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THE WORLD BANK
Washington, D.C.

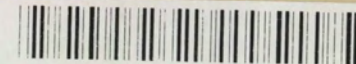
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McNamara Papers

1973 (Jul. - Aug.)
Vol. 36

The World Bank Group
Archives



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President's papers - Robert S. McNamara Chronological files - (outgoing) - Chron 36

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491/1/75

AUG 27 1973

Dear Mr. Eklund:

Thank you very much for your letter of August 10th. The Bank is pleased to have been associated with your Agency's Market Survey for Nuclear Power in Developing Countries. It is clear that the Survey will afford them a keener insight into the role nuclear power is destined to play in the solution of their energy problems. The opportunities for its appropriate application appear to be near at hand among many of the larger nations in the developing world, and the Bank will continue to be a close interested observer of this evolution.

In acknowledging your letter and your generous evaluation of the Bank's contribution, I am afforded the opportunity to express the respect of the Bank staff for the IAEA survey team, and in particular its dynamic leader, Mr. O. B. Falls. I am aware from the reports of my staff who have been associated with your endeavors of the high standards to which the work was carried out and of the far-reaching significance its message holds for the developing world.

Sincerely,
(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Sigvard Eklund
Director General
International Atomic Energy Agency
Karntner Ring 11
P. O. Box 590
A-1101 Vienna, AUSTRIA

FHHowell:pfa
August 20, 1973

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

491/1/73

AUG 17 1973

Dear Dr. Mahler:

Thank you very much for your letter inviting us to send a representative to your meeting to discuss the progress of your expanded program of research development and research training in human reproduction. This is a subject of great interest to us, and we welcome the opportunity to participate again. Although I cannot, at this time, indicate who our representative will be, as with the 1972 meeting, it will be a member of our Population and Nutrition Projects Department. I suggest, therefore, that you send the documentation and further correspondence relating to the meeting to the Director, Dr. K. Kanagaratnam. Dr. Kanagaratnam will provide the name of our representative as soon as possible.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

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

Cleared in substance: Mr. Baldwin

cc: Messrs. Chenery
Kanagaratnam
T. King

TKing/EStern:lm
August 17, 1973

491/1/71

HIS EXCELLENCY VEERASAMY RINGADOO
ACTING PRIME MINISTER
PORT LOUIS

AUGUST 17, 1973

FULL RATE

MAURITIUS

MR. KOCHMAN, EXECUTIVE DIRECTOR OF THE BANK GROUP FOR MAURITIUS HAS CONVEYED TO ME THE CONTENT OF YOUR CABLE DATED AUGUST 8 WHEREBY YOUR GOVERNMENT HAS INVITED ME TO VISIT MAURITIUS STOP AS I HAVE MENTIONED TO KOCHMAN I ACCEPT WITH PLEASURE THIS INVITATION AND LOOK FORWARD TO VISITING MAURITIUS AFTER THE NAIROBI ANNUAL MEETING STOP KOCHMAN AND HUSAIN WILL MAKE APPROPRIATE ARRANGEMENTS AND WILL INFORM YOU OF THE EXACT DATES OF ARRIVAL AND DEPARTURE FROM MAURITIUS STOP PLEASE ACCEPT MY WARMEST THANKS FOR YOUR KIND INVITATION STOP

ROBERT S. McNAMARA
PRESIDENT
INTRAFRAD

Mr. Robert S. McNamara
President

cc: Messrs. Kochman
Bell
Husain
H.E. Pierre Guy Balancy,
Ambassador

JDR:let:rp

August 17, 1973

TRANSLATION

HIS EXCELLENCY ALBERT MARIE RAMAROSON
MINISTER OF FINANCE & ECONOMY
TANANARIVE

MADAGASCAR

PLEASED ACKNOWLEDGE RECEIPT OF YOUR CABLE INVITING ME TO PAY OFFICIAL VISIT
TO MADAGASCAR STOP AS I HAVE MENTIONED TO YOUR MINISTER OF FOREIGN AFFAIRS,
AND TO YOUR AMBASSADOR, AS WELL AS TO YOUR EXECUTIVE DIRECTOR KOCHMAN
I AM PLEASED TO ACCEPT YOUR INVITATION AND WISH TO THANK YOU WARMLY STOP AS
SUGGESTED THE VISIT WILL TAKE PLACE IMMEDIATELY AFTER THE NAIROBI ANNUAL
MEETING STOP MESSRS. KOCHMAN AND HUSAIN ARE PRESENTLY MAKING THE NECESSARY
ARRANGEMENTS AND SHALL INFORM YOU OF THE EXACT DATES OF THE VISIT [SINCERELY
YOURS]

ROBERT S. MCNAMARA
PRESIDENT
INTBAFRAD

49219/70

SON EXCELLENCE ALBERT MARIE RAHAROSON
MINISTRE DES FINANCES ET ECONOMIE
TANANARIVE

AUGUST 17, 1972

17 FULL RATE

MADAGASCAR

HONNEUR ACCUSER RECEPTION DE VOTRE CABLE M'INVITANT A ME RENDRE EN VISITE
OFFICIELLE A MADAGASCAR STOP COMME JE L'AI INDIQUE A VOTRE MINISTRE DES
AFFAIRES ETRANGERES ET A VOTRE AMBASSADEUR AINSI QU'A VOTRE ADMINISTRATEUR
MONSIEUR KOCHMAN J'ACCEPTS AVEC PLAISIR VOTRE INVITATION ET VOUS EN REMERCIE
CHALEUREUSEMENT STOP COMME SUGGERE CETTE VISITE SE SITUERA IMMEDIATEMENT APRES
L'ASSEMBLEE ANNUELLE DE NAIROBI STOP MM. KOCHMAN ET HUSAIN SONT EN TRAIN DE
METTRE SUR PIED LES ARRANGEMENTS NECESSAIRES ET VOUS INFORMERONT DES DATES
PRECISES DE LA VISITE STOP VEUILLEZ AGREER MONSIEUR LE MINISTRE L'EXPRESSION
DE MA HAUTE CONSIDERATION

ROBERT S. MOHANARA
PRESIDENT
INTBAPRAD

~~Monsieur~~ Robert S. Mohanara

President

cc: Messrs. Kochman, Ball, Husain
Son Excellence Henri Raharijaona,
Ambassadeur

Madagascar - General
JDRoulet:fln

Translation of the Outgoing letter

Dear Governor:

I am writing to thank you warmly for your letter dated July 26, 1973, inviting me to attend the opening ceremony for the Central Bank of Mauritania.

Much as I would have liked to be with you on that occasion, I am unfortunately unable to visit Mauritania at that time because my very heavy schedule and the preparation of the Annual Meeting of the World Bank's Governors will keep me in Washington.

May I take this occasion to send you my very best wishes for success of this new institution which, I am sure, will contribute effectively to the development of Mauritania.

Sincerely etc.

Robert S. McNamara

491/1/68

AUG 14 1973

Monsieur le Gouverneur,

Je vous remercie bien vivement de votre lettre du 26 juillet 1973 et de votre aimable invitation à assister à l'inauguration de la Banque Centrale de Mauritanie.

J'aurais beaucoup aimé me trouver parmi vous à cette occasion mais je ne pourrai malheureusement pas me rendre en Mauritanie à cette date, car un calendrier particulièrement chargé et la préparation de l'Assemblée Annuelle des Gouverneurs de la Banque me retiendront à Washington.

Permettez-moi de vous exprimer mes vœux les plus sincères pour le succès de cette nouvelle institution qui, j'en suis certain, contribuera avec efficacité au développement de la Mauritanie.

Je vous prie d'agréer, Monsieur le Gouverneur, l'assurance de ma haute considération.

(Signed) Robert S. McNamara
Robert S. McNamara

Monsieur Ahmed Ould Daddah
Gouverneur,
Banque Centrale de Mauritanie
Nouakchott
Mauritanie

JLenfant/AGué:cs
August 13, 1973

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

UNOFFICIAL TRANSLATION

Dear Mr. Minister:

I wish to thank you for your letter of July 23 and for your interest in the research work performed by Mr. Goreux' team on the Ivorian economy.

We gladly accept the principle of a cooperation between our Research Center and your Ministry in the preparation of the next Plan. We would, therefore, be pleased to have Mr. Goreux attend the working sessions that you are planning to hold in Abidjan in October.

As far as our participation in the next preparatory phases of the Plan is concerned, I would suggest that it be examined in the global framework of our economic work on the Ivory Coast. Mr. Chaufournier will certainly have the opportunity to discuss this with you and His Excellency Minister Konan Bédié at the Annual Meeting in Nairobi.

Sincerely,

Robert S. McNamara

491/1/67

For Mr. McNamara's office

AUG 14 1973

Monsieur le Ministre,

Je vous remercie bien vivement de votre lettre du 23 juillet et de l'intérêt que vous portez aux travaux de recherche effectués par l'équipe de M. Coreux sur l'économie ivoirienne.

C'est avec plaisir que nous acceptons le principe d'une coopération entre notre Centre de Recherches et vos services dans la préparation du prochain Plan. Aussi, nous serions très heureux de voir M. Coreux participer aux réunions de travail qui auront lieu à Abidjan en octobre.

En ce qui concerne notre participation aux phases suivantes de la préparation du Plan, je suggère qu'elle soit examinée dans le cadre d'ensemble de notre travail économique sur la Côte d'Ivoire. M. Chauffournier aura certainement l'occasion d'en discuter avec vous et avec Son Excellence le Ministre Konan Bédié lors de la réunion annuelle à Nairobi.

Je vous prie de croire, Monsieur le Ministre, à l'expression de ma haute considération.

(Signed) Robert S. McNamara

Robert S. McNamara

Son Excellence
Monsieur Mohamed T. Diawara
Ministre du Plan
Abidjan, Côte d'Ivoire

ARGué:tp

8/13/73

cleared with and cc. Mr. Caus
cc. Mr. Kochman

499/1/66

AUG 14 1973

Dear Mr. Tazi:

I read with interest your letter of June 30 concerning the recent Conference of Mediterranean development finance companies in Tunis. I much appreciated your kind words concerning our support and the contribution Mr. Gustafson has made to the Conference.

I wish this group the best in its future endeavours. It will have the continued interest of the Bank Group and Mr. Benjenk has asked Mr. Hans Pollan, Chief of the Development Finance Companies division of the E.M.E.N.A. Regional office to be the normal contact in the Bank for the new grouping.

With best regards,

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Mr. Abderrahman Tazi
16, rue Pilote Masset
Casablanca
Morocco

cc: Messrs. Benjenk, Gustafson

HPollan:MPBenjenk/db

491/1/65

Mr. A. H. Boerma,
Director-General
FAO
Via delle Terme di Caracalla
Rome-00100
Italy

AUG 13 1973

Dear Ad:

I welcome your letter and the initiatives proposed by the FAO Council to promote world food security. We share with you the concern that world grain stocks have been substantially depleted, leaving developing countries in a precarious position to feed their peoples in the event of major crop disasters. Furthermore, this situation appears likely to persist for some time. We agree that some arrangements for international cooperation are necessary to assure that the tight food supplies are used to advantage in averting a major disaster which well could arise if there are further shortfalls in production without provision for the orderly distribution of the available food supplies in the world.

Under these circumstances the development of an improved world-wide information system on stocks, production prospects and potential shortfalls which can supply current information quickly is essential to provide critical time to deal with emerging contingencies and to adjust national production plans to the extent conditions may allow. We also feel that there is an urgent need to improve the effectiveness of existing international machinery to deal promptly and at reasonable cost with the considerable logistical problems involved in transporting and distributing food supplies to areas hit by natural or man-made calamities.

The establishment of national food stocks could also be an important step toward protecting minimum food needs, particularly for those developing nations vulnerable to crop failures and with large populations to feed. However, for at least the near term, short supplies and high world prices would make it difficult to do so with imported grain. Political and economic considerations are such that, for most developing nations, any program for the establishment and maintenance of food stocks would have to depend substantially on domestic production.

Thus the immediate concern is an aspect of the larger, persistent problem of the unsatisfactory performance of agriculture in many developing countries. As FAO statistics clearly document even prior to recent misfortunes, the trend of food production has left little margin to improve diets or to generate surpluses to create national food reserves. In the light of this, the central

commitment of the Bank Group has been directed toward improving the overall performance of the agricultural sector. For the foreseeable future Bank operations will continue to be focused on raising output, especially on the basic unit of production in many countries - the small farm. To this end the Bank Group will continue to undertake a wide range of activities including those that are related to improving storage and marketing facilities.

Recently Bank Group lending activities have included an increasing component for food storage facilities. Since early 1971, five projects for grain storage involving Bank Group financing of about US\$120 million have been approved. In the case of three countries (Philippines, India, and Brazil), the main intent was to provide operational or seasonal grain storage in producing areas. The Philippines project also includes improvements in processing facilities for paddy, the main food crop in the Philippines. The two projects approved in 1973 (Bangladesh and Iraq) made provision for the special needs for reserve stocks and facilities to handle imports. The Bangladesh project also includes elements for training of personnel in operation of silos; establishment of an infestation control program, and provision for a feasibility study for a second grain storage project. Both the Bangladesh and the India projects include provision for feasibility studies for additional grain storage projects.

The Bank can thus be a direct avenue of financing of storage facilities. To date the storage facilities which we have financed were to provide adequate capacity to meet seasonal fluctuations. National food policies may well require capacity beyond that so that the country can deal with some contingencies. However, the extent to which such reserves should be held nationally raises a number of issues. The cost of holding emergency stocks nationally is relatively high compared to holding such stocks internationally; to determine the appropriate balance we need to know more about the costs of alternative national and international approaches to food reserves. The question is important since maintaining national food stocks in an individual country to meet all foreseeable emergencies, would be costly, particularly if the incidence of crop failures was relatively infrequent.

We agree with the FAO Council that there has to be more economic analysis before firm decisions can be reached on the most appropriate form of national or international reserves for safeguarding against major food emergencies. We believe that it is a matter of some urgency that such an analysis be undertaken. For our part we are prepared to cooperate in any effort to study the complex issues involved. These include an analysis of the probabilities of food shortages and crop failures, the comparative costs of various schemes to safeguard against disasters, the techno-economic issues involved in storage in the tropics, the appropriate conditions for triggering the release of food stocks for an emergency as well as other factors related to defining stock policy and stock management.

We believe that the UNDP might be the appropriate source for financing a multi-agency approach for a study of this kind. We welcome any opportunity to assist FAO in organizing and undertaking such a study; we look forward too, to examining the possible role of the Bank Group in combating hunger in the light of the findings of the study. We see no problems in principle in

financing reserve storage facilities in our borrowing countries, including possibly the food stocks themselves as part of the overall project, provided of course that such projects meet our customary standards of technical and economic justification.

In the interim, the Bank is in a position where it can reinforce to a significant extent the proposed improved intelligence system. We intend to work with interested parties to this end; we also intend to give additional emphasis in our economic and agricultural sector surveys in countries with persistent food problems (such as India, Indonesia, Bangladesh, Egypt, the Philippines, and Sri Lanka) on their food situations, supply-demand trends, and their variations and the requirements for national reserves. (We recognize that the improvement of food production statistics in developing countries remains an unfinished task to which FAO must continue to contribute.)

Over the longer run we see providing policy guidance and financing of the physical facilities as the areas which the Bank Group is best equipped to assist. We expect to double our lending for agricultural development in the next five years.

The Bank Group is pleased to participate in the meeting you have called for September 21. I am designating Mr. Yudelman, Director of the Agriculture Department, who attended the earlier meeting, to represent the Bank again and to maintain close liaison thereafter.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

cc: Messrs. Stern and Baum

MYudelman:go

491/1/63

AUG 13 1973

Dear Dr. Inayatullah:

Thank you for your invitation to deliver the Keynote Address at the Regional Conference being organized by the Family Planning Association of Pakistan. Unfortunately the dates of your meeting coincide with the dates of the Annual Meetings of the Boards of Governors of the World Bank Group. It is therefore not possible for me to accept.

With my best wishes for a successful conference,

Sincerely,

((Signed) Robert S. McNamara

Robert S. McNamara

Dr. Attiya Inayatullah
Executive Vice-President
and Convenor
Family Planning Association
of Pakistan
21-D, Birdwood Road
Lahore, Pakistan

cc: Mr. McNamara's Office (2)
Central Files with incoming letter

SEBoskey:mmcd
August 10, 1973

691/1/62

August 10, 1973

Dear Mr. Özal:

Thank you for your letter containing both kind remarks and wise reflections and suggestions on the Bank's activities in the mining sector. They will be of value in the formulation of Bank policy in this field.

Please accept my best wishes on your return to Turkey after valuable service in the Bank.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Turgut Özal
International Bank for Reconstruction
and Development
Washington, D.C.

491/1/61

AUG 10 1973

Dear Governor:

I wish to acknowledge your letter of July 30, 1973, informing me that you have proposed to the members of your group (Austria, Belgium, Luxembourg and Turkey) the candidacy of Mr. Jacques de Groot to succeed Mr. André van Campenhout as Executive Director of the World Bank and the International Monetary Fund. We have greatly appreciated the long and wide experience and the wise counsel of Mr. van Campenhout. We look forward to meeting Mr. de Groot and to the continuation of the close relations that have existed between Belgium and the World Bank Group.

At the time of Mr. van Campenhout's resignation from his post as Executive Director in the Bank, we will institute the procedure required under the Bank's Articles of Agreement for the election of his successor.

You also reverted to the desire you had expressed to me in March to see more Belgian nationals in the higher echelons of the Bank. I share your desire and you may rest assured that the claims of our Belgian staff will not be overlooked when opportunities for promotion arise.

I look forward to talking with you again in Nairobi next month.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Son Excellence
Monsieur W. De Clercq
Vice Premier et Ministre
des Finances
Rue de la Loi, 12
B-1000 Bruxelles, Belgique

DDFowler/RAClarke/hmf

491/1/59

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

AUG 10 1973

Dear Mr. Boerma:

Thank you for your letter of July 26 in which you invite the Bank to participate in the proposed inter-agency survey to determine the post-harvest food aid needs of the Sahelian countries. The problems of these countries are of major concern to us, and we welcomed the indication given to us by Mr. Huyser of the FAO/IBRD Cooperative Program during his recent visit to Washington that such a survey would be mounted.

We propose that the Bank should be represented on the inter-agency team by Mr. Raphael Meda, an Upper Volta citizen, who is a loan officer in our Western Africa Regional Office.

I would appreciate receiving further details of the survey as early as is convenient.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. A. H. Boerma
Director-General
Food and Agriculture Organization
of the United Nations
Via delle Terme di Caracalla
00100 Rome
Italy

cc: Messrs. Chauffournier
de la Renaudiere
Wright
Rowe
Meda

RRowe:fw
August 8, 1973

491/9/58

August 9, 1973

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

Dear Dr. Mahler:

As you know, I attach great importance to the effort in which you and we, along with the UNDP and FAO, are engaged, to finance and carry out the campaign against onchocerciasis in the Volta River Basin. It occurs to me that as the campaign advances, it might be desirable to name as chairman of whatever permanent intergovernmental consultative machinery is established to support and review the program, a person of high international standing not formally associated with any of our agencies. The person that immediately comes to my mind is Dr. Candau, whose interest in the subject is intense and continuing, and who has indicated to me through private channels that after a period of rest and a few months to take up some private affairs, he would be willing to consider some further service to the international community.

Of course, we do not know exactly what form this consultative machinery will take. However, we have pretty clear indications already that the contributing governments would not want to see a new international entity established, but would prefer to work through an informal group similar, perhaps, to the Consultative Group for International Agricultural Research. It would be my thought to ask Dr. Candau to assume the chairmanship of such a group. I am sure that if the four of us agree, such an initiative would be warmly welcomed by the principal contributing governments as well as by the governments of the countries in which the program will be carried out.

It is likely to be several months before we know what form the intergovernmental group will take, but as I suspect that there will be other demands on Dr. Candau's time, I would like to have your agreement to approach him to ask if he would be prepared to reserve some

Dr. Halfdan Mahler

- 2 -

August 9, 1973

time for this assignment. It will not be onerous, as I should think it unlikely that the group would meet more than twice a year and, of course, we would continue to provide supporting staff assistance to the chairman, as I assume you would do, to the extent necessary, in your sphere of responsibilities.

I am sending identical letters to Dr. Boerma and Mr. Petersen.

Sincerely,

Robert S. McNamara

MLHoffman:m1
August 7, 1973

cc: Mr. McNamara's files (2)

499/1/57

August 9, 1973

Mr. Rudolph A. Peterson
Administrator
United Nations Development Programme
366 United Nations Plaza
New York, New York 10017

Dear Rudy:

As you know, I attach great importance to the effort in which you and we, along with WHO and FAO, are engaged, to finance and carry out the campaign against onchocerciasis in the Volta River Basin. It occurs to me that as the campaign advances, it might be desirable to name as chairman of whatever permanent intergovernmental consultative machinery is established to support and review the program, a person of high international standing not formally associated with any of our agencies. The person that immediately comes to my mind is Dr. Candau, whose interest in the subject is intense and continuing, and who has indicated to me through private channels that after a period of rest and a few months to take up some private affairs, he would be willing to consider some further service to the international community.

Of course, we do not know exactly what form this consultative machinery will take. However, we have pretty clear indications already that the contributing governments would not want to see a new international entity established, but would prefer to work through an informal group similar, perhaps, to the Consultative Group for International Agricultural Research. It would be my thought to ask Dr. Candau to assume the chairmanship of such a group. I am sure that if the four of us agree, such an initiative would be warmly welcomed by the principal contributing governments as well as by the governments of the countries in which the program will be carried out.

It is likely to be several months before we know what form the intergovernmental group will take, but as I suspect that there will be other demands on Dr. Candau's time, I would like to have your agreement to approach him to ask if he would be prepared to reserve

Mr. Rudolph A. Peterson

- 2 -

August 9, 1973

some time for this assignment. It will not be onerous, as I should think it unlikely that the group would meet more than twice a year and, of course, we would continue to provide supporting staff assistance to the chairman, as I assume you would do, to the extent necessary, in your sphere of responsibilities.

I am sending identical letters to Dr. Mahler and Mr. Boerma.

Sincerely,

Robert S. McNamara

MLHoffman:ml
August 7, 1973

cc: Mr. McNamara's files (2)
Mr. E.P. Wright, Dir., CP I, W. Africa

491/155

AUG 9 1973

Dear Professor Primo:

I appreciate your invitation to address the Madrid Congress on Food Science and Technology but, unfortunately, the proximity of your meeting to the Annual Meetings of the Boards of Governors of the World Bank Group of institutions makes it impossible for me to accept.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Professor E. Primo
Chairman Executive Committee
IV International Congress of
Food Science and Technology
Instituto de Agroquímica y
Tecnología de Alimentos
Jaime Roig 11
Valencia 10, Spain

cc: Mr. McNamara's Office (2)

Central Files with incoming letter

MLHoffman:mmcd
August 7, 1973

491/1/55

Office of the President

AUG 9 1973

Dear Mr. Secretary:

The International Bank for Reconstruction and Development proposes to borrow an aggregate principal amount, not exceeding \$170,000,000, in markets outside the United States of America through an issue of Two Year Bonds of the Bank. The bonds are to be dated September 15, 1973 and to mature September 15, 1975. The interest rate of the bonds has not yet been determined.

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 borrowing by the Bank in markets outside the United States of America of such amounts as may be raised by the issue of not exceeding \$170,000,000 aggregate principal amount of bonds. 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: for Mr. McNamara's Office (2)

Cleared with and cc: Mr. Mwine, Legal Dept.

cc: Messrs. Sethness, Executive Director
Aldewereld, Vice President - Finance
Rotberg, Treasurer
Gabriel, Controller
Hittmair, Deputy Treasurer
Deely/Sec.Div.Files

DEHarris:ktp
August 7, 1973



Record Removal Notice



File Title President's papers - Robert S. McNamara Chronological files - (outgoing) - Chrons 36	Barcode No. 1771905
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Document Date No date.	Document Type Letter
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Correspondents / Participants
To: William W. Scranton
From: Robert S. McNamara

Subject / Title
Regarding Mr. Astrain's appointment as Secretary General of INTELSAT.

Exception No(s).
 1
 2
 3
 4
 5
 6
 7
 8
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 10 A-C
 10 D
 Prerogative to Restrict

Reason for Removal
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Additional Comments

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Withdrawn by Shiri Alon	Date Nov 19, 2012
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Record Removal Notice



File Title President's papers - Robert S. McNamara Chronological files - (outgoing) - Chrons 36	Barcode No. 1771905
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Document Date August 6, 1973	Document Type Letter
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Correspondents / Participants
 To: Mr. Ernst Eliassen
 From: Robert S. McNamara

Subject / Title
 Regarding Mr. Santiago Astrain's appointment as first Secretary General of INTELSAT.

Exception No(s).

1 2 3 4 5 6 7 8 9 10 A-C 10 D Prerogative to Restrict

Reason for Removal
 Personal Information.

Additional Comments

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Withdrawn by Shiri Alon	Date Nov 19, 2012
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29/1/75

Dear Mr. Plaza:

This will acknowledge your letter of July 13, 1973, informing the Bank about the organization of a post-graduate course in Comprehensive Regional Development Planning for Latin American officials concerned with the planning and execution of regional development programs.

You asked whether the World Bank could "once again" award fellowships to young Latin American professionals to attend the course. I have been unable to identify any previous case in which the World Bank awarded fellowships for such courses. In any event, we have no funds available at present for fellowships of this nature. I regret, therefore, that although this is clearly a worthwhile enterprise, I cannot comply with your request.

Sincerely,

Robert S. McNamara

Mr. Galo Plaza
Secretary General
Organization of American States
17th St. and Constitution Ave., N.W.
Washington, D.C. 20006

MLHoffman:ml
July 30, 1973

cc: Mr. McNamara's files (2)



OFFICE OF THE PRESIDENT

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

August 3, 1973

491/1/51

MEMORANDUM FOR MESSRS. CHENERY and ADLER

Five-Year Program of Economic and Sector Missions

I had understood that I would receive by July 31 a five-year program for economic and sector missions, including an analysis of the adequacy of the program in meeting the Bank's objectives, plans for the staffing and scheduling of missions and preparation of reports, and a statement of the responsibilities and procedures for regular review and updating of the program. When will this material be available.

cc: Mr. Knapp
Mr. Aldewereld

A handwritten signature in cursive script, appearing to read "Robert S. McNamara", is written above the typed name.

Robert S. McNamara

491/1/50

August 2, 1973

Miss Julia Henderson
Secretary General
International Planned Parenthood Federation
18-20 Lower Regent Street
London, SW1Y 4PW, England

Dear Miss Henderson:

Thank you for your letter of July 5, 1973, in which you referred to the views of the Bellagio Group that there should be a stepping up of social science research activities; in particular you refer to the possible measures that the Indians could undertake to raise the age of marriage, especially by giving more attention to bringing girls into the education system and keeping them longer within it. I agree with you that all work we can do to increase our knowledge of the determinants of age-specific fertility rates will be of great value, and I believe that age of marriage is an important determinant.

The effect of marriage age on fertility may vary with the starting point (e.g., in India, the high secondary sterility produced by very young marriages would decrease with rising age of marriage). However, the age of marriage (as brought out in the paper you sent me) is clearly determined by many social and development variables. This is in line with what we know based on the experience of Korea, Taiwan, Hong Kong, Singapore, and other countries. Such changes as urbanization, industrialization, female education and employment, and female emancipation have all contributed to the rising age of marriage in those countries. This view of marriage age as a resultant of many factors comes out with even more force when one sees the ages of marriage of the Indian and Malaysian segments of the population in Singapore, where the average female age of marriage is in the early twenties, compared with their counterparts' much younger age in their home environments. Thus, the variables causing age-of-marriage changes appear interlocked with other development considerations.

The jointly financed SIDA-IDA population project in India was developed primarily to help overcome the lack of knowledge and understanding of the current fertility situation and of the variables causing differences among states. The project, using Indian expertise, will therefore finance research to test a number of variables involved in the operation of family planning programs. These variables will include both differing combinations of service inputs and methods and the characteristics of the covered population. The work will be done by the State Governments of Mysore and Uttar Pradesh principally through their Departments of Family Planning working with the newly established semi-autonomous Population Centers at Lucknow and Bangalore.

August 2, 1973

The family planning demand structure among the general Indian population remains largely unexplored. A primary function of the Population Centers will be to study the demand and recommend possible ways of increasing this demand. This will control research into such topics as the motivations that determine the family size of high fertility couples; the present and potential effect of social structure (laws, customs, religious practices) on fertility; and, most important, to barriers to family planning acceptance of family planning services.

Whether or not the Bank will find it possible to influence generally Indian social science research on population is an open question. The joint SIDA-IDA project will probably provide the main context for exerting whatever influence we can bring to bear during the next few years. As you know, the Indians have a considerable volume of research going on in this field, they have not been seriously short of resource for conducting such research, and they have been reluctant to let outside pressures influence their research and program activities. Hence, apart from the major contribution which may be made through the two new Population Centers, it is likely that we can be most effective through the personal contacts of the population man who is now a member of the Bank's mission in New Delhi. I am therefore sending Mr. John Ratcliffe a copy of our correspondence.

We expect to undertake a full-scale discussion of the progress of the Population Centers' work program and other aspects of the project on the Bank's next project supervision mission scheduled for the fall and we will certainly bear in mind the possibilities of studies on factors influencing age of marriage.

With kind regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

cc: Mr. TKing, Dev. Ecos.
Mr. JRatcliffe, New Delhi
Mr. GZaidan

KKanagaratnam/GBBaldwin/ALjungh:ml

491/1/49

AUG 2 1973

Monsieur le Ministre,

J'ai l'honneur d'accuser réception de votre lettre du 17 juillet 1973 relative à la politique du Groupe de la Banque Mondiale à l'égard des pays fortement tributaires de leurs exportations de produits de base. Je voudrais vous dire combien nous apprécions l'intérêt soutenu que vous continuez de porter à cette question, et je suis heureux de noter que vos vues dans ce domaine important sont partagées par les Ministres des Finances des pays de la zone franc.

Soyez assuré que nous ferons tout notre possible pour considérer promptement toute demande de concours du genre envisagé dans mon mémorandum du 2 janvier 1973 et dans la déclaration du 13 février 1973 faite par M. Aldewereld au Conseil d'Administration.

Je tiens par ailleurs à vous signaler qu'un certain nombre d'études faisant suite à mon mémorandum sont en cours de préparation et seront soumises en temps voulu aux Administrateurs de la Banque.

C'est avec plaisir que j'envisage de vous rencontrer à Nairobi à l'occasion de l'Assemblée Annuelle et vous prie d'agréer, Monsieur le Ministre, l'assurance de ma haute considération.

(Signed) Robert S. McNamara

Robert S. McNamara

Son Excellence
Monsieur Giscard-d'Estaing
Ministre de l'Economie et des Finances
Ministère de l'Economie et des Finances
Paris
France

BdeVries/JLenfant/RAssa:cs
July 31, 1973
cc.: for Mr. McNamara's Office (2)



OFFICE OF THE PRESIDENT

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

Choo file
497/1/48

August 2, 1973

MEMORANDUM FOR MR. BAUM

Claude Isbister's memorandum on "Mining Policy", dated July 31, is an extraordinarily interesting and thoughtful examination of the Bank's potential role in this sector.

Please arrange to meet with Isbister to discuss its contents and then to incorporate in our sector paper both the points he makes in the memorandum and any others he puts forward during your meeting with him.

Robert S. McNamara

cc: Mr. Knapp
Mr. Fuchs

RMcN:bmm

491/1/46

July 31, 1973

Dear Mr. Strong:

I appreciate your invitation to the Bank to be represented at the inter-secretariat meeting to consider environmental problems and programs in the Latin American region, to be held in Washington on September 13 and 14, 1973.

I am asking Dr. James A. Lee, Environmental Adviser, Projects Advisory Staff, to represent the Bank at this meeting. He will be accompanied by a representative of the Vice President, Latin America and the Caribbean Region.

Dr. Lee will be prepared to make a statement covering the current and planned environmental activities of the Bank, with special reference to Latin America. I do not believe it will be possible for us to submit a working paper prior to the meeting, but there will be appropriate material concerning the Bank's activities available for distribution at the meeting.

Incidentally, Mr. Alfonso Santa-Cruz, your Regional Representative, has already visited the Bank and informed us in more detail of the nature and scope of the September meeting.

Sincerely,

Robert S. McNamara

Mr. Maurice F. Strong
Executive Director
United Nations Environment Programme
Palais des Nations
1211 Geneva 10
Switzerland

MLHoffman:ml
July 30, 1973

Cleared in substance and cc: Mr. G. Alter, Vice Pres., LAC
Dr. J.A. Lee, Env. Adviser

cc: Mr. McNamara's files (2)

491/8/42

July 30, 1973

Dear Dr. Mahler:

I am sure you have seen Dr. Candau's letter to me of July 13, 1973, raising the very important question of how we should go about financing the 1974 phase of the onchocerciasis control program. The letter also says that you are going to provide us shortly with a statement of the financial needs to be covered until, as we both hope, financing can be arranged for the six-year campaign, which it was agreed at the recent Paris meeting should be our objective.

We will, of course, await receipt of your cost estimates before discussing specific figures. However, our staff seems reasonably hopeful that before the end of this year we can line up commitments enough so that by adding a Bank contribution that is within the limits to which I am prepared to go, we can finance the 1974 campaign. Of course, the sooner your cost estimates reach us the better.

Because of his great personal interest in our joint endeavour to mount the onchocerciasis control program in the Volta Basin, I hope you will assure Dr. Candau of my determination to carry out our principal part of the job, namely, to see that the campaign is adequately financed.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

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

MLHoffman:ml
July 27, 1973

Cleared with and cc: Mr. M. Bazin, Chief, W. Africa Div.

cc: Mr. McNamara's files (2)
Mr. H. Adler, Asst. Dir., Proj. E. Africa
Mr. J. Grenfell, European Office, Paris

691/1/44

July 30, 1973

MEMORANDUM FOR MR. CHENERY

Senior Staff Positions--Development Policy Staff

I have reviewed your memorandum of July 20 regarding the status of Senior Advisers and do not believe that, in relation to the total number of Senior Staff (X--OSS) positions in the Bank, we can allot three more to DPS. If my figures are correct, on January 1, 1972, DPS had seven Director and OSS positions (compared to three in October 1969) against 153 professional posts.

At present you have nine Director and OSS positions against 150 professional slots and I concur with Bernard Chadenet's recommendation that DPS be allocated a total of ten Director and OSS posts. Included in these are the positions of Ernie Stern, the Research Adviser (Ben King) and the four Department Directors. I have asked Reg Clarke to consult with you on the allocation among your departments of the remaining four senior staff (OSS) positions.

(Signed) Robert S. McNamara

Robert S. McNamara

HJDyck:mlee

491/1/40

JUL 30 1973

Dear Jeremy:

You will remember that in a letter dated March 26th you asked me to let you have by the end of July any information I could about the Bank's thinking on subjects relevant to the work of your Committee. The Development Policy Staff of the Bank has now prepared a memorandum, a copy of which I enclose, which will I hope serve your purpose.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Attachment (as stated)

Mr. C. J. Morse
Chairman of the Deputies
of the Committee of Twenty
International Monetary Fund
Washington, D.C. 20431

Dr. Giorgio Rota

JUL 30 1973

491/1/43

Robert S. McNamara

Board Procedures Review

You will recall that at the mid-year Budget Review Meeting, several Executive Directors asked that a study of Board project review procedures be undertaken. I asked the Organization Planning Department to make such a study indicating that the results would be made available to CODAM before the Board is asked to consider this matter.

The study has now been completed. Attached are copies of a draft memorandum from me to the Executive Directors containing my specific recommendations for procedural changes and a report of the interviews with the Executive Directors on which the recommendations are based.

I am sending this paper to you so that you may forward it to your CODAM colleagues and discuss it with them. I would appreciate whatever comments and advice CODAM may wish to offer on this subject before I send it to the Board and schedule it for discussion.

Attachment (1)

(Signed) Robert S. McNamara

JMKearns:DW

491/1/39

July 27, 1973

Dear Mr. Governor,

During his recent visit to Tripoli, Mr. Mohamed Shoaib, Vice President, has discussed with you and with His Excellency, the Minister of Treasury, the proposal for the Bank to borrow 30 Million Libyan Dinars from the Bank of Libya with a 10-year maturity.

I am pleased that an agreement on the rate of interest has now been reached.

According to Section 1(b) of Article IV of the Bank's Articles of Agreement, formal approval of Libya is required for the proposed borrowing in the capital market of Libya and for exchange of the proceeds of such borrowing for the currency of any member of the Bank without restriction. I assume that this approval has been obtained and I shall be grateful for your confirmation so as to enable us to submit this transaction to our Board of Directors for approval.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
K.M. Sherlala
Governor, Bank of Libya
Tripoli, Libyan Arab Republic

cc: Messrs. Shoaib Messrs. Broches
 Rotberg Nurick
 van Saagsvelt
 Uhrig

SELFishawy/rh

491/1/38

JUL 27 1973

Dear Mr. President:

Thank you for your initiative and invitation to a meeting on September 23. We have found these exchanges of views very useful in the past. Due to our travel schedules and commitments, Mr. Burke Knapp, Senior Vice President, will attend on behalf of the World Bank, and he will be glad to accept your luncheon invitation.

We agree with your suggestions for points for discussion, but Burke Knapp may communicate further with you in this regard.

We are both looking forward to seeing you in Nairobi.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Mr. Abdelwahab Labidi
President
African Development Bank
Abidjan, Ivory Coast

cc: Mr. Knapp w/incoming

ALjungh:mss

491/1/37

JUL 26 1973

Monsieur le Président,

Je vous remercie vivement de votre lettre du 6 juillet 1973, par laquelle vous me faites part de votre désir de voir la Banque Mondiale contribuer à l'élaboration d'un plan à moyen et long termes pour lutter contre l'avance du désert vers le sud.

Comme vous-même et les autres Chefs d'Etat de la zone soudano-sahélienne, je suis conscient de la gravité des problèmes auxquels vos pays respectifs ont à faire face dans ce domaine. Monsieur Thalwitz qui, au cours de sa récente mission, s'est entretenu avec le Gouvernement sénégalais des mesures à prendre pour prévenir les effets de la sécheresse, m'a confirmé qu'il s'agissait là d'une tâche essentielle pour l'avenir de votre pays.

En conséquence, dès que vous m'aurez fait connaître la date et l'ordre du jour de la réunion que vous envisagez de tenir avec vos collègues à Ouagadougou, je désignerai un représentant de la Banque Mondiale pour y participer.

Très sensible à votre invitation, je vous prie d'agréer, Monsieur le Président, l'assurance de ma très haute considération.

(Signed) Robert S. McNamara
Robert S. McNamara

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

Dakar
Sénégal
cc: Messrs. Chauffournier
Thalwitz
Riley

CBourgin:rh
July 24, 1973

TRANSLATION OF OUTGOING LETTER

491/1/36

July 24, 1973

Dear Mr. President,

I thank you very much for your letter of July 6, 1973 informing me of your wish that the World Bank provide assistance for the preparation of a medium and long term plan to control the advancing desert to the South.

Just as yourself and the other Chiefs of States of the Sudan-Sahelian zone, I am aware of the seriousness of the problems facing your respective countries in this area. During his recent mission, Mr. Thalwitz discussed with the Senegalese Government the measures that are to be taken to prevent the effects of the drought and has confirmed to me that this was an essential task for the future of your country.

Consequently, as soon as you inform me of the date and agenda of the meeting which you propose to hold with you colleagues in Ouagadougou, I shall designate a representative of the World Bank to attend such meeting.

Sincerely,

Robert S. McNamara

His Excellency
Mr. Léopold Sédar Senghor
President of the Republic
Dakar, Senegal

cc: for Mr. McNamara's Office

cc: for Mr. McNamara's Office

LE PRÉSIDENT DE LA RÉPUBLIQUE

REGISTERED
MAIL NUMBER

325

N° 1.235 /PR/SP.

JUL 18 1973

DAKAR. LE 6 Juillet 1973.

logged

JUL 18 REC'D

Monsieur le Président,

Veillez m'excuser de répondre si tard à votre lettre du 25 Mai 1973. C'est que j'ai été très souvent hors du Sénégal au cours des deux derniers mois.

Comme vous le savez, nous avons reçu la mission de la Banque mondiale, qui vous aura rendu compte des résultats de ses entretiens avec le gouvernement sénégalais.

Depuis le début de l'année, j'ai eu, souvent, l'occasion de m'entretenir avec les chefs d'Etat de la zone soudano-sahélienne, qui sont, comme moi, conscients de la gravité des problèmes, mais qui pensent que, par-delà les

....

aides immédiates, il nous faut établir un plan à long et moyen termes pour lutter contre l'avance du désert vers le Sud.

C'est dans cet esprit que nous allons nous réunir, prochainement, à Ouagadougou. Je suggère, à mes collègues, qu'à cette occasion, nous puissions recevoir un représentant de la Banque mondiale à côté des représentants des Etats-Unis d'Amérique et de la Communauté européenne.

Veillez agréer, Monsieur le Président, avec mes remerciements renouvelés, l'assurance de ma haute et cordiale considération.

Léopold Sédar SENGHOR.

Monsieur Robert S. McNAMARA
Président de la Banque internationale
pour la Reconstruction et le Développement (BIRD)
WASHINGTON, D.C. 20433 (U.S.A.)

RAssa:rh

TRANSLATION OF INCOMING LETTER

The President of the Republic

No. 1.235/PR/SP

Dakar, July 6, 1973

Dear Mr. President,

I apologize for replying so belatedly to your letter of May 25, 1973, but I have been very often away from Senegal during the past two months.

As you know, we were host to the World Bank mission which must have reported to you on the results of its discussions with the Government of Senegal.

Since the beginning of the year I have often had the opportunity to hold discussions with the Chiefs of States of the Sudan-Sahelian zone who are aware, as I am, of the seriousness of the problems but who believe that beyond receiving immediate assistance we must establish a long and medium term plan to control the advancing desert to the South.

It is with this in mind that we are going to hold shortly a meeting in Ouagadougou. I have suggested to my colleagues that on this occasion we might welcome a representative of the World Bank together with representatives of the United States of America and the European Community.

Sincerely yours,

S/ Léopold Sédar Senghor

Mr. Robert S. McNamara,
President
International Bank
for Reconstruction and Development (IBRD)
Washington, D.C. 20433
(U.S.A.)

cc: for Mr. McNamara's Office

491/1/35

JUL 24 1973

Dear Mr. Treasurer:

I should like to thank you most warmly for your letter of July 13th, 1973, in which you confirm that it has now been decided that Australia should agree to contribute its existing share of 2 per cent of whatever total amount the other Part I member countries eventually agree to contribute to IDA under the Fourth Replenishment.

This has been most welcome news to us and will encourage us to persevere in the task of reaching agreement not later than the Annual Meeting in Nairobi. You may be sure that I will give very careful consideration, as I have in the past, to the needs of Papua New Guinea. If we get the total for the replenishment at which we are aiming, this will undoubtedly make it easier to meet the many claims on the resources of the Association.

I, too, shall look forward to a meeting in Nairobi. If you have any time to spare during the meeting of the Committee of Twenty in Washington at the end of this month, do please give me a ring.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
Frank D. Crean
Treasurer of the Commonwealth
of Australia
Parliament House
Canberra, A.C.T. 2600
Australia

DHFRickett:emcc
IDA-IV

491/1/34

July 23, 1973

MEMORANDUM FOR MR. BAUM and MR. CHENERY

Please draft a proposed reply to the attached letter from Dr. Boerma and in addition prepare a note on how you see the Bank's long-term role in the production, storage and trade of foodstuffs. Is there immediate action you would recommend to strengthen our ability to assist developing nations in this regard?

Specifically, I would like you to consider whether Bank policies and practices need to be modified to deal more effectively with such issues as:

- a) the financing of food production, food storage facilities and food stocks; and
- b) the determination of national and international requirements for the production and storage of cereal grains and appropriate policies to achieve those objectives.

cc: Mr. Knapp
Mr. Hoffman

(Signed) Robert S. McNamara

Robert S. McNamara

491/1 133

HONORABLE MWAI KIBAKI

JULY 23, 1973

FINANCE

LTR

NAIROBI

KENYA

HAVE RECEIVED YOUR CABLE OF JULY NINETEEN AND APPRECIATE YOUR CONCERN OVER FINANCING OF THIRD TEA PROJECT STOP EYE SHOULD LIKE TO CLARIFY THAT THE BANK GROUP HAS NOT TURNED DOWN KENYA'S APPLICATION FOR SUPPORT FOR THE THIRD TEA PROJECT BUT HAS PROPOSED MODIFICATIONS OF ORIGINAL PROPOSAL STOP FIRST GIVEN THE EXTREME SHORTAGE OF IDA FUNDS FOR THIS FISCAL YEAR WE HAVE HAD TO ALLOCATE BANK FUNDS FOR THE PROJECT STOP AS YOU KNOW WE EXPECT TO PROVIDE IDA FUNDS TOTALING ABOUT \$30 MILLION THIS YEAR FOR THE SECOND LIVESTOCK PROJECT AND FOR THE FAMILY PLANNING PROJECT STOP SECONDLY WE HAVE SUGGESTED RESTRUCTURING THE PROJECT WITHOUT REDUCING THE TOTAL BANK GROUP FINANCING TO BE SUPPLIED TO IT STOP UNDER THE RESTRUCTURED PROJECT BANK SUPPORT WOULD BE LIMITED TO FACTORIES REQUIRED FOR PROCESSING TEA NOW UNDER CULTIVATION STOP WHILE EYE REGRET THIS CHANGE IT IS NECESSARY IN VIEW OF THE CONCERN OF A NUMBER OF DEVELOPING COUNTRIES OVER THE INCREASING SUPPLY OF TEA AND THE DECLINING PRICE TREND STOP VICE PRESIDENT BELL HAS EXPLAINED OUR POSITION TO THE PERMANENT SECRETARY OF YOUR MINISTRY OF AGRICULTURE AND EYE AM INSTRUCTING ROGER HORNSTEIN THE DIVISION CHIEF TO GO TO KENYA TO DISCUSS THE MATTER WITH YOU AND TO WORK WITH YOUR OFFICIALS TO AGREE ON THE RESTRUCTURED PROJECT STOP PLEASE BE ASSURED MR MINISTER THAT EYE AM VERY MUCH AWARE

Robert S. McNamara

cc: Messrs. Knapp, Bell, Kirmani,
Lejeune, Walton

President

RHornstein/RSMcNamara/ml

OF THE IMPORTANCE OF THE SMALLHOLDER TEA PROGRAM WHICH THE BANK GROUP HAS SUPPORTED
FOR MANY YEARS AND EYE HOPE THAT WE CAN CONTINUE TO WORK TOGETHER TO STRENGTHEN
IT FURTHER STOP KIND REGARDS

ROBERT S. MCNAMARA

INTBAFRAD

491/1/32

JUL 20 1973

Maurice:
Dear ~~Mr. Strong~~:

I have just received your letter of July 11, 1973, announcing the second session of the Environment Co-ordination Board to be held in New York on October 23, 1973.

I hope very much to be able to attend this Session although I cannot give you a firm answer quite yet. I am asking Mr. Michael L. Hoffman, Director, International Relations Department, and Dr. James A. Lee, Environmental Adviser, Projects Advisory Staff, to be prepared to attend the Session so that the Bank will be properly represented in any event.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Maurice F. Strong
Executive Director
United Nations Environment Programme
Palais des Nations
CH-1211 Geneva 10
Switzerland

MLHoffman/pnn
July 19, 1973

cc: Mr. McNamara's files (2)
Dr. Lee, Env. Adv. (cleared in principle)

491/1/31

JUL 19 1973

Dear Mr. Maheu:

Thank you for your letter of July 2 agreeing with the proposal to review the operation of the supplementary cooperative program and designating Mr. Sylvain Lourie for preliminary discussions, I am designating Mr. D. S. Ballantine, Director, Education Department, to initiate discussion with Mr. Lourie during his visit to Washington in September.

With cordial regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

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

MLHoffman/pnn
July 17, 1973

Cleared with and cc: Mr. Ballantine, Dir., Educa. Dept.
cc: Mr. McNamara's files (2)

491/1/29

JUL 18 1973

Dr. A. H. Boerma
Director-General
Food and Agriculture Organization
of the United Nations
Via delle Terme di Caracalla
Rome 00100
Italy

Dear Ad:

As you know, Mr. Richard H. Demuth has been Chairman of the Consultative Group on International Agricultural Research, on behalf of the Bank, since its formation in 1970. When Mr. Demuth retired from the Bank early this year, he agreed to continue serving as Chairman of the Group for up to a year, or until we could make other arrangements. I am sure you agree with me that under Mr. Demuth's Chairmanship this Group has had outstanding success in mobilizing resources to carry forward and expand the work of the regional agricultural research institutes and in establishing new institutes in the important fields of rainfed agriculture in the semi-arid tropics and animal husbandry. I am sure you will also agree with me that the momentum thus acquired should not be lost. It seems to me, therefore, that it is time we were making more permanent arrangements for the Chairmanship and that an appropriate time for a change-over would be after the sequence of meetings that has already been arranged for this summer and autumn, the last of which has been tentatively set for November.

In accordance with the understanding reached at the time the CGIAR was organized, namely, that the Bank would provide the Chairman and the Secretariat for the Consultative Group, while FAO would perform the Secretariat role for the Technical Advisory Committee, I am, therefore, proposing to nominate Mr. Warren C. Baum, Vice President, Projects Staff, to succeed Mr. Demuth as Chairman of the CGIAR at some agreed date, presumably in November 1973. This will place the responsibility for carrying on the work of the CGIAR on the Vice President who also has the coordinating responsibility for the Bank's own policies and operations in the agricultural sector.

The amount of staff time required on the part of the Chairman and the Secretariat in support of the Group is considerably greater than we originally expected, and I am, therefore, proposing to

Dr. Boerma

-2-

nominate Mr. Michael L. Hoffman, Director, International Relations Department, as Deputy Chairman to assist Mr. Baum, particularly in maintaining and developing relations with the principal donor governments and foundations. Mr. Harold N. Graves will continue as Executive Secretary and we have strengthened the Secretariat recently by adding Mr. Bruce Cheek, an experienced senior official of the Bank, as Deputy Executive Secretary to assist Mr. Graves.

I would appreciate it if you could let me know at your early convenience whether these proposals are agreeable to you as co-sponsor with the Bank of the CGIAR.

I am sending an identical letter to Mr. Peterson.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

MLHoffman/pnn
July 17, 1973

Cleared with and cc: Mr. Baum, V.P., Projects Staff
Mr. Graves, Exec. Sec., CGIAR
cc: Mr. McNamara's files (2)

Mr. McNamara cleared w/Mr. Demuth 1/18

491/1/28

JUL 18 1973

Mr. Rudolph A. Peterson
Administrator
United Nations Development Programme
866 United Nations Plaza, 3rd Floor
New York, New York 10017

Dear Rudy:

As you know, Mr. Richard H. Demuth has been Chairman of the Consultative Group on International Agricultural Research, on behalf of the Bank, since its formation in 1970. When Mr. Demuth retired from the Bank early this year, he agreed to continue serving as Chairman of the Group for up to a year, or until we could make other arrangements. I am sure you agree with me that under Mr. Demuth's Chairmanship this Group has had outstanding success in mobilizing resources to carry forward and expand the work of the regional agricultural research institutes and in establishing new institutes in the important fields of rainfed agriculture in the semi-arid tropics and animal husbandry. I am sure you will also agree with me that the momentum thus acquired should not be lost. It seems to me, therefore, that it is time we were making more permanent arrangements for the Chairmanship and that an appropriate time for a change-over would be after the sequence of meetings that has already been arranged for this summer and autumn, the last of which has been tentatively set for November.

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Mr. Peterson

-2-

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I would appreciate it if you could let me know at your early convenience whether these proposals are agreeable to you as co-sponsor with the Bank of the CGIAR.

I am sending an identical letter to Dr. Boerma.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

MLHoffman/pnn
July 17, 1973

Cleared with and cc: Mr. Baum, V.P., Projects Staff
Mr. Graves, Exec. Sec., CGIAR
cc: Mr. McNamara's files (2)

Mr. McNamara cleared w/Mr. Demuth 1/18

491/1/26

JUL 17 1973

Dear Dr. Budowski:

I was glad to learn from your letter of June 28, 1973, that the International Union for Conservation of Nature and Natural Resources is taking the initiative in implementing some of the recommendations of the Stockholm Conference on the Human Environment concerning ecological principles and guidelines for development in tropical forest areas in Latin America.

Your preparatory work for the Caracas meeting seems to be well advanced and I do not think it would be appropriate at this stage for the Bank to be listed as a co-sponsor. However, we would certainly appreciate having an opportunity to participate in the December meeting, and if this is agreeable to you, I would like to designate Dr. James Lee, Director, Office of Environmental Affairs, as a point of contact for further communications relating to the meeting.

Sincerely,

Robert S. McNamara

Dr. Gerardo Budowski
Director General
International Union for Conservation
of Nature and Natural Resources
1110 Morges, Switzerland

MLHoffman/pnn

cc: Mr. McNamara's files (2)
Dr. Lee, Dir., OEA

His Excellency
Mr. Ismaël Touré
Minister of Economy & Finance
Conakry
GUINEA

Dear Mr. Minister,

I would like to thank you for your letter of June 5, 1973 concerning the project for the TransGuinean railway and deep water port at Conakry.

We have received volumes I, II, III and IV of the study entitled "Project for the TransGuinean railway and deep water port at Conakry" prepared by Nippon Koei Co., Ltd and dated August 1972.

It appears from a preliminary review by our technical departments that several points need to be clarified before we will be in a position to formulate our final opinion of the project. With this in mind, we will in the near future contact either yourself or if you would prefer the consultants directly to obtain further information concerning the economic analysis of the different solutions to the problem of transport and the reserves of bauxite and iron ore.

I wish to assure you that, given the importance of these projects, we will study them with particular care.

Sincerely,

Robert S. McNamara

Stephen Denning

491/1/25

JUL 17 1973

Monsieur le Ministre,

Je vous remercie vivement de votre lettre du 5 juin 1973 relative au projet du chemin de fer transguinéen et du port en eau profonde de Conakry.

Nous avons reçu les volumes I, II, III et IV de l'étude en date d'août 1972, intitulée "Projet de chemin de fer transguinéen et du port en eau profonde de Conakry" effectuée par Nippon Koei Co., Ltd.

L'examen préliminaire du dossier par nos services techniques fait ressortir qu'un certain nombre de questions techniques restent à éclaircir avant que nous soyons à même de vous faire part de nos conclusions définitives sur le projet. A ce sujet, nous nous mettrons prochainement en relation avec vous, ou si vous le préférez, directement avec les consultants pour obtenir des précisions sur l'analyse économique des différentes solutions possibles au problème du transport ainsi que sur les réserves de bauxite et de fer.

Je puis vous assurer, étant donné l'importance de ces projets, que nous apporterons une attention particulière à leur étude.

Veuillez agréer, Monsieur le Ministre, l'assurance de ma haute considération.

(Signed) Robert S. McNamara

Robert S. McNamara

Son Excellence
Monsieur Ismaïl Touré
Ministre du Domaine de l'Economie
et des Finances

Conakry
Guinée

July 16, 1973

Cleared with & cc: Messrs. Thalwitz
(Projects W. A.)

Delaume (Legal)
Chardon (Ind. Projects)

cc: Messrs. Ljungh
Demeksa (E. D.)
Guinean Embassy

SDenning:itd GUINEA - TransGuinean Railway

491/1/23

JUL 16 1973

Dear Mr. Minister:

I am writing to thank you most cordially for the field trip arranged for me during my recent visit to Jamaica. It was particularly gracious of you to accompany me personally in the overflight and to the Luanna development project.

Our trip afforded me an opportunity, by observation and through discussions with you and your colleagues, as well as with dairy farmers, to inform myself first hand of recent agricultural developments and of the plans presently being prepared to improve the performance of the sector. I have no doubt the government is right in attaching such high priority to agricultural reform, and I look forward to continued active participation by the Bank in the efforts you are making in this direction. I wish also to thank you for your warm hospitality and for the most pleasant luncheon we had together at Montego Bay. The entire experience proved to be as enjoyable as it was informative.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable Keble Munn
Minister of Agriculture
Hope Gardens
Kingston 6, Jamaica

cc: Mr. Clarke, Alternate Executive Director
for Mr. McNamara's Office (2)

SSKapur:ean
July 16, 1973

491/1 122

JUL 16 1973

Dear Mr. Minister:

I am writing to thank you for the most instructive field trip that was organized for me and my colleagues to the proposed sites and services locations and the ongoing low income housing projects of the government in Kingston area. The experience once again fortified my belief that action is urgently necessary to improve the living conditions of the low income urban populations, preferably with a substantial self-help component being included in all such efforts.

It was particularly kind of you to have accompanied me personally on the trip since I know that you have not been too well lately and were probably in discomfort while walking through the redevelopment areas. I hope you will soon be better, and that your close personal interest in improving housing and social environment in deprived areas will be of great value in the successful implementation of the proposed sites and services project.

With best wishes,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable Anthony Spaulding
Minister of Housing
2 Hagley Park Road
Kingston 10, Jamaica

cc: Mr. Clarke, Alternate Executive Director
for Mr. McNamara's Office (2)

SSKapur:ean
July 16, 1973

491/1/21

JUL 16 1973

Dear Mr. Minister:

On my return to Washington I would like to thank you for the very warm welcome which was accorded me during my recent visit to Jamaica. I particularly enjoyed the dinner which you so kindly offered and which provided an occasion for a stimulating exchange of views with some of your distinguished guests.

I would like to repeat the compliment that I paid you at our meeting with you and your Cabinet colleagues, for your excellent exposition of the problems and issues that confront Jamaica in its development efforts and the policies being adopted by the government for overcoming these problems. I am deeply appreciative of the time and trouble taken by the government to brief me on its thinking on a wide range of issues. I was impressed by the sense of urgency and determination underlying your efforts to achieve a greater measure of economic and social benefits for all Jamaicans. We in the Bank stand ready to assist Jamaica in its efforts.

With my kind regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable David Coore
Deputy Prime Minister and Minister of Finance
24 East Race Course
Kingston 4, Jamaica

cc: Mr. Clarke, Alternate Executive Director
for Mr. McNamara's Office (2)

SSKapur:ean
July 13, 1973

491/1/20

JUL 16 1973

Dear Mr. Prime Minister:

It was a great pleasure for me to visit Jamaica and I wish to thank you for the courtesy and hospitality which were extended to me and my colleagues during our stay. All the arrangements made for our meetings and field trips were impeccable and I would like to compliment all those associated with their planning and implementation.

I particularly valued the opportunity of talking to you over lunch on July 5, followed by our brief chat together. This was for me an excellent way of rounding off the series of discussions that had taken place earlier and the impressions that I had formulated during the field visits. I have come away with a deeper understanding of the problems of equitable growth that Jamaica faces and of the policies being pursued by the government to overcome them. I was impressed by the sense of urgency and determination underlying the ongoing efforts in the country, especially in the field of rural development, and I wish Jamaica every success in its endeavors. I hope that we in the World Bank will be able to play a part in helping Jamaica towards achieving its goals. If there is any area in which the Bank can be of special assistance, please do not hesitate to get in touch with us.

With my warm personal regards to you, Mr. Prime Minister, and renewed appreciation of the gracious welcome accorded to us,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable Michael Manley
Prime Minister
Jamaica House
Hope Road
Kingston 6, Jamaica

cc: Mr. Clarke, Alternate Executive Director
for Mr. McNamara's Office (2)

SSKapur:ean
July 13, 1973

491/1/19

JUL 16 1973

Dear Mr. Prime Minister:

I would like to express to you my deep appreciation of your hospitality and kindness at lunch and, later, at your residence on July 6. I found our wide-ranging exchange of views on various matters concerning your country most stimulating. I came back from my talks with you with a much better understanding of the path to development being followed by your country and of the measures being taken to overcome the inevitable difficulties. I must also express my admiration for your own personal contribution to the evolution of democratic processes in Trinidad and Tobago and to the reform of the educational system which, as we agreed, is so crucial to the balanced growth of developing societies.

We in the Bank have had a fruitful relationship with Trinidad and Tobago in the past. We are now in the process of further intensifying our efforts in support of the government's progressive policies in the agricultural, educational and family planning fields and in other actions being taken to overcome the unemployment problem. We hope that our joint efforts will be even more successful in the future than they have been in the past.

With my warm personal regards and renewed appreciation of the opportunity of meeting with you personally,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Right Honorable Dr. Eric Williams
Prime Minister
Whitehall
29 Maraval Road
Port-of-Spain, Trinidad

SSKapur:eam
July 13, 1973

cc: for Mr. McNamara's Office (2)
Mr. Demeksa, Executive Director

491/1/118

JUL 16 1973

Dear Mr. Minister:

On behalf of my colleagues and myself, I would like to thank you most cordially for the time and trouble taken to make my brief visit to Trinidad and Tobago on July 6 such a success.

I found the meeting with you and your Cabinet colleagues very useful and informative in giving me a deeper understanding of the policies being pursued by the government to achieve rapid and equitable development in the country. The field trip in the afternoon was impeccably organized and turned out to be a gratifying exposure on location to some of the projects with which the Bank has been associated. I also found the evening meeting with bankers and industrialists stimulating, and would request you to be so kind as to convey my appreciation to all those who participated.

I shall look forward to the pleasure of meeting you again in Nairobi. With kind regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable George Chambers
Minister of Finance
Trinidad House
Port-of-Spain, Trinidad

SSKapur:ean
July 13, 1973

cc: for Mr. McNamara's Office (2)
Mr. Demeksa, Executive Director

491/1/17

JUL 16 1973

Your Excellency:

On my return to Washington, I would like to thank you for your gracious hospitality at the dinner at your residence on July 6. The atmosphere was most congenial and the steel band music very enjoyable. My colleagues and I had an opportunity for an informal and useful exchange of views on matters of mutual interest with various distinguished guests at the dinner. I particularly welcomed the talk with you and with Prime Minister Williams.

This was my first visit to Trinidad and Tobago. Thanks to the excellent arrangements made by the government and the series of discussions and field trips that were laid on, I have come back with a much deeper understanding of the development issues that confront your country and the actions being taken to overcome them. We in the Bank will look forward to cooperating with you in this task.

With my renewed thanks, Excellency, I remain,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency Sir Ellis Clarke
Governor General of Trinidad and Tobago
Governor General's Office
Saint Ann's
Port-of-Spain, Trinidad

SSKapur:ean
July 13, 1973

cc: for Mr. McNamara's Office (2)
Mr. Demeksa, Executive Director

491/1/116

July 13, 1973

Dear Mr. Ortiz Mena:

I am writing to seek your cooperation in a comparative study of the operating costs of multilateral and bilateral development assistance institutions. I believe such a study would be timely in view of the growing volume of lending and other activities of the Inter-American Bank, the World Bank Group and other international agencies, which will bring them more and more under the scrutiny of governments and legislatures concerned about the efficiency of their operations, and about the rising level of their administrative expenditures. It would be extremely useful, both for us and for our member governments, to know how the cost of our operations compares with that of other international and national agencies operating in the field of development.

I recognize the conceptual and practical problems which such a study will involve. But despite these difficulties, there will be broad areas where comparisons will be most useful to our two institutions. They will also be invaluable in avoiding the criticism that we are unable or unwilling to provide member governments with all the information necessary for them to judge our performance in relation to that of national institutions.

I hope that the Inter-American Development Bank will cooperate with the World Bank Group in this effort. Because our two institutions are so close, both in purpose and in location, I am approaching you first, but I expect also to seek the cooperation of several national development agencies and, in due course, the Asian Development Bank and certain U.N. specialized agencies. I have asked the P & B Department of the World Bank Group to organize and undertake the study. If your response is favorable, I should appreciate it if you would designate an official or department of the Inter-American Development Bank with which the P & B Department can establish contact at the staff level.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Antonio Ortiz Mena
President
Inter-American Development Bank
808 17th Street, N.W.
Washington, D.C. 20577

Mr. Mc Namara's off.

491/1/15

JUL 13 1973

His Excellency
Alfredo Stroessner
President of Paraguay
Asuncion
PARAGUAY

Dear Mr. President:

I wish first to congratulate you on your recent reelection as President of Paraguay and to express the hope, as you prepare to move into your new term of office, that the Bank will be able actively to assist Paraguay's development program in the years ahead.

As you know, Mr. President, the Bank had the opportunity to participate last month in the annual review of Paraguay's economic and financial situation sponsored by the Inter-American Committee for the Alliance for Progress (CIAP). The Secretariat of CIAP has sent us a copy of Dr. Sanz de Santamaria's letter to you of June 5, 1973, which summarizes the results of the meetings and the reactions of the external agencies. As Dr. Sanz de Santamaria's letter indicates, we are pleased with the progress that has been made in many areas of the economy, particularly in the export sector, but we are also concerned that the results of the Government's 1972 financial year and the prospects for 1973 indicate that the Government would have difficulty in providing the complementary local resources required to support projects financed or under consideration for financing by the Bank. Because of the importance of the questions involved, we have prepared the attached note which reviews the relationship between Bank Group lending operations and Paraguay's fiscal situation as it has developed over the past two years, including a brief analysis of fiscal results and prospects as discussed in the recent CIAP meetings.

I know that your Government is well aware of the country's fiscal problems and of the importance of finding ways to resolve them, as evidenced by the recent request for technical assistance under CIAP auspices for the restructuring of the tax system. We consider this latter step an important move toward making the tax system more responsive to the needs of the growing Paraguayan economy and wish to confirm our support for your efforts in this field. At the same time, I am sure that you realize that a comprehensive tax reform takes time to develop and implement, and I am concerned about our ability to go forward in the meantime with the proposed Triangulo highway project, for which the appraisal

was essentially completed a number of months ago, with a proposed small farm credit project, which we hope will be ready for appraisal within a few months, and with the second tranche of the IDA credit for the secondary education project. For this reason, I have asked the members of my staff familiar with the Paraguayan situation to develop an analysis of the kinds of measures which might be feasible in order to improve the short-term fiscal situation, and which would not, at the same time, interfere with any long-term fiscal reform program that might be adopted. I understand that an inter-agency mission has been tentatively scheduled to visit Paraguay late this month to discuss the proposed technical assistance for fiscal reform. If you agree, I believe that this mission would provide an appropriate opportunity for Bank staff to exchange views with Government officials and representatives of CIAP and the other participating agencies concerning possible short-term fiscal measures and to seek to reach agreement on a financial program, the implementation of which would permit us to go forward with the second tranche of the education credit and with new projects requiring contributions from the Central Government budget.

I am looking forward, Mr. President, to receiving your reply and to further cooperation with you in the important development task that lies ahead.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Attachment (1)

cc: His Excellency
Cesar Barrientos
Minister of Finance
Asuncion, Paraguay

His Excellency
Romeo Acosta
President of Central Bank
Asuncion, Paraguay

cc: Messrs. Knapp, Senior Vice President, Operations
Alter, Vice President, LAC; Wiese, Director, LAC, CP II o/r
Knox, Director, LAC Projects; Skillings, Acting Director, LAC, CP II
Geli, LAC Projects; Goffin, LAC Projects; Thint, LAC Projects
Vial, LAC, CP II; Arrivillaga, LAC, CP II; Vita, LAC, CP II
Paraud, LAC Projects; Freire, LAC Projects;
Lecuona, Legal Department

GFFlood:ece
July 5, 1973

July 9, 1973

NOTE

The Bank economic missions that visited Paraguay in late 1971 and early 1972 reported that, after several years of almost steady fiscal improvement, Central Government savings in 1971 dropped to 1.2 percent of gross domestic product, the lowest level since 1965. The missions also reported that the Government had moved to deal with this situation by making key personnel changes in the tax and customs administration, and by the adoption, early in 1972, of a series of revenue measures. During the CIAP country review in January 1972, the Government agreed to the establishment of targets for fiscal improvement in 1972 and 1973, and the Bank decided at that time that the processing of proposed loans for highways and education would have to depend on satisfactory progress in meeting the agreed targets.

The subsequent CIAP report of fiscal performance for the first half of 1972 indicated that the fiscal targets for the whole of 1972 would not be met, but that improvements in tax administration, particularly in the customs area, gave promise of improved performance in the second half of the year. When the CIAP report of third quarter results showed that hoped-for increases in revenue collections had been realized, the International Development Association went forward with the credit for the secondary education project. At the same time, it was agreed that the credit would be divided into two tranches, and that the second tranche (for the bidding and construction of schools) would go forward only if, by March 31, 1974, IDA had received satisfactory evidence that the CIAP 1973 fiscal targets, as reviewed prior to June 30, 1973, had been achieved. The Government also was advised (Mr. McNamara's letter of October 17, 1972) that the Bank would proceed with the proposed loan for the Triangulo highway project early in 1973 if the targets for 1972 had been substantially met and if there were satisfactory expectations that the 1973 targets would be met.

Unfortunately, however, the results of the preliminary CIAP fiscal review that took place in Asuncion during March of this year showed that fourth quarter performance, particularly in the customs area, was disappointing, that the CIAP targets for the second half of 1972 had not been met, and that the original targets for 1973 were no longer realistic. The 1973 targets as well as the fiscal prospects for 1974 were then reviewed at the May, 1973 CIAP meetings in light of the current Central Government fiscal situation and investment program. The Government representatives at the meeting described a series of fiscal measures that had already been approved this year, and a number of additional measures that were to be put into effect in the near future, all of which were expected to result in an increase in public revenues. The representatives

of the external agencies indicated that they were pleased to learn of these new measures and were particularly gratified that among those to be adopted was the implementation of the income tax law, which would add new contributors to the tax system.

The analysis performed during the CIAP meetings, however, also led to the conclusion that even with these new measures, the levels of Central Government income and savings which the Government was prepared to accept as updated targets for 1973 and for 1974 would not be sufficient to assure adequate financing of the planned investments of the Central Government during 1973 and 1974 without recourse to high levels of Central Bank financing. If such financing by the Central Bank should occur, it would have an adverse impact on the availability of credit to the private sector, or on internal prices, or on both. On the one hand, reduction of credit to the private sector could result in a reduction of private investment and, as a consequence, of the level of production in the economy. On the other hand, pressures on internal prices, which have been rising more rapidly than at any time in recent years, could endanger monetary stability, and, therefore, have a negative impact on the balance of payments.

491/1/14

JUL 13 1973

Dear Governor:

Thank you for informing me by your letter of June 28, 1973 of the appointment, effective August 23, 1973, of Dr. Hans Janssen as Executive Director of the Bank for the Federal Republic of Germany to succeed Dr. Fritz Stedtfeld.

I look forward to meeting Dr. Janssen and to welcoming him to the Bank Group.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
Dr. Helmut Schmidt
Bundesminister der Finanzen
Bundesministerium der Finanzen
D-5300 Bonn
Federal Republic of Germany

RD:rif

499/1/11

July 11, 1973

MEMORANDUM FOR MR. KNAPP

Mr. Kastoft asked if he might obtain the Appraisal Report on the Greek Development Bank Project well in advance of the Board discussion. I told him we would distribute the Report six days in advance of our usual distribution date, i.e., on the Friday preceding the Thursday on which we would normally release it.

(Signed) Robert S. McNamara

Robert S. McNamara

cc: Mr. Benjenk

RMcN:bmm

491/1/8

JUL 11 1973

SIR SEEWOOSAGUR RAMGOOLAM
PRIME MINISTER
PORT LOUIS

FULL RATE

MAURITIUS

ON THE OCCASION OF THE INAUGURATION OF THE RURAL DEVELOPMENT PROJECT
PLEASE ACCEPT MY BEST WISHES FOR THE SUCCESS OF YOUR GOVERNMENTS EFFORTS
TO CREATE PRODUCTIVE EMPLOYMENT OPPORTUNITIES FOR THE PEOPLE OF
MAURITIUS AND FOR A WIDER DISTRIBUTION OF THE BENEFITS OF ECONOMIC
DEVELOPMENT STOP MY ASSOCIATES AND I WILL FOLLOW THE PROGRESS OF
THIS PROJECT WITH KEEN INTEREST AND I WISH TO ASSURE YOU OF OUR
FULLEST COOPERATION IN YOUR TASK

ROBERT S MCNAMARA

cc: Mr. McNamara's office (2)

Robert S. McNamara
President

SShusain:pe Mauritius Rural Dev.

491/1/7

July 9, 1973

Dear Governor:

Thank you for your letter inviting me to visit Lesotho after the Annual Meetings in Nairobi, and for the kind remarks it contained.

Unfortunately, previous commitments immediately preceding and following the Annual Meeting will make a visit to Lesotho impossible at that time. I very much regret not being able to accept your invitation but hope that a future opportunity will arise. I look forward to seeing you at the Annual Meetings.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
E.R. Sekhonyana
Ministry of Finance, Commerce
and Industry
Post Office Box 395
Maseru, Lesotho

cc w/incoming copy: Mr. Bell

ALjungh:m1

491/1/5

July 3, 1973

MEMORANDUM FOR MR. AHMAD
MR. BARCO
MR. DEMEKSA
MR. UGUETO

I share your interest in the subject of
"International Competitive Bidding for Civil Works."

A paper on this subject is under preparation by
the staff and is proposed for discussion by the Board
on July 31, 1973.

Robert S. McNamara

AL:bmm



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

1818 H Street, N.W., Washington, D. C. 20433, U.S.A.

Area Code 202 • Telephone - EXecutive 3 6360 • Cable Address - INTBAFRAD

491/1/4

July 3, 1973

Price Waterhouse & Co.
1801 K Street, N.W.
Washington, D.C. 20006

Gentlemen:

With respect to the financial statements of the International Bank for Reconstruction and Development for the fiscal year ended June 30, 1972, to be included in the Prospectus for the Japanese Yen Bonds of 1973 - Sixth Series, we confirm that to the best of our knowledge and belief, the statements made in our letter to you dated July 28, 1972, are equally applicable as of this date with the exception that payments due but not yet received by the Bank under Loan Agreements referred to in that letter have now been collected.

There have been no developments as of July 3, 1973, which would materially affect the financial position or the results of operations of the Bank as of June 30, 1972.

In addition, we know of no events since July 28, 1972 which, although not affecting these financial statements, have caused or are likely to cause any material changes, adverse or otherwise, in the financial position or the results of operations of the Bank.

We also confirm that, to the best of our knowledge and belief, the unaudited financial statements for the nine-month period ended March 31, 1973, have been prepared in accordance with accounting principles and practices consistent in all material respects with those followed in the preparation of the audited financial statements of the Bank for the year ended June 30, 1972. As disclosed in the financial statements, the principles followed in regard to the translation of currencies into US dollars at March 31, 1973 and June 30, 1972 were substantially the same. However, since a larger number of currencies were fluctuating beyond announced limits at March 31, 1973, the currencies of those members at March 31, 1973 have been translated into United States dollars at market rates of exchange.

July 3, 1973

In respect of loans made to, or guaranteed by, the Republic of Chile, the instalments of principal and payments of interest due on various dates between January 1 and May 15, 1973 and totalling the equivalent of \$ 8,572,000, computed at market rates of June 29, 1973, had not been paid as of that date. As a result of an agreement recently negotiated between Chile and the Bank, arrangements are being made to settle overdue payments before the end of the current calendar year and to resume Chile's regular debt service with the Bank commencing with an instalment of \$ 1,480,000 due on July 1, 1973, which was paid on July 2, 1973. Accordingly, no losses are anticipated in the collection of these loans and related interest payments, and disclosure of the amounts in arrears is not considered necessary to present fairly the Bank's financial position and results of operations for the nine-months ended March 31, 1973.

We are not aware of any other matters or occurrences up to the present time which would materially affect the financial statements of the Bank for the nine-month period ended March 31, 1973.

Sincerely,

President

Associate General Counsel

Controller

491/1/13

JUL 13 1973

Dr. M. G. Candau
Director-General
World Health Organization
1211 Geneva 27
Switzerland

Dear Dr. Candau:

I am very sorry that I was unable to attend the Secretary-General's luncheon of adieu for you and Pierre-Paul Schweitzer, which I understand was a nostalgic but, nonetheless, a gay occasion. Your wisdom and candor will be greatly missed in the ACC, which needs all it can get of both those qualities. As far as the Bank is concerned, I have no doubt that we shall continue to work effectively and in harmony with WHO under Dr. Mahler's leadership. It is quite clear to me that the scope and intensity of cooperation between our two agencies is bound to increase, and that this is in the interest of our common member countries.

Michael Hoffman tells me that, after a visit to your homeland and some well deserved rest, you will be willing to consider some further service to the international community. In this connection I wonder whether you would be interested in maintaining an association with the campaign against onchocerciasis in Western Africa. At the moment, as you know, we are working with WHO, FAO and UNDP to mobilize financing for the vector control program which is due to start next year, and it is clear that in due course there will be need for some sort of inter-governmental inter-agency group to keep the program under regular review and to supervise the administration of the funds contributed for this purpose. I can think of no one better qualified to preside over such a group than yourself, and if the idea appeals to you, I would suggest it to Dr. Mahler, Mr. Peterson and Dr. Boerma.

It is, of course, too early to say exactly what form the group might take or what its functions would be, since this is a matter on which the contributing and participating governments will have to be consulted at the time that agreement is reached on the financing of the first phase of the campaign, which will not be until early next year. However, the contributing governments will not want to see a new international agency created for onchocerciasis control, and there is therefore likely to be broad support for an informal arrangement, similar perhaps to the Consultative Group which has been established for International Agricultural

Research. This normally meets twice a year under the auspices of the Bank and is supported by a Technical Advisory Committee with an independent Chairman.

There is no great hurry for you to make a decision on this, since it will be at least a year before the organization for the conduct of the campaign is fully established, but I would be interested in knowing how you feel about it when you have had time to think it over. Let me add that the inter-governmental meeting on onchocerciasis control, which was held in Paris at the end of June, seems to have gone very well, thanks in large part to the excellent presentation made by Dr. Bernard and his associates, particularly Drs. Buck, Le Berre and Hamon, who put on a most impressive performance. I am confident that we shall have no difficulty in raising the funds needed to finance the initial six-year program of vector control and I believe that, if the campaign is successful, it will make a major contribution to the social and economic development of this desperately poor region.

With best personal wishes,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

MLHoffman/EPWright/pnn
July 12, 1973

Cleared with and cc: MR. Chaufournier, V.P., Western Africa
cc: Mr. McNamara's files (2)