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THE WORLD BANK
Washington, D.C.

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PUBLIC DISCLOSURE AUTHORIZED

McNamara Papers

1977 (Apr.)

The Wright Bank Group
Archives



1771946

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President's papers - Robert S. McNamara Chronological files - (outgoing) - Chrons 59

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493/B/109

April 29, 1977

Dear Mr. Yaméogo:

I refer to your letter of April 21, 1977 relating to the proposal for the creation of an ACP Investment Bank.

In response to your earlier requests, I authorized the Bank Staff to provide you with technical assistance in evolving and defining the character and functions of this proposed institution, and I understand that you have now completed your "feasibility study" on this matter.

I note that you would now like to have the Bank Staff assess the proposal for an ACP Investment Bank and indicate whether it appears feasible and desirable to pursue its implementation further. It seems to me, however, in view of the stage to which this proposal has now been brought, that the feasibility and desirability of pursuing it further depends upon the attitudes of Governments, particularly those that would expect to supply the institution's resources. This becomes essentially a political decision, and I do not think it would be appropriate for the Bank Staff to make judgments or recommendations on the subject. If Governments reach a positive decision, I would be glad to consider further requests for technical assistance, including the provision of names of consultants who might help in formulating a definitive organizational and financial plan.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Antoine W. Yaméogo
Alternate Governor
International Monetary Fund
Washington, D.C. 20431

bcc: Mrs. Boskey
Mr. Chauffournier
Mr. Wapenhans

JBKnapp:isk

493/3/88

April 29, 1977

His Excellency
Willy Brandt
President
Sozialdemokratische Partei Deutschlands
Ollenhauerstrasse 1
5300 Bonn
Federal Republic of Germany

Dear Herr Brandt:

I am sending you the full text of a speech I gave last night on population which I hope will interest you as much in reading as it did me in preparing it. This is one of the biggest problems your Commission will have to face, and I hope that we can be helpful in suggesting persons (perhaps for the Secretariat) who can cope with the intricacies of the subject.


I understand that Sir Kenneth Berrill will not be available as Executive Secretary. I have been inquiring about alternatives for this key post, and can tell you that I have received very favorable reports on Andrew Shonfield, who is about to change from directing the Royal Institute of International Affairs in London to being a Professor at the European University at Florence. There is one new name to add to the list, an American, Ray Vernon. He is currently Professor of International Business Management at Harvard, and in the past has been intimately involved with the Harvard Advisory Group which has been instrumental in devising and managing development plans for such countries as Pakistan and Ghana. He has an excellent academic and practical knowledge of development, and is a good team manager.

I have had a talk with Jan Pronk this week while he was in Washington, and he has told me of his conversation with you. He stressed particularly the need to ensure Third World Support for the Commission, with which I am in full agreement. However, I would hesitate to suggest making the terms of reference more specific or more adapted to the terminology of the New International Economic Order (or for that matter to the terminology of Market Economy). It seems to me that the Commission would not want to appear to prejudge the issue of the means by which social and economic progress is to be accelerated in the developing countries. Indeed I believe the greatest contribution of your Commission will be to find a development policy that can obtain the genuine support of both the industrialized donors and the developing recipients.

But I do agree that gaining the support of the Third World (and of the major industrialized countries) is very important. I hope you may find it possible to consult with Perez Guerrero and Gamani Corea as well as van Lennep and perhaps Cheysson and Haferkamp at the E.E.C. Their suggestions on names for the Commissioners and the Secretariat could be very useful, but I am sure you will wish to retain the choice in your own hands.

With best wishes.

Sincerely,



Robert S. McNamara

Enclosure

WDClark:RMcN:mss

493 B/187

APR 28 1977

Dear Mr. Minister:

Thank you for your letter of April 15 regarding the proposed Industrial Credit Project for the Banco Nacional de Desarrollo. You will recall that I told you during our conversation at the Annual Meeting in Manila that our decision on this Project, including its timing, would depend principally on the performance of the Argentine economy.

Our recent economic mission has concluded that there are strong indications of continued rapid progress in rehabilitating the economy. The pace of industrial expansion is expected to accelerate further in the immediate future and, as a consequence, demand for investment funds will intensify. I am therefore pleased to inform you that we are convinced that a loan for this Project would serve an important need in your country. We think, at the same time, that advantage should be taken of the opportunity to mobilize important amounts of co-financing for this project along the lines mentioned in your letter. As soon as a firm understanding has been reached about co-financing, we plan to complete our processing of the Project and to present it to our Executive Directors, even if this means action on the loan before the end of this fiscal year.

With best personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Dr. Jose Alfredo Martinez de Hoz
Ministro de Economia
Hipolito Yrigoyen, 250
Buenos Aires, Argentina

PRScherer/JFKnapp:cps
Retyped 4/27/77
cc: Mr. McNamara's Office (2)
Mr. Knapp
Mr. Krieger

493/3/103

April 25, 1977

Dear Clarence:

Later this week in Cambridge I shall be speaking to an academic audience at M.I.T. on the world population problem. Knowing of your continued concern for issues of this kind and particularly of your understanding of the relationship between the population problem and successful development efforts, I am sending you an advance copy of my remarks. I will be grateful for any comments you may wish to share with me.

With best regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
Clarence Long
U. S. House of Representatives
Washington, D. C. 20515

Attachment

JEMerriam/RSMcNamara:bmm
April 25, 1977

493/3/182

April 25, 1977

Dear Mr. Powers:

Thank you for your letter of April 13, 1977, relating to the co-financing arranged by your Company for the project of the Guayaquil Port Authority in Ecuador. We, too, are pleased with the success of the co-financing effort and are very appreciative of the role of your Company in bringing it about.

The World Bank is actively engaged in exploring ways to stimulate investment by private sector sources, particularly those with long-term financing capability, in the developing countries. We believe that, through the co-financing with the World Bank of high priority projects in some of the countries to which we lend, these sources of funds can play an important role in the recipient countries' development. I recognize that some of the longer term investors might find it more attractive if the World Bank were to give a direct guarantee, and this idea has been seriously studied in the Bank for some time. However, the use of the guarantee authority would probably not enable a developing country to borrow long-term funds on terms as favorable as our own. Hence, we do not contemplate using this authority, except perhaps in some special circumstances. Incidentally, the Bank's staff have recently been in touch with some of the insurance companies which have indicated a keen interest in finding appropriate projects for co-financing with us without requiring a World Bank guarantee.

Despite our position on the direct guarantee, we would very much like to pursue the discussion of how we can develop new techniques for cooperation between the World Bank and the private sector through co-financing. I suggest that you contact Mr. J. Burke Knapp, Senior Vice President, Operations, who will be pleased to arrange for you and your staff to pursue these discussions with appropriate staff of the World Bank.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Mr. Robert A. Powers
Chairman of the Board
Smith Barney, Harris Upham & Co.
1345 Avenue of the Americas
New York, N. Y. 10019

RHornstein:JBKnapp: RMcN:mss

493 13/181

April 25, 1977

Dear Mr. Prime Minister:

I should like to thank you for the most helpful role played by Italy in the negotiations for the Fifth Replenishment of the International Development Association which have recently been concluded. The fact that Italy undertook the same share in the Fifth Replenishment as it had agreed in the Fourth, despite the substantial changes that have taken place in Italy's economic situation, was of very great help in persuading other countries to do the same.

I am hopeful that on the basis of advance contributions IDA will be able to start committing Fifth Replenishment resources in July of this year. In the meantime, IDA is continuing to extend credits out of the resources remaining from the Fourth Replenishment. Including Italy's contribution to the Fourth Replenishment of \$115 million at current exchange rates, IDA had resources available for commitment at the beginning of this year of about \$1,300 million. However, around the end of May all the resources other than Italy's contribution will have been committed. This means that very shortly, unless Italy's contribution to the Fourth Replenishment becomes available, IDA will cease to have resources to commit against the IDA projects that will be ready for approval in June and that remain to be funded from the Fourth Replenishment. I would very much appreciate it if you could give this matter your personal attention and see if Italy could formally notify IDA of its contribution to the Fourth Replenishment. Knowing Italy's strong support for IDA, I am anxious to avoid a situation where IDA operations appear to be interrupted by a delay in Italy's commitment to IDA.

Let me say again how much I appreciate Italy's support for IDA and the help Italy gave in the Fifth Replenishment negotiations.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
Giulio Andreotti
Prime Minister of Italy
Rome, Italy

IPMCargill/RSMcNamara:bmm

cc: Mr. Cargill

Dr. Rota

493 / 3 / 180

APR 23 1977

Dear Ed:

Next week I shall be speaking on the world population problem at M.I.T. I know this subject is one of particular interest to you and since I shall be speaking in Massachusetts, I hasten to send you an advance copy. I would be grateful for any comments you may wish to share with me.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
Edward W. Brooke
United States Senate
Washington, D.C. 20510

Attachment

JEM:rgw
April 22, 1977

493 B/K79

APR 23 1977

Dear Brad:

Thank you for your cable telling me that UNDP is about to prepay the balance remaining due to the World Bank on account of the 1976 deferred payments.

I am pleased, as I know you are, at this indication that UNDP's financial waters have become more smooth. You will remember that when UNDP prepaid, before the end of December 1976, the amounts which would have been due for the entire first quarter of 1977, the Executive Directors of the Bank were promptly informed. They will now be told that the UNDP obligation has been fully discharged.

With kind regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Bradford Morse
The Administrator
United Nations Development Programme
1 United Nations Plaza
New York, New York 10017

SEBoskey/rob

April 22, 1977

cc: Mr. Riley
Mr. Perch (Controller's Dept.)

493/3/77

APR 21 1977

Dear Brad:

Thank you for your letter of March 9, inviting the Bank to attend a meeting in Nairobi, in July, called to establish a mechanism for sustained support to the International Centre of Insect Physiology and Ecology (ICIPE).

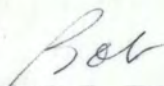
We are aware of the outstanding scientific work carried out by ICIPE, both in basic science on insects and in mission-oriented research in support of broader research programs on agriculture and some tropical disease vectors. As you know, in 1978 the Bank may well contribute, through its support for the Consultative Group on International Agricultural Research, to those aspects of the ICIPE program having direct relevance to foodcrop agriculture.

I appreciate that ICIPE is in need of direct funding over and above that which may be provided by the CGIAR to support its core program. Nevertheless, given the objective of the July meeting, I must decline the invitation to attend. The Bank is not providing direct financing, outside the framework of the CGIAR, to international agricultural research activities which are also funded directly or indirectly by the CGIAR itself.

As you requested, this letter is being copied to the Director of ICIPE.

With kind regards,

Sincerely,


Robert S. McNamara

Mr. Bradford Morse
The Administrator
United Nations Development Programme
1 United Nations Plaza
New York, New York 10017

CWeiss/SEBoskey/rob
April 20, 1977

Cleared by and cc: Messrs. Baum, Lee and Ritchie
cc: Director of ICIPE
Mr. Lejeune

493/3/175

APR 20 1977

Dear Mr. Gilligan:

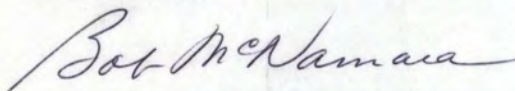
Thank you very much for your letter about the international commission on North-South issues. I am very glad to hear that you support the proposal.

I am interested in your feeling that Senator Humphrey would be a far better U.S. representative than Henry Kissinger. I have had some conversations with Willy Brandt since he accepted the Chairmanship of the commission, and I do not believe he has made up his mind as to whom he is going to ask to be Commissioners, since the establishment of the commission is dependent upon the outcome of the CIEC talks. However, I am very anxious that Mr. Brandt should be free to appoint the Commissioners whom he chooses, but equally that he should seek advice as to who will best serve his purpose. I am sure that he will be interested in your view.

I am sure the A.I.D. can be of great assistance to the Brandt Commission, and I hope that you yourself will have a chance to meet Willy Brandt in the not too distant future.

With best wishes,

Sincerely,



Robert S. McNamara

Mr. John J. Gilligan
The Administrator-designate
Agency for International Development
Washington D.C. 20520

WDClark:sf

493/3/174

APR 20 1977

Major General Mohamed Siad Barre
President
Somali Democratic Republic
Mogadiscio
Somalia

Dear Mr. President:

When Mr. Stanley Please met with you and Minister Herzi in July 1976, he informed you that I had agreed to your request to establish a World Bank resident office in Somalia. I am now pleased to introduce to you Mr. Cornelius Patrick Cacho, whom I have appointed to this post.

Mr. Cacho has been a staff member of the Bank since August 1969; first as a Country Economist in the Eastern Africa Region, and since 1973 as a Senior Planning Advisory Officer in our International Relations Department where he has been responsible in assisting member governments in establishing and recruiting staff for economic development planning teams and assisting governments in making the most effective use of these teams. He has been involved earlier in Bank operations in Somalia having been a member of our economic mission in November/December 1974. More recently, since his appointment as Resident Representative, Mr. Cacho has become involved in all of our operations and discussions with your Government. Before joining the Bank, he had extensive experience in the civil service of the Government of British Honduras (now Belize) including positions of Principal Assistant Secretary and Head of the Central Planning Unit in the Ministry of Finance and Economic Development. He has a Masters of Science in Economics from the University of London. He is a national of Belize, aged 50, and married with four children. I believe that Mr. Cacho's education, experience, temperament and his positive attitude towards challenges of economic development make him an excellent choice for the Resident Representative position in Somalia. Mr. Cacho is expected to take up his residence in Mogadiscio in late April.

In deciding to appoint a Resident Representative to Somalia, I have been greatly influenced by your Government's strong commitment to the socio-economic development of the Somali people and by the effectiveness of your efforts during the last several years. Mr. Cacho's assignment, and the presence of a World Bank Resident Mission, is expected to be for a period of three years. In the discharge of his responsibilities we would expect Mr. Cacho to have access to the members of your cabinet and other senior

Major General Mohamed Siad Barre

- 2 -

government officials. After about two years we plan, in cooperation with your ministers and officials, to evaluate the impact which the mission has had in the light of the purposes for which it was established.

I am confident that the coming years will see a further increase in cooperation between your Government and the World Bank, and I sincerely hope that the establishment of a Resident Mission in Somalia will help to accomplish this goal.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

WAWapenhans:tv
4/19/77

cc: Messrs. Cacho
Loh for Please
Tolley

For Mr. McNamara's Office (2)

493/3/173

April 20, 1977

Dear Barbara:

I am so glad to hear that you have been well enough to attend the S.I.D. Meeting in Rome, and I hope we shall see you on this side of the Atlantic before long. Marge and I hope that if you do come across that you will stay with us.

I am sending you an early copy of a speech I am going to make on April 28 about population. Much of it will be familiar to you, but I hope that you will be able to give to some wider public the sense of urgency that I know we both share about this topic. There does seem to me a possibility of achieving a reduction in fertility rates, but we shall have to rouse public opinion far more than it is roused today if we are to achieve an acceptable stable population for the world.

With all good wishes from Marge and myself.

Sincerely,

Bob

Robert S. McNamara

Lady Jackson
The Pound House
Lodsworth
Nr. Petworth,
Sussex, England.

WDCClark:sf

mm.

493/3/171

April 18, 1977

MEMORANDUM FOR MR. STERN

As we discussed on Friday, I understand that you believe the addition of three people to your administrative budget, as authorized by Burke, will not permit you to fully achieve your Regional Project Program in FY 78 or FY 79. However, for reporting purposes between now and July 1, you will report progress against Regional Program.

On July 1, if you continue to believe that it is impossible to achieve it with your authorized budget, I will increase the budget allowance by transferring personnel positions from the Contingency Allowance.

Robert S. McNamara

RMcN:mss

493/3/170

April 18, 1977

MEMORANDUM FOR MR. TIMOTHY KING

The Green Cover Economic Report for India dated March 14, 1977 states that on the basis of "best guess" projections, India will achieve a Net Replacement Rate of 1 in the year 2006 and a stationary population of 1133 million in the year 2071. As you may remember, Frejka projected India's stationary population at 1.4 billion if an NRR of 1 was achieved in the year 2000. Please reconcile the two estimates.

Frejka's estimate of India's stationary population, should the NRR of 1 be achieved in the year 2020 instead of 200, was 2 billion, an increase of 43% as a result of two decades of delay in achieving the NRR of 1. In contrast, the Economic Report referred to above shows an increase in stationary population of less than 6% as the result of a delay of one decade in achieving the Net Replacement Rate of 1. Please reconcile the two estimates of the effects of delay in achieving replacement level fertility.

Robert S. McNamara

cc: Mr. Stern

RMcN:mss

493/3/169

Office of the President

le 18 avril 1977

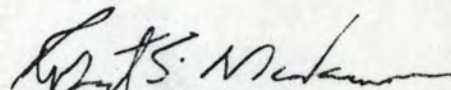
Monsieur le Président,

J'ai l'honneur d'accuser réception et de vous remercier de votre lettre en date du 25 mars 1977, par laquelle vous nous exprimez le souhait de voir la Banque Mondiale associée à la réalisation d'infrastructures nouvelles pour l'Office du Niger.

Permettez-moi tout d'abord, Monsieur le Président, de vous assurer que comme vous, nous attachons la plus haute importance à tout effort déployé pour prémunir l'économie de votre région contre les effets des aléas climatiques. Ainsi nos interventions dans le secteur agricole, notamment le projet Riz Mopti et certains sous-projets de notre crédit de secours à la sécheresse, visent à appuyer votre programme de réalisation d'aménagements hydro-agricoles.

Notre connaissance de l'Office du Niger étant très limitée, nous ne sommes pas encore en mesure de nous prononcer quant à une intervention éventuelle de la Banque Mondiale dans l'Office. Nous sommes conscients cependant du rôle important que l'Office peut jouer dans l'économie Malienne et nous vous proposons que la mission qui se rendra au Mali dans le cadre du projet Riz Mopti, en mai prochain, recueille toutes les données qui nous permettraient de mieux définir l'assistance que nous pourrions vous fournir. J'ai demandé à Monsieur Chauffournier, Vice-Président pour la Région Afrique de l'Ouest, d'examiner avec votre gouvernement toute assistance que notre organisation pourrait apporter pour la réalisation de ce projet qui est certainement d'une grande importance pour votre pays.

Je vous prie, Monsieur le Président, de croire à l'assurance de ma très haute considération.


Robert S. McNamara

Son Excellence
Colonel Moussa Traoré
Président du Gouvernement
de la République du Mali
Bamako, Mali

TRANSLATION

RAssa/fcd
April 14, 1977

His Excellency Moussa Traoré
President of the Government of
the Republic of Mali
Bamako, Mali

Dear Mr. President:

I thank you for your letter dated March 25, 1977 in which you mention that you would like the World Bank to be associated with the implementation of new infrastructure works for the Office du Niger.

Allow me first, Mr. President, to assure you that we too attach the greatest importance to any effort made to protect the economy of your region against the effects of the weather. Thus, our involvement in the agricultural sector, particularly in the Mopti Rice Projet and various subprojects under our Drought relief credit, aims at supporting your irrigation program.

As our knowledge of the Office du Niger is quite limited, we are not yet able to reach a decision regarding a possible involvement of the World Bank in the Office du Niger. However, we are aware of the significant role that the Office can play in the Malian economy and would propose that the mission scheduled to visit Mali in May 1977, for the purpose of the Mopti Rice Projet, gather all the necessary data that would enable us to better determine the kind of assistance we might provide. I have requested Mr. Chaufournier, Vice-President for the Western Africa Region, to discuss with your Government any assistance that our organization could provide for the implementation of this project which undoubtedly is very important for your country.

Sincerely,

Robert McNamara

TRANSLATION

Republic of Mali
The President

The President
IBRD
Washington, D.C.

Bamako, March 25, 1977
No. 83/PG

Dear Mr. President:

On several occasions the Minister of Rural Development, Mr. Sori Coulibaly, has mentioned to World Bank officials that my Government is very interested in carrying out a number of new agricultural development projects.

Discussions on this subject have been held in Washington, and more recently in Bamako during the missions of Mr. Meimaris and Mr. Wright.

One of the main topics discussed was the implementation of a large-scale irrigation project with which Mali would like the World Bank to be associated. Note was taken of this proposal in the letter of December 6, 1976 from Mr. A. Gué, of the Western Africa Projects Department.

This possibility is now the subject of my present request, and I have the honor to submit for your consideration the execution of new infrastructure works by the Office du Niger, in particular an irrigation network based on the construction of a new canal, the Costes canal.

Why the Office du Niger?

As you are aware, because of the periodic droughts suffered by the countries of the Sahel, there has been a resurgence of interest in the vast potential offered by the Central Delta of the Niger river with its abundance of land and water resources. The exploitation of these resources could lead to successful development as well as insuring against the return of these periodic catastrophes.

The fact is that Mali, while offering many other natural resources, has very few places where it is possible to ensure the permanent water supply that is essential to the proper growth of crops and to high yields. This is why the Five-Year Plan has assigned priority to irrigation schemes, in particular the far-reaching projects of the Office du Niger.

But while it is indisputable that immense potential resources exist and will be further amplified and stabilized through construction of the Sélingué dam, the use of these resources depends on the existence of large-scale technical facilities that will permit the harmonious interplay of these two factors of production (land and water). Our country is unfortunately unable to finance such technical facilities.

Only by using such means can we ensure that the program will be executed successfully and that it will be possible to introduce and diversify out-of-season crops that will considerably increase the system's productivity.

Why do we need other projects? Why the Costes canal?

Although it is true that the improvements that have been underway for the past half century have not yet been exploited to the full (an argument which might discourage new investments), this is now happening thanks to the production-intensification programs in progress: leveling operations and irrigation management have improved, the use of fertilizer (still too sparing) is becoming more extensive, and control of the weeds that attack the oldest rice plantations has been made more effective.

For those who know the Office du Niger, and a glance at the map will make this clear, the almost total abandonment of the vast hinterland of Kala Supérieur to allow for improvements "at the end of the canal" seems at first sight to represent an anomaly.

What has happened is that the improvement works have rightly been oriented first of all to the natural depressions formed by the "falas" of Molodo and Sansanding, which rise above the neighboring land and allow for gravity irrigation.

For obvious reasons of economy and good sense, the scheduling of the works has assigned priority to these zones, but this does not mean that the Office du Niger promoters have neglected the middle areas (zones médianes), as these also offer certain advantages in terms of water saving and soil content.

Hence the proposed 20-km "Costes" canal (named after its promoter), which would serve as a "backbone" allowing for total gravity irrigation of 68,000 net hectares. Construction of this canal has been deferred, firstly because of the order of priorities, and secondly for financial reasons.

The management of the Office is well aware of the importance of this project, especially since the canal would be able to water by gravity the Dougabougou and Siribala sugar plantations, where irrigation by pumping is currently causing serious problems.

You are aware of the importance that Mali attaches to its sugar projects, which is well justified by constantly rising consumption and the large saving on foreign exchange that would be achieved through meeting its own needs.

It goes without saying that implementation of such a project demands financing of the magnitude and continuity that cannot be better assured than by the World Bank.

The foregoing briefly summarizes the project I have the honor to submit for your consideration. I should be obliged if all necessary contacts could be arranged through your good offices.

I thank you in advance, and beg you to accept the assurance of my highest consideration.

signed Colonel Moussa Traore

N° 83 / 100

Bamako, le 25 MAR 1977

19

Le Président du Gouvernement

à Monsieur le Président de la Banque Internationale
pour la Reconstruction et le Développement
1 918 H. STREET
N.W. WASHINGTON D.C. 20.433 (U.S.A.)

Monsieur le Président,

Au cours de divers entretiens, le Ministre du Développement Rural Mr. Sori COLLIBALY a eu l'occasion de faire part aux instances de la Banque Mondiale, de la préoccupation de mon Gouvernement de voir réaliser de nouveaux projets de développement agricole.

C'est ainsi que les autorités de la B.I.R.D. en ont été informées à Washington, et plus récemment à Bamako à l'occasion des missions effectuées par MM. MEYHARIS et WRIGHT.

Il était fait mention notamment, au cours de ces entretiens, de la réalisation d'un important projet hydro-agricole auquel le Mali souhaiterait voir associée la Banque Mondiale, intention dont a bien voulu prendre acte le Département des Projets de l'Afrique de l'Ouest par la lettre de Monsieur A.GUE du 6 Décembre 1976.

.../...

Tel est l'objet de la présente requête par laquelle j'ai l'honneur de soumettre à votre bienveillante attention la réalisation d'infrastructures nouvelles à l'Office du Niger, et plus particulièrement d'un réseau d'irrigation à partir d'un canal à créer, le canal COSTES.

Pourquoi l'Office du Niger ?

Comme vous le savez, la sécheresse qui a désolé périodiquement les pays de Sahel a donné un regain d'intérêt à ce vaste potentiel que constitue le Delta Central du fleuve Niger en raison des énormes disponibilités en terres et en eau qu'il recèle, et dont la mobilisation représente une chance réelle de développement en même temps qu'une assurance contre le retour de ces calamités périodiques.

En effet, dans cette nature malienne si prodigue par ailleurs, rares sont les sites où peut être assurée la permanence de l'eau, condition indispensable à la sécurité de la récolte et à ses hauts rendements. Aussi le Plan Quinquennal a-t-il souligné la prééminence des aménagements hydro-agricoles, et tout particulièrement ceux permettant d'atteindre une maîtrise totale de l'irrigation, en particulier l'Office du Niger.

Mais si à l'évidence, des immenses ressources potentielles existent et seront encore amplifiées et sécurisées par les travaux du barrage de Sélingué, leur utilisation nécessite cependant de considérables moyens techniques pour conjurer harmonieusement ces deux facteurs de production que constituent la terre et l'eau, moyens que ne peuvent malheureusement financer les ressources du pays.

Ce n'est qu'à ce prix que sera assurée la bonne exécution d'un programme et que notamment pourront être envisagées l'implantation et la diversification de cultures de contre-saison susceptibles d'intensifier dans de notables proportions la productivité du système.

Pourquoi d'autres aménagements ? Pourquoi le canal Costes ?

.../...

S'il est vrai que cette oeuvre considérable que représentent les réalisations effectuées depuis un demi-siècle n'est pas encore valorisée à son optimum (argument qui pourrait aller à l'encontre de nouveaux investissements), cela est en voie d'être accompli, grâce aux programmes en cours pour intensifier la production ; le planage des terres et la conduite de l'irrigation sont améliorées ; la fertilisation encore trop parcimonieusement utilisée est en voie d'être généralisée, la lutte contre les adventices qui infestent les rizières les plus anciennes est rendue plus efficace.

Pour qui connaît l'Office du Niger, et un simple examen de la carte suffit à s'en rendre compte, l'abandon quasi total du vaste hinterland que constitue le KALA SUPERIEUR au profit d'une mise en valeur "en bout de canal", présente à priori une anomalie.

C'est qu'avec raison, la mise en valeur s'est attachée tout d'abord aux dépressions naturelles que constituent les "falas" de Molodo et de Sansanding, qui dominent les terres avoisinantes et permettent une irrigation gravitaire.

Pour des motifs évidents d'économie et de bon sens, la priorité dans l'échelonnement des travaux a été donnée à ces zones, mais les promoteurs de l'Office n'ont pas délaissé pour autant les zones médianes, conscients qu'ils étaient de leurs avantages sur le plan de l'économie de l'eau et de la valeur pédologique des sols.

C'est ainsi qu'a été conçu le projet "Costes" (du nom de son promoteur), véritable épine dorsale au sens propre, qui permettrait sur 20 km l'irrigation gravitaire totale de 68.000 ha nets, mais dont la réalisation a dû être remise pour des raisons de priorité d'abord, financières ensuite.

L'intérêt de ce projet n'a pas davantage échappé à la Direction actuelle de l'Office, sensibilisée d'autre part aux graves problèmes que pose l'irrigation par pompage dans les casiers sucriers de Dougabougou et Siribala, et que ce canal permettrait d'alimenter par gravité.

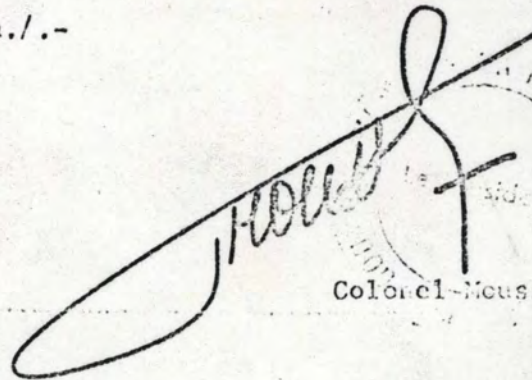
Or vous connaissez l'importance qu'attache le Mali à la réalisation de ses objectifs sucriers, justifiés par une consommation sans cesse en expansion, et l'importante économie en devises que représenterait l'autorisation des besoins nationaux.

.../...

Il va évidemment sans dire que la réalisation d'un tel projet nécessite un financement d'une ampleur suffisante et d'une continuité assurée dont ne pourrait mieux s'accommoder que la B.I.R.D.

Tel est, brièvement identifié, le projet que j'ai l'avantage de soumettre à votre examen, et pour lequel je vous serais particulièrement obligé des contacts que vous voudrez bien provoquer par l'intermédiaire de vos services.

Je vous exprime par avance mes remerciements, et vous prie de bien vouloir agréer, Monsieur le Président, l'assurance de ma très haute considération./.-


Colonel-Moussa TRAORE.-

493/3/168

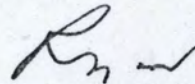
Office of the President

April 14, 1977

MEMORANDUM FOR MR. DAMRY

I have reviewed the FY78 budget proposals for your Department and for the Executive Directors, Development Committee and Annual Meetings, and I have agreed to the recommendations put forward by P & B with one exception. As we discussed, I propose to include only 3 new positions for staff of Executive Directors.

This year's budget decisions have been taken against a background of substantial price and overhead increases and rising criticism of our costs of operation by certain governments. In this environment we must pay even greater attention to finding efficiency gains, and I trust that you will keep your own activities under constant review with this in mind.



Robert S. McNamara

cc: Mr. Cargill
Mr. Gabriel

493/3/167

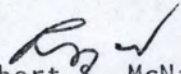
Office of the President

April 14, 1977

MEMORANDUM FOR MR. QURESHI

I have reviewed the FY78 work program and budget proposals for IFC, and I have agreed to the recommendations put forward by P & B. I also agree that if IFC recruiting progresses rapidly and it appears that the volume of business will be near the upper end of the range forecast, I shall be prepared to consider an increase in IFC's recruitment authority at mid-year.

This year's budget decisions have been taken against a background of substantial price and overhead increases and rising criticism of our costs of operation by certain governments. In this environment we must pay even greater attention to finding efficiency gains, and I trust that you will keep your own activities under constant review with this in mind.


Robert S. McNamara

cc: Mr. Cargill
Mr. Gabriel

493/3/466

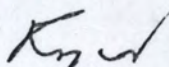
Office of the President

April 14, 1977

MEMORANDUM FOR MR. WEINER

I have reviewed your FY78 work program and budget proposals, and have agreed to the recommendations put forward by P & B. I believe that the manpower and budgetary allocations provided are adequate to carry out the agreed program of activities for the coming year.

This year's budget decisions have been taken against a background of substantial price and overhead increases and rising criticism of our costs of operation by certain governments. In this environment we must pay even greater attention to finding efficiency gains, and I trust that you will keep your own activities under constant review with this in mind.



Robert S. McNamara

cc: Mr. Cargill
Mr. Gabriel

493/3/165

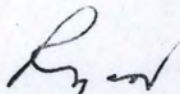
Office of the President

April 14, 1977

MEMORANDUM FOR MR. CHADENET

I have reviewed your FY78 work program and budget proposals, and have agreed to the recommendations put forward by P & B for each of the organizational units under your responsibility. I believe that the manpower and budgetary allocations provided are adequate to carry out the agreed program of activities for the coming year.

This year's budget decisions have been taken against a background of substantial price and overhead increases and rising criticism of our costs of operation by certain governments. In this environment we must pay even greater attention to finding efficiency gains, and I trust that you will keep your own activities under constant review with this in mind.


Robert S. McNamara

cc: Mr. Cargill
Mr. Gabriel

493/3/164

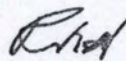
Office of the President

April 14, 1977

MEMORANDUM FOR MR. CLARK

I have reviewed the FY78 work program and budget proposals sent forward by P & B and your "appeal." I have concluded that the resources recommended by P & B for each of the organizational units under your responsibility are adequate to carry out the agreed program of activities for the coming year.

This year's budget decisions have been taken against a background of substantial price and overhead increases and rising criticism of our costs of operation by certain governments. In this environment we must pay even greater attention to finding efficiency gains, and I trust that you will keep your own activities under constant review with this in mind.



Robert S. McNamara

cc: Mr. Cargill
Mr. Gabriel

493/3/163

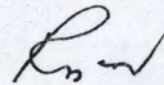
Office of the President

April 14, 1977

MEMORANDUM FOR MR. CARGILL

I have reviewed your FY78 work program and budget proposals, and have agreed to the recommendations put forward by P & B for each of the organizational units under your responsibility. I believe that the manpower and budgetary allocations provided are adequate to carry out a reasonable program of activities for the coming year.

This year's budget decisions have been taken against a background of substantial price and overhead increases and rising criticism of our costs of operation by certain governments. In this environment we must pay even greater attention to finding efficiency gains, and I trust that you will keep your own activities under constant review with this in mind.



Robert S. McNamara

cc: Mr. Gabriel

493/3/162

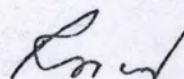
Office of the President

April 14, 1977

MEMORANDUM FOR MR. BROCHES

I have reviewed your FY78 work program and budget proposals, and have agreed to the recommendations put forward by P & B. I believe that the manpower and budgetary allocations provided are adequate to carry out a reasonable program of activities for the coming year.

This year's budget decisions have been taken against a background of substantial price and overhead increases and rising criticism of our costs of operation by certain governments. In this environment we must pay even greater attention to finding efficiency gains, and I trust that you will keep your own activities under constant review with this in mind.



Robert S. McNamara

cc: Mr. Cargill
Mr. Gabriel

Dr. Mc Namara

493/3/161

April 14, 1977

Dr. H. Mahler
Director-General
World Health Organization
1211 Geneva 27
Switzerland

Dear Halfdan:

I am writing to you with respect to WHO's Special Programme for Research and Training in Tropical Diseases. This letter is addressed specifically to the request which you and Brad Morse have made, that the Bank join WHO and UNDP as a co-sponsor of the Programme and that it serve as fiscal agent for the Tropical Diseases Research Fund out of which it is intended that most of the costs of the Programme will be met.

In my letter of November 23, 1976, I said that I was prepared in principle to propose to the Bank's Executive Directors that the Bank agree to serve in this capacity. It was then my understanding that this was the wish of all the governments which, at that time, appeared likely to contribute to the financing of the Programme. But, as you know, at a meeting of potential donors in Geneva last December, representatives of some Bank member countries raised questions concerning the necessity for a Bank role. I am glad to learn that these questions have now been satisfactorily resolved, and that all of the potential donors wish the Bank to participate in the Programme.

I am, therefore, ready to make an appropriate recommendation to the Executive Directors. Before doing so, however, I would like to be sure that you, Brad Morse and I have the same understanding of the nature and extent of the role the Bank would play.

As you can understand, the Bank does not co-sponsor an international undertaking unless it believes that it has the competence, capacity, and authority to take an active part in direction and management. I appreciate that the administrative structure of the Programme is still under review. Indeed, Bank staff have been working with staff of WHO and UNDP in designing the administrative, as well as the technical, structure of the Programme, and expect to continue their consultations. I assume, however, that the final arrangements will be essentially similar to those reviewed by the Bank last month. On that assumption, I would expect that the Bank would participate along with the other co-sponsors in the proposed "Standing Committee," which would review the annual plan of action and budget for the Programme prepared by WHO as the executing agency, and which would make proposals for the financing of the Programme for the ensuing budget period. I would also expect that

the Bank would be represented on the proposed "Joint Coordinating Board," to be composed of the representatives of the sponsoring agencies, governments, and intergovernmental or non-profit organizations contributing to the resources of the Programme or providing non-financial support, which would decide on the planning and execution of the Programme and would approve the budget.

In the role of fiscal agent, the Bank would undertake to set up and manage the Tropical Diseases Research Fund to which governments and others would direct their financial contributions. It would not, however, undertake to engage in fund-raising for the Programme, and I understand that such is not your intention. I appreciate that some WHO member countries, non-members of the Bank, would not be able or willing to contribute to a Bank-administered fund. These countries will therefore make their contribution to WHO's Voluntary Fund for Health Promotion, which will not be administered by the Bank. I see no problems of principle in this, and I am sure that satisfactory arrangements can be worked out to deal with the problem of divided responsibility for the Programme's financial resources, provided that, as I understand it, contributions to the Voluntary Fund are expected to represent only a small part of the Programme's total funding.

The Bank would also be prepared to participate actively in the socioeconomic research aspect of the Programme. As you know, Bank staff have already contributed in a preliminary way to a working paper and participated in the formulation of terms of reference for the research endeavor. The Bank was also host recently to an informal working group established by WHO to define further the objective, strategy and studies to be undertaken. The Bank attaches great importance to this aspect of the Programme, which is closely identified with our own economic development objectives.

As I have said to you before, the Bank fully appreciates the tremendous potential of the Programme and what it can mean for the developing countries. But given the complexity of the undertaking and its magnitude, in terms both of cost and duration, it is essential, as I am certain you will agree, that it be expertly managed. If the Programme is not, not only will the expected results fail to be achieved but the sponsoring agencies will have lent their prestige to an unsuccessful undertaking on a world-wide scale.

Therefore, I would want to be able to inform the Bank's Board when I recommend that the Bank serve as a co-sponsor, that the Programme will be placed under the over-all day-to-day executive direction of an individual of international stature with recognized organizational and managerial ability. The role I see as being essential is that of chief executive, accountable to you and to the JCB for the Programme's total management. This managerial function should be separate from the scientific direction of the biomedical research efforts, which is carried out with the assistance of the Scientific and Technical Advisory Committee. I am confident that you, Brad Morse and I will be able to agree on the selection of such an individual.

I would be glad to receive from you confirmation of the correctness of my understanding of the role the Bank would be expected to play as co-sponsor and fiscal agent, as well as the requested assurance concerning executive responsibility for the Programme. With these in hand, I would promptly proceed with Board submission.

I am sending a copy of this letter to Brad Morse.

It was good to see you in Paris, albeit briefly.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

cc: Mr. B. Morse, Administrator, UNDP

JALee/SEBoskey/WCBaum:on

493/3/160

April 14, 1977

MEMORANDUM FOR MR. CLARK

Would it be possible, without burdening the staff unduly, to arrange for a brief report (no more than a page) to be sent to you, with a copy to me, from each Bank staff member attending an international meeting summarizing what you and I should know about that meeting?

R McN

Robert S. McNamara

RMcN:bmm

493/3/159

April 14, 1977

MEMORANDUM FOR MR. CARGILL

IBRD disbursements for FY77 were forecast at three billion two hundred eleven million dollars. It now appears they will be approximately \$400 million less. Why?

R McNamara

Robert S. McNamara

cc: Mr. Knapp

193/3/158

April 13, 1977

MEMORANDUM FOR MR. CLARK

I noticed that the FY78 External Relations budget proposal includes \$50,000 for a contribution to the start-up costs of "Development Forum" and an indication that if the trial run is successful, additional expenses of \$700,000 will be required in FY78. Before initiating the trial run, please present a proposal to me indicating why, in the event the trial run is successful, we should spend a total of \$750,000 in FY78 for this purpose.

(Signed) Robert S. McNamara

Robert S. McNamara

cc: Mr. Cargill
Mr. Gabriel

RMcN:bmm

493/3/157

The President

April 6, 1977

His Excellency
Dr. Jan P. Pronk,
Minister for Development
Cooperation,
Lange Houtstraat 36,
The Hague,
Netherlands.

Dear Jan,

First let me thank you for giving up your time on Monday evening and for entertaining me so well. I will not soon forget Amsterdam on a spring night under a full moon.

I would like in this letter to summarize what I understand to be our approach to the organization and financing of the "Brandt Commission", if it is established, as we both hope, after the C.I.E.C. meeting in Paris in May.

The Commission on Development (the "Brandt Commission") will consist of a group of private persons, approximately 12 in number, drawn equally from the developed and developing countries, under the chairmanship of Willy Brandt.

The members of the Commission will be selected by the Chairman. They will be persons internationally recognized as eminent political and economic leaders, and as open-minded and free from government instruction.

It will be the task of the Commission, under its Chairman, to formulate recommendations for action by developed and developing country governments which would lead to an acceleration of social and economic progress in the developing countries, and which would find broad political support among the public and in the legislatures of both the developed and developing countries. The Commission will be an independent body, and its members, as a group, will have sole and complete responsibility for their recommendations.

./.

His Excellency
Dr. Jan P. Pronk

- 2 -

April 6, 1977

The structure and machinery of the Commission will be both simple and flexible. There will be a full-time, international Secretariat of highly-qualified development economists, headed by an Executive Secretary. The Executive Secretary will be chosen by, and be responsible to, the Chairman of the Commission.

The program of work of the Commission will be determined by the Chairman and members of the Commission, in consultation with the Executive Secretary. The Commission will meet at such times and places, and for such periods, as the Chairman determines. The work of the Commission is expected to be completed within 12 to 18 months from the date when the Commission formally begins operations, and the Commission's recommendation will be embodied in a published report.

The projected staffing, administrative and operational requirements of the Commission (including compensation, travel expenses, publications and translation costs, etc.) are estimated at \$2 million - \$2.5 million. These will be met out of a Trust Fund, comprised of voluntary contributions by governments, international public and private institutions and public and private national organizations. All contributions received will be deposited in a bank account in the name of the Trust Fund, which will be established and administered by the Chairman and used only for the purposes of the Commission. The Chairman shall have authority to enter into commitments and to draw against the Trust Fund. The Chairman shall render an accounting of contributions to, receipts of and disbursements from the Fund to all donors at the close of the Commission's work.

We further discussed the practicalities of setting up the Trust Fund so as to ensure the maximum participation of sponsors and the minimum interference with the independence of the Commission. I asked you if your Government could act as guarantor of last resort, and very generously you said that:

- a. Your Government would be prepared to bear 50% of the cost of the Commission.
- b. On the understanding that the matter would be held in confidence, your Government would guarantee the availability of funds sufficient to finance the entire cost, if necessary.

./.

His Excellency
Dr. Jan P. Pronk

- 3 -

April 6, 1977

You and I would, of course, use our best endeavours to obtain contributions from several suitable sources; this should finally permit your contribution to be reduced to one half of the total.

I would be grateful for your confirmation of the financing arrangements referred to in the paragraph above.

Again let me thank you for your generous cooperation in this as in so many other efforts to improve the world development effort.

Sincerely,

Robert S. McNamara

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

WD Clark : RS McNamara : gb

493/3/156

APR 12 1977

Monsieur le Président,

Je vous remercie vivement de votre lettre du 15 mars 1977, et des commentaires très aimables que vous avez bien voulu faire sur les positions que j'ai prises au sujet de l'aide au développement et de son orientation lors de notre Assemblée Générale de Manille.

Comme vous me le demandez, je vous adresse ci-joints quelques exemplaires en français et en anglais du texte de mon discours.

Je profite de cette occasion pour vous redire combien j'apprécie personnellement l'appui que vous accordez à l'oeuvre que la Banque Mondiale souhaite poursuivre non seulement au Sénégal mais dans l'ensemble du Tiers-Monde.

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

(Signed) Robert S. McNamara

Robert S. McNamara

Son Excellence Monsieur Léopold Sédar Senghor
Président de la République du Sénégal
Dakar, Sénégal

JCBrown/ja
April 6, 1977

cc: for Mr. McNamara's Office (2).
Messrs. Razafindrabe
Chaufournier
de la Renaudière

493/3/155

APR 7 1977

Dear Clai:

Thank you for sending along your statement on Senate Resolution 118. I very much appreciate your continued support for multilateral assistance. It is one of the reasons why IDA and the Bank continue to be able to do their job. Please let me know if I can be of assistance to you in your good work.

Best regards,

Sincerely,

Robert S. McInamara

The Honorable Claiborne Pell
United States Senate
Washington, D.C. 20510

JEMerriam:rgw
April 4, 1977

493/3/154

TELEX
620160 OCDE PARIS

APRIL 7, 1977
2001

ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT
PARIS, FRANCE

FOR SECRETARY GENERAL VAN LENNEP AAA WILLY BRANDT WAS VERY PLEASED
TO HEAR YOU WERE INTERESTED IN TALKING WITH HIM ABOUT THE QUOTE
BRANDT COMMISSION UNQUOTE. I TOLD HIM YOU WOULD CALL TO ARRANGE
AN APPOINTMENT. I MOST ENJOYED OUR EVENING TOGETHER AND WILL LOOK
FORWARD TO SEEING YOU IN WASHINGTON LATER THIS MONTH. WITH BEST
WISHES, ROBERT S. MCNAMARA INTBAFRAD

Robert S. McNamara

Robert S. McNamara

493/3/153

Class of Service: **TELEX**

Date: **APRIL 7, 1977**

Telex No.:

Originators Ext: **2001**

12

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HERE

1 TO

INTERNATIONAL DEVELOPMENT RESEARCH CENTER

CITY/
COUNTRY

OTTAWA, CANADA

MESSAGE
NO.:

MR. DAVID HOPPER, PRESIDENT AAA REPEATED BELOW IS THE STATEMENT I READ TO YOU OVER THE TELEPHONE RELATING TO THE ORGANIZATIONAL AND FINANCIAL STRUCTURE OF THE BRANDT COMMISSION QUOTE BBB THE COMMISSION ON DEVELOPMENT (THE QUOTE BRANDT COMMISSION UNQUOTE) WILL CONSIST OF A GROUP OF PRIVATE PERSONS, APPROXIMATELY 12 IN NUMBER, DRAWN EQUALLY FROM THE DEVELOPED AND DEVELOPING COUNTRIES, UNDER THE CHAIRMANSHIP OF WILLY BRANDT CCC THE MEMBERS OF THE COMMISSION WILL BE SELECTED BY THE CHAIRMAN. THEY WILL BE PERSONS INTERNATIONALLY RECOGNIZED AS EMINENT POLITICAL AND ECONOMIC LEADERS, AND AS OPENMINDED AND FREE FROM GOVERNMENT INSTRUCTION. DDD IT WILL BE THE TASK OF THE COMMISSION, UNDER ITS CHAIRMAN, TO FORMULATE RECOMMENDATIONS FOR ACTION BY DEVELOPED AND DEVELOPING COUNTRY GOVERNMENTS WHICH WOULD LEAD TO AN ACCELERATION OF SOCIAL AND ECONOMIC PROGRESS IN THE DEVELOPING COUNTRIES, AND WHICH WOULD FIND BROAD POLITICAL SUPPORT AMONG THE PUBEC AND IN THE LEGISLATURES OF BOTH THE DEVELOPED AND DEVELOPING COUNTRIES. THE COMMISSION WILL BE AN INDEPENDENT BODY, AND ITS MEMBERS, AS A GROUP, WILL HAVE SOLE AND COMPLETE RESPONSIBILITY FOR THEIR RECOMMENDATIONS. EEE THE STRUCTURE AND

21 END
OF
TEXT

/c

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SUBJECT:

DRAFTED BY:

ROBERT S. McNAMARA:brb

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AUTHORIZED BY (Name and Signature):

ROBERT S. McNAMARA

**CC: Mr. Drake-Executive Director
Mr. Clark - Vice President-
External Relations**

DEPARTMENT:

PRESIDENT

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Date: **APRIL 7, 1977**

Page **2**

Telex No.:

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12

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CITY/
COUNTRY
MESSAGE
NO.:

MACHINERY OF THE COMMISSION WILL BE BOTH SIMPLE AND FLEXIBLE. THERE WILL BE A FULL TIME, INTERNATIONAL SECRETARIAT OF HIGHLY QUALIFIED DEVELOPMENT ECONOMISTS, HEADED BY AN EXECUTIVE SECRETARY. THE EXECUTIVE SECRETARY WILL BE CHOSEN BY, AND BE RESPONSIBLE TO, THE CHAIRMAN OF THE COMMISSION. FFF THE PROGRAM OF WORK OF THE COMMISSION WILL BE DETERMINED BY THE CHAIRMAN AND MEMBERS OF THE COMMISSION, IN CONSULTATION WITH THE EXECUTIVE SECRETARY. THE COMMISSION WILL MEET AT SUCH TIMES AND PLACES, AND FOR SUCH PERIODS, AS THE CHAIRMAN DETERMINES. THE WORK OF THE COMMISSION IS EXPECTED TO BE COMPLETED WITHIN 12 TO 18 MONTHS FROM THE DATE WHEN THE COMMISSION FORMALLY BEGINS OPERATIONS, AND THE COMMISSION'S RECOMMENDATION WILL BE EMBODIED IN A PUBLISHED REPORT. GGG THE PROJECTED STAFFING, ADMINISTRATIVE AND OPERATIONAL REQUIREMENTS OF THE COMMISSION (INCLUDING COMPENSATION, TRAVEL EXPENSES, PUBLICATIONS AND TRANSLATION COSTS, ETC.) ARE ESTIMATED AT DOLLARS 2 MILLION TO DOLLARS 2.5 MILLION. THESE WILL BE MET OUT OF A TRUST FUND, COMPRISED OF VOLUNTARY CONTRIBUTIONS BY GOVERNMENTS, INTERNATIONAL PUBLIC AND PRIVATE INSTITUTIONS AND PUBLIC AND PRIVATE NATIONAL ORGANIZATIONS. ALL CONTRIBUTIONS RECEIVED WILL BE DEPOSITED IN A BANK ACCOUNT IN THE NAME OF THE TRUST FUND, WHICH WILL BE

21 END
OF
22 TEXT

/c

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Page 3

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ESTABLISHED AND ADMINISTERED BY THE CHAIRMAN AND USED ONLY FOR THE PURPOSES OF THE COMMISSION. THE CHAIRMAN SHALL HAVE AUTHORITY TO ENTER INTO COMMITMENTS AND TO DRAW AGAINST THE TRUST FUND. THE CHAIRMAN SHALL RENDER AN ACCOUNTING OF CONTRIBUTIONS TO, RECEIPTS OF AND DISBURSEMENTS FROM THE FUND TO ALL DONORS AT THE CLOSE OF THE COMMISSION'S WORK. HHH TO ASSIST IN MEETING THE COST OF CARRYING OUT THE WORK OF THE COMMISSION AS DESCRIBED ABOVE, THE (BLANK SPACE) AGREES TO MAKE A TOTAL CONTRIBUTION TO THE TRUST FUND OF U.S. DOLLARS (BLANK SPACE) EQUIVALENT. PAYMENT OF THE (BLANK SPACE) CONTRIBUTION SHALL BE MADE, IN PROPORTION TO THE PAYMENT OF OTHER CONTRIBUTORS, AT SUCH TIMES AS THE CHAIRMAN OF THE COMMISSION SHALL DESIGNATE. ANY FUNDS REMAINING IN THE TRUST FUND, UPON COMPLETION OF THE WORK OF THE COMMISSION, SHALL BE RETURNED TO THE DONORS IN PROPORTION TO THEIR CONTRIBUTIONS UNQUOTE III I AM HAPPY YOU FEEL THE PROJECT IS MOVING ALONG WELL AND I AM EVEN MORE PLEASED TO KNOW THAT YOU WILL TRY TO BE BACK WITH THE FIVE HUNDRED THOUSAND COMMITMENT BY APRIL 15 AND IF NOT BY THAT DATE THEN EARLY IN MAY. WITH BEST WISHES, ROBERT S. MCNAMARA INTBAFRAD

END
OF
TEXT

NOT TO BE TRANSMITTED

SUBJECT:

DRAFTED BY: *R.S. McNamara* *4/7*

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493/3/152

Mr. Gavra Popovic, Alternate Executive Director

April 7, 1977

Robert S. McNamara, President

YUGOSLAVIA: Novi Sad International Agricultural Fair

1. I refer to your memorandum to me dated March 30, 1977 on the above subject. First of all, I would like to take the opportunity to convey, through you, to the organizers of the Novi Sad Fair our congratulations for utilizing the fair, not only as a venue for promoting exports of agricultural machinery and related items from Yugoslavia, but using the opportunity for assisting developing countries, in concert with the other efforts of the Yugoslav authorities, in introducing new and appropriate agricultural technology.
2. I would be happy to contribute an article on the role of the Bank in supporting agricultural development for the fair's publication "The Struggle for Food".
3. As regards the request for World Bank financing for the new exhibition hall, you will undoubtedly appreciate that this has to be considered in the context of the overall scarcity of Bank resources and, hence, the deployment of such resources as are available for our membership in general, as well as for Yugoslavia, need to be weighed against the benefits generated by, and needs of, other activities that can be supported.
4. In reviewing the proposal from the point of view of prospective Bank financing two significant aspects stand out. The fair is a financially viable operation and the main support emanates from, and the main advantages accrue to, enterprises in Yugoslavia and overseas which manufacture, exhibit and sell their products. It is not inconceivable that these enterprises which benefit significantly from the facilities of the exhibition should be asked, and would be able, to finance the cost of additional facilities required at the fair. The other point to be noted, is that the project essentially consists of civil works which one can reasonably expect would be carried out by Yugoslav contractors and, hence, largely involve local expenditures. Given this prima facie evidence of alternative sources of financing and essentially local currency financing requirements, I do not believe that a detailed appraisal would provide a case for financing by the Bank.
5. Notwithstanding our inability to provide financial support, I wish to reiterate how very much we appreciate this specific endeavour to assist developing countries, as we do Yugoslavia's consistent and valuable support for the cause of development and the role of the Bank in that effort.

Cleared with (para. 2) and cc: Mr. Bahl (IPA)
Cleared with and cc: Messrs. Pajmans, Knox
GKaji/llj
April 1, 1977

(Signed) Robert S. McNamara

4913/3/150

APR 1 1977

Dear Mr. Minister:

I am writing to thank you for your letter dated March 9 which I regret not responding to earlier saying that you would be prepared to recommend to your Government an amount additional to the £5 million Ireland is contributing to the Fifth Replenishment of IDA. Subsequently, I was happy to learn that at the meeting in Vienna your Deputy was able to say that Ireland would contribute an additional amount as part of the collective effort in bringing the total from traditional donors to \$7.2 billion, and I warmly appreciated your cable of March 29 confirming the additional contribution. I have reason to believe that the remaining unallocated amount in the \$7.2 billion total will in fact be found from other donors and it is most helpful that Ireland can participate in this collective effort.

I fully understand the difficult economic prospects facing Ireland to which you referred in your letter and I regard Ireland's total contribution to IDA-5 of \$10 million as proof that every effort was made by you personally and by your Government towards making the Replenishment a success. Thank you again for your support.

With kind regards.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

The Honourable
Richie Ryan
Minister for Finance
Department of Finance
Upper Merrion Street
Dublin 2, Ireland

cc Mr. Earl Drake

493/3/149

APR 1 1977

S.E. il Prof. Gaetano Stammati
Ministro del Tesoro
Ministero del Tesoro
Via XX Settembre
Roma
Italy

Dear Mr. Minister:

In the negotiations recently concluded on the Fifth Replenishment of the International Development Association (IDA), Italy committed itself, subject to legislative approval, to contribute an amount of US\$ 295.9 million.

I hope it will be possible for Italy to give IDA commitment authority for this amount early in IDA's fiscal year starting July 1, 1977. However, the cash outlays will take place over the much longer period during which credits made under the Fifth Replenishment are disbursed. The drawings on the contribution of any individual country are made pro rata so that cash outlays are shared in proportion to their contributions by all donors.

Our best estimate is that drawings on Italy's contribution to the Fifth Replenishment would take place as follows:

FY78	\$ 8.0 m.	FY82	\$46.2 m.	FY86	\$11.8 m.
FY79	\$39.3 m.	FY83	\$35.5 m.	FY87	\$ 8.3 m.
FY80	\$50.3 m.	FY84	\$24.0 m.	FY88	<u>\$ 8.0 m.</u>
FY81	\$47.6 m.	FY85	\$16.9 m.	Total	\$295.9 m.

The balance of payments impact of these outflows will be, according to our estimates, offset by the export orders obtained by Italian industry arising from Fifth Replenishment credits. Italy has secured about four percent of procurement arising under IDA disbursements so far, and if this proportion is maintained, the net effect of IDA operations on Italy's balance of payments will be neutral.

I would like to take this opportunity to thank the Italian authorities for the support they have given the International Development Association in the negotiations for the Fifth Replenishment. Italy is making a major contribution to the success of the Replenishment exercise despite Italy's own economic difficulties. This will be seen by other countries as firm evidence of Italy's desire to assist the poorest countries and to improve the climate of the North/South dialogue. I am most grateful for your support.

Best regards.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

cc: Mr. Giorgio Rota
Executive Director

cc: Mr. McNamara's office (2)

Cleared with and cc: Mr. Cargill
Mr. Nurick
Mr. Diamond
Mr. Chang, Controller's

FVibert/lmh

693/3/148

April 1, 1977

Dear Mr. Vail:

Your recent letter to Mr. McNamara arrived on the eve of his departure for Europe.

He therefore asks if you could please direct your inquiry concerning his management of the Bank to either:

Mr. William Clark
Vice President for External Relations
477 - 2466

or

Mr. John Merriam
Director, Information and Public Affairs
477 - 2468.

Both of these gentlemen work closely with him, and have done so since he has headed the Bank.

Sincerely,

B.M.M.

Blanche M. Moore
Secretary to
Mr. McNamara

Mr. Thomas V. H. Vail, Jr.
2130 P Street, N. W.
Washington, D. C. 20037

cc w/cy of Vail ltr:
Mr. Clark
Mr. Merriam

Mr. McNamara's
office
XX (2)

493/3/147

TO BE SENT ONLY ON MARCH 29, 1977

APRIL 1, 1977
~~MARCH 29, 1977~~

HIS EXCELLENCY
SHEIKH MOHAMMED ABALKHAIL
MINISTER OF FINANCE AND NATIONAL ECONOMY
RIYADH
SAUDI ARABIA

5754
TELEX

EYE AM PLEASED TO INFORM YOU THAT THE INTERNATIONAL DEVELOPMENT
ON
ASSOCIATION'S (IDA) EXECUTIVE DIRECTORS HAVE TODAY, MARCH 29, 1977
APPROVED THEIR REPORT TO THE BOARD OF GOVERNORS OF IDA AND ADOPTED
A RESOLUTION ON ADDITIONS TO IDA'S RESOURCES (FIFTH REPLENISHMENT)
AMOUNTING TO THE EQUIVALENT OF MORE THAN U.S. \$7.6 BILLION BY BOTH
THE TRADITIONAL DONORS AND THE NEW CONTRIBUTORS STOP EYE WOULD LIKE
PERSONALLY AND ON BEHALF OF THE POOREST MEMBER COUNTRIES TO EXPRESS
THANKS AND APPRECIATION FOR YOUR PERSONAL, KEEN EFFORTS AND YOUR
GOVERNMENT'S COOPERATION IN THIS MOST WORTHY INTERNATIONAL ENDEAVOUR
OF FIGHTING POVERTY AND HELPING THE POOR HELP THEMSELVES OUT OF MISERY
BY INCREASING THEIR PRODUCTIVE CAPACITY STOP EYE TRUST THAT AMONG THE
COUNTRIES WHICH RECENTLY ACQUIRED NEW FINANCIAL STRENGTH, THE KINGDOM
OF SAUDI ARABIA WILL CONTINUE TO PLAY A GENEROUS LEADING ROLE IN THE
FIELD OF ECONOMIC DEVELOPMENT AID ON A WORLDWIDE BASIS STOP
WARM REGARDS

ROBERT S. MCNAMARA
PRESIDENT, INTBAFRAD

SELFishawy/rh

Robert S. McNamara

Saad S. El Fishawy

President

cleared with and cc: Mr. Cargill
cc: Messrs. Diamond/Vibert
Nurick

493/3/146

APR 1 1977

Dear Mr. Iglesias:

Thank you very much for your letter dated March 18, 1977 in which you invite the World Bank to be represented as observer at the Seventeenth Session of ECLA, that will be held in Guatemala City, from April 25 to May 5, 1977.

I am pleased to inform you that Mr. Carlos N. Quijano, Special Representative for Inter-American Organizations of the Latin America and the Caribbean Region, will represent the Bank.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Enrique V. Iglesias
Executive Secretary
United Nations
Economic Commission for Latin America
Casilla 179 D
Santiago, Chile

CNQuijano:bg

CC: For Mr. McNamara's Office (2)
Messrs. Krieger
Quijano
Burney