fontenoy
75700 Paris, France

cc: Messrs. Baum, Hoffman

DSBallantine/h1
April 23, 1974

April 24, 1974

491/5/MSH

Dear Bill:

I really must apologize for having been so long in replying to your letter of March 19. We know that Wolf was hoping to visit the Philippines to take a further look at the land reform program and he is very anxious to do this. The difficulty has been fitting in a visit with his other commitments. We have now heard from him that he would probably be free in June and will write to you directly to fix up the details.

With best regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
William H. Sullivan
American Ambassador
Manila
Department of State
Washington, D.C. 20521

IPMCargill:ALjungh:ml

491/5/153

April 24, 1974

Dear David:

I want to thank you for keeping us informed on your plans for an international conference to consider a computer-based system for information on social and economic development. The World Bank clearly has a long term interest in information on development projects in the international community. With respect to such computer-based information systems, we have had a pending proposal under consideration for some time, though it is not at the top of the priorities for our staff resources at this time.

Thank you again for including the Bank in your invitation. I plan to ask Mr. Muller to have the Bank represented at the conference, and he will contact Mr. John Woolston to make the necessary arrangements.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. W. David Hopper
President
International Development Research Centre
Box 8500
Ottawa, Canada

Clearance and cc:
Mr. P. Chatenay, International Relations
cc: for Mr. McNamara's Office

MEMuller:gb
4/23/74

491/5/152

APR 24 1974

Dear Jack:

The Annual Meetings of the International Monetary Fund and the World Bank Group will be held this year at the Sheraton-Park Hotel in Washington, D.C. from Monday, September 30, through Friday, October 4. Once more I wish to extend an invitation to you and hope that you will be able to join us on this occasion, as in former years.

If you are able to attend, please let me know whether Ellen will accompany you, your expected dates of arrival in, and departure from, Washington, D.C., and whether you will need hotel accommodation for your stay in Washington.

With warm personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. John J. McCloy
Millbank Tweed, Hadley & McCloy
1 Chase Manhattan Plaza
New York, N.Y. 10005

MTCopeland

cc: Mr. McNamara's Office (2) ✓

491/5 /151

APR 24 1974

Dear Gene:

The Annual Meetings of the International Monetary Fund and the World Bank Group will be held this year at the Sheraton-Park Hotel in Washington, D.C. from Monday, September 30, through Friday, October 4. Once more I wish to extend a cordial invitation to you and hope that you will be able to join us on this occasion.

If you are able to attend, please let me know whether Sue will accompany you, your expected dates of arrival in, and departure from, Washington, D.C., and whether you will need hotel accommodation for your stay in Washington.

With warm personal regards,

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Mr. Eugene R. Black
American Express Company
65 Broadway
New York, N.Y. 10006

MTCopeland

cc: Mr. McNamara's Office (2) ✓

491/5/150

APR 24 1974

Dear George:

The Annual Meetings of the International Monetary Fund and the World Bank Group will be held this year at the Sheraton-Park Hotel in Washington, D.C. from Monday, September 30, through Friday, October 4. Once more I wish to extend a warm invitation to you and hope that you will be able to join us on this occasion.

If you are able to attend, please let me know whether Louie will accompany you, your expected dates of arrival and departure and whether you will need hotel accommodation for your stay in Washington.

With warm personal regards,

Sincerely,
(Signed) Robert S. McNamara

Robert S. McNamara

Mr. George D. Woods
The First Boston Corporation
277 Park Avenue
New York, N.Y. 10017

MTCopeland

cc: Mr. McNamara's Office (2) ✓

491/5/149

HIS EXCELLENCY MAJIB-MAJIDI
BARNAMEN
TEHRAN

APR 24 1974
LTR

IRAN

THANK YOU FOR YOUR CABLE OF APRIL 20 STOP I SHALL BE VERY HAPPY TO HAVE
MR HUBER MEET WITH YOU IN TEHRAN FOR AN EXCHANGE OF VIEWS REGARDING YOUR
FORTHCOMING VISIT TO SENEGAL STOP IF IT IS CONVENIENT TO YOU HE COULD
ARRIVE TEHRAN MONDAY MAY 20 STOP SINCERELY

(Signed) Robert S. McNamara
MCNAMARA
INTDAFRAD

Robert S. McNamara
President

KHuber:itd

cc: Messrs. de la Renaudière
de Lusignan

491/5/148

APR 22 1974

Dear Fred:

Thank you very much for your letter of April 1 and the attached paper summarizing the views of the Australian Treasury regarding Papua New Guinea's eligibility for Bank loans. As I discussed when I was in Canberra last February, our forthcoming economic mission - which is scheduled to start its work in PNG on May 15 - will focus on this question in the light of recent developments. I see no problem from our side if one of your Treasury officers accompanies our mission in the field. I trust that this is agreeable to the Papua New Guinea authorities. As has been our practice in the past, members of our economic mission will come to Canberra after completion of their visit to Papua New Guinea to discuss their findings.

I take this opportunity to assure you how much I enjoyed our discussions in Canberra.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Sir Frederick H. Wheeler
Secretary to the Treasury
Treasury Department
Canberra, A.C.T. 2600
Australia

"cc: for Mr. McNamara's office (2)."

GHReif, IHelmerts:rmj

April 19, 1974

491/5/147

MEMORANDUM FOR MR. ADLER

Following discussions with Messrs. Chenery and Muller, I agreed that the FY75 dollar budget of "Computing Activities" should be equal in constant dollars to the FY74 budget.

Further, I agreed that within the limits of that constant dollar budget, Computing Activities could substitute Bank employees for "contract staff."

(Signed) Robert S. McNamara

Robert S. McNamara

cc: Mr. Chenery
Mr. Muller *mm*

RMcN:mss

491/5/146

April 19, 1974

Your Highness,

I know of your deep concern with the problems facing the poorer nations in the present economic situation. These problems are indeed profound and unless the international community can soon extend assistance, the people in these countries may have their already meager incomes reduced further.

Because of the urgency of this problem, we have prepared a short aide memoire indicating the needs of the poorer countries during this transitional period and making some specific suggestions on how all nations that are better off can jointly assist. I am sending this through the courtesy of your Alternate Executive Director in this Bank and believe that the ideas in the paper will be of interest to Your Highness. I would appreciate an opportunity for me or one of my senior associates to discuss them further at the convenience of Your Highness and your advisers.

Sincerely,
(Signed) Robert S. McNamara

Robert S. McNamara

Enclosure

His Highness
Sheikh Kayed Bin Sultan Al-Mahyan
Ruler of Abu Dhabi
Abu Dhabi

cc: Mr. Knapp
Mr. Aldeverald
Sir Denis Rickett
Mr. Cargill
Mr. Shoab
Mr. Stern

MShoab:hls

491/5/145

April 19, 1974

My dear Minister,

In the light of the discussions by Mr. Mohamed Alsharekh, Alternate Executive Director in the Bank, with you during January this year, I am addressing a letter to His Highness regarding the needs of the poorer nations in the present economic situation. I enclose a copy of that letter and shall be grateful for your advice and assistance.

Kindest regards.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Enclosure

His Excellency
Mohamed Mabrouh
Minister of State for Financial Affairs
Abu Dhabi
United Arab Emirates

cc: Mr. Knapp
Mr. Aldevereld
Sir Denis Rickett
Mr. Cargill
Mr. Shoaib
Mr. Stern

MShoaib:hls



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

491/5/1944

OFFICE OF THE PRESIDENT

April 19, 1974

To: President's Council

Subject: Bank Contacts with UN Special Session and World Food Conference

I consider it essential that our contacts with the upper echelons of the UN, the Specialized Agencies and with ministers and senior diplomats of key governments involved in the Special Session of the General Assembly and the World Food Conference be fully coordinated and kept in one channel.

I am therefore designating Mr. Michael Hoffman, working with Mr. William Clark, to act as coordinator and point of contact for the Bank at the UN Special General Assembly, with the Heads of the Specialized Agencies and with Mr. Marei in relation to the World Food Conference. Any member of the Bank staff who wishes to contact, or is contacted by, UN or Agency officials, or delegations, in connection with either the Special Session or the World Food Conference should promptly inform Mr. Hoffman and he will decide whether and how arrangements for Bank representation or private contacts should be made.

Please see that your respective staffs are informed about these instructions.

Robert S. McNamara

491/5/143

April 19, 1974

Dear Bill:

I regret very much that I cannot now enter into an agreement with the African-American Institute to assist the World Bank in identifying suitable African candidates for positions on the professional staff of the Bank. It may be possible to do so some time in the future. In the meantime, if you hear of any outstanding Africans who are interested in the Bank, please let me have their names.

I enjoyed talking to you and congratulate you on the program you have under way.

With best wishes,

Sincerely,

Robert S. McNamara

Mr. William R. Cotter
President
The African-American Institute
833 United Nations Plaza
New York, N. Y. 10017

491/5/142

April 19, 1974

My dear Minister,

I know of your deep concern with the problems facing the poorer nations in the present economic situation. These problems are indeed profound and unless the international community can soon extend assistance, the people in these countries may have their already meager incomes reduced further.

Because of the urgency of this problem, we have prepared a short aide memoire indicating the needs of the poorer countries during this transitional period and making some specific suggestions on how all nations that are better off can jointly assist. I am sending this paper to you through your Alternate Executive Director in this Bank, Mr. Mohamed Alsharekh, who discussed this matter with you earlier in January. I believe that the ideas in the paper will be of interest to you all in the Government of Kuwait. I would appreciate an opportunity for me or one of my senior associates to discuss them further at your convenience.

Kindest regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Enclosure

His Excellency
Abdul Ehsan Salam Al-Atsary
Minister of Finance and Oil
Kuwait

cc: Mr. Knapp
Mr. Aldewereld
Sir Denis Rickett
Mr. Cargill
Mr. Shoaib
Mr. Stern

MSHOAIB:hls

491/5/741

AARR1-6619974

Dear General Cano:

Thank you very much for your letter of March 18 in which you informed me of a desire to have the World Bank and the International Monetary Fund prepare a detailed study of Chile's external debt situation and prospects. I am pleased to inform you that I have decided to make the study, and we are at present discussing with the IMF how we could most effectively coordinate this work.

I have asked Mr. Adalbert Krieger, Programs Director, Latin America and the Caribbean Regional Office, to examine all matters pertaining to the study, including the terms of reference and a suitable timetable.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

General Eduardo Cano
President
Central Bank of Chile
Santiago, Chile

cc: Mr. Barrios Tassano, Alternate E.D.

Cleared with & cc: Mr. Sanson, IMF

cc: Mr. McNamara's Office (2) ✓
Mr. Alter
Mr. Krieger, Director, LAC I
Mr. Nelson, Division Chief, LAC I
Mr. Thiebach, Economist, LAC I

GPPfeffermann:ms.

April 15, 1974

491/5/140

APR 16 1974

Halfdan Mahler, M. D.
Director-General
World Health Organization
1211 Geneva 27
Switzerland

Dear Dr. Mahler:

You wrote to me on March 8, 1974, calling attention to the need for a new effort to make available to developing countries inexpensive, reliable, and safe technologies, which they are capable of using, to supply water and dispose of waste, especially in rural areas. You proposed to sponsor or co-sponsor a conference of agencies and potential donors to review the problem and make proposals for operational and financial arrangements. As you know, by the time your letter reached the Bank, our staffs had agreed to attend an informal meeting in Montreal sponsored jointly by the UNDP and the International Development Research Centre of Canada to discuss all these matters. That meeting was held on April 9 and 10 and, judging from the report I have received from Michael Hoffman, it was a very useful exercise. I hope Dr. Dietrich will have given you an equally positive account.

Let me say at once that I agree fully with your judgment as to the need for new efforts to deal with the problems of technologies in water supply and waste disposal for rural areas that would meet the criteria stated in your letter. I also believe that the time is ripe for such a new effort on the part of the UN system and others whom we may be able to persuade to become associated with us. It seems to me, for instance, that this is clearly a subsector that ought to be made the object of substantial support by the UNDP under its global and regional programs, WHO has been able to provide much valuable assistance but not on the scale required, especially in the area you describe as the "transfer of knowledge and methods already available." Our own water supply projects have been almost entirely in metropolitan or other relatively advanced urban areas. In fact, we are just now engaged in an internal review of various means through which we could develop projects for rural areas. It is already clear that if we are to do anything significant along those lines, we will need to know a lot more than we now do about precisely the matters that particularly concern you.

I should like, therefore, to endorse your initiative and to say that the Bank wants to be an active partner in the work that lies ahead. The

Montreal group, I understand, felt that before convening a formal meeting, we would be wise to do a substantial amount of preparatory work. All our experience indicates that when approaching potential sources of financial support, it is essential for sponsors to have concrete, operationally sound, and thoroughly justified proposals that fill demonstrable gaps in existing programs or machinery. The international scene is littered with unfunded proposals to carry out general programs that are prima facie desirable. But you and we have demonstrated, in the case of the onchocerciasis campaign, that when a really good product is put before donors they will support it, even when aid funds in general are tight.

I believe that the steps proposed by the Montreal group to prepare a concrete program to deal with the problems of technology for water and waste disposal in rural areas are well conceived and that we would be wise to postpone the convening of a formal international meeting until we can see fairly clearly that we are going to have specific concrete proposals and what the nature of those proposals is likely to be. I would guess this might mean a meeting closer to mid-spring 1975 than to the end of 1974, but I think the slight delay is well worthwhile as I believe it will enable us to lay a solid foundation. This would also give us time to make some private soundings among the principal potential donors as to what sort of response we might expect. Again drawing on our experience, it is always better before calling governments together in the hope of persuading them to make financial commitments to have a pretty good idea of what your main potential supporters are prepared to do.

I hope that you will share my view as to how we should proceed. For my part, I should like to make the venture on which we are about to embark another demonstration that the agencies of the UN system, when the will to do so exists, can collaborate in mounting effective campaigns against some of the major scourges of mankind.

With best wishes,

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

MLHoffman/pnn
April 15, 1974

cc: Mr. McNamara's files (2)

Cleared with and cc: Mr. W. D. Clark

The Honorable
Daniel P. Moynihan

- 2 -

In view of your comments, I agree that we should include in our studies these statistics whenever they are available. Accordingly, I have asked Mr. Kraske, Chief of the India Division, to initiate work on collating these data. I should very much appreciate any assistance which the Embassy in New Delhi and the State Department here might be able to offer in this work.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Cleared with and cc: Mr. I.P.M. Cargill

cc: for Mr. McNamara's Office (2)
Mr. W. Diamond (o/r)
Mr. W. Gilmartin
Mr. N. S. Segal

EBCunningham:cdg
April 12, 1974

491/5/139

APR 15 1974

The Honorable
Daniel P. Moynihan
American Ambassador
New Delhi
Department of State
Washington D.C. 20521

Dear Pat:

Thank you for your letter of March 20, 1974, commenting on the fact that assistance under PL 480 Title II had not been included in the recent Bank Staff Working Paper on Aid and Debt.

I should explain that the manner in which PL 480 statistics have been handled has varied over time. In the early days of the Consortium, a distinction was made between development assistance and what was regarded as relief or humanitarian assistance. As PL 480 was considered to fall into the latter category, statistics were not included in our reports. Subsequently, there was a move towards analyzing total assistance to India and in discussions with the USAID we agreed to include PL 480 Title I as part of the total volume of assistance from the US.

However, PL 480 Title II continued to be left out, largely because it was regarded as part of private voluntary assistance for which statistics were not included in any official returns. An additional factor was that not only for the US but also for other Consortium sources, statistics were difficult to obtain as this form of assistance was not channelled through the Ministry of Finance, but instead was negotiated through a variety of private agencies, as well as in some cases directly with Central and State government departments. Donor governments also faced difficulties in identifying and defining for statistical purposes transfers through private groups.

In preparing the recent Bank Staff Working Paper, we did in fact re-examine the possibility of including for the US data on PL 480 Title II, but it did not prove possible to get the statistics together in time.

491/5/136

APR 12 1974

Dear Mr. Minister,

I have your letter of March 20th, which was carried by Mr. John Malose, and I am anxious to give you promptly this initial response to your main points.

In the first place, I am happy to have the impressive statement in your letter that your Government regards rehabilitation in the drought-affected areas as its first and highest priority. I want to assure you that we so regard it and that we plan to move quickly toward the formulation of a program on which you and we agree which will be genuinely responsive to rehabilitation needs in the area and then toward approval by our Board of an IDA credit for this purpose.

In the second place, the most important consideration in our minds is that the project or program which we finance should effectively meet the need that the small farmers and herders of the drought-affected areas be put in a position to resume their agricultural production activities and to achieve greater productivity and higher incomes on a long-term sustained basis. If your Government is, for these purposes, prepared to resettle displaced small farmers in the Tigre and Wollo areas and in other nearby areas and, to the extent necessary, to alter the existing land ownership pattern and tenancy relationships, we are entirely prepared to support this effort.

With regard to the recent mission led by Mr. Krishna, the members of the mission and others of the Bank staff and management are now attempting to formulate an effective program which we plan to discuss with you in concrete and specific terms at a very early date. We hope that out of this work and our joint consideration of the results there will emerge a course of action which will be of real value in the immediate task of drought area rehabilitation, while further contributing to the long-term improvement of the economic and social well-being of the mass of the rural population of Ethiopia.

Sincerely yours,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
Tekalign Gedamu
Minister of Planning and Development
and Acting Minister of Finance
Addis Ababa, Ethiopia

ERBell/ddm

cc: Mr. McNamara's Office (2)

491/5/135

APR 12 1974

Dear Mr. Secretary:

The International Bank for Reconstruction and Development proposes to borrow an aggregate principal amount, not exceeding \$30,000,000, through a loan from the Government of the Sultanate of Oman. This loan would have an average maturity of about fifteen years and the interest rate has been set at 8% per annum.

The Government of the United States of America is hereby requested, in accordance with Section 1(b) of Article IV of the Bank's Articles of Agreement to approve the proposed borrowing by the Bank. The Government of the United States of America is further requested to agree, pursuant to the same provisions of the Articles of Agreement, that the proceeds of such borrowing may be exchanged for the currency of any member of the Bank without restriction.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
George P. Shultz
Secretary of the Treasury
Treasury Department
Washington D.C. 20220

cc: Mr. Sethness, Executive Director

Cleared with and cc: Mr. Sella

cc: Mr. Aldewereld
Mr. Rotberg
Mr. Hittmair
Mr. Gabriel
Mr. Deely/Sec. Division Files

SAldewereld:mb
April 10, 1974

491/5/134

APR 12 1974

Dear Ted:

Thank you for your letter of March 4, with which you enclosed a proposal by the Executive Director of the Pan American Development Foundation for an International Guaranty Authority, which would facilitate the extension of commercial bank credit and technical assistance to persons outside the cash economy in developing countries. We were acquainted with the Foundation's activities in Latin America, and Mr. Rotter himself is known to our staff, but we did not know of the new proposal.

A member of my staff, at my request, reviewed the proposal and subsequently met with Mr. Rotter. The proposal is interesting and, if it were successfully put into effect, could complement our own efforts to improve the lot of the small farmer. Mr. Rotter is not, in fact, seeking financial support from the Bank Group. Indeed, we could not appropriately provide it. However, we have offered to put Mr. Rotter in touch with country loan officers and resident mission staff who could provide information and experience to facilitate the choice of areas for initial operations.

Thank you for bringing the proposal to my attention.

With warm personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
Edward M. Kennedy
United States Senate
Washington, D. C. 20510

SEBoskey/gjd

491/5/133

APR 10 1974

Excelentísimo Señor
Dr. Néctor Hurtado
Ministro de Hacienda
Ministerio de Hacienda
Caracas, Venezuela

Estimado señor Ministro:

Mucho le agradezco la cordial acogida que usted brindó a mi Representante Especial, Sr. Adalbert Krieger, y al economista de este Banco, Sr. Roberto González Cofiño, durante la visita que ellos realizaron recientemente a Caracas. Le subrayo asimismo mi agradecimiento por su amable carta del 27 de marzo.

Me permito también felicitar a usted, señor Ministro --y, por su intermedio, al Gobierno en pleno y al Señor Presidente de la República, Dr. Carlos Andrés Pérez-- por la reciente decisión de Venezuela, de otorgar asistencia financiera para el desarrollo por montos anuales no inferiores al 1% del Producto Territorial Bruto. Confío en que esta generosa actitud de Venezuela sea compartida en el futuro no lejano por otros países que deberían estar también dispuestos a realizar aportes similares --incluyendo tanto a los países industrializados como a aquellos otros que se han fortalecido en medida sustancial debido a la evolución reciente de la economía internacional. Me complace mucho, señor Ministro, que Venezuela haya adoptado así una posición de liderazgo en lo que esperamos sea una nueva y más fructífera etapa de la cooperación internacional para el desarrollo.

En esa nueva etapa, el Grupo del Banco Mundial confía en que podrá actuar en estrecha asociación con su Gobierno para fines de mutuo interés, incluyendo los aspectos mencionados en su carta del 27 de marzo. He tomado especial nota del interés de su Gobierno en contar, en general, con la cooperación técnica del Banco, y le aseguro que estamos dispuestos a acoger, en la forma más positiva y flexible que nos sea posible, las solicitudes que recibamos de su Gobierno a este respecto. De igual forma, consideraremos con gran interés las posibilidades de colaborar en los proyectos de inversión para los cuales el Gobierno desee recibir el apoyo técnico y financiero del Banco.

Dr. Héctor Hurtado

- 2 -

Por otra parte, como ya le explicó el Sr. Krieger, el Banco ofrece actualmente a sus países miembros varias posibilidades de inversión de sus excedentes de activos financieros internacionales, las cuales brindan un rendimiento atractivo al tiempo que constituyen un medio fácil y rápido de transferir recursos a los países en vías de desarrollo. Esas alternativas incluyen, entre otras, la compra de bonos del Banco Mundial, y la asociación del Banco y un país --o un grupo de países-- en esquemas mediante los cuales se otorgan préstamos conjuntos o paralelos para financiar proyectos de inversión, bajo condiciones no concesionales. Estos mismos esquemas de cofinanciamiento se pueden también utilizar para transferir recursos en términos concesionales, cuando así lo acuerden el Grupo del Banco Mundial y los países cofinanciadores. Un país como Venezuela también puede, desde luego, transferir recursos concesionales mediante su participación directa en la Asociación Internacional de Fomento.

En la mayoría de estos esquemas, el Banco tiene a su cargo la responsabilidad administrativa y técnica de evaluar, negociar y supervisar los proyectos de inversión.

Le reitero, señor Ministro, que en todos estos campos y en otros similares, tenemos una posición flexible, y estamos dispuestos a colaborar con su Gobierno en la identificación y posterior ejecución de fórmulas apropiadas y mutuamente aceptables. Para ello, esperamos continuar en un futuro muy cercano el diálogo iniciado hace dos semanas.

Aprovecho esta oportunidad para hacerle llegar nuevamente mi más alta y cordial estimación.

(Signed) Robert S. McNamara

Robert S. McNamara

cc: Mr. Knapp
Mr. Alter

AKrieger ms.

April 8, 1974

cc: Mr. McNamara (2)

UNOFFICIAL TRANSLATION

Dr. Hector Hurtado
Ministro de Hacienda
Ministerio de Hacienda
Caracas, Venezuela

Dear Mr. Minister:

I wish to thank you for kindly receiving my Special Representative, Mr. Adalbert Krieger Vasena, and our staff economist, Mr. Roberto González Cofiño, during their recent visit to Caracas. I also wish to express my appreciation for your letter of March 27.

The President, Dr. Carlos Andrés Pérez, your Government and you, Mr. Minister, should be congratulated for Venezuela's recent decision to make available at least 1% of GDP as financial assistance to other developing countries. I hope that this generous attitude of Venezuela will be shared in the near future by other countries -- including both the industrialized nations and those countries which have been substantially strengthened by the recent international economic evolution. We in the Bank are very pleased to see Venezuela playing a leadership role in what we hope will be a new and more fruitful stage in international development assistance.

In this new stage, the World Bank Group hopes to be able to establish a close partnership with your Government in matters of mutual interest, including those mentioned in your March 27 letter. I have especially noted the interest of your Government in receiving, in general, the technical support of the Bank. I can assure you that we will be willing to offer a response as positive and flexible as possible to the requests we may receive from your Government. Likewise, we will consider with deep interest the possibility of participating in investment projects where the Government may wish to receive the financial and technical support of the Bank.

In addition, as Mr. Krieger already explained to you, the Bank presently offers its member countries several possibilities of investing their excess foreign exchange resources. They offer an attractive yield to the investing country while also serving as an easy and expeditious way of transferring resources to developing countries. These possibilities include, among others, the purchase of Bank bonds and several co-financing schemes, under which the Bank and a country --or a group of countries-- offer joint or parallel financing for investment projects under non-concessional conditions. These co-financing schemes may also be used to transfer resources on concessional terms where the World Bank Group and the co-financing country deem it appropriate. A country like

Venezuela could also transfer concessional resources by directly participating in IDA. Under most of these schemes the Bank performs all of the administrative and technical work required to identify, appraise, negotiate and supervise the investment projects.

In these activities, and in other similar to them, we will maintain a flexible position, with a view to collaborate with your Government in defining and implementing appropriate, mutually acceptable formulas. For this purpose we hope to continue in the very near future the dialogue started two weeks ago.

Sincerely,

Robert S. McNamara

491/5/131

APR 8 1974

Mr. Gamani Corea
Secretary-General
United Nations Conference
on Trade and Development
Palais des Nations
1211 Geneva 10
Switzerland

Dear Mr. Corea:

I refer to the letter, dated February 8, 1974, from Mr. Manuel Perez-Guerrero concerning Resolution 3083 (XXVIII) of the General Assembly of the United Nations concerning a study of the indexation of prices.

The problem of commodity prices is very much at the center of attention as we seek to define the prospects for the developing countries in the context of high and continued world-wide inflation, and its impact on the terms of trade of developing countries. If the current level of commodity prices were to decline over the next several years it would intensify the balance of payments difficulties the developing countries face at present.

The proposed indexation of commodity prices to maintain the purchasing power of developing countries' foreign exchange earnings is a new and yet unexplored approach to the problem which requires careful consideration. The proposed method would substitute automatic price adjustments for presently operating market mechanisms. The draft study outline quite correctly points out that any such approach depends on agreement to control supply and that such agreements have been difficult to achieve in the past. Indexation also would have consequences for the allocation of development resources in the world economy. Because of the importance of the problem, and the uncertainty of any solutions, I welcome your offer of close consultations in the preparation of the study.

As you know, the Bank's earlier analysis of factors which influence the export earnings potential of developing countries, transmitted to your office on February 28, 1973, stressed the importance of commodity agreements, free access to markets and the need for export diversification. The costs and benefits of indexation of commodity prices need to be measured against these approaches. Such an analysis can best be done by a careful analysis of commodity markets and of the benefits and costs of expanded primary commodity production.

I have instructed Mr. Wouter Tims, Director of the Economic Analysis and Projections Department, to prepare a note on the question of indexation of commodity prices, which we expect to send to you by mid-April. I would hope that this document, plus the material your staff is preparing, could be the basis for staff discussions by the end of April 1974. Based on these discussions we can then decide how we might contribute further to a thorough analysis of the proposal.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Cleared and cc: Mr. W. Tims
Mr. E. Stern *ES*

cc: Mr. McNamara (2)
Mr. M. Hoffman
Mr. J. P. Carriere, European Office

cc: Central Files with incoming letter

WTims/EStern:gja
April 5, 1974

491/5/129

April 4, 1974

Dear Mr. Bhatia:

I refer to your letter concerning relations between the World Bank and the representatives of the Indian Press here in Washington. I well remember the good meeting we had some time back and appreciate the lively interest Indian journalists have continued to take in the activities of the World Bank. The press over the years has been good to the World Bank and to me, personally. I admire the high standards of professionalism maintained by Indian journalists and their keen sense of competition. I would be very distressed to think that I, or this institution, would be thought designedly to leak confidential documents through journalists, especially when improper use of these documents might be harmful to the development effort of India. Such use does not conform to the high standards of responsibility for which the Indian press is traditionally respected; it certainly does not conform in any way with the objectives of the World Bank.

I do feel, however, that there is justice in your complaint that some journalists have received preferred treatment recently, though without any official Bank authorisation. (I would point out, however, that the New York Times report which you mention specifically states that it was not derived from a Bank source).

I have therefore asked Mr. Merriam, the Director of Information and Public Affairs, to look into the matter of improving communications between us, and I look forward as a result to a better flow of information and discussion between us in future.

Sincerely,

Robert S. McNamara

Mr. Krishan Bhatia
Hindustan Times
5214 Brookway Drive
Washington D.C. 20016

Similar letters sent to:
T.V. Parasuram, Indian Express
M.V. Kamath, Times of India
E. Sagar, The Hindu

WDCClark:sf

491/5/128

MONSIEUR GISCARD D'ESTAING
MINISTRE DE L'ECONOMIE ET DES FINANCES
GOUVERNEUR POUR LA FRANCE DE LA BIRD
93, RUE DE RIVOLI
PARIS 1ER

APRIL 4, 1974

FULL RATE

FRANCE

AU NOM DU CONSEIL D'ADMINISTRATION DE LA BANQUE MONDIALE, AU NOM DE
SON PERSONNEL ET EN MON NOM PROPRE, J'ADRESSE AU GOUVERNEMENT FRANCAIS
L'EXPRESSION DE MES VIVES CONDOLEANCES, ET VOUS PRIE DE BIEN VOULOIR
TRANSMETTRE A MADAME POMPIDOU L'EXPRESSION DE MES HOMMAGES RESPECTUEUX
ET DE MES SENTIMENTS TRES ATTRISTES.

ROBERT S. MCHAMARA
PRESIDENT BANQUE MONDIALE

Not to be transmitted

Finance

Cable addressed to the Minister of Finance in the name of the World Bank
its staff, and President McNamara in order to express deep sympathy to
the French Government and Mrs. Pompidou.

Bernard Chadenet

c.c.--Mr. J. Wahl
Mr. W. Clark
Mr. P. Damry

Organization Planning and
Personnel Management

BChadenet:maf

491/5/127

April 3, 1974

Dear Mr. Labidi:

Thank you for your letter of January 30, 1974 (Ref: ORG 3/1 obs), inviting me to attend the Tenth Annual Meeting of the Board of Governors of the African Development Bank and the First Annual Meeting of the African Development Fund, to be held in Rabat from July 1 to 6, 1974.

I do not expect to be in a position to travel to Morocco on those dates. I am therefore nominating Mr. Roger Chauffournier, Regional Vice President, Western Africa, to represent the World Bank Group at the Annual Meetings in Rabat.

I extend to you my best wishes for a successful session.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Mr. A. Labidi
President
African Development Bank
B.P. No. 1387 Abidjan
Ivory Coast

Cleared in substance and cc: Mr. R. Chauffournier
cc: Mr. McNamara's Office (2)
Mr. B. Bell
Mr. M. Benjenk

LPChatenay:mmh
April 1, 1974

491/5/125

APR 3 1974

Dear Mr. Labidi:

Thank you for your letter of January 30, 1974 (Ref: ORG 3/1 obs), inviting me to attend the Tenth Annual Meeting of the Board of Governors of the African Development Bank and the First Annual Meeting of the African Development Fund, to be held in Rabat from July 1 to 6, 1974.

I do not expect to be in a position to travel to Morocco on those dates. I am therefore nominating Mr. Roger Chaufournier, Regional Vice President, Western Africa, to represent the World Bank Group at the Annual Meetings in Rabat.

I extend to you my best wishes for a successful session.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

I enjoyed visiting with you in Washington--many thanks for the opportunity.

Mr. A. Labidi
President
African Development Bank
B.P. No. 1387 Abidjan
Ivory Coast

Cleared in substance and cc: Mr. R. Chaufournier
cc: Mr. McNamara's Office (2)
Mr. B. Bell
Mr. M. Benjenk

LPChatenay:mmh
April 1, 1974

491/5/124

April 1, 1974

MEMORANDUM FOR MR. MERRIAM

SUBJECT: Mr. Charls Walker and IDA Hearings

Charls Walker said today that if he could help us, on a personal basis, in any way putting IDA through the Congress to let him know. He is close to Mahon and at the proper time we might wish to use Walker to contact Mahon. Please keep this in mind.

Robert S. McNamara

491/5/122

APR 1 1974

Dear Mr. Zijlstra:

I thank you for your letter of March 12, 1974 and for your invitation to attend the Annual General Meeting of the Bank for International Settlements on June 10, 1974.

I am sorry to inform you that I will not be able to attend. I have asked Sir Denis Rickett, Vice-President, Mr. Jean Carriere, Director, European Office, and Mr. Robert de Lesseps, Chief, Financial Operations, European Office, to represent the World Bank at the Annual Meeting.

Lady Rickett will accompany Sir Denis to Basle.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. J. Zijlstra
President
Bank for International Settlements
7 Centralbahnstrasse
CH-4002 Basle
Switzerland

cc: Mr. McNamara (2)
Sir Denis Rickett (with copy of incoming letter)
Mr. Carriere (Paris) (" " ")
Mr. de Lesseps (Paris) (" " ")
Central Files with incoming letter

LPChatenay:mmcd
March 25, 1974

491/5/120

HIS EXCELLENCY
ABDUL RAHMAN SALIM AL-ATHEEQY
MINISTER OF FINANCE AND OIL
KUWAIT

MARCH 29, 1974

LT

KUWAIT

THANK YOU SO MUCH FOR YOUR MESSAGE TELLING ME THAT KUWAIT'S CONTRIBUTION
TO THE FOURTH REPLENISHMENT OF IDA IS APPROVED. I AM PARTICULARLY GLAD
TO HEAR THAT THIS CONTRIBUTION CAN, IF NECESSARY, BE MADE AVAILABLE IN
ADVANCE. WE GREATLY APPRECIATE YOUR CONTINUED SUPPORT FOR IDA.

KIND REGARDS (Signed) Robert S. McNamara

MCMAMARA

Robert S. McNamara

President

DHFRickett:emcc

cc: Mr. Alsharakh	Mr. Benjenk
Mr. McNamara's Office	Mr. Rotberg
Sir Denis Rickett	Mr. Danry
Mr. Shoaib	

491/5/119

SON EXCELLENCE
MONSIEUR HOUARI BOUMEDIENNE
PRESIDENT DE LA REPUBLIQUE
ALGERIENNE DEMOCRATIQUE ET POPULAIRE
ALGER
ALGERIA

Le 29 mars 1974

L.T.

A MON RETOUR A WASHINGTON JE TIENS A VOUS EXPRIMER MONSIEUR LE PRESIDENT
TOUTE MON APPRECIATION POUR L'ACCUEIL CORDIAL QUI M'A ETE RESERVE AINSI QUE
POUR LES ECHANGES DE VUES FRUCTUEUX QUE NOUS AVONS EUS Stop C'EST AVEC GRAND
PLAISIR QUE J'ENVISAGE LES PERSPECTIVES D'UNE COOPERATION ETROITE AVEC L'ALGERIE
DANS LES ANNEES A VENIR Stop JE VOUS PRIE D'AGREER MONSIEUR LE PRESIDENT
L'ASSURANCE DE MA TRES HAUTE CONSIDERATION

ROBERT S. MCNAMARA
PRESIDENT
BANQUE INTERNATIONALE POUR LA RECONSTRUCTION
ET LE DEVELOPPEMENT

English Translation, not to be transmitted

Upon my return in Washington I wish to express, Mr. President, all my appreciation
for the cordial welcome which I received and for the fruitful exchange of views
we had. It is with great pleasure that I look forward to a close cooperation
with Algeria in the years to come. Sincerely.

s/- Robert S. McNamara

R. S. McNamara
President

Cleared by Mr. E. Y. Asfour

491/5/118

SON EXCELLENCE
SMAIL MAHROUG
MINISTRE DES FINANCES
MINISTERE DES FINANCES
PALAIS DU GOUVERNEMENT
ALGER
ALGERIA

LE 29 MARS 1974

L.T.

DE RETOUR A WASHINGTON JE DESIRE VOUS PRESENTER MES VIFS REMERCIEMENTS POUR
L'ACCUEIL TRES AIMABLE QUE VOUS M'AVEZ RESERVE ET MON APPRECIATION DES
CONVERSATIONS TRES UTILES ET FRUCTUEUSES QUE NOUS AVONS EUES Stop JE SUIS
PERSUADE QUE LES ANNEES A VENIR VERRONT UNE COOPERATION DE PLUS EN PLUS ETROITE
ENTRE L'ALGERIE ET LA BANQUE Stop JE VOUS PRIE D'AGREER MONSIEUR LE MINISTRE
L'EXPRESSION DE MA HAUTE CONSIDERATION

ROBERT S. MCNAMARA
PRESIDENT
BANQUE INTERNATIONALE POUR LA RECONSTRUCTION
ET LE DEVELOPPEMENT

English Translation, not to be transmitted

Upon my return in Washington, I wish to express all my thanks for the very
pleasant welcome which I received and my appreciation for the very useful and
fruitful conversations we had. I am convinced that the years to come will
see a closer cooperation between Algeria and the Bank. Sincerely

Robert S. McNamara
President

Cleared by Mr. E. Y. Asfour

OHHonsi:lo

491/5/197

SON EXCELLENCE
BELAID ABDESSLAM
MINISTRE DE L'INDUSTRIE ET DE L'ENERGIE
IMMEUBLE LE COLISEE
RUE AHMED BEY
ALGER
ALGERIA

LE 29 MARS 1974

DE RETOUR A WASHINGTON JE DESIRE VOUS PRESENTER MON APPRECIATION POUR
L'ENTRETIEN QUE NOUS AVONS EU ET VOUS EXPRIMER MA CONFIANCE DANS L'AVENIR
DE LA COOPERATION ENTRE L'ALGERIE ET LA BANQUE Stop JE VOUS PRIE DE CROIRE
MONSIEUR LE MINISTRE A L'ASSURANCE DE MA HAUTE CONSIDERATION

ROBERT S. MCNAMARA
PRESIDENT
BANQUE INTERNATIONALE POUR LA RECONSTRUCTION
ET LE DEVELOPPEMENT

English Translation, not to be transmitted

Upon my return to Washington, I would like to express my appreciation for the
conversation we had and to reaffirm my confidence in the future cooperation
between Algeria and the Bank. Sincerely.

Robert S. McNamara
President

(Cleared by Mr. E. Y. Asfour)

491/5/116

MAR 24 1974

His Excellency
Ferdinand E. Marcos
President of the Republic of
the Philippines
Malacanang
Manila, Philippines

Dear President Marcos,

Thank you for your long and interesting letter of March 6, 1974. All of us here are very concerned about the problems which the energy crisis has created for developing countries. Indeed, as Mr. Mapa may already have told you, the Bank staff has embarked on an intensive study of how the crisis affects our borrowing members and what we can do to help. In this context, I fully support your decision to reexamine your public investment program and I have asked Mr. Goodman and his colleagues to do everything they can to ensure that our future lending activities are designed to fit in with your revised program.

Fortunately, the dialogue between your representatives and our staff on these matters can start immediately, both in Washington and in Manila. Over the next three months, teams are scheduled to come to Washington from Manila to negotiate six loans (for Penaranda-Aurora Irrigation, Rural Credit III, DBP Industry, Population, Power and DBP Shipping). The Penaranda-Aurora team, including Administrator Juinio, is here now and our future role in financing irrigation projects is being discussed in addition to the proposed project. Future lending possibilities will also be discussed with the teams coming for the other five projects.

Our annual economic mission to the Philippines, led by Mr. Russell Cheetham, leaves for Manila this week. This mission will work jointly with your people to assess the impact of the energy crisis on the Philippines balance of payments in the years ahead, discuss possible changes in the public investment program and explore how our lending might be adapted to meet the needs. We are particularly interested in how the new situation affects investments in the transport sector and the mission will be paying special attention to that. After the mission returns to Washington, a special paper will be prepared which will assess the future growth of the economy in the light of the external financial

position and will provide recommendations on the type and level of lending which we might contemplate. I propose to review this paper myself around the middle of the year.

I was most interested in your account of the progress of your agrarian reform program. Mr. Knapp had already told me, after his visit in November, how impressed he had been by the way you were tackling these problems. The Philippines now seems well on the way to achieving the kind of success previously seen in Japan and Taiwan. As you know, I believe that nothing is of higher priority than bringing increased incomes to the poorer members of the rural community. We therefore look forward to continuing our support of your program. In this fiscal year, both our Panaranda-Aurora Irrigation project and our Third Rural Credit project will provide such support.

May I now turn to your comments on the Philippine power program and our role in financing it. I am in full agreement with you on the need to diversify energy sources as a result of the rise in fuel oil prices. I also support your efforts to seek bilateral sources of finance and suppliers credits to supplement the funds which can be made available for this very substantial program from ADB and ourselves. As you know, we have been associated with the National Power Corporation since we made our first loan in 1957. As a major creditor, we are of course interested in the terms and conditions on which such bilateral finance is raised. During the forthcoming negotiations for the sixth power project I hope that your representatives and our staff can have a detailed discussion of the future power program and how it might be financed. Assuming broad agreement is reached, I am confident that consultation with us on the terms and conditions of future NPC borrowing from bilateral sources or suppliers credits should create no problem for you.

You mention in your letter that during appraisal of the sixth power project, we indicated that the size of our loan would be about \$50 million. I have consulted Mr. Goodman on this and he tells me that he and Secretary Virata agreed at the time of our annual meeting in Nairobi that our financing under the sixth project should be confined to the generating facilities at Pantabangan and the next slice of NPC's transmission program. Our present estimates suggest that the foreign exchange cost of these items will total about \$60 million and I therefore foresee a loan of about this amount. You also suggest that our administrative procedures on employing consultants and procurement have constrained your decision making and implementation of the accelerated power program. I have asked my associates here about this and they are not sure what is being referred to. We do in fact have some flexibility on these matters. For example, in a letter received here on March 6th, NPC asked us (a) to approve the retention of ECI-EDCOP as consultants for the implementation of the Power Phase of the Upper Pampanga River Project, (b) to agree to a negotiated

civil works contract with the existing contractor for the Upper Pampanga Dam, with the additional equipment internationally bid and (c) to approve initiating the procurement of major equipment. By cable of March 11th to NPC we agreed to all these requests.

We do of course insist on international competitive bidding for most civil works and equipment contracts. Although this may take a little longer than negotiating with a single supplier or contractor, we believe it to be in the best interests of our borrowers since it ensures that the project is completed at the lowest possible cost. I believe that in the past delays in awarding contracts under our loans to NPC were due largely to the statutory procedures required under Philippine law rather than delays here. I assure you, Mr. President, that we shall continue to give our comments on bidding documents and contracts in the shortest possible time.

May I conclude, Mr. President, by thanking you for writing to me about these issues. We do indeed regard ourselves as a major partner in your development effort and look forward to working with you to surmount the problems created by the energy crisis.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

cc: Mr. McNamara's office (2)

Paragraphs on power cleared with
Mr. Arnold

Cleared with Messrs. Knapp
Goodman

WSHumphrey/mb

IBRD LANGUAGE SERVICES DIVISION	
CONTROL No. E-1419/74	DATE: March 21, 1974
ORIGINAL LANGUAGE: Spanish (Venezuela)	
DEPT. LAC II	TRANSLATOR: JC/lm

491/5/115

Dr. Hector Hurtado
Ministro de Hacienda
Caracas, Venezuela

Dear Dr. Hurtado:

I have asked the bearer of this letter, Dr. Adalbert Krieger, as my special representative, to discuss with you various alternatives for future cooperation between the World Bank Group and the Government of Venezuela.

As you are certainly aware, our institution is studying the effects of the recent increases in the prices of oil and other products on the economies of the developing countries. Our findings, although still at a very preliminary stage, are reported in the document that Dr. Krieger will be handing to you. This document estimates the additional foreign capital requirements of the developing countries resulting from these price increases, and puts forward some ideas for possible solutions.

We know that your Government is concerned with these matters, in fact this concern was expressed by the President of the Republic, Dr. Carlos Andrés Perez, in his inaugural address. I should greatly appreciate it if in your talks with Dr. Krieger you could discuss concrete ways in which your Government and the World Bank Group could make a joint effort to provide substantial assistance to the developing countries.

If you consider it appropriate, I should also appreciate your discussing with Dr. Krieger the proposal recently announced by OPEC, to set up a Development Fund.

I should also like to take this opportunity to state once again that it is our sincere wish that the World Bank Group will continue to cooperate with your country in its development efforts.

Sincerely yours,

Robert S. McNamara

(Signed) Robert S. McNamara

MAR 22 1974

Estimado Dr. Hurtado:

He solicitado al portador de la presente, Dr. Adalbert Krieger que, en calidad de Representante Especial mío, converse con usted sobre diversas alternativas de colaboración futura entre el Grupo del Banco Mundial y el Gobierno de Venezuela.

Como usted seguramente sabe, nuestra Institución está estudiando los efectos de la reciente elevación de los precios del petróleo y otros productos sobre las economías de los países en vías de desarrollo. Como primer resultado, todavía muy preliminar de esos estudios, se ha preparado un documento que le será entregado a usted por el Dr. Krieger. En ese documento se presenta una estimación de las necesidades adicionales de capital externo que enfrentan por dicho motivo los países en vías de desarrollo, y se avanzan algunas ideas sobre las posibles soluciones a estos problemas.

Sabemos de la preocupación que por estos temas tiene su Gobierno, preocupación que fue ya expuesta por el Honorable Señor Presidente de la República, Dr. Carlos Andrés Pérez, en su discurso inaugural. Me agradecería mucho que en las conversaciones de usted con el Dr. Krieger se pudiera ya avanzar el examen de algunas posibilidades concretas de que su Gobierno y el Grupo del Banco Mundial realicen conjuntamente algunas contribuciones de importancia a los países en vías de desarrollo.

También me agradecería que, si usted lo considera conveniente, pudiera conversar con el Dr. Krieger acerca de la propuesta de crear un Fondo de Desarrollo, cuyo anuncio ha sido formulado recientemente por OPEC.

Quiero también aprovechar esta oportunidad para reiterar a usted nuestro interés en que el Grupo del Banco Mundial continúe colaborando en el futuro con el esfuerzo de desarrollo de su país.

Reciba, Señor Ministro, la seguridad de mi más alta y distinguida consideración.

(Signed) Robert S. McNamara

Robert S. McNamara

Excelentísimo Señor
Dr. Héctor Hurtado
Ministro de Hacienda
Ministerio de Hacienda
E. S. H.

RGonzalez-Cofino uss.
March 22, 1974

491/5/1114

MAR 22 1974

Dear Dr. Attiga:

Thank you for your letter of March 7, 1974 and your kind words regarding our recent discussion of oil prices and their impact on developing countries, and the services which the Bank is prepared to provide OAPEC and our member governments in studies and advice.

I am pleased to send you herewith copies of three sets of papers which I have submitted to the Bank's Executive Directors on this subject, as follows:

- (a) Memorandum "Implications of Rising Petroleum Prices" dated December 20, 1973 with attached analysis paper entitled "Some Implications of Rising Trend in Petroleum Prices for Developing Countries, 1970-1985",
- (b) Memorandum "Implications of Increased Petroleum Prices since the Beginning of 1974" dated January 14, 1974 with attached tables, and
- (c) Memorandum "Interim Report on the Additional External Capital Requirements of Developing Countries to Deal with the Effects of the Increased Prices of Oil and Other Commodities" dated March 5, 1974 with an attached analysis paper and an Annex A.

I draw your attention to the fact that these are still confidential documents and it has not yet been decided what parts, if any, will be released for public use. I would ask you therefore to treat them accordingly.

You will also receive copies of any such papers submitted in the future, and we shall continue to keep in touch with you on these matters.

With best wishes,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Dr. Ali A. Attiga
Secretary General
Organization of Arab Petroleum Exporting Countries (OAPEC)
P. O. Box 20501
Kuwait

Clearance and cc: Mr. Karaosmanoglu, Mr. Benjenk
Mr. Donald D. Fowler (in substance), Mr. Ernest Stern (in substance)

DRichardson:mlr

491/5/113

MAR 22 1974

Monsieur l'Ambassadeur,

Je vous remercie d'avoir eu l'amabilité de porter à ma connaissance, par votre lettre du 13 mars, votre accréditation en qualité d'Ambassadeur Extraordinaire et Plénipotentiaire de la République d'Haïti auprès de la République des Etats-Unis d'Amérique. Je forme tous mes vœux pour votre mission et je saisis cette occasion pour exprimer l'espoir que le Groupe de la Banque Mondiale puisse jouer un rôle actif dans le développement économique de votre pays.

Veuillez croire, Monsieur l'Ambassadeur, à l'expression de ma haute considération.

(Signed) Robert S. McNamara
Robert S. McNamara

Son Excellence
Gérard S. Bouchette
Ambassadeur de la
République d'Haïti
Ambassade d'Haïti
4400 17th Street, N.W.
Washington, D.C. 20011

J-PBéguin:nr

cc. M. Luis Ugueto
Executive Director

cc. Messrs. Alter
Krieger, Director, LAC I
Knox, Director, LAC Projects
Fernandes, Division Chief, LAC I
Pfefferman, Senior Economist, LAC I
de Campos, LAC I

Typed on March 21, 1974

TRANSLATION

His Excellency
Gérard S. Bouchette
Ambassador of the
Republic of Haiti
Embassy of Haiti
4400 17th Street, N.W.
Washington, D.C. 20011

Dear Mr. Ambassador,

I would like to thank you for your letter of March 13 informing me of your accreditation as Ambassador Extraordinary and Plenipotentiary of the Republic of Haiti to the United States of America. I extend to you my best wishes for your mission and I avail myself of this opportunity to express the hope that the World Bank Group may be able to actively support the economic development of your country.

Robert S. McNamara

TRANSLATION OF INCOMING

Washington, D.C., March 13, 1974

Dear Mr. President,

It is an honor for me to inform you that today, I have delivered to his Excellency the President of the Republic of the United States of America, Richard Nixon, the letters which accredit me as Ambassador Extraordinary and Plenipotentiary of the Republic of Haiti to the United States.

I am pleased to thus have the opportunity to establish an official and personal relationship with you and to be able to pursue the excellent relations which have always existed between my country and the International Bank for Reconstruction and Development.

Gérard S. Bouchette
Ambassador

Mr. Robert S. McNamara
President of the International
Bank for Reconstruction and
Development
Washington, D.C.

491/5/172

MAR 22 1974

Dear Dr. Hegazy:

Let me take this opportunity to thank you for the many courtesies and warm hospitality that you extended to my colleagues and myself during our recent visit to Cairo. The arrangements made for our visit were excellent.

I am most grateful for the time that you and other members of the Cabinet spent in giving us a picture of Egypt's economic potential and constraints, as well as an insight into your Government's aspirations and plans for the future. I share your feeling that, with the prospects of peace at hand, a unique opportunity is now open for Egypt to take bold initiatives to rebuild and further develop the economy. Hard decisions will be needed in the very near future to reestablish Egypt's creditworthiness and to create solid foundation for rapid reconstruction and development, but I am confident that you know what the critical choices are and will take all necessary steps to expedite development as soon as conditions and resources permit.

As your Government undertakes measures such as those discussed during our visit, the Bank Group is willing to play an expanding role in the financing of Egypt's reconstruction and development plans. I would like to assure you of our full cooperation and help in this endeavour.

With best regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
Dr. Abdel Aziz Hegazy
Deputy Prime Minister (Economic Affairs)
Ministry of Finance, Economy and Foreign Trade
Cairo, Egypt

Cleared with and cc: Messrs. Wapenhans, Horsley and Votaw

cc: Messrs. McNamara (2 copies)
Benjenk
El-Nahal (Egyptian Embassy)

ADavar/te
March 21, 1974

491/5/111

MAR 22 1974

His Excellency
President Anwar Sadat
Presidential Palace
Cairo, Egypt

Dear Mr. President:

I would like to thank you for the opportunity you gave me last month to visit Egypt to discuss your Government's concerns and plans for the country's economic development and to share your thoughts as to how this objective might be achieved.

I am indeed most grateful for the time which you, Dr. Hegazy and some of your senior Ministers gave to discussing these matters with me. I am also very appreciative of the many courtesies and cordial hospitality extended by your Government to my colleagues and myself.

With such good prospects for peace at hand, I share your feeling that a unique opportunity is now available to Egypt to take new initiatives which would provide a solid foundation for achieving your objective of rebuilding and further developing the Egyptian economy. Egypt has a tremendous development potential. Its human resources and leadership at all levels allow the economy to make productive use of much greater quantities of investment capital than those presently available. As we discussed during our visit, there are in our view, three major problems which need immediate attention. These are: the formulation of an interim two-year development strategy and investment program; the preparation of a realistic foreign exchange budget; and the mobilization of external capital on a long-term basis to finance investment projects, so that, within a four-to-five year period short-term bank facilities and suppliers credits can be reduced to manageable levels and eventually eliminated. I was very pleased to hear from you that Egypt fully recognizes these needs and is prepared to make the hard decisions that will be necessary to seize the opportunity to develop Egypt's full potential.

- 2 -

I am sure these matters already engage your and Dr. Hegazy's urgent attention. As your Government undertakes new policy initiatives and implements steps along the lines we discussed, I would like to assure you, Mr. President, of the Bank Group's willingness to play an expanding role in the financing of Egypt's reconstruction and development plans.

With best regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Cleared with and cc: Messrs. Wapenhans, Horsley, Votaw

cc: Messrs. McNamara's Office (2 copies)
Benjenk

ADavar/te
March 21, 1974

491/5/109

MAR 21 1974

Dear Mr. de Seynes:

Thank you for your letter of February 15, 1974 concerning future arrangements for the presentation to the Economic and Social Council of the reports of the World Bank Group of institutions and of the comments which these reports call for on my part.

I note that when discussing the rationalization of its work during its fifty-sixth session, the Council will consider whether its resumed session in the autumn might be discontinued. As concerns the Bank, the autumn session offers a particularly timely opportunity to present to ECOSOC the Bank Group annual reports promptly after their issuance, taking into account also the conclusions reached at the Board of Governors meetings in September, and I would prefer to continue on this schedule.

If the Council is to meet in the spring and summer only, we would prefer to participate in the spring session. This is because, as the members of the Council will appreciate, reports and comments on the Bank Group's activities in the year ending on June 30, within the global developmental context, have to be made in the first instance to the Bank's Board of Governors in September.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Mr. Philippe de Seynes
Under-Secretary-General
for Economic and Social Affairs
United Nations
New York, N.Y. 10017

Cleared with Mr. Hoffman
cc: Mr. McNamara (2)
Mr. Franco
Mr. Fowler
Mr. Zegers (IMF)

Central Files with incoming letter

March 20, 1974

491/5/108

Dear Governor:

I too was sorry that we did not have a chance to meet in Australia and hope there will be a new opportunity soon.

Many thanks for your thoughtfulness in sending some Australian wine. I was fortunate to sample it during my visit and was impressed with the quality. It will be used on a festive occasion in the Bank.

With warm personal regards,

Sincerely,
(Signed) Robert S. McNamara

Robert S. McNamara

Sir John Phillips
Governor
Reserve Bank of Australia
G.P.O. Box No. 3947
Sydney, N.S.W., 2001
Australia

ALjungh:ml

491/5/107

MAR 20 1974

Dear Dr. Eklund:

I wish to acknowledge receipt of your letter of February 22 explaining IAEA's intention of convening a meeting on April 1, 1974 of leading consultants to advise on the initiation of a project on internationally acceptable criteria and guidelines in respect to the safety and reliability of nuclear power plants.

The Bank, recognizing the importance of the role nuclear power can play in the developing countries, welcomes your Agency's initiative regarding the establishing of adequate international safety standards as an important and perhaps essential aspect of the problem.

The invitation to attend the meeting of consultants in Vienna in early April is appreciated. The Bank, however, has no expertise to offer in the technical consideration of the subject of the meeting and could only, in effect, attend as an observer. In the circumstances, I hope you will agree that the Bank's participation is not essential to the success of the session. We would be grateful if IAEA could keep the Bank informed of the conclusions reached by the consultants so that the Bank in its own operations could, as appropriate, take those conclusions into account.

Let me finally take this opportunity to express my gratitude for the cooperation which you have extended to us in connection with our work on nuclear power developments, by sending Messrs. Krym and Lane for discussions with our staff.

I look forward to the continuation of these staff exchanges.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Dr. Sigvard Eklund
Director General
International Atomic Energy Agency
Karntnerring 11
A-1011 Vienna 1
Austria

Cleared with & cc: Mr. Rovani
cc: Mr. McNamara (2)

EFriedmann/LPChatenay:mmcd
March 18, 1974

491/5/106

H.E. ~~AM~~ JAMSHID AMOUZEGAR
MINISTER OF FINANCE
MINISTRY OF FINANCE

MARCH 19, 1974

TELEX

TEHRAN

IRAN

WORLD BANK BOARD OF EXECUTIVE DIRECTORS HAS TODAY APPROVED THE TWO HUNDRED
MILLION DOLLAR LOAN FROM THE GOVERNMENT OF IRAN STOP WE ARE MOST GRATEFUL
TO HIS IMPERIAL MAJESTY AND YOURSELF FOR INVESTING THESE FUNDS IN DEVELOPMENT
AND EYE SINCERELY APPRECIATE THE KIND COOPERATION AND ASSISTANCE YOU SHOWED
TO MY ASSOCIATES DURING THE NEGOTIATIONS STOP WE ARE LOOKING FORWARD TO
CONTINUED COOPERATION BETWEEN IRAN AND THE WORLD BANK GROUP STOP KINDEST
PERSONAL REGARDS

ROBERT S. MCNAMARA
INTBAFRAD

Robert S. McNamara

cc: Mr. Benjenk

President

EHRotberg:SAldewereld:RSMcNamara:ml

491/5/105

MAR 18 1974

Dear Hubert:

Thank you very much for your letter of February 26 which I found on my return from my recent visits to Teheran and Cairo.

The agreement we have reached with Iran is certainly an encouraging beginning in our efforts to stimulate the oil producing countries to help developing countries to adjust to the increased costs of energy and of other imports. We hope that other countries will take similar action either jointly or singly, and we have informed them that the World Bank stands ready to help them in every way in such an endeavor. Certainly increased production of fertilizer is one of the key areas on which any available aid funds should be concentrated, particularly since the increased cost of imported fertilizer is hurting the developing countries almost as severely as the increased costs of fuel.

The proposed interest rate of the proposed Iranian contribution to a Special Development Fund, would not be 7% or 8% as reported in the New York Times, but a much more concessionary rate. The exact rate has not yet been determined but I would expect it to be somewhat above the IDA terms although nowhere near conventional lending rates such as those mentioned in the Times article.

Throughout my travels in the Middle East I was frequently asked about the fate of the IDA bill in the U.S. Congress. The oil producing countries, who now seem determined to make a considerable effort to help developing countries, are also quite anxious that their efforts should be additional to the expected capital flows from industrialized countries and not in substitution for them.

With many thanks for your interest in our efforts, and best wishes,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
Hubert H. Humphrey
The United States Senate

MPBenjenk/dm
March 15 1974

491/5/104

DR. NURUL ISLAM
DEPUTY CHAIRMAN
PLANCOM
DACC
BANGLADESH

MARCH 16, 1974

TELEX

THANK YOU FOR YOUR CABLE OF MARCH 12 ASKING THAT WE TRY TO HOLD ON TO JUST FAALAND UNTIL JUNE. I AM SURE HE WILL APPRECIATE, AS WE DO, YOUR REQUEST, WHICH TESTIFIES TO HIS VALUE TO BANGLADESH AND WE SHALL ASK HIM TO REMAIN AN ADDITIONAL MONTH.

AS FOR THE BEST NEGOTIATIONS, I SHARE YOUR VIEW THAT THIS IS A CRUCIAL MATTER AND I HOPE VERY MUCH THAT A MUTUALLY SATISFACTORY CONCLUSION ON THIS SUBJECT CAN BE REACHED WITHIN THE NEXT SEVERAL WEEKS. INDEED, I HOPE IT CAN BE DONE BEFORE THE END OF DIAMOND'S FORTHCOMING VISIT.

BEST WISHES

ROBERT S. McNAMARA

Robert S. McNamara

cc: (with incoming): Messrs.
Knapp
Broches
Cargill
R. A. Clarke
Diamond

WDiamond:ao

491/5/103

March 16, 1974

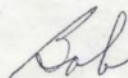
Dear Andy:

As I told John Steele, I would like to accept Time's invitation to attend the Energy Conference on May 1. However, my travel schedule is so uncertain that, at this time, I cannot make a commitment to do so. I must visit Algeria some time in April, and it is entirely likely that it will be necessary for me to meet with government representatives of other oil-producing countries during May.

Both your description of the content of the Conference and the list you attached of those who plan to attend are impressive. The meeting can't be anything but successful.

With best wishes,

Sincerely,



Robert S. McNamara

Mr. Andrew Heiskell
Chairman of the Board
Time, Incorporated
Time & Life Building
New York, N. Y. 10020

RMcN:bmm

491/5/102

March 15, 1974

Dear Mr. Chadenet:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as Chairman of the Pension Benefits Administration Committee and an ex officio member of the Pension Finance Committee for terms of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Benefits Administration Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President

International Bank for Reconstruction and Development
International Finance Corporation

Mr. Bernard Chadenet
4759 Berkeley Terrace, N.W.
Washington, D.C. 20007

Accepted: _____

Date: _____

491/5 1401

March 15, 1974

Dear Mr. Aldewereld:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as Chairman of the Pension Finance Committee and an ex officio member of the Pension Benefits Administration Committee for terms of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Finance Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President

International Bank for Reconstruction and Development
International Finance Corporation

Mr. S. Aldewereld
2801 New Mexico Avenue, N.W.
Apartment 1407
Washington, D.C. 20007

Accepted: _____

Date: _____

499 15 / 100

March 15, 1974

Dear Mr. von Hoffmann:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Benefits Administration Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Benefits Administration Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President

International Bank for Reconstruction and Development
International Finance Corporation

Mr. Ladislaus von Hoffmann
2501 Foxhall Road, N.W.
Washington, D.C. 20016

Accepted: _____

Date: _____

491/5/99

March 15, 1974

Dear Mr. Choi:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Benefits Administration Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Benefits Administration Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President

International Bank for Reconstruction and Development
International Finance Corporation

Mr. Siew Hong Choi
4701 Willard Avenue
Chevy Chase
Washington, D.C. 20015

Accepted: _____

Date: _____

491/5/98

March 15, 1974

Dear Mr. McLeod:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Benefits Administration Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Benefits Administration Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President

International Bank for Reconstruction and Development
International Finance Corporation

Mr. Stanley A. McLeod
The Willoughby
4515 Willard Avenue
Apartment 2204
Chevy Chase, Md. 20015

Accepted: _____

Date: _____

491 15/97

March 15, 1974

Dear Mr. Sella:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Benefits Administration Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Benefits Administration Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President
International Bank for Reconstruction and Development
International Finance Corporation

Mr. Piero Sella
3088 'O' Street, N.W.
Washington, D.C. 20007

Accepted: _____

Date: _____

491 15/96

March 15, 1974

Dear Mr. Paljmans:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Benefits Administration Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Benefits Administration Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President

International Bank for Reconstruction and Development
International Finance Corporation

Mr. Martijn J.W.M. Paljmans
5409 West Cedar Lane
Bethesda, Md. 20014

Accepted: _____

Date: _____

491 15 / 95

March 15, 1974

Dear Mr. Mendels:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Benefits Administration Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Benefits Administration Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President

International Bank for Reconstruction and Development
International Finance Corporation

Mr. Morton M. Mendels
3400 Garrison Street, N.W.
Washington, D.C. 20008

Accepted: _____

Date: _____

491 15/94

March 15, 1974

Dear Mr. Gabriel:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Finance Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Finance Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President
International Bank for Reconstruction and Development
International Finance Corporation

Mr. K. Georg Gabriel
2122 S Street, N.W.
Washington, D.C. 20008

Accepted: _____

Date: _____

491 15/93

March 15, 1974

Dear Mr. Isbister:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Finance Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Finance Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President
International Bank for Reconstruction and Development
International Finance Corporation

Mr. Claude M. Isbister
"The Irene"
4701 Willard Avenue
Apartment 631
Chevy Chase, Md. 20015

Accepted: _____

Date: _____

497 15/92

March 15, 1974

Dear Mr. Wahl:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Finance Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Finance Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President,
International Bank for Reconstruction and Development
International Finance Corporation

Mr. Jacques Henri Wahl
5100 Van Ness Street, N.W.
Washington, D.C. 20016

Accepted: _____

Date: _____

491 15/91

March 15, 1974

Dear Mr. Black:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Finance Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Finance Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President
International Bank for Reconstruction and Development
International Finance Corporation

Mr. Eugene Black
American Express Company
65 Broadway
New York, N. Y. 10006

Accepted: _____

Date: _____

491 15/90

March 15, 1974

Dear Mr. Sommers:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Finance Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Finance Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President

International Bank for Reconstruction and Development
International Finance Corporation

Mr. Davidson Sommers
3900 Watson Place, N. W.
Apartment 8-F-A
Washington, D.C. 20016

Accepted: _____

Date: _____

491 / 5 / 89

March 15, 1974

Dear Mr. Parmar:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through March 11, 1974, I am pleased to inform you that you are hereby appointed as a member of the Pension Finance Committee for a term of three years effective immediately.

Please signify your acceptance of this appointment by signing the attached copy of this letter, where indicated, and sending it to Mr. Bernard Holland, the Secretary of the Pension Finance Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara
President

International Bank for Reconstruction and Development
International Finance Corporation

Mr. Judhvir Parmar
3714 Leland Street
Chevy Chase, Md. 20910

Accepted: _____

Date: _____

491/5/87

MAR 15 1974

Dear Maurice:

Thank you for your letter of February 28, 1974 concerning the third session of the Environment Co-ordination Board now to open in the afternoon of April 16, 1974 at Unesco Headquarters.

Dr. James A. Lee, Director, Environmental Affairs, Office of Environment Affairs, who is representing the World Bank at the UNEP Governing Council, will attend the informal meeting of the "environment focal points" that you are convening in Nairobi next week in preparation for the ECB session.

I do not expect to be in Paris for the meetings in April. Mr. Michael L. Hoffman, Director, International Relations Department, and Dr. Lee will attend the third session of the Environment Coordination Board for the World Bank.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Mr. Maurice F. Strong
Executive Director
United Nations Environment Programme
P.O. Box 30552
Nairobi, Kenya

cc: Mr. McNamara (2)
Mr. Hoffman
Mr. Lee
Central Files with incoming letter

LPChatenay:mmcd
March 13, 1974

OUTGOING WIRE

491/5/86

TO: WILLIAM M. GILMARTIN

DATE: March 14, 1974

INTBAFRAD

CLASS OF
SERVICE: Telex

NEW DELHI

COUNTRY: INDIA

TEXT: UNLESS YOU HAVE STRONG OBJECTIONS BASED ON LOCAL SITUATION NOT UNDERSTOOD
Cable No.: HERE ,PLEASE ISSUE UNDER YOUR SIGNATURE FOLLOWING DENIAL TO REPORT
APPEARING IN INDIAN PRESS MARCH 11 RE INDIA CONSORTIUM PAPER
QUOTE

1. MY ATTENTION HAS BEEN DRAWN TO NEWSPAPER REPORTS ABOUT A WORLD
BANK REPORT TO MEMBERS OF THE INDIAN CONSORTIUM. THESE CONTAIN SOME
FACTUAL INACCURACIES.

2. I HAVE BEEN AUTHORIZED BY THE PRESIDENT OF THE BANK TO DENY THE
IMPLICATION THAT THE QUOTE LEAK UNQUOTE CAME FROM HIS OFFICE, OR THAT THE
BANK HAS IN ANY WAY REVISED ITS LONGSTANDING POLICY THAT THESE PAPERS ARE NOT
PUBLIC DOCUMENTS FOR RELEASE TO THE PRESS VIA THE BANK.

3. CONFIDENTIAL REPORTS OF BANK STAFF TO WORKING PARTIES OF THE INDIA
CONSORTIUM ARE PART OF A CONTINUING EXCERCISE ---- BEGUN IN 1958 ---- TO
MOBILIZE RESOURCES TO ASSIST INDIA'S EFFORT TO IMPROVE LIVING STANDARDS OF
HER PEOPLE THROUGH ECONOMIC DEVELOPMENT. THEY ARE ALSO PART OF A CONTINUING
DIALOGUE AMONG MANY PARTNERS IN DEVELOPMENT ---- INDIA, THE BANK GROUP AND THE

MORE/

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME Mr. Robert S. McNamara

DEPT. President

SIGNATURE (SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCES JEM:SS:bks

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Diamond
Mr. Cunningham

For Use By Communications Section

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

Checked for Dispatch:

OUTGOING WIRE

TO: WILLIAM M. GILMARTIN

PAGE 2

DATE: March 14, 1974

INTBAFRAD

CLASS OF
SERVICE:

NEW DELHI

COUNTRY: INDIA

TEXT:

Cable No.:

CONTINUED

MEMBERS OF THE CONSORTIUM. THERE IS NO QUESTION OF THE BANK'S ALLEGING
QUOTE LACK OF EARNESTNESS UNQUOTE ON THE PART OF GOVERNMENT OF INDIA.

WILLIAM GILMARTIN

RESIDENT REPRESENTATIVE

WORLD BANK

NEW DELHI

UNQUOTE

PLEASE CONFIRM ISSUANCE OF DENIAL BY RETURN WIRE.

R. S. McNamara
MCNAMARA

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME Mr. Robert S. McNamara

DEPT. President

SIGNATURE _____
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE:

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. Diamond

Mr. Cunningham

For Use By Communications Section

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

Checked for Dispatch: _____

491/5/83

MAR 14 1974

Dear Mr. Secretary:

The International Bank for Reconstruction and Development proposes to borrow an aggregate principal amount, not exceeding \$200,000,000, through a twelve-year loan from the Government of Iran. The interest rate for the loan has been set at 8%.

The Government of the United States of America is hereby requested, in accordance with Section 1(b) of Article IV of the Bank's Articles of Agreement to approve the proposed borrowing by the Bank. The Government of the United States of America is further requested to agree, pursuant to the same provisions of the Articles of Agreement, that the proceeds of such borrowing may be exchanged for the currency of any member of the Bank without restriction.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
George F. Shultz
Secretary of the Treasury
Treasury Department
Washington, D.C. 20220

Cleared with and cc: Mr. Hans C. Hittmair, Deputy Treasurer
cc: Mr. Charles O. Sethness, Executive Director
Mr. S. Aldewereld, Vice President, Finance
Mr. Eugene H. Rotberg, Treasurer
Mr. K. Georg Gabriel, Controller
Messrs. Broches/Nurick
Mr. Raymond E. Deely, Treasurer's Dept.

HNScott:dg
March 13, 1974

491/5/81

MAR 13 1974

Dear Mr. Minister:

Thank you for your letter (Ref. MPSAR/MD/1) dated February 12, 1974 enclosing two copies of a brochure prepared in April 1973 on the Sudan Academy for Administrative Sciences. I remember your discussing the idea of establishing such an institution when we met in Khartoum in November 1972 and shall read the brochure with interest.

The urgent educational problems of the Southern Sudan were also mentioned by you in our discussions. I hope that the Bank Group can contribute to a solution through a second education project which we are presently considering.

With kind regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Sayed Abdel Rahman Abdalla
Minister for Public Service
and Administrative Reform
Khartoum, Sudan

Cleared with and cc:
Mr. Hornstein
Mr. Panikar

CVRPanikar:cmm
March 12, 1974

cc: for Mr. McNamara's Office (2)

491/5/79

March 12, 1974

Dear Mr. Prime Minister:

I understand that you visited Washington from February 7-11. Unfortunately I was away during that week and had no opportunity to invite you to the Bank.

I am pleased about your decision to bring Barbados into the membership of the World Bank Group. I understand that the Bank's economic report on Barbados should be completed next month and this will provide us with the basis for moving forward. I shall look forward to an early occasion when it will be possible to meet with you to discuss your plans for the development of Barbados and the role of the World Bank in this.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Rt. Hon. Errol W. Barrow
Prime Minister and Minister of
Finance and Planning
Government Headquarters
Bay Street
Bridgetown, Barbados

cc: Mr. Isbister

CMIsbister:mlee

491/5/78

MAR 13 1974

Dear Mr. Rey:

I am writing in reply to your letter of February 20, 1974. I am not personally familiar with the Barcelona Traction case but several of my associates have followed it and what they have told me has confirmed the extremely complex nature of the claims and counter-claims of the parties, as already indicated in the material you sent me.

The nature of the controversy and the fact that this case has been in the courts for more than 25 years lead me to think that the Bank can play no useful role. Certainly it would be practically impossible for the Bank to sift through the mass of material that was submitted to the International Court and attempt to form a judgment as to the merits of the contentions of the two parties. While the Bank has never acted as arbitrator, it has accepted to act as a good officer in cases where both parties were willing to have it undertake that task. From what you have told me that is not the situation in the present case.

I thought I should tell you frankly how I view this matter. Should you nevertheless want to discuss it with me further, I shall arrange to see you at a mutually convenient time.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Jean Rey
President
SOFINA, S. A.
Rue de Naples, 38
1050 Brussels
Belgium

ABroches:csh
March 12, 1974

cc: for Mr. McNamara's office (2)

491/5/76

MAR 12 1974

Dear Prime Minister:

It was indeed a pleasure to visit Australia and to meet with you and members of your Government. I have been deeply impressed with the scope of the international initiatives you have taken in recent months which strengthen Australia's pivotal role in East Asia as a force for moderation and international cooperation.

In the months ahead, we in the Bank will be working hard with other agencies in the UN family to maintain and increase the flow of development assistance in the face of great uncertainty. I know that we can count on Australia's support and advice in this task.

I very much enjoyed the lunch you hosted in Canberra and hope that it will not be long before we meet again.

With warm personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
E. Gough Whitlam
The Prime Minister
Canberra, Australia

ALjungh:mlee

4911/5/75

HIS EXCELLENCY CARLOS ANDRES PEREZ
PRESIDENT
REPUBLIC OF VENEZUELA
CARACAS

MARCH 12, 1974

IEF/GOVT

VENEZUELA

CORDIAL BEST WISHES ON YOUR INAUGURATION STOP YOU ARE TAKING OFFICE
AT A TIME WHEN VENEZUELA IS IN A UNIQUE POSITION TO CONTRIBUTE TO
THE GROWTH OF DEVELOPING COUNTRIES STOP WE WELCOME COOPERATION WITH
YOU IN THIS IMPORTANT TASK

(Signed) Robert S. McNamara

ROBERT S. McNAMARA
PRESIDENT
WORLD BANK

Robert S. McNamara

LHBerlin:cc

491/5/74

March 6, 1974

Dear Governor:

As always it was a great pleasure to see you and to enjoy Indonesian hospitality. The dinner your hosted in the Bank was truly delightful.

The discussions we had were particularly useful to me at this important time in Indonesia's economic development and I hope that during the months to come we can maintain close contact in working out a program of cooperation under somewhat changed conditions.

Warm thanks to you and Mrs. Saleh for an enjoyable visit.

Sincerely,
(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Rachmat Saleh
Governor, Bank of Indonesia
P. O. Box 422
Jakarta, Indonesia

ALjungh:mlee

March 6, 1974

491/5/73

Dear Mr. Minister:

I would like to express my sincere thanks for a most interesting and useful visit to Indonesia. Special thanks are due to you for deepening my understanding of the problems and prospects for agriculture in your country.

The visit to Lampung Province showed an important avenue to relieving the pressure of population on land and rapid urbanization facing Java and the prospects for smallholder and plantation agriculture. I sincerely hope that the Bank can be of increasing assistance in this type of project in the future. Our resident staff in Jakarta stands ready to work on the details in the months and years ahead.

With warm personal regards,

Sincerely,

Robert S. McNamara

His Excellency
Professor Thoyib
Minister of Agriculture
Jakarta, Indonesia

ALjungh:mlee

491/5/72

MAR 6 1974

Dear Mr. Prime Minister:

I would like to thank you for the very warm welcome which Mrs. McNamara and I, together with my associates, received during our recent visit to Fiji. The flights from Nandi to Suva, the meetings with you and the members of your Cabinet, and with the financial leaders of Fiji, provided a splendid opportunity to get acquainted with your country and to learn more about your country's development problems and prospects. We particularly enjoyed the delightful lunch which you hosted at your Bure.

We in the World Bank look forward to a continuing close relationship with your Government and stand ready to assist your efforts to further economic growth and improve the well being of your people.

Once again, Mr. Prime Minister, many thanks for a memorable visit to your country.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Prime Minister Ratu Kamisese Mara
Suva, FIJI

RJCheetham:mb

491/5/71

March 6, 1974

Dear Mr. Minister:

Having just returned to Washington, I would like to thank you warmly for the welcome and hospitality extended to my wife, myself and my associates in New Zealand.

I am ever more impressed with the manner in which New Zealand moves as a progressive force in the Pacific area. I look forward to increasing cooperation between your country and the World Bank. Please convey my thanks and best wishes to your Prime Minister.

With best personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
W.E. Rowling
Minister of Finance
Ministry of Finance
Parliament Building
Wellington, New Zealand

ALjungh:mlee

491/5/70

MAR 6 1974

Dear Mr. Minister:

I am happy to acknowledge receipt of your letter dated February 12, 1974 submitting the application of Papua New Guinea for membership in the International Bank for Reconstruction and Development. The application is being brought to the attention of the Executive Directors of the Bank.

I note that the Government of Papua New Guinea has concurrently filed an application for membership in the International Monetary Fund.

I have just written to Mr. Semare to thank him, and through him the other Cabinet members and their staff, for the excellent arrangements made for my visit to Papua New Guinea. This was my first visit and I have come back with a much deeper understanding of its development needs and aspirations.

Mrs. McNamara and I particularly enjoyed the trip to the New Guinea Highlands. It showed us the beauty of your country and its vast natural resources.

We in the Bank Group look forward to continuing our cooperation with Papua New Guinea as it now moves to become a member of the Bank Group in its own right.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
Julius Chan Mha
Minister for Finance
Post Office Box 2147
Konedobu
Papua New Guinea

cc: Mr. P.N. Damry
for Mr. McNamara's office (2)

Cleared with and cc: Mr. Goodman/Mr. Helmers

GHRcif:rmj

March 6, 1974

491/5/69

Dear Minister:

Please accept my thanks for the most enjoyable and useful days which my wife and I and my associates spent as your guests in Australia. I was truly impressed with the capable and delightful persons I met, and have as a result gained a much better understanding of your country and your Government's policies.

Australia plays a pivotal role in the Southeast Asia and Pacific areas, largely thanks to the initiatives taken by your Prime Minister. Please convey to him my thanks and best wishes.

I hope that we will have an occasion to resume discussions of topics of mutual interest in the not too distant future.

With warm personal regards,

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

The Honourable
F.D. Crean, M.P.
Treasurer of the Commonwealth
of Australia
Canberra, A.C.T., 2600
Australia

ALjungh:mlee

491/5/68

MAR 6 1974

The Honorable
Michael T. Somare
Chief Minister
P.O. Box 2501
Konedobu, Papua New Guinea

Dear Chief Minister,

It was so kind of you to write to me. Replying to your letter gives me the opportunity of saying once again, on behalf of my wife as well as myself, how delighted we are to have been able to spend a few days in your country. We were enormously impressed by the scale and beauty of the scenery, and the friendliness of everyone we met. I particularly appreciated the competent way in which essential information was presented in the various briefing sessions, and the frankness of the discussion about your Government's policies and aspirations. All this enabled me to get a very clear impression of the great potential of your country, as well as some of its problems. Please thank your Cabinet colleagues and their officials for their very successful efforts to make our stay so enjoyable and productive.

I would like to thank you especially for your gracious hospitality at the dinner you gave for us all at the Gateway Hotel on February 11. The beautiful Sepik mask which you kindly presented to me on behalf of your Government will be displayed here at the Bank as a symbol of your new nation.

As to the matter of development at the village level, the importance that you attach to this in your 8-Point Development Policy seems to me to be entirely right. As you know, it was the principal theme of my speech to the Bank's last Annual Meeting in Nairobi, and I shall be most happy to have our staff work with yours in setting up projects that will further the objective of rural development. The economic mission that we are sending to Papua New Guinea in May of this year will be asked to consider practical ways in which we can help and I shall await their report with keen interest. Before that, an agricultural mission will be coming out to appraise the Biella and Popondetta projects. While in the country it will review the state of preparation of comprehensive development plans for the Southern Highlands and Sepik districts

which I understand your Government believes to be of high priority. I hope it will be possible for the Bank Group to play a part in implementing these plans.

Once again with my warm thanks to you and your colleagues for all that you did to make our stay in Papua New Guinea so memorable,

And with all good wishes,

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

cc: Mr. Knapp (with incoming)
Mr. William Clark

Mr. Edmund V. Visbord
Minister (Financial)
Embassy of Australia
1601 Massachusetts Avenue, N.W.
Washington, D.C. 20036

RJGoodman/GHReif/rf

491/5/67



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

OFFICE OF THE PRESIDENT

March 6, 1974

Dear Mr. Ambassador:

Please accept my warm thanks for all your effort towards the design of the Shahinshah's proposal and Iran's commitment for development assistance. You can rest assured that we will do our utmost towards its realization.

Warm thanks also for dinner you hosted on the eve of our departure.

With best personal regards,

Sincerely,

A handwritten signature in dark ink, appearing to read "Robert S. McNamara". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert S. McNamara

His Excellency
Dr. Jahangir Amuzegar
Minister Plenipotentiary for
Economic Affairs
Iran Economic Mission
5530 Wisconsin Avenue, N.W.
Washington, D. C. 20015

March 6, 1974

491/5/65

Dear Prime Minister:

It was a very great pleasure to visit New Zealand and to meet members of your Government. I was particularly happy to have the opportunity to meet you, since New Zealand under your leadership is playing an increasingly important role in the Pacific Area and in wider international forums.

Over the coming months we in the World Bank will be working hard to maintain and increase the flow of development assistance in the face of great uncertainty, and I know we can count on New Zealand's advice and support in this task.

With warm personal regards,

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

The Rt. Hon. Norman E. Kirk
Office of the Prime Minister
Parliament House
Wellington 1, New Zealand

491/5/64



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

OFFICE OF THE PRESIDENT

March 6, 1974

Dear Mr. Minister:

On return to Washington, I would like to express my warm thanks for all that you contributed towards the design of the Shahinshah's impressive proposal and Iran's commitment to international development. I would like to reiterate that this may be an initiative as important as the creation of the Marshall Plan. You should know that we in the Bank will do our utmost to see it fully realized.

Warm thanks also for your kind hospitality extended to me in Tehran and with hopes to see you soon again.

With best personal regards,

Sincerely,

A handwritten signature in dark ink, appearing to read "Robert S. McNamara", written in a cursive style.

Robert S. McNamara

His Excellency
Jamshid Amouzegar
Minister of Finance
Ministry of Finance
Tehran, Iran

491/5/63

March 6, 1974

Dear Ali:

It was a great pleasure to see you again, in particular in the setting of Indonesia and its traditional hospitality.

I am glad to have had the opportunity to meet with you at this important point in Indonesia's development. You should know that we in the Bank are as deeply committed as ever to assist your country towards the optimum use of resources for the benefit of all your people. I hope to see continued close cooperation between your Government and the Bank in working out the details of a new program under somewhat changed conditions.

With the hope to see you again in the not too distant future, Marg and I send both of you our warm personal regards.

Sincerely,
(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
Ali Wardhana
Minister of Finance
Ministry of Finance
Jakarta, Indonesia

ALjungh:mlee

491/5/59

MAR 6 1974

Dear Mr. President:

Thank you very much for your letter of February 4, 1974 (which I am afraid we did not receive until February 25) inviting me to attend the inauguration of the Barranquilla Bridge on April 6. We are pleased to have been associated with this project which will significantly improve communications on the North Coast.

I very much regret that other commitments make it impossible for me to be present. I have designated Mr. Carlos Quijano, Resident Representative of the Bank in Colombia, to represent the Bank at the inauguration.

Please accept the congratulations of myself and my colleagues on the successful completion of this important project.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
Miguel Pastrana Borrero
President of the Republic of Colombia
Bogota, Colombia

cc: Mr. McNamara's Office (2)
Mr. Alter
Mr. Wiese, Director, CPDII LAC
Mr. Zenick, Division Chief, CPDII LAC

Mr. Mapa, Alternate Executive Director

FSporon-Fiedler:pr
March 4, 1974

491/5/57

HIS EXCELLENCY
JAMSHID AMOUZEGAR
MINISTER OF FINANCE
MINISTRY OF FINANCE
TEHERAN

MARCH 5, 1974

TELEX

IRAN

REFERRING TO OUR RECENT DISCUSSIONS REGARDING BORROWING BY THE WORLD
BANK FROM IRAN, I PROPOSE THAT, IF CONVENIENT TO YOU, S. ALDEWERELD,
VICE PRESIDENT FOR FINANCE AND OTHER OFFICIALS ARRIVE IN TEHERAN ON
SATURDAY, MARCH 16 FOR FOLLOW UP MEETINGS. WOULD BE GRATEFUL FOR YOUR CABLED
ADVICE WHETHER PROPOSED DATE IS SATISFACTORY. BEST PERSONAL REGARDS

ROBERT S. MCNAMARA
INTBAPRAD

S. Aldewereld
Office, V.P. - Finance

cc: Mr. Rotberg

SA:JHb/RMCm:bum

491/56

MAR 5 1974

Estimado señor Presidente:

Tengo el agrado de acusar recibo de su carta del 11 de febrero de 1974 relacionada con el Cuarto Proyecto Ganadero que está a consideración del Banco. Me he enterado que, con posterioridad a su carta, su Gobierno ha tomado medidas con el fin de reducir las distorsiones que afectaban recientemente al sector ganadero, y que dignatarios de su Gobierno han sostenido conversaciones con funcionarios del Banco, llegando a un entendimiento sobre los puntos que se mencionan en su carta. En consecuencia, esperamos en breve plazo invitar a representantes de su Gobierno a negociar el Cuarto Proyecto Ganadero.

Antes de concluir, quisiera manifestarle lo bien impresionado que estoy con el éxito que su Gobierno ha logrado en estos últimos meses en materia de política fiscal, monetaria y de ingreso. Hago votos por que estas políticas continúen en el corriente año para así poder seguir cooperando en la importante labor de desarrollo del Paraguay.

Aprovecho esta ocasión para reiterarle la expresión de mi consideración mas distinguida.

Robert S. McNamara

Excmo. Señor
Alfredo Stroessner
Presidente de la República
Asunción, Paraguay

AJFavilla:erl
Typed 2/28/74

UNOFFICIAL TRANSLATION

Dear Mr. President:

I am pleased to acknowledge receipt of your letter of February 11, 1974 regarding the Fourth Livestock Project which is being considered by the Bank. I have been informed that following your letter, your Government has taken measures aimed at reducing the distortions which recently affected the livestock sector, and that officials of your Government have maintained talks with Bank staff, arriving at an understanding on the issues mentioned in your letter. As a result, we expect to invite shortly representatives of your Government to negotiate the Fourth Livestock Project.

Before concluding, I would like to indicate to you that I have been much impressed with the success your Government has had in recent months in respect of its fiscal, monetary and incomes policies. I am looking forward to a continuation of these successful policies in the current year and to further cooperation with you in the important development task that lies ahead in Paraguay.

I make use of this opportunity to express my appreciation to you.

Robert S. McNamara

General Alfredo Stroessner
President of the Republic
Asunción, Paraguay

UNOFFICIAL TRANSLATION OF LETTER TO MR. McNAMARA FROM PRESIDENT
STROESSNER, PARAGUAY, DATED FEBRUARY 11, 1974

Mr. Robert S. McNamara
President, World Bank
Washington, D.C.

I have the pleasure of addressing to you, and through you to the members of the Board, regarding the following:

My Government had the satisfaction of receiving the mission of the International Bank for Reconstruction and Development headed by Mr. Gunter K. Wiese, Director, LAG II, which included Messrs. Alberto Favilla, Division Chief, and Jorge Hay, economist, whose discussions with the Economic Council were very cordial.

During the above discussions, Mr. Wiese stated that to continue processing the Fourth Livestock Project it was essential that the Government of Paraguay abolish the quota system for the slaughtering season, with respect to the number of head of cattle for export (industrialization).

In line with this recommendation, Mr. Wiese suggested that the quota system be replaced by a temporary and flexible tax on beef exports. My Government considers that the quota system is indispensable to satisfy the requirements of domestic consumption and protect against depletion of the herds, taking into account the necessities of the meat-producing industry, but within reasonable limits.

However, my Government assumes the obligation to the study, in the future, of a system which would be in line with the above recommendation.

Considering the points discussed herein, I wish to request, in a very special way, the approval of the Fourth Livestock Project, for US\$12.5 million, since this financing will contribute to strengthen the infrastructure of our livestock which has the important role of increasing beef exports and strengthening the balance of payments.

Thanking you for your kind cooperation, I make use of this opportunity to express my appreciation to you.

(Sgd.) General of the Army,
Alfredo Stroessner
President of the Republic

491 / 5 / 88

March 15, 1974

MEMORANDUM FOR MR. WILLIAM CLARK
MR. JOHN MERRIAM

As you know, I am generally opposed to interviews which are to be published in "Question and Answer" form and interviews which are recorded.

Please obtain my permission before committing me to either of these.

Robert S. McNamara

RMcN:bmm