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THE WORLD BANK  
Washington, D.C.

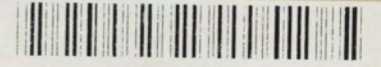
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**PUBLIC DISCLOSURE AUTHORIZED**

McNamara Papers

1975 (Nov. - Dec)

The World Bank Group  
**Archives**



1771943

A1995-252 Other #: 4

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President's papers - Robert S. McNamara Chronological files - (outgoing) - Chrons 56

**DECLASSIFIED**

WBG Archives



492/2 1419

DEC 23 1976

Senator William Proxmire  
Chairman  
Committee on Banking, Housing & Urban Affairs  
United States Senate  
Washington, D.C. 20510

Dear Bill:

Thank you for passing on the concerns of your constituents on Bank lending to Chile. There has been a great deal of misunderstanding on this matter, and several points need to be understood.

First, the loans approved this week for small and medium-sized farmers and for the national electric company, will be of direct benefit to the Chilean people. The agricultural project will benefit 9,000 small and medium-sized farmers as well as currently unemployed rural laborers and their families (altogether some 54,000 people). The power project will lay the groundwork for extended rural electrification, and sustain a better livelihood for thousands more. From an economic point of view these projects are very promising; the rate of return on the agricultural loan, for example, is expected to be 27%. As you know, the Bank will carefully monitor these projects to insure that all its funds are used in accordance with Bank specifications. There was overwhelming support for these loans from the 128 member governments represented on the Bank's Board. The developing countries, without exception, and regardless of the status of their relations with the present government of Chile, supported them.

Second, the economy of Chile, having gone through a very difficult period, is now showing improvement. In considering the loans, it was accepted by the Board that Chile is creditworthy by the Bank's standards. The country has repaid \$800 million of its foreign debt this year, has managed to avoid debt rescheduling, and has brought inflation down sharply in 1976. Also noteworthy is the evidence of declining unemployment. In the second quarter of 1976 unemployment in the greater Santiago area was as high as 19%. The latest survey available shows an -- albeit preliminary -- figure of 13%. Economic performance is certainly good enough to merit consideration of long-term loans for development by this institution.

Third, no member government, in considering these loans to Chile, took the position that the Bank should seek to alter the provisions of its charter requiring that loans must be considered solely on economic grounds. While many Board members have expressed their own, and their government's, concern



for human rights, there has been general agreement that as a subject for discussion and action this issue belongs in some other international forum, leaving to the Bank the work of long-term development. As you well know from your long service on the Foreign Operations Subcommittee, we are striving to make the Bank increasingly effective in development lending. That is our role. The Bank has been effective in helping the people of the countries it serves. It would not be effective as a political instrument. I think our Board is right in its insistence on maintaining the scope and improving the effectiveness of the Bank's service to developing countries.

As you know Bill, I very much appreciate your interest in the Bank, and particularly in insuring that it is both effective and accountable. I am glad of the chance to respond to you on this difficult, indeed, agonizing, and much misunderstood, issue. I hope you will let me know of any further questions you may have.

With all best wishes for the holiday season,

Sincerely,

(Signed) Robert S. McNamara  
Robert S. McNamara

Cleared with and cc: Mr. Lerdau

JEMerriam/ELerdau/WBennett:rgw

December 23, 1976



492/2 /418

DEC 23 1976

Dear Brad:

Thank you for your cable saying that UNDP will prepay by the end of this month the amount of advances made by the Bank falling due for payment during the first quarter of 1977 under the schedule agreed between us.

I very much welcome this evidence of the progress which UNDP, under your administration, has been able to make in overcoming its financial difficulties. I am glad the Bank was able to help during the difficult period, and I shall inform the EDS of the action you intend to take.

My good wishes to you for the holiday season and for UNDP in the year ahead.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Bradford Morse  
Administrator  
United Nations Development Programme  
One United Nations Plaza  
New York, N.Y. 10017

SBoskey:tsb  
December 22, 1976

cc: Office of the President (2)  
Mr. Perch (Controller's  
Mr. Riley, IRD



492/2 1417

JEAN CARRIERE

DECEMBER 23, 1976

IBRD

TELEX (EXT 2001)

PARIS

FRANCE

IMMEDIATE DELIVERY

FOLLOWING IS TEXT OF MESSAGE TO BE DELIVERED TO MR. WILLY BRANDT FROM MCNAMARA.  
 BEGIN TEXT. I HAVE BEEN INCREASINGLY CONCERNED WITH THE CURRENT DEADLOCK  
 IN THE DISCUSSIONS BETWEEN THE DEVELOPING WORLD AND THE INDUSTRIALIZED  
 COUNTRIES. I RECALL OUR CONVERSATIONS ABOUT THIS IN THE PAST, AND REMEMBER  
 YOUR SINCERE CONCERN. THEREFORE IN CONSIDERING HOW TO BREAK THIS DEADLOCK  
 I AM ANXIOUS TO MAKE A REFERENCE TO YOU IN A SPEECH THAT I PROPOSE TO MAKE  
 IN BOSTON ON JANUARY FOURTEEN. THE RELEVANT PART OF THE TEXT IS QUOTED  
 BELOW.

QUOTE. IN VIEW OF THE CONTINUING IMPASSE AT OFFICIAL LEVELS, IT SEEMS  
 TO ME THAT THERE MIGHT BE MORE HOPE OF REACHING A BASIC UNDERSTANDING  
 AMONG THE RICH AND POOR NATIONS ON FUNDAMENTAL DEVELOPMENT ISSUES, IF A  
 HIGH-LEVEL BUT DELIBERATELY UNOFFICIAL AND PRIVATE COMMISSION WERE ORGANIZED  
 TO EXAMINE THE PROBLEM AND TO SUGGEST, ON POLITICALLY PRACTICAL TERMS,  
 ACTION TO BE TAKEN BY BOTH DEVELOPED AND DEVELOPING NATIONS.

SUCH A PRIVATE COMMISSION SHOULD CLEARLY BE DRAWN FROM INDIVIDUALS  
 FROM BOTH THE RICH AND POOR NATIONS WHO HAVE EITHER HAD PRACTICAL POLITICAL

Robert S. McNamara  
 President

cc: ~~Mr. Janssen~~  
 Mr. Clark - External Relations

RMcN:bmm



EXPERIENCE IN DEALING WITH DEVELOPMENT ISSUES OR WHO HAVE DEMONSTRATED OUTSTANDING PROFESSIONAL COMPETENCE IN DEVELOPMENT ECONOMICS.

THE CHAIRMAN AND CONVENOR OF SUCH A COMMISSION OUGHT TO BE A PERSON OF THE GREAT POLITICAL EXPERIENCE AND STATURE, SAY, OF WILLY BRANDT, THE FORMER CHANCELLOR OF THE FEDERAL REPUBLIC OF GERMANY.

OTHER MEMBERS MIGHT INCLUDE SUCH INDIVIDUALS AS SIR ARTHUR LEWIS, THE DISTINGUISHED CARIBBEAN DEVELOPMENT ECONOMIST; L. K. JHA, THE FORMER DIRECTOR OF THE RESERVE BANK OF INDIA; AND JAN TINBERGEN, THE OUTSTANDING DUTCH DEVELOPMENT STRATEGIST AND NOBEL LAUREATE IN ECONOMICS.

THESE INDIVIDUALS, OR OTHERS OF THEIR EXPERIENCE AND ACCOMPLISHMENT, WOULD HAVE THE ADVANTAGE IN SUCH A COMMISSION OF COLLABORATING NOT AS OFFICIAL REPRESENTATIVES OF PARTICULAR COUNTRIES OR BLOCS OF NATIONS, BUT RATHER AS INTERNATIONAL FIGURES OF RECOGNIZED COMPETENCE AND INDEPENDENT JUDGMENT, WHOSE MANDATE IT WOULD BE TO FORMULATE THOSE BASIC PROPOSITIONS ON WHICH GLOBAL AGREEMENT IS BOTH ESSENTIAL AND POSSIBLE.

THE COST OF SUCH AN EFFORT WOULD BE MODEST AND TO ENSURE THE INDEPENDENCE OF THE COMMISSION IT MIGHT BE SHARED BY SEVERAL NATIONAL GOVERNMENTS,



CARRIERE  
IBRD PARIS

- 3 -

DECEMBER 23, 1986

INTERNATIONAL INSTITUTIONS AND FOUNDATIONS. I ALREADY HAVE RECEIVED INDICATIONS FROM MINISTER PRONK OF THE NETHERLANDS AND FROM MR. DAVID HOPPER, PRESIDENT OF CANADA'S IRDC, THAT THEY WILL BE WILLING TO CONSIDER PARTICIPATING IN SUCH FINANCING.

SUCH A COMMISSION CANNOT BE EXPECTED, OF COURSE, TO PROVIDE AN INSTANT, COMPREHENSIVE, ALL-PURPOSE SOLUTION TO THE PROBLEMS OF DEVELOPMENT -- FOR NONE EXISTS.

BUT WHAT ONE COULD REALISTICALLY EXPECT FROM SUCH A PRIVATE, HIGH-LEVEL INDEPENDENT GROUP IS THE CAREFUL IDENTIFICATION OF POLITICALLY FEASIBLE AREAS OF ACTION WHICH CAN COMMAND PUBLIC AND LEGISLATIVE SUPPORT IN THE RICH AND POOR COUNTRIES ALIKE AND HENCE MOVE THE INTERNATIONAL DEVELOPMENT COMMUNITY BEYOND ITS CURRENT IMPASSE.

THERE WILL BE SOME CRITICS WHO SAY THAT IT IS FANCIFUL TO SUPPOSE THAT THE RICH AND POOR NATIONS -- ALL OF THEM POLITICALLY SENSITIVE OVER THEIR OWN NATIONAL PREROGATIVES -- CAN COME TO ANY MEANINGFUL UNDERSTANDING OVER DEVELOPMENT ISSUES.

I DO NOT BELIEVE THAT IS TRUE.



WHAT I DO BELIEVE IS THAT SUCH AN UNDERSTANDING IS UNLIKELY TO COME ABOUT IN THE CURRENT INTERNATIONAL CLIMATE OF CONTENTIOUS DEBATE.

WHAT IS ESSENTIAL IS TO DETERMINE THE OVERALL VOLUME OF ADDITIONAL AID AND TRADE SUPPORT THAT THE DEVELOPED NATIONS SHOULD SUPPLY: THE ADDITIONAL POLICY REFORMS AND STRUCTURAL CHANGES THE DEVELOPING NATIONS SHOULD UNDERTAKE: AND HOW THESE TWO MUTUAL EFFORTS CAN BE MORE EFFECTIVELY APPLIED TO MEETING THE BASIC HUMAN NEEDS OF THE ABSOLUTE POOR.

IT IS TRUE THAT THE WORLD TODAY IS DIVIDED ON A WHOLE SPECTRUM OF ISSUES: POLITICAL, ECONOMIC, IDEOLOGICAL, CULTURAL.

IT WOULD BE NAIVE TO PRETEND OTHERWISE.

BUT SURELY THERE IS ONE ISSUE ON WHICH NONE OF US CAN DISAGREE.

AND THAT IS THAT THE HUMAN DEGRADATION OF ABSOLUTE POVERTY MUST BE ENDED -- CAN WE NOT ACCEPT THAT WE SHOULD BE FAR ON THE WAY TO ACHIEVING THAT GOAL BY THE BEGINNING OF THE NEXT CENTURY? UNQUOTE.

I WOULD NOT WISH TO MAKE THE REFERENCE TO YOU WITHOUT YOUR KNOWLEDGE AND CONSENT. IF, AS I HOPE, YOU AGREE TO MY SPEAKING IN THESE TERMS I WOULD



CARRIERE  
IBRD PARIS

- 5 -

DECEMBER 23, 1976

NOT REPEAT NOT TAKE THIS TO MEAN THAT YOU HAD BOUND YOURSELF TO ANY FUTURE  
COURSE OF ACTION.

COULD YOU LET ME HAVE YOUR REACTION AS SOON AS POSSIBLE.

WITH SINCERE REGARDS AND BEST WISHES FOR THE NEW YEAR. END TEXT

ROBERT S. MCNMARA



492/2/476

JOHANNES P. PRONK  
MINISTER FOR DEVELOPMENT COOPERATION  
MINISTRY OF FOREIGN AFFAIRS

DECEMBER 23, 1976

LT (Ext. 2001)

THE HAGUE

THE NETHERLANDS

THANK YOU FOR YOUR PROMPT REPLY TO MY TELEGRAM. I WELCOME VERY MUCH YOUR AGREEMENT TO MY MENTIONING YOUR INVOLVEMENT IN THE PROJECT. I DO NOT BELIEVE THAT THERE IS ANY DIFFERENCE OF SUBSTANCE BETWEEN US AND I SHALL CAREFULLY CONSIDER YOUR POINT ABOUT THE UNITED NATIONS IN REVIEWING MY DRAFT, ALTHOUGH I DO NOT WANT TO PREJUDGE THE ISSUES ON WHICH THE COMMISSION MUST DECIDE. I HAVE ASKED WILLIAM CLARK TO REPLY DIRECTLY TO VAN GORKOM'S CABLE OF DECEMBER SEVENTEEN ADDRESSED TO HIM. WITH BEST WISHES FOR A MERRY CHRISTMAS AND A HAPPY NEW YEAR

ROBERT S. McNAMARA  
INTBAFRAD

*RMcN/s*  
Robert S. McNamara  
President

cc: William Clark-~~INT~~ External Relations

RMcN:ham



h92/2/415

December 22, 1976

Dear Rodrigo:

I am saddened and disappointed to learn of your resignation as Minister of Finance, although I can quite understand the reasons. You take with you not only our affection but our recognition that you have been one of the most outstanding Finance Ministers both of Colombia and of the world during the post-war era.

Margaret joins me in sending to you and Louise our best wishes for the future. Do plan to stay with us when you next visit Washington.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Dr. Rodrigo Botero Montoya  
Minister of Finance and Public Credit  
Ministry of Finance and Public Credit  
Bogota, D. E. Colombia  
cc: Mr. McNamara's office (2)  
Mr. Knapp

LHBerlin:RSMcNamara:bmm

December 21, 1976



492/2/414  
DEC 22 1976

Dear Mr. Minister:

Thank you for notifying me that Mr. Arnfinn Moland will be representing Norway for the remaining meetings of IDA Deputies. I am very grateful for the strong support Norway has been giving IDA in these difficult negotiations for the Fifth Replenishment. I also hope you will convey to Mr. Løvold our gratitude for his personal efforts on IDA's behalf. Mr. Løvold has been Deputy for IDA negotiations since the Second Replenishment and we have much appreciated his support over the years; please give him my best wishes on his retirement.

I am hopeful that the negotiations for the Fifth Replenishment are now close to a conclusion along the lines proposed by Mr. Cargill at Kyoto and that it will be possible, not only to have reached agreement on the Replenishment at the Deputies' level by March, but also to have reached agreement on the bridging arrangements necessary to ensure the continuity of IDA operations after July 1, 1977. I am sure I can continue to count on Norway for its support in bringing these negotiations to a successful conclusion.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency  
Per Kleppe  
Minister of Finance  
Ministry of Finance  
Oslo - Dep.  
Norway

cc: Mr. E. Magnussen  
Executive Director

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

FVibert/lmh  
December 16, 1976



4912/2/413

DEC 22 1976

Dear Governor,

Thank you for notifying me that Mr. Christopher W. Fogarty will be taking over from Sir Richard King as Deputy for the United Kingdom for the IDA Replenishment negotiations. I am looking forward to working closely with Sir Richard here in Washington on the Development Committee.

I am very grateful for the support that the United Kingdom has been giving IDA in the difficult negotiations for the Fifth Replenishment. It is my hope that the negotiations will have been concluded by the Deputies by March and agreement reached, not only on the Fifth Replenishment, but also on the bridging arrangements necessary to ensure the continuity of IDA operations after July 1, 1977. I am sure I can continue to count on the support of the United Kingdom in seeing these negotiations through to a successful conclusion.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Gordon Richardson  
Governor  
Bank of England  
Threadneedle Street  
London, EC2R 8AH  
England

cc: Mr. William S. Ryrie  
Executive Director



492/2/412

December 20, 1976

Dear Mr. Jamal:

Thank you for your letter of November 13, 1976. I want to say again how grateful I was for your intervention during the meeting I had with the African delegations in Manila. If the Bank is to be successful in mobilizing the resources we require to assist the developing world, it is essential that the developing countries make known publicly the important cooperative and supportive role which they see the World Bank is playing in their countries. This is, I need not tell you, particularly important at this stage of IDA replenishment. I wish, therefore, to reiterate my thanks to you and to President Nyerere for the efforts you have made in this direction.

It is very kind of you to convey in your letter the invitation to my wife and me to revisit Tanzania. We will hope to do so within the next year. May I defer suggesting a time for such a visit until some of the problems relating to the financing of IBRD and IDA are resolved.

With best wishes.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Honorable A. H. Jamal  
Minister for Finance and Planning  
P. O. Box 9111  
Dar es Salaam, Tanzania

SPlease:RmCn:mss



492/2/411

December 20, 1976

MEMORANDUM FOR MR. CHENERY

This afternoon I suggested to Timothy King that he try to reorganize the draft of the population speech to tighten the argument and make it easier for the uninitiated to follow. He said that work to that end would conflict with the work he is doing for you and me on the preparation of a population research program and a program to insure greater emphasis on the subject of population in the Economic Reports. I suggested that he place the speech draft ahead of the others in order of priority and defer completion of the others one week beyond their scheduled dates.

*RMcN*

Robert S. McNamara

cc: Mr. King

RMcN:bmm



4912/2/410

JOHANNES P. PRONK  
MINISTER FOR DEVELOPMENT COOPERATION  
MINISTRY OF FOREIGN AFFAIRS

DECEMBER 20, 1976

LT (EXT. 2001)

THE HAGUE

THE NETHERLANDS

AS I MENTIONED DURING OUR TELEPHONE CONVERSATION THIS MORNING, I WILL BE SPEAKING TO THE WORLD AFFAIRS COUNCIL IN BOSTON JANUARY FOURTEEN. I PROPOSE TO REPEAT PORTIONS OF MY MANILA SPEECH DEALING WITH THE PROBLEMS OF DEVELOPING COUNTRIES AND I WOULD LIKE TO SUGGEST THAT A COMMISSION OF WISE MEN BE FORMED TO CONSIDER HOW TO MEET THOSE PROBLEMS. A DRAFT OF THE STATEMENT I SHOULD LIKE TO MAKE IS INCLUDED BELOW. NOTE PARTICULARLY MY REFERENCE TO YOUR WILLINGNESS TO CONSIDER PARTICIPATION IN THE FINANCING OF SUCH AN OPERATION. MAY I HAVE PERMISSION TO REFER TO YOU AS THE TEXT INDICATES? FOLLOWING THE SPEECH I WOULD APPRECIATE AN OPPORTUNITY TO SIT WITH YOU AND CONSIDER WHAT FURTHER STEPS WE MIGHT TAKE TO DEAL WITH THE PROBLEM.

WITH BEST WISHES FOR THE HOLIDAY SEASON.

TEXT FOLLOWS QUOTE

IN VIEW OF THE CONTINUING IMPASSE AT OFFICIAL LEVELS, IT SEEMS TO ME THAT THERE MIGHT BE MORE HOPE OF REACHING A BASIC UNDERSTANDING AMONG THE RICH AND POOR NATIONS ON FUNDAMENTAL DEVELOPMENT ISSUES, IF A HIGH-LEVEL

Robert S. McNamara  
President

cc: MR. CLARK

RMcn: bmm



BUT DELIBERATELY UNOFFICIAL AND PRIVATE COMMISSION WERE ORGANIZED TO EXAMINE THE PROBLEM AND TO SUGGEST, ON POLITICALLY PRACTICAL TERMS, ACTION TO BE TAKEN BY BOTH DEVELOPED AND DEVELOPING NATIONS.

SUCH A PRIVATE COMMISSION SHOULD CLEARLY BE DRAWN FROM INDIVIDUALS FROM BOTH THE RICH AND POOR NATIONS WHO HAVE EITHER HAD PRACTICAL POLITICAL EXPERIENCE IN DEALING WITH DEVELOPMENT ISSUES OR WHO HAVE DEMONSTRATED OUTSTANDING PROFESSIONAL COMPETENCE IN DEVELOPMENT ECONOMICS.

THE CHAIRMAN AND CONVENOR OF SUCH A COMMISSION OUGHT TO BE A PERSON OF THE GREAT POLITICAL EXPERIENCE AND STATURE, SAY, OF WILLY BRANDT, THE FORMER CHANCELLOR OF THE FEDERAL REPUBLIC OF GERMANY.

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THESE INDIVIDUALS, OR OTHERS OF THEIR EXPERIENCE AND ACCOMPLISHMENT, WOULD HAVE THE ADVANTAGE IN SUCH A COMMISSION OF COLLABORATING NOT AS OFFICIAL



REPRESENTATIVES OF PARTICULAR COUNTRIES OR BLOCS OF NATIONS, BUT RATHER AS INTERNATIONAL FIGURES OF RECOGNIZED COMPETENCE AND INDEPENDENT JUDGMENT, WHOSE MANDATE IT WOULD BE TO FORMULATE THOSE BASIC PROPOSITIONS ON WHICH GLOBAL AGREEMENT IS BOTH ESSENTIAL AND POSSIBLE.

THE COST OF SUCH AN EFFORT WOULD BE MODEST AND TO ENSURE THE INDEPENDENCE OF THE COMMISSION IT MIGHT BE SHARED BY SEVERAL NATIONAL GOVERNMENTS, INTERNATIONAL INSTITUTIONS AND FOUNDATIONS. I ALREADY HAVE RECEIVED INDICATIONS FROM MINISTER PRONK OF THE NETHERLANDS AND FROM MR. DAVID HOPPER, PRESIDENT OF CANAD'S IRDC, THAT THEY WILL BE WILLING TO CONSIDER PARTICIPATING IN SUCH FINANCING.

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AND POOR COUNTRIES ALIKE AND HENCE MOVE THE INTERNATIONAL DEVELOPMENT COMMUNITY BEYOND ITS CURRENT IMPASSE.

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JOHANNES P. PRONK

- 5 -

DECEMBER 20, 1976

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THAT GOAL BY THE BEGINNING OF THE NEXT CENTURY? UNQUOTE

Robert S. McNamara

Robert S. McNamara

President

RMcN:bmm



492/2 1409

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

DECEMBER 15, 1976

5202

TELEX

CARGILL HAS INFORMED ME AMOUNT TO BE SUBMITTED TO COUNCIL MINISTERS FOR SAUDI ARABIA CONTRIBUTION TO FIFTH IDA REPLENISHMENT AND I WOULD LIKE TO THANK YOU FOR PERSONAL EFFORTS. HOWEVER AS YOU KNOW IDA IS MOST IMPORTANT SOURCE OF ECONOMIC AID ON CONCESSIONARY TERMS FOR POOREST DEVELOPING COUNTRIES. ALL CONTRIBUTORS BOTH TRADITIONAL AND NEW REGARD SAUDI ARABIAN CONTRIBUTION AS CRUCIAL TO ATTAINING TARGET BETWEEN EIGHT AND NINE BILLION DOLLARS WHICH WOULD BE IMPOSSIBLE IF THIS WERE LESS THAN DOLLARS FOUR HUNDRED AND FIFTY MILLION AND WOULD MAKE OUR EFFORTS WITH OTHER COUNTRIES VERY DIFFICULT CAUSING SET-BACK TO HOPES OF POOREST COUNTRIES. SINCE I ATTACH SUCH IMPORTANCE TO THIS MATTER I WOULD BE PREPARED VISIT KINGDOM BEFORE NEXT DEPUTIES MEETING IN JANUARY FOR DISCUSSIONS WITH YOU AND IF YOU DEEM FIT WITH HIS HIGHNESS THE PRIME MINISTER. WOULD APPRECIATE YOUR RESPONSE TO THIS SUGGESTION AS SOON AS POSSIBLE. WARM REGARDS.

ROBERT S. MCNAMARA

Raymond J. Goodman

Office of the VP, Finance

cc: Messrs. Diamond  
Harick  
Vibert



492/2/408

December 15, 1976

MEMORANDUM FOR MR. KNAPP

The number of projects containing relatively small amounts of local cost financing appears to be increasing (note, for example, the Haiti project scheduled for Board review on December 28).

In view of the controversy which such financing stimulates, and recognizing the small contribution which it makes to the transfer of resources, would it not be wise to restrict our financing of local costs to those few cases where the amounts are large and the contribution fundamental to the country's development program?

Robert S. McNamara

RMcN:mss



492/2/406

DEC 15 1976

Dear Mr. Ayida:

I am sorry we did not have the pleasure of seeing you at our Annual Meeting this year, for I was looking forward to hearing your views on some of the pressing issues facing us today.

Since returning from Manila we have been giving a great deal of thought to the future management of the Bank. In this connection we would very much like you to consider joining our senior management team as a Program Director. If, as I hope, you are in principle interested in pursuing this further, would it be possible for you to visit Washington in the near future - for discussions with my associates and myself? Any time in January would be convenient so far as we are concerned.

With every good wish for Christmas and the coming year and warm personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. A.A. Ayida  
Secretary to the Federal Military Government  
Senate Building  
Lagos, Nigeria

cc: Mr. McNamara's Office (2)

RAClarke:ean  
12/13/76



492/2/405

December 13, 1976

MEMORANDUM FOR MR. KRIEGER

As we discussed over the telephone today, please send to Earl Drake copies of the materials relating to prospective negotiations of loans to the countries he represents at the same time at which you send such materials to the country negotiators.

Robert S. McNamara

RMcN:mss



492/2/404  
cc: Mr. McNamara's office

DEC 8 1976

Dear Al,

I am pleased to see from your November 24 letter the initiative you are taking with regard to the malnutrition problem, an issue in which the Bank itself is becoming increasingly concerned. We share your view that explicit nutrition policies are needed to bring about necessary improvement, and our own activities in the nutrition field are directed toward that end.

In this connection, the Bank would be pleased to participate in your upcoming International Study Symposium on "Policy Making and Planning to Reduce Malnutrition". We would make appropriate staff available and finance their involvement. We would also be happy, in response to your request, to assist in the identification of other participants, particularly those from countries in which we are working with governments on nutrition projects. To the extent feasible, we also will try to meet your request that we contribute to the documentation of the case studies on which the symposium will focus. Copies of relevant published Bank materials will be made available in quantities needed. (In this regard, you may find of interest the attached report, "Malnutrition and Poverty" by Shlomo Reutlinger and Marcelo Selowsky of the Bank staff, which was released in late November.)

Although we would like to assist in these and other appropriate ways, we prefer not to be formally designated as co-sponsor. As you can imagine, the demands on the Bank for co-sponsorship of meetings far exceed our capacity to respond. Accordingly, we now only sponsor those meetings the Bank has initiated or in which the Bank plays a major substantive role.

For follow-up work, the organizers of your meeting may want to be in contact with Alan Berg, our Senior Nutrition Advisor, who is known to your nutrition group.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Attachment

Mr. Albert H. Bowker  
Chancellor  
University of California  
Berkeley, California 94720

cleared with and cc: Mr. Yudelman  
cleared in substance with and cc: Mr. Merriam  
cc: Mr. Venkitaramanan

ABerg:cm  
December 6, 1976



492/2 1402

December 6, 1976

**MEMORANDUM FOR MR. CARGILL**

Your memorandum dated November 30 forecasts an overrun of \$3.3 million on the FY77 Budget of \$213.4 million. How do you suggest we avoid the overrun?

Until such time as we have a program to do so, I shall authorize no further transfers from the "President's Contingency Allowance", the balance of which presently stands at \$1.9 million.

*RMcN*<sup>5</sup>

Robert S. McNamara

cc: Mr. Adler

RMcN:mss



492/2 /400

DEC 2 1976

Dear Mr. Minister:

I would like to express my sincere thanks for the kind hospitality extended to my associates, Mrs. McNamara and myself on our recent visit. I greatly appreciate the fact that you and Mrs. Lwin accompanied us on the boat trip, which provided an excellent opportunity to hold informal discussions in addition to being very enjoyable. This was my first visit to Burma and I wish that it could have been longer. I was impressed with the great potential of your country and with the efforts being made to increase productivity.

May I also take this opportunity to thank your colleagues who planned our interesting visit and who provided so much information.

Mrs. McNamara joins me in sending our personal regards.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency  
U Lwin  
Deputy Prime Minister and  
Minister of Planning and Finance  
Rangoon, Burma

bcc: Mr. McNamara's Office (2) ✓  
Messrs. Stern  
Clark  
Blobel  
Shibusawa

YHuang/EStern:ls  
December 1, 1976



492/2 1399

DEC 2 1976

Dear Mr. Minister:

I want to thank you, and your many colleagues in the Government of India, for the very gracious hospitality and for making our recent visit so educational and enjoyable.

As I mentioned to you, the prospect for an accelerated development program over the next several years seems very good, and I know that you will do all you can to seize the opportunity which is now at hand. I was impressed not only by the relaxation of the foreign exchange and food constraints, but also by the level of management which I saw, both in public enterprises and in agriculture, by the responsiveness of the farmers to the transmission of new technologies which can be implemented at relatively modest cost, and by the greater flexibility in the administration of public policy.

The present priorities given to agriculture, exports, energy and family planning seem to me to be still the appropriate ones, and we will continue to support your emphasis in these areas.

With best personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency  
Chidambaram Subramaniam  
Minister of Finance  
Government of India  
New Delhi, India

bcc: Mr. McNamara's Office (2) ✓  
Messrs. Clark  
Stern  
Blobel, Alisbah  
EStern/lS, December 1, 1976.



492/2 1398

December 2, 1976

Dear Dr. Huda:

I want to express my thanks for making our recent visit to Bangladesh so interesting and educational. The careful planning, your hospitality, and the facilities placed at our disposal by the Government enabled us to make very effective use of limited time.

I and my associates were impressed by what we saw of your problems and the steps you have taken to deal with them, particularly in the areas of rural development and family planning. The emphasis on motivation, both to increase agricultural production and participation in family planning, is very innovative, and I shall look forward to reports on future progress. I was also glad to learn that work has started both on a medium-term plan and a longer-term perspective. Given the urgent requirements of Bangladesh, a plan is an essential tool for ordering the priorities of competing demands to match available resources.

As I mentioned in Dacca, the progress which has occurred since my last visit is dramatic, and I know that you and your colleagues will strive to maintain these encouraging trends. We will do all we can to continue to be of assistance.

Again, with my thanks and very best wishes,

Sincerely,  
(Signed) Robert S. McNamara

Robert S. McNamara

Dr. N. M. Huda  
Advisor to the President  
Ministry of Planning  
Government of Bangladesh  
Dacca, Bangladesh

cc: Mr. McNamara's Office (2) ✓  
Messrs. Clark, Stern, Blobel, Dunn

EStern/lc  
November 23, 1976



492/2 /397

December 2, 1976

Dear Mr. Minister:

I want to thank you for all the assistance your Government provided on my recent trip. It was most generous of you to place the plane at our disposal which made it possible for us to adhere to our tight schedule.

It was a pleasure for me to meet you and your colleagues during our brief stopover in Bangkok and to discuss, if only briefly, the Bank's operations in Thailand. I hope that we will have an opportunity to continue our discussions before too long.

Please accept again my thanks and good wishes.

Sincerely,  
(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency  
Khun Suphat Suthatham  
Minister of Finance  
Government of Thailand  
Bangkok, Thailand

cc: Mr. McNamara's Office (2) ✓  
Messrs. Clark  
Stern  
Blobel  
Shibusawa

NAGibbs/YHuang/EStern:ls  
November 23, 1976



492/2/396

DEC 2 1976

Dear Mr. Minister:

I want to thank you for your very gracious hospitality and for making our recent trip to Pakistan so educational. Although time was limited, I learned a great deal.

As I told you before I left, the potential of Pakistan is very great; and while I recognize that there are many constraints in present policies, I was encouraged that your perception of the problem is very much like ours. The Plan which is now under preparation is very ambitious, but as long as the magnitude of the effort is clearly understood, and the consequences of some shortfalls provided for, it is desirable to set ambitious targets. The effort required, as you told me, is very great on the financial side. An equal effort is needed, I believe, in building the institutions which must serve the farmers and the industrialists if they are to meet their production targets. We will continue to do all we can to assist you in these efforts.

Please accept on behalf of my wife, my associates and myself again my deep thanks and good wishes.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency  
Rana Muhammad Hanif Khan  
Minister of Finance  
Ministry of Finance,  
Planning and Development  
Islamabad, Pakistan

bcc: Mr. McNamara's Office (2) ✓  
Messrs. Clark  
Stern  
Blobel, Clements  
EStern/lS, December 1, 1976



492/2/395

December 1, 1976

To Mr. Baum:

Thank you, Warren, for sending the attached note and for your action in clearing up any confusion between "targets" and "best estimates."

I was disturbed, however, to read in the minutes of the meeting a reference to "pressures to produce projects." I cannot state too strongly that there should be no "pressures to produce projects" other than in conformity with accepted Bank standards. We should make this point clear to all Bank staff members.

There is, of course, for each Project Division and Department an operating plan prepared by that Division to carry out its responsibilities (and in the aggregate, the responsibilities of the Bank Group) to help meet the needs of the developing countries. The appropriate resources (staff personnel, administrative budgets, etc.) have been provided to carry out the operating plans. And it is the responsibility of the managers to either meet the plans or to propose changes in them. But under no circumstances will we permit achievement of the plan by violation of the quality of the standards on which the plan was premised.

I would like you to get together with Jim Kearns and organize a session with the Regional Vice Presidents so that we can dig into the question of any real or perceived "pressures to produce projects."

I am sending copies of this note to each of the individuals receiving copies of the attached minutes.

Robert S. McNamara

Distribution: Messrs. Knapp, Baum, Bell, Benjenk, Chadenet, Chaufournier, W. Clark, Krieger, Stern, Wapenhans, Alter, Weiner, Gabriel, Gordon, Burmester, Finne

Ballantine, Fuchs, Jaycox, Kanagaratnam, Lejeune, Rovani, Sadove, Tolbert, van der Tak, Willoughby, Yudelman, King, Israel, Lee, Lethem, Lithgow, Morse, Raizen, Ray

Encl: To Mr. Baum: Pg. 2 of Nov. 9 Minutes, with RMcN handwritten note.  
To Distribution List: Pg. 2 of Nov. 9 Minutes without RMcN note.

cc: Mr. Kearns

RMcN:bmm



12/1 To Mr. Baum

1. Thanks Warren  
2. There is no "present +  
future projects" + we  
November 9, 1976  
should make this clear to  
all project staff. There  
is a plan which they

Department Directors and Projects Advisory  
Staff in Central Projects Staff

Quality of Project Work

Mr. Baum referred to a recent OED report which had suggested that, under the pressure of circumstances a "target" rate of return had been used to justify a project, instead of the staff's "best estimate" which was much lower. He emphasized once again that, above everything, management trusted all staff to reflect their professional judgment in their work.

prepared  
to carry  
out our  
responsibility  
to assist

It was recognized that, by the very entrepreneurial nature of their work, there was a danger that staff would tend to be optimistic in their forecasts and underestimate the difficulties and risks involved in their projects. In addition, it was often very difficult to make valid estimates of rates of returns, in particular in agricultural projects, where data on crop production often were averages covering a wide range of circumstances, and actual results would depend on how many farmers could achieve the project objectives under variable weather and growing conditions, and especially how fast. Concern was also expressed about the possible dilemma of the regional staff when confronted, on the one hand, with the pressures to produce projects or substitute projects to meet lending program objectives and, on the other hand, with their professional standards.

the  
developing  
countries  
+ for  
which they  
resources

It was agreed that the staff should be made aware that management unequivocally expects their recommendations to be based on their best professional judgment, with an indication of the nature and range of the uncertainties involved and a candid discussion of the factors on which the outcome depends. Under no circumstances should projects be made to look better than expected by the use of estimates that are based on "optimistic" assumptions. Nor should "conservative" assumptions be used in cases where projects had a high rate of return since this biased results in the opposite direction. To do otherwise would not serve the interests either of the borrower or the Bank.

they  
requested  
have  
been  
provided

3. If you or  
your associates  
wish to meet  
with

DISTRIBUTION: Messrs. Ballantine, Fuchs, Jaycox, Kanagaratnam, Lejeune, Rovani, Sadove, Tolbert, van der Tak, Willoughby, Yudelman, King, Israel, Lee, Lethem, Lithgow, Morse, Raizen, Ray.

cc: Messrs. Knapp, Baum, Bell, Benjenk, Chadenet, Chaufournier, W. Clark, Krieger, Stern, Wapenhans, Alter, Weiner, Gabriel, Gordon, Burmester, Finne.

discuss  
this  
matter  
further please  
let me know

FLethem:lic R



Department Directors and Projects Advisory  
Staff in Central Projects Staff

November 9, 1976

Quality of Project Work

Mr. Baum referred to a recent OED report which had suggested that, under the pressure of circumstances a "target" rate of return had been used to justify a project, instead of the staff's "best estimate" which was much lower. He emphasized once again that, above everything, management trusted all staff to reflect their professional judgment in their work.

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DISTRIBUTION: Messrs. Ballantine, Fuchs, Jaycox, Kanagaratnam, Lejeune, Rovani, Sadove, Tolbert, van der Tak, Willoughby, Yudelman, King, Israel, Lee, Lethem, Lithgow, Morse, Raizen, Ray.

cc: Messrs. Knapp, Baum, Bell, Benjenk, Chadenet, Chaufournier, W. Clark, Krieger, Stern, Wapenhans, Alter, Weiner, Gabriel, Gordon, Burmester, Finne.

FLethem:lic R



49212 1393

NOV 30 1976

Dear Walter:

Thank you for your letter of November 18 and your understanding of my difficulties.

If you wish to have someone with wide knowledge of the subject under discussion may I recommend the Treasurer of this Bank, Gene Rotberg, who has responsibility for handling our borrowing program, and our short term liquid investment program. This involves the equivalent of US\$3 or 4 billion per annum, raised in about a dozen different currencies.

I know that Gene is a very good and lucid speaker with a deep knowledge both of raising money in the world's financial markets, and of lending it prudently to the developing countries.

Sincerely,

(Signed) Robert S. McNamara  
Robert S. McNamara

Mr. Walter E. Hoadley  
Executive Vice President  
Bank of America  
Box 37000 Bank of America Center  
San Francisco, Ca. 94137

WDClark:sf



492/3/371

November 30, 1976

Dear Jim:

Many thanks for the invitation to dinner on January 13. Unfortunately, for me, a commitment here in Washington will make it impossible for me to attend.

Best wishes.

Sincerely,

Robert S. McNamara

Mr. James E. Robison  
20 Haarlem Avenue  
White Plains, New York  
10603

RMcN:bmm



492/2/391

NOV 23 1976

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

Dear Dr. Mahler:

Your letter of October 6, concerning the Special Programme for Research and Training in Tropical Diseases, arrived while I was in Manila for the World Bank's Annual Meeting. I left for a visit to a number of Asian countries soon after my return to Washington -- just after we met at the ACC. Thus it is only now I am able to reply to you.

You asked, in behalf of UNDP as well as WHO, whether the World Bank would be willing to join the two organizations in co-sponsoring the Special Programme, and whether it would agree to serve as fiscal agent for the proposed Tropical Diseases Fund. I am pleased to say that I am prepared in principle to propose to the Bank's Executive Directors that the Bank agree to play these roles.

I say "in principle" for two reasons.

The first is that I would wish to be in a position to submit to the Executive Directors a more precise description of the financial implications of the Programme than seems possible at the moment. I assume that the financial projections will be refined at the meeting of potential donors which you are convening on December 8.

The second reason relates to the proposed task force and network approach of the Programme. There is a serious question in my mind whether this approach, which contemplates carrying out research and training for all six diseases in a large number of individual centers which vary considerably in their present quality and are widespread geographically, can be expected to provide the critical mass and to create and maintain the momentum necessary to produce optimum and timely results. Moreover, these characteristics, plus those inherent in the complex nature and scope of the Programme, will inevitably



November 23, 1976

confront the executing agency with a coordinating and managerial task of extraordinary magnitude. In the circumstances, and particularly because the proposed approach is experimental, in the sense that it has not been tried before on the scale contemplated, I would like to suggest that it would be prudent to make provision for approaching research and training activity for at least one of the diseases, in some different, proven manner. This might be, for example, to confide the attack on the particular disease to a single established (or even a new) institution with appropriate outreach activities. I do not believe that such a modification of the plan would or should delay the initiation of the general Programme, and I recommend it only because I am anxious that the Programme be a success. I am asking Dr. James Lee, the Bank's Environmental and Health Adviser, who will represent the Bank at the December 8 meeting, to raise this question with you and the UNDP.

As you know, the Bank staff who have been working closely with staff of WHO and UNDP in the preliminary planning for the Programme have been particularly concerned to ensure that the organizational and managerial arrangements proposed are sound and appropriate. I am glad to learn from them that they are satisfied on this point, and I very much welcome the willingness of WHO to serve as the executing agency. I am also gratified that, on the basis of experience in the riverblindness program, you and Mr. Morse feel that it would be helpful to have the Bank serve as fiscal agent. I am told that this was also the unanimous recommendation of the Working Group which met to consider the organization and financing of the Programme last July.

As to the possibility, which you also raise in your letter, of a financial contribution from the Bank, I cannot now make any commitment in that respect, and I understand that a postponement of this question will not have any negative consequences for the launching of the Programme.

I extend my good wishes for a useful meeting with potential donors next month. I would hope that the Tropical Disease Programme proves as successful, in its way, as WHO's smallpox eradication campaign, and I extend my warm congratulations to WHO as recipient of the Special Albert Lasker Public Health Service Award for its achievement in that respect.

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

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

SBoskey:tsb

Cleared with and cc: Mr. Baum  
Dr. Lee

Office of the President (2)



492/2/390

November 23, 1976

His Excellency  
Necmeddin Erbakan  
Deputy Prime Minister for Economic Affairs  
Ankara, Turkey

Dear Mr. Deputy Prime Minister:

On my return to Washington this week, I have perused with considerable interest your letter of October 21 to me, which your associates handed to Messrs. Davar and Pollan during their visit to Ankara last month. I was very pleased to learn of your Government's proposals for further strengthening the close cooperation that already exists between Turkey and the Bank and for enhancing the contribution which the Bank can make to the success of your Government's economic development goals for the 1977-84 period. Messrs. Davar and Pollan have also conveyed to me, the gist of your discussions with them. I am appreciative of the valuable time you spent with them in these discussions.

It has been a matter of great satisfaction to me that in our last fiscal year, the Bank lending to Turkey reached a record level of \$212 million. I am hopeful that in the current year, we may be in a position to assist with about \$250 million, including financing for the Karakaya project. In principle, I would also like to envisage continuation of substantial lending for meaningful priority projects which would meet your Government's medium- and long-term development objectives of increasing the income levels as well as the quality of life of your rural and urban poor, generating increased employment opportunity and increasing foreign exchange earnings or savings to improve Turkey's balance of payments. Clearly, Turkey also has other development objectives. Undoubtedly, it will seek to attain them, through other projects financed either from its own resources or sources other than the Bank. However, in view of the substantial development potential that Turkey has and the magnitude of investments that your Government envisages to tap this potential, critical investment and policy choices will need to be made and sound economic management and fiscal policies adopted to ensure success of this huge effort. These matters are, I assume, being addressed to by your Government's economic and planning experts in the context of the exercise of drafting the fourth five-year development plan, that is in progress.



I understand from your letter and from Messrs. Davar and Pollan's report, that in view of the magnitude of Turkey's objectives and programs, you have broadly suggested the following areas of discussions with the Bank during the proposed high-level review:

- (a) A discussion on the proposed overall scope and thrust of Turkey's development efforts in the next five years, together with a review of sectoral allocation for investments;
- (b) A review of financial and human resources, realistically needed for the successful achievement of various investments being proposed under the plan; adjustments may thereafter need to be made by the Government as regards the extent of the investments planned, in order to match desired development objectives with what can realistically be expected to be available;
- (c) A review of how and with what economic management and fiscal policies, can the required levels of domestic and foreign exchange resources be mobilized in time, to ensure a viable implementation of the next development plan; and
- (d) What role can the Bank play, given the choice of development projects which it would like to support, to contribute to the success of Turkey's next development plan.

As you may be aware, the Bank has been doing continuous economic and sector review work in Turkey. This would enable us to have an in-depth review of the draft development plan, when it becomes available. I can however very well appreciate your point that it would be more advantageous to your Government to hold a full-range discussion with the Bank on areas summarized above, before the draft plan is actually completed. Recognizing this, I am prepared to respond positively to your suggestion for high-level discussions and review between Turkey and the Bank. I also hope that this review would provide a basis for a continuing high-level dialogue in future, on policy matters germane to ensuring the success of your Government's economic development efforts.

I am confident that during the proposed high-level review, your Government will wish to focus not merely on obtaining new sources of foreign borrowings - including raising of loans and bonds in world capital markets - but equally on the generation of sufficient domestic resources through methods that might promote equitable income distribution and a non-inflationary impact. I was therefore quite encouraged to learn from Messrs. Davar and Pollan, that to support an investment program of the magnitude that your Government envisages, it would be willing to consider arranging domestic resource mobilization through methods such as increased tax revenues, and payment of realistic prices by consumers for goods and services provided by



His Excellency  
Necmeddin Erbakan

- 3 -

November 23, 1976

State Economic Enterprises (SEEs) - to enable these SEEs and the public sector in general to generate incomes sufficient to cover their full costs and contribute significantly to the financing required for their future expansion and modernization programs. At the same time, in order to ensure the successful achievement of your Government's development goals, it is equally important that ways and means, including legislation if necessary, be considered to foster growth of efficient institutions and administrative practices, as well as to attract and retain more efficient supervisory and managerial staff than what the civil service and the SEEs already have.

You will appreciate, Mr. Deputy Prime Minister, that for the high-level discussions on the lines that you and I envisage to be successful, considerable and careful preparation work will need to be done on both sides. It will be particularly necessary to coordinate and ensure the participation of all relevant ministries and agencies, including the Finance Ministry and the State Planning Organization, in the preparation work as well as the review itself.

If such an approach was agreeable to your Government, it would help preparations on the side of the Bank if we could receive at your earliest convenience the guidelines issued by the Government for the preparation of the fourth Five-Year Development Plan which would, of course, be treated in confidence. It would also be helpful to receive a proposed detailed agenda for the high-level review you have proposed, taking into account the policy and sectoral issues mentioned above and others which may have to be discussed and clarified in order to achieve our common objective of maximizing the effectiveness and scope of the Bank's financial assistance to Turkey. Soon after the receipt of these documents, which would enable us to carry the necessary preparations on our side, I would be prepared to arrange for some of my senior staff to visit Turkey, say, in January, to finalize arrangements for the high-level review that you have proposed.

I shall appreciate your Government's reactions to my suggestions for advancing the proposal conveyed in your letter to me. Let me again say, how pleased I was to receive this proposal. I reciprocate your hope that this will further strengthen the continuing dialogue and cooperation already existing between Turkey and the Bank, and that it will enable both of us to contribute more meaningfully to Turkey's development in a more problem-free environment.

Sincerely,

Robert S. McNamara



His Excellency  
Necmeddin Erbakan

- 4 -

November 23, 1976

cc Mr. Jacques de Groot, Executive Director

cc Mr. McNamara's office (2)

Cleared with and cc Messrs. Dubey, Pollan, Chopra

cc Messrs. Knapp, Paijmans, Knox, Benjenk o/r, Davar

AJDavar/MPBart:rpo

November 18, 1976



FULL RATE

NOVEMBER 19, 1976  
4731

402/3/389

HIS EXCELLENCY HANDOUH SALER, PRIME MINISTER,

CAIRO, ARAB REPUBLIC OF EGYPT

MY EYE EXTEND TO YOUR EXCELLENCY BY CONGRATULATIONS ON YOUR  
REAPPOINTMENT AS PRIME MINISTER. MY COLLEAGUES AND I LOOK  
FORWARD TO CONTINUED CLOSE RELATIONSHIPS WITH YOU AND YOUR  
GOVERNMENT AS WE COOPERATE IN EGYPT'S DEVELOPMENT EFFORT.

REGARDS, MCNAMARA, PRESIDENT, INTDAFRAD.

EGYPT - General

WHumphrey/soju

Robert S. McNamara

President



FULL RATE

NOVEMBER 19, 1976  
4731

492/3/368

HIS EXCELLENCY DR. ABDEL-MONEIM AL-KAISSOUNI, DEPUTY PRIME  
MINISTER FOR ECONOMIC AFFAIRS, OFFICE OF THE PRIME MINISTER,  
CAIRO, ARAB REPUBLIC OF EGYPT.

MAY I EXTEND TO YOUR EXCELLENCY MY CONGRATULATIONS ON YOUR  
APPOINTMENT AS DEPUTY PRIME MINISTER FOR ECONOMIC AFFAIRS.

ALL OF US CONCERNED WITH EGYPT'S ECONOMIC DEVELOPMENT ARE  
PLEASED THAT THIS IMPORTANT NEW POST IS BEING FILLED BY  
SOMEONE OF YOUR EXPERIENCE AND ABILITY. MY COLLEAGUES AND  
I LOOK FORWARD TO WORKING WITH YOU AGAIN IN FORWARDING GREATLY  
THE ECONOMIC DEVELOPMENT OF EGYPT. WITH WARM PERSONAL REGARDS.  
MCNAMARA, PRESIDENT, INTDAPRAD.

EGYPT - General

Whumphrey/soju

Robert S. McNamara

President



492/3/367

November 1976

MEMORANDUM FOR DR. LEE

I have no reason to believe that anyone is planning a coastal project for Aldabra Island in the Seychelles, but if anyone ever does suggest such an operation, please discuss the matter with me before you proceed with it.

*R McN*

Robert S. McNamara

RMcN:bmm



492/3/366

NOV 18 1976

Dear Mr. Egeli:

I much appreciate your cordial letter of November 4 informing me of your retirement from the General Managership of TSKB.

The World Bank association with that institution has been one of notable importance for us. It was the first DFC which our Bank helped to establish and the first one to which we made a loan. It was a model on which we patterned our similar efforts in many other countries, and we have taken great pride in its growth and success and in its contribution to the industrial development of Turkey.

It will be hard to conceive of TSKB without you at its helm, as you have been for the past quarter century; but I share your confidence that the organization and staff that you have developed will carry on your tradition in highly competent fashion. We look forward to a continuing very close relationship with them.

For yourself, I trust that your well-deserved retirement will prove enjoyable and rewarding. It will not, I am sure, be idle.

With all good wishes,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Resid S. Egeli  
c/o Turkiye Sinai Kalkinma Bankasi A.S.  
P.O. Box 59, Findikli  
Istanbul, Turkey

cc - Mr. McNamara's office (2)  
Mr. Benjenk  
Mr. Bart/Mr. Coudol

David L. Gordon:jm  
November 16, 1976



492 / 3 / 365

November 17, 1976

Dear David:

I wish it were possible for me to accept your invitation to join you at Airlie House on December 17 - 18. Unfortunately for me, a previous commitment makes that impossible.

Best wishes for a successful conference.

Sincerely,

1s/ *BSM*

Robert S. McNamara

The Honorable  
David Mathews  
The Secretary of Health,  
Education, and Welfare  
Washington, D. C. 20201

RMcN:bmm



492 / 3 / 364

November 15, 1976

MEMORANDUM FOR MR. YUDELMAN

I am delighted that you initiated the series of meetings reported in your memorandum dated October 28, subject: "Summary of Special Meetings with Agricultural Staff." And I strongly agree that the issues discussed in the memorandum "have to be dealt with more directly and openly than in the past." When you are ready to discuss how that might be done, please arrange for a meeting with Messrs. Knapp, Baum and myself.

Robert S. McNamara

cc: Mr. Knapp  
Mr. Baum

RMcN:bmm



492/3/362

NOV 15 1976

Dear Mr. Scott:

Pursuant to Section 7.9 of the Staff Retirement Plan, as amended through July 22, 1975, I should like to appoint you a member of the Pension Benefits Administration Committee, for a term of three years, effective immediately.

If you are willing to accept this appointment, please sign the attached copy of this letter, where indicated, and send it to Mr. Bernard Holland, the Secretary of the Pension Benefits Administration Committee.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara  
President

International Bank for Reconstruction and Development  
International Finance Corporation

Mr. Hugh N. Scott  
1318 30th Street, N.W.  
Washington, D.C. 20007

Accepted: \_\_\_\_\_

Date: \_\_\_\_\_