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Pearson Commission -





General 1 1969

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# OFFICE MEMORANDUM

TO: Mr. Lars Lind, D-932

DATE: August 27, 1969

FROM: Peter Kilburn 801

SUBJECT: European and Japanese Advance Copies

Attached, a list of those papers in Europe and Japan which I visited and to which I recommend we airmail advance copies.

- 1. I should like to send a covering letter in each case4. I shall send these letters over to you when we know the date and hour of Mr. Pearson's press conference.
- 2. In the "Washington correspondents" column I have inserted, in brackets, the name of the person to whom the head office of the newspaper specifically requested I also send a copy. You may want to complete this column for the other papers, although I suspect many of them can be covered by normal distribution during the press conference.
- 3. If you feel that this list is too long for advance copy distribution, you might call me.
- 4. The advance copies will, of course, be sent out in English. The "other language" column indicates those papers to which, when they are ready, other language editions should be sent. My covering letter will mention this, where appropriate. I suppose these copies might be mailed from the Paris office?
- 5. You may, of course, wish to send advance copies to papers I haven't on my list (e.g. Switzerland, Norway).
- 6. You will notice that the list does not cover radio and T.V.

#### LDC Press

I shall soon provide you with a list of editors I saw in Africa and Asia. A Latin American list of key papers and magazines is being prepared for me by I.D.B. You may want to add to or subtract from these lists.

In most cases I assume it will not be necessary to send advance copies.

P.S. I shall be out of town from August 29th -- September 9th. My secretary, Miss Gavieres (4496) knows where I can be reached.

KILBURN Aug

Advance Copies to European and Japanese Press

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City	Paper	Send to:	Other Language?	U. S. Correspondent	Rømarks
AMSTERDAM	Het Financiele Dagblad Weesperstraat 85	L. Metzemaekers		(H. Sythoff, Dutch CofC)	
н	De Telegraaf, N.Z. Voorburgwal 225	J. Fahrenfort Asst. Chief Editor			
ц	Elseviers Weekblad " 110 Spuisstraat	W. A. Verwoerd Financial Editor			n vi
П.	Algemeen Handelsblad N.Z. Voorburgwal 234-40, A	J.G. de Graaf Financial Editor	German	(E. G. Lackman) 1682 32nd St, NW, Wash. DC	
п	De Volkskrant, N.Z. Wilvautstraat 198-150	J. A. Damen Chief Editor			
BRUSSELS	De Standaard 127 Blvd. E. Jacquemin	Paul Vanderstraeten Editor, <sup>c</sup> /o Lode Bostoen	French	×	
FOREST-BR JXELLES	Agence economique & financiere 27, rue de l'Escrime	M. le Prof. Leo Levy	French	· · · · · · · · · · · · · · · · · · ·	18 - 21a
BRUSSELS	L'Echo de la Bourse 47, rue du Hublon	Mr. Jean Guilmot Redacteur en Chef	French		· •
ш	Het Laatste Nieuw 105-107 Blvd.E. Jacquemin	A. Declercq			
п	La Derniere Heure Rue du Port-Neuf, 52	M. Andre Hustin Le Redacteur	French		
n	A.E. & F. romuin 5-7 Quai au Bois a Bruler	Le Redacteur en Chef	French		
π	La Libre Belgique 12, Montagne aux Herbes Pot	Mr. Del Marcel ageres	French		

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City	Paper	Send to:	Other Language?	U. S. Correspondent	Remarks
COPENHACEN	Berlingske Tidende Pilestraede 34	Mogens Kofod-Hansen		•	
11	Information St. Kongensgade 6	•• Knud Vilby			
8	Folitiken Radhuspladsen 37	Mr. Allan Heering Economic Editor		2	
п.	Kristeligt Dagblad Frederiksbarggade 5	Jens Ravn Olsen			
п	Aktuelt Nørre Farimagsgade 49	Claus Seiden			
п 	Børsen Radhuspladsen 4	Arne Travis		* 10	
DUSSELDORF	Handelsblatt Kreuzstrasse 21 (Postfach 1102)	Dr. Joseph M. Hunck	German	(Dr. Klaus C. Engelen) 440 East 62nd St. New York, N.Y. 10021	
п	Industriekurier Pressehaus Martin Luther Bldg	Joseph Hess	German	(Gerhard Hirseland, ) 24 Beverly Road Box 146 Farmingdale, N.Y. 11735	•
FRANKFURT	Der Volkswirt Oederweg 16-18 6 Frankfurt am Main	Dr. Peter Schwertz Sporch	German		
	Frankfurter Rundschau Grosse Eschenheimer 16-	Dr. Gerhard Hoepfner	German		
п	Frankfurter Allgemeine Hellerhofstrasse 2-4 (Postfach 3463)	Zeitung Dr. Hans Roeper	German		

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City	Paper	Send to:	Other Language?	U. S. Correspondent	Remarks
HAMBURG	Die Welt Kaiser-Wilhelm-Strasse 1 2 Hamburg 36 ''	Dr. Heinz Pentzlin	German	(Martin Koelie)- Washington	
1	DPA-Zentrale ·· Mittelweg 38 2 Hamburg 13 ···	Mr. Arno Brower	German	(VWD (DPA affiliate) - Wash DC (DPA) - Washington	
и	Die Zeit Pressehaus 2 Hamburg 1	Mr. Michael Jungblut	ж Х.Х.		
LONDON	Daily Telegraph 112 Queen Victoria St. London E.C. 4	Kenneth Fleet City Editor	•	(Alan Osborne) - Washington Dominick Harrod-IBRD/IMF mtng	
n • •	Financial Times Bracken House 10 Cannon St. London E.C. 4	C. Gordon Tether	•	(Rogaly)- Washington	
5 J.H 	The Observor 160 Queen Victoria St. London E.C. 4	Anthony Bambridge		(Nora Beloff)- Washington	•
н	The Banker Bracken House 10. Cannon St. London E.C. 4	Michael Green Executive Editor			
н	The Guardian 831 Salisbury House Finsbury Circus London E.C. 2	Anthony Harris		(R. Scott) - Washington	
u .	The Economist 25 St. James St. London E.C. 2	Miss Marjorie Dean Assistant Editor		(Andrew Kinght) - Wash DC Miss Dean - IBRD/IMF mtng(?)	

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Сіту	Paper	Send to:	Other Language?	U. S. Correspondent	Remarks
LONDON ·	The Sun St. Alphage House Fore St. London E.C. 2	Paul Bareau			
PARIS	Nouvelle Agence de Presse 5, rue des Pyramides Paris le	Pierre Watrinet	French		
П 	Agence France Presse <sup>°</sup> 13, Place de la Bourse Paris 2e	M. Schnitz chef du service outre-mer	French		
н .	Le Figaro	M. Jean Lecerf	French		
••• n	Le Monde 5 rue des Italiens Paris 8e	Paul Fabra services economiques	French		
Ш	Jeune Afrique 51, Av. des Termes Paris 17e	Bechir ben Yahmed Editor	French	(Anne Sandry) 279 East 44th St. (8D) New York, N.Y. 10017	••
п .	L'Express	Maurice Roy	French	· · · ·	
11	France-Soir	Mr. de la Taille	French	· · · · · · · · · · · · · · · · · · ·	

Kilburn Auj 28

#### INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL FINANCE CORPORATION

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Mr. Kilburn rang up to say that

the US correspondent for

Veckans Affarer and Dagens Nyheter is

Mr. Leijonhufvud 68 Montague Street Brooklyn New York 11201

He also said that dispatch date of European press was Sept. 22 and US 24. OK?

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Kilbur Augod

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City	Paper	Send to:	Other Language?	U. S. Correspondent	Remarks
ROME	Ansa via Propaganda, Fide 27	Dott. Salvatore Atzeni (economic desk)	Italian		•
u .	Italia via Nomentana 92	Dott. Oberdan Ottaviani Economic Editor	Italian		
u	Il Giorno	Dott. Vincenzo Apicella Economic Editor	Italian		
н	La Stampa via Po 12	Dott. Arturo Barone	Italian		
STOCKHOIM	Svenska Dagbladet P.O. Box 594	Dr. Tom Selander			
н	Dagens Nyheter	Borge Dahligvist		(S. Leijonhufvud)	
н	Veckans Affarer Sveavagen 53	• Prof. Hugo Hegeland		(Sigfrid Leyonhufvud) 68 Montagne St. (Apt. 44) Brooklyn, N.Y. 11201	· · · · · · · · · · · · · · · · · · ·
TOKYO	Nihon Keizai Shimbun Nikkei Bldg. No. 5, l-chome Otemachi, Chiyoda-ku	Mr. Shiro Saito Editorial Writer	Japanese		
п	Asahi Shimbun 2-3 Yuraku-cho Chiyoda-ku	Mr. S. Maruyama Editorial Writer	Japanese		
н , , , , ,	Manichi Shimbun No.l, Takehiro-cho Chiyoda-ku	Mr. Susumu Yamamoto Editorial Writer	Japanese		

Other Rømarks U. S. Correspondent City Send to: Paper Language? Yomiuri Shimbun Mr. Taro Senba Editorial Writer TOKYO Japanese 1-2-3 Ginza, Chuo-ku 1 . 11 ٠.

Killow Aug 28

Cloo Commission Zill

#### ITEMS FOR DISCUSSION PEARSON COMMISSION PLANNING MEETING III

A. Pre-release

Schedule for printing press version. Number of copies.

Preparation of press release; summary also?

Distribution of press copies

U.S. and Canada U.K. Europe Japan Latin America Africa Asia

Commission staff press visits, U.S. and Canada

For October 1 will Pearson have a press conference or simply be available to the press? Method of informing press and location.

Television arrangements.

B. Post-release plans

Method of transmittal to offical organizations, such as U.N., FAO, Unesco, etc.

Free distribution English version (Praeger)

U.S. and Canada Europe LDCs

X Availability of Commissioners to speak.

Pearson's speaking and TV schedule

TV

ODC conference, symposium and other plans

Praeger promotion plans. Review copies

Schedule for versions in French, German, Italian, Spanish, Portuguese and Japanese.

FORM No. 26 (6-65)

INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR INTERNATIONAL FINANCE RECONSTRUCTION AND DEVELOPMENT CORPORATION

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NFORMATION DEPARTMENT

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GERMANY	170
SCANDINAVIA	110
BELGIUM	50
SWITZERLAND	85
HOLLAND	65
ITALY	90
AUSTRIA	50
OTHER COUNTRIES	25
LONDON OFFICE	100
PARIS OFFICE	300
TOTAL	1415
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#### COMMISSION ON INTERNATIONAL DEVELOPMENT

General Offices: 1900 L Street, N.W., Washington, D.C. 20036, U.S.A. / Area Code 202 • Telephone 381-4481 • Cable Address - PEARCOM Ottawa Office: Suite 907, 75 Albert Street, Ottawa 4, Canada / Area Code 613 • Telephone 996-5277 • Cable Address - CIDAOTT

The Right Honorable L. B. Pearson, Chairman

Washington, D.C., July 1969

#### Some Background Notes

Many political leaders and people whose professional concern is international cooperation for development have been worried by what appears to be a weakening of the commitment to development assistance for low-income countries. This deterioration of the will to aid is occurring at a time when the less developed countries (LDC's) seem able to employ transferred resources with ever-increasing effectiveness, and when the need for these transfers is growing quickly. Also, proponents of development assistance are being challenged with increasing frequency to justify the usefulness of aid programmes.

It was in this context of increasing concern that the then President of the World Bank, George Woods, suggested the creation of a commission of inquiry in which an international group of men of great stature and experience would "meet together, study the consequences of 20 years of development assistance, assess the results, clarify the errors and propose the policies which will work better in the future".

On August 19, 1968, the Rt. Hon. Lester B. Pearson, Nobel Peace Prize winner and former Prime Minister of Canada, accepted an invitation from Robert S. McNamara, President of the World Bank, that he form a Commission to undertake such a study. Mr. Pearson chose seven men, each from a different country, to join him on the Commission. They are: The Rt. Hon. Sir Edward Boyle (U.K.), The Hon. Roberto de Oliveira Campos (Brazil), The Hon. Douglas Dillon (U.S.A.), Dr. Wilfried Guth (Germany), Professor Sir W. Arthur Lewis (St. Lucia), Dr. Robert E. Marjolin (France), and Dr. Saburo Okita (Japan).

The Commission decided early on that its Report should be quickly available to meet the growing crisis in development aid. It determined to try to complete its work by early October 1969. In drawing up its terms of reference the Commission members decided to undertake a fundamental review of the recent history of economic development and development aid, and to prepare recommendations which could guide the aid effort over the next two decades. The Commission intends that its Report propose a philosophy of international cooperation for development which can be accepted by both rich countries and LDC's, as well as far-reaching programme for action.

Although financed by the World Bank, the Commission is in every other respect independent of that institution. It will report through the Bank to all those involved in the field of international development. In addition, the members of the Commission are independent of their respective governments. The Commission is therefore free to study, criticize, praise and recommend in an atmosphere of full independence.

## How the Commission Works

The range of subjects under study by the 8-member Commission includes the rationale for development aid, the volume and terms of aid, the 'aid relationship', the debt burden of LDC's, technical assistance, trade, private investment, the structure of aid giving, LDC public policy, population, the tying of aid, bilateral and multilateral aid, food aid, etc.

In order to help them accomplish this formidable task, the Commission hired an international staff of 15 development experts who were moved to Washington from nine countries in both the developed and less developed world.

The Commission members meet at regular intervals to consider research

material and to draw up recommendations for the Report. So far, such meetings have been held at Mont Gabriel (Canada), Rome and Copenhagen. A further meeting is to be held in September.

In order to obtain the views of LDC governments on matters relating to economic development and aid, Mr. Pearson, accompanied by some of his colleagues, held meetings in Latin America (Santiago), Africa (Abidjan and Kampala), Asia (Rawalpindi, New Delhi, Singapore) and the Middle East (Ankara), at which some 70 LDC governments presented their views on the full range of relevant issues. In a parallel series of visits to the governments of wealthy countries, Mr. Pearson has so far visited Ottawa, Washington, London, Canberra, Tokyo, Paris, Bonn, Copenhagen and Rome.

#### The Report

On publication of its Report, the Commission on International Development will cease to exist. The Report will, if possible, be made available to the governments of both the developed and less developed countries at the meeting of the Board of Governors of the World Bank in early October, after which it will be made public. It will then be up to governments, to multilateral organizations and to the world community to decide what will become of its recommendations.

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### September 11, 1969

## Commission attendance at Bank/Fund Meeting

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Expected: Boyle Dillon (leaves before Pearson's speech) Guth Okita Marjolin <u>Unlikely</u>: Campos Lewis

Peason Repair Planning Mtg III Immediate Reinting Press Copies European office and MOD involvement in press distribution. Praeger Copies ready when? Distributing press copies U.S. + Canada (U.K. Africa CF Kilbun Meno aug 27 Ania Europe ] cf Kilburn Memo Que 27 Japan ] Kilburn trip in U.S. D-Day Pecson press conference or available to press? Immediate TV Jollowup: See my Mens 3 Sept.

Long Range Official transmittal to official organizations -FAO, Unesio, etc. ? Free distribution English version @ US - Obr @ Canada Peter Kilburn @ LDCs + Europe of Memo to VC 26 Eng, 69 availability of Commissioner and how to explicit Raeger promotion plans

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September 5, 1969.

Mr. Lars Lind Information Officer World Bank 1818 H Street NW Washington 20433, D.C.

It is unfortunate that we were unable to accept your very considerable help. The deadline, however, was just too difficult for others to meet.

I hope you did carry out your plans to shoot Mr. Pearson and fellow commissioners in Geneva. We would like to have a copy of the film as soon as possible. We are confident we will be using it in a situation similar to what we discussed. Do you have a collection of news photos from the various centres the commission met? These too would be useful in a montage backgrounding the report.

Finally, the Canadian Film Institute reclaimed the film "World Bank", the only print in Ottawa. At this point, we are interested in scenes of the Bank in session and should you have a newsclip or excerpt on film, we would like to have that on hand. Otherwise, can you arrange to have the film loaned to us from someone in Washington.

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Robert H. Black Producer, Special Effects /sp

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FORM No. 57

## OFFICE MEMORANDUM

TO: FILES

DATE: September 3, 1969

FROM: David Fulton

SUBJECT: Mr. Pearson on television

We have been trying to find a good outlet for Mr. Pearson on Sunday, October 5.

Kilburn reports that Vice President Agnew is scheduled for Issues and Answers that day.

I have checked with Sylvia Westerman at Face the Nation who says there is no possibility for that day, but might work something out later.

We have all agreed I think that Meet the Press is undesirable. This therefore leaves two possibilities, the Georgetown Forum, purely local, and the Evans Novack Report, on the Metromedia channel. I intend to watch both these programs on Sunday to see how they might fit Mr. Pearson and his message.

DCF:1mt

c.c. Mr. Clark Mr. Lind Mr. Kilburn

August 26, 1969

Dear Viggo:

For purposes of coordination William has asked me to "organize" the free distribution of the Pearson Commission Report. For the moment I am concerning myself only with the English version, which will be out first, to be followed, as you know, by translations into French, German, Spanish, Japanese, Portuguese and Italian.

At present it is planned that we will have 10,000 copies (less copies distributed at the Annual Meeting) of the report in English available for free distribution outside North America. Thus we are looking to you to identify those who should receive it in the U.K. and Europe. I would not expect your European list to be terribly large, but obviously since the translations won't be out for several weeks after the English report becomes available, I would expect certain demand for it in France, Germany, Italy and elsewhere. What we will need from you is an approximate estimate of the number of copies you will need, and a general outline of your proposed distribution. In making your estimates you should bear in mind that it is hoped that the commercial sale of the report will be brisk. Your own distribution should cover therefore special friends and officials, but should be designed so as not to cut deeply into the sale of the edition in English or of the subsequent language versions.

Julian Grenfell's division is, similarly, being asked to make an estimate of their requirements for the Underdeveloped World, and Jorge Bravo for Latin America. They will undoubtedly wish to consult Doris on this. Based on the returns from all of you, we will then see whether there are any apparent problems in your proposals.

It would be helpful indeed if you could have your recommendations to me by September 12, and by copies of this letter to Julian and Jorge I am requesting them to do the same.

Kindest regards,

Sincerely,

David C. Fulton

Mr. Viggo Christensen European Office Paris, France

c.c. Messrs. Clark, Lind, Grenfell, Bravo and Mrs. Bomstein DATE FILE SEPT. 11

Peason Commission File

August 27, 1969

Mr. Lars Lind, D-932 Peter Kilburn

European and Japanese Advance Copies

Attached, a list of those papers in Europe and Japan which I visited and to which I recommend we airmail advance copies.

- 1. I should like to send a covering letter in each cased. I shall send these letters over to you when we know the date and hour of Mr. Pearson's press conference.
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- 3. If you feel that this list is too long for advance copy distribution, you might call me.
- 4. The advance copies will, of course, be sent out in English. The "other language" column indicates those papers to which, when they are ready, other language editions should be sent. My covering letter will mention this, where appropriate. I suppose these copies might be mailed from the Paris office?
- 5. You may, of course, wish to send advance copies to papers I haven't on my list (e.g. Switzerland, Norway).
- 6. You will notice that the list does not cover radio and T.V.

#### LDC Press

I shall soon provide you with a list of editors I saw in Africa and Asia. A Latin American list of key papers and magazines is being prepared for me by I.D.B. You may want to add to or subtract from these lists.

In most cases I assume it will not be necessary to send advance copies.

P.S. I shall be out of town from August 29th -- September 9th. My secretary, Miss Gavieres (4496) knows where I can be reached.

#### INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION INTERNATIONAL FINANCE CORPORATION

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Mr. Fulton Aug 28 hars find A last minute note. Twill soon have a list of some 800 Canadians to whom free copies might be sent. A rough ques would be that 150-250 J there people should be sent a French, rather than an English, copy. Peter K.

# OF THE UNITED STATES

1730 M Street, N.W.

Mrs. Bruce B. Benson, President

August 28, 1969

Mr. Peter Kilburn Commission On International Development 1900 L Street, N.W. Washington, D.C. 20036

Dear Mr. Kilburn:

I enclose the tentative schedule of the League of Women Voters conference, "Perspectives in Development" to be held at the Johnson Foundation, Racine, Wisconsin, October 15 and 16, with Mr. Pearson as the keynote speaker.

This will be a national conference, with about 70 participants from all over the U.S. The women attending have been selected by state Leagues on the basis of their interest and knowledge in the field of foreign policy.

Please let us know if there is other information you will need.

Sincerely, le Macklein

Shirley Mecklin Public Relations

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## Tentative Schedule CONFERENCE ON PERSPECTIVES IN DEVELOPMENT

League of Women Voters Education Fund Conference Wingspread Racine, Wisconsin

October 15-16, 1969

0 15 . 1060	
October 15, 1969	
9:30 - 9:45 a.m	Welcome and Introductions
9:45 - 10:45 a.m.	WHY FOREIGN AID? The Right Honorable Lester B. Pearson, Chairman, Commission on International Development
10:45 - 11:00 a.m.	Coffee break
11:00 - 12:15 p.m.	FUTURE DIRECTIONS OF U.S. DEVELOPMENT AID William Gaud, special consultant to World Bank; former Administrator of Agency for International Development *
12:15 - 2:00 p.m.	Lunch
2:00 - 3:00 p.m.	U.S. POLICY CHOICES Small discussion groups Discussion leaders: Robert E. Asher, Senior Fellow, The Brookings Institution John Burnett, formerly with the Development and Resources Corp. Isaiah Frank, School for Advanced International Studies,
	Isaiah Frank, School for Advanced Incorner The Johns Hopkins University * James P. Grant, President, Overseas Development Council
3:00 - 3:30 p.m.	Coffee break
3:30 - 5:00 p.m.	A PANEL CRITIQUE ON U.S. POLICY CHOICES Moderator and panel member: James P. Grant Other panelists: Discussion leaders from previous session
6:30 - 8:00 p.m.	Dinner
8:00 - 9:00 p.m.	FILM PREVIEWING
	<ul> <li>"Development Is" New filmstrip and slides on international development produced for the LWV Education Fund and UNA, USA</li> </ul>
	"Not Enough" Color film on development aid produced by OECD

October 16, 1969	DIENARY SESSION: THE THIRD WORLD PROBLEMS AND PROSPECTS	
9:00 a.m.	PERMAN DEC	
9:05 - 9:45 a.m.	BREAKTHROUGH AGAINST HUNGER Lester Brown, Senior Fellow, Overseas Development Council	
9:50 - 10:30 a.m.	NEW MONEY FOR POOR COUNTRIES? Honorable Henry Reuss, U. S. Representative from Wisconsin	
10:30 - 10:45 a.m.	Coffee break	đ
10:45 - 12:00 Noon	COMMUNITY ATTITUDES TOWARD AID A panel presentation Panel members: Mrs. David G. Bradley, LWV Foreign Policy Chairman Richard Leonard, Editor, Milwaukee Journal Bert Tollefson, Jr., Asst. Admin. for Legislative and Public Affairs, AID *	
	I do i to the	
12:00 - 2:00 p.m.	Luncheon	
2:00 - 3:00 p.m.	DEVELOPMENT AND THE REALITIES OF CHANGE Henry Owen, Director of Foreign Policy Studies Program, Brooking former chairman Policy Planning Council, Dept. of State *	s;
*invited	Tormer children in the second se	

\*invited

#### DATE FILE SEPTEMBER 11

c.c. Measrs, Clark, Lind, Granfell, Brevo and Mrs.



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT



張四回原花章主教

INTERNATIONAL DEVELOPMENT ASSOCIATION Colde Address - INDEVAS

> 1818 H Street, N.W., Washington, D. C. 20433, U.S.A. Area Code 202 • Telephone - EXecutive 3.6360

> > August 26, 1969

Dear Viggo:

For purposes of coordination William has asked me to "organize" the free distribution of the Pearson Commission Report. For the moment I am concerning myself only with the English version, which will be out first, to be followed, as you know, by translations into French, German, Spanish, Japanese, Portuguese and Italian.

At present it is planned that we will have 10,000 copies (less copies distributed at the Annual Meeting) of the report in English available for free distribution outside North America. Thus we are looking to you to identify those who should receive it in the U.K. and Europe. I would not expect your European list to be terribly large, but obviously since the translations won't be out for several weeks after the English report becomes available, I would expect certain demand for it in France, Germany, Italy and elsewhere. What we will need from you is an approximate estimate of the number of copies you will need, and a general outline of your proposed distribution. In making your estimates you should bear in mind that it is hoped that the commercial sale of the report will be brisk. Your own distribution should cover therefore special friends and officials, but should be designed so as not to cut deeply into the sale of the edition in English or of the subsequent language versions.

Julian Grenfell's division is, similarly, being asked to make an estimate of their requirements for the Underdeveloped World, and Jorge Bravo for Latin America. They will undoubtedly wish to consult Doris on this. Based on the returns from all of you, we will then see whether there are any apparent problems in your proposals.

It would be helpful indeed if you could have your recommendations to me by September 12, and by copies of this letter to Julian and Jorge I am requesting them to do the same.

Kindest regards,

Sincerely,

David C. Fulton

Mr. Viggo Christensen European Office Paris, France

## STTENDANCE AT THE 1969 ANNUAL MEETING

1969 GANNAL

Meeting tice

Harry D. Schultz - The International Harry Schultz Letter, Switzerland (Wife) Sydney Gampell - Reuters , London Frederick H. Rosenstiel - Frankfurter Allgemeine - (New York) C. R. Stahl - Economic News Agency, Inc. Princeton, N.J. Franz Pick - Pick's World Currency Report, New York Gabriel Alon - Eusiness Diary, Haifa, Israel Martin N.C. Thomann - Basler Nachrichten, Basle, Switzerland Manuel de Sevilla - Edman Films, Mexico Heinz Portmann - Neue Zürcher Zeitung, Zurich, Switzerland David Malbert - The Evening News, London Jose M. Garcia Avila - Europa Press - Madrid, Spain Robert Bennett - The American Banker, New York Walter von Kaenel - Swiss Radio - Bern, Switzerland Miss Frances Cairneross - The Observer - London, England -Dr. Slotosch - Süddeutsche Zeitung - Munich, Germany Wolfgang : Winter - Finanz und Wirtschaft - Zurich - (Zuderfrig hurris -Mr. Charles Ray - The Sunday Times - London, England Unthrolde - Die 2 Diettelala ... Mr. Charles Raw - The Sunday Times - London, England Mr. William Clarke - The Banker - London, England Mr. Patrick Sergeant - London Daily Mail - London, England Miss Marjorie Deane - The Economist - London, England Mr. Fred Tyng - New York Journal of Commerce- New York Mr. Alfred Zanker - U.S. News and World Report - Geneva, Switzerland Mr. Gordon Williams - Bsuiness Week - New York Mr. Robert Martin - The Glasgow Herald - London, England Mr. Franz Aschinger - Swiss Bank Corporation - Zurich, Switzerland Mr. Robert Felsette - Les Echos - Los Angeles Mr. Dominick Harrod - The Daily Telegraph - London, England Mr. Alan Osborn - The Sunday Telegraph - Washington, D.C. Mr. Jack Prosser - Evening Standard - London, England Mr. Hiroto Ohyama - Japan Broadcasting Corporation- Washington, D.C. Mr. Takuo Fuji - Japan Broadcasting Corporation - Washington, D.C. Mr. Robert Head - Daily Mirror - London, E.C.2, England Mr. Thomas Blinkhorn - Milwaukee Journal, Milwaukee, Wisconsin Mr. Conrad Christiano - The Bond Buyer - Washington, D.C. Mr. John Gerrity - The Bond Buyer - Washington, D.C. Miss Trudy Triplett - The Bond Buyer - Washington, D.C. Mr. Christopher MCLaren - Inter-Bank Publications - Washington, D.C. Mr. Hisanori Isomura - Japan Broadcasting Corporation - Washington, D.C. Mr. Masahiro Nagata - Japan Broadcasting Corporation - Washington, D.C. Mr. Kenji Wakamatsu - Japan Broadcasting Corporation - Washington, D.C. Mr. Junichiro Kobae - Japan Broadcasting Corporation - Washington, D.C. Mr. Masaaki Shibatsuji - Japan Broadcasting Corporation - London, England Mr. Michio Futami - Japan Broadcasting Corporation - New York Mr. Herbert Wolff, Institutional Investor, New York Mrs. Anne Lindsay, Institutional investor, New York

(.)

Representatives of Newspapers Outside Washington Who Will Be Covering the Annual Meeting

France Les Echos de Paris Le Journal de Geneve (Suisse) Robert Felsette (Los Angeles) Germany Frankfurter Allgemeine Frederick Rosenstiel (NYC) Industriekurier, Duesseldorf \* Dr. Wolfgang Winter, Deputy Chief Editor Will also repr. "Weltwoche", Zurich "Zeit" , Hamburg Dr. Winter until Oct. 1, is Chief Editor of Finanz und Wirtschaft of Zurich. Sueddeutsche Zeitung, Munich Dr. Walter Slotosch, Economics Editor Israel Business Diary, Haifa Gabriel Alon Japan Japan Broadcasting Corp. Hiroto Ohyama Takuo Fuji Mexico Edman Films, Mexico. D.F. Manuel de Sevilla, Director South Africa Argus South Africa Newspapers John Jordi (Wash. D.C.) Spain Europa Press, Madrid Jose M. Garcia Avila Switzerland Basler Nachrichten, Basle Martin N.C. Thomann, Wirtschaftsredaktion International Harry Schultz Letter, Basle Harry D. Schultz Neue Zurcher Zeitung, Zurich Dr. Heinz Portmann Swiss Broadcasting System Swiss Telegraph Agency, Berne

Walter von Kaenel

Page 2

United Kingdom The BANKER, London W.M. Clarke, Editorial Consultant

Daily Mail, London Patrick Sergeant, Financial Editor

Daily Telegraph, London Dominick Harrod

Daily Mirror, London Robert Head

The ECONOMIST, London Miss Marjorie Deane, Assistant Editor

Evening News, London David Malbert, City Editor

Evening Standard, London Jack Prosser

Glasgow Herald Robert Martin

The OBSERVER, London Miss Frances Cairneross

REUTERS Sydney Gampell, Financial Editor

Sunday Telegraph, London Alan Osborne (Wash. D.C.)

Sunday Times, London Charles Raw

United States AMERICAN BANKER, New York · Robert Bennett, International Editor

BOND BUYER, New York John Gerrity, Chief, Washington Bureau Conrad Christiano, (Washington D.C.) Lis Miss Trudy Triplett, ("")

BUSINESS WEEK, New York Gordon Williams, Financial Editor

Economic News Agency, Princeton, N.J. C.R. Stahl

Interbank Publications, Washington, D.C. Christopher McLarren

### Page 3

- New York Journal of Commerce, New York F.E. Tyng, Assistant Editor
- Milwaukee Journal, Milwaukee Thomas Blinkhorn, Editorial Writer
- Pick's World Currency Reports, New York Dr. Franz Pick
- U.S. News & World Report, Washington, D.C. Alfred Zanker, European Economic Correspondent

Addenda Sept. 9

Institutional Investor, New York Herbert Wolff Mrs. Anne Lindsay

Peason report

### COMMISSION ON INTERNATIONAL DEVELOPMENT

General Offices: 1900 L Street, N.W., Washington, D.C. 20036, U.S.A. / Area Code 202 • Telephone 381-4481 • Cable Address - PEARCOM Ottawa Office: Suite 907, 75 Albert Street, Ottawa 4, Canada / Area Code 613 • Telephone 996-5277 • Cable Address - CIDAOTT

The Right Honorable L. B. Pearson, Chairman

August 26, 1969

Mrs. Ruth C. Pollak Assistant Executive Director The Chicage Council on Foreign Relations 116 South Michigan Ave. Chicago, Ill. 60603

Dear Mrs. Pollak,

Sorry to be late with the title and description of Mr. Pearson's speech.

Title: The Development of Low-income Countries

Description:

h: The economic development of low-income countries depends both upon trade and private investment, as well as, in the short term, upon large amounts of official development assistance. How can concessional aid best supplement trade and private investment in furthering growth in the less developed countries?

Yours truly,

Peter M. Kilburn

PMK:tlg

cc: Mr. A. Hart Mr. Sy Greben Mr. D. Fulton

Mr. Fultor P.C. File

August 25, 1969

Mr. Albert Hart Special Assistant to the Chairman Commission on International Development Suite 907, Fuller Building 75 Albert Street Ottawa L, Ont. CANADA

Dear Bert,

Lists are being prepared here and in the Bank for complimentary distribution of the report after its publication.

Could you send me a list of people (with address) to whom Mr. Pearson would like to send an inscribed copy?

Best wishes,

Peter M. Kilburn

PMK:tlg

cc: Mr. E. Stern Mr. Lars Lind

P.C. Zu

## COMMISSION ON INTERNATIONAL DEVELOPMENT

General Offices: 1900 L Street, N.W., Washington, D.C. 20036, U.S.A. / Area Code 202 • Telephone 381-4481 • Cable Address - PEARCOM Ottawa Office: Suite 907, 75 Albert Street, Ottawa 4, Canada / Area Code 613 • Telephone 996-5277 • Cable Address - CIDAOTT

The Right Honorable L. B. Pearson, Chairman

August 25, 1969

Mrs. Shirley Mecklin League of Women Voters Education Fund 1730 M Street, N.W. Washington, D. C.

Dear Mrs. Mecklin,

Mr. Pearson intends to speak on the following subjects, when he attends your October 15th meeting in Racine.

Title: Why Foreign Aid?

Description: Official aid flows have been stagnant since 1961. In 1968 they went down. More and more critics are questioning the very desirability of development assistance. Are there good reasons for continuing, or augmenting, such assistance to low-income countries?

Yours truly,

Peter M. Kilburn

PMK:tlg

c.c.: Mr. A. Hart Mr. Sy Greben Mr. D. Fulton Mr. Kilburn

August 25, 1969

David C. Fulton

I am attaching a list of major newspapers to which I recommend the Pearson Commission Report be sent with a covering letter from Mr. Pearson, Ed Hamilton, or yourself.

Attachment DCF: 1mt Mr. C. W. Gusewelle Editorial Writer The Kansas City Star 1729 Grand Avenue Kansas City, Missouri 64108

Mr. William B. Smart Editor The Deseret News 33 Richards Street Salt Lake City, Utah 84110

Mr. Jack Spalding, Editor The Atlanta Journal 10 Forsyth Street Atlanta, Georgia 30302

Miss Jean Bellamy Editorial Writer The Miami Herald One Herald Plaza Miami, Florida 33101

Mr. Edwin McDowell Editorial Writer The Arizona Republic 120 E. Van Buren Phoenix, Arizona 85040

Mr. Lou Fox Assistant Foreign Editor The Los Angeles Times Times Mirror Square Los Angeles, California 90053

Mr. Templeton Peck Director, Editorial Page The Chronicle 901 Mission Street San Francisco, California 94119

Mr. John Bryan Financial Editor The Plain Dealer 1801 Superior Avenue Cleveland, Ohio 44114

Mr. Roy Beadle Associate Editor The Oregon Journal 1320 SW Broadway Portland, Oregon 97201

Mr. C. K. McClatchy Editor The Sacramento Bee

21st & Q Sacramento, California 95816 Mr. Lauren K. Soth Editor, Editorial Page The Register-Tribune 715 Locust Street Des Moines, Iowa 50304

Mr. James Idema Editor, Editorial Page The Denver Post 650 - 15th Street Denver, Colorado 80202

Mr. Stanley Hinden Editor, Editorial Page NEWSDAY 550 Stewart Avenue Garden City Long Island, New York 11530

Mr. Carl Ritter Business and Financial Editor San Diego Union 940 3rd Avenue San Diego, California 92112

Mr. Frank R. Ahlgren Editor The Commercial Appeal 495 Union Avenue Memphis, Tennessee 38101

Mr. John Szigenthaler Editor The Nashville Tennessean 1100 Broadway Nashville, Tennessee 37201

Mrs. Molly Clowes Editorial Page Editor Louisville Courier Journal 525 W. Broadway Louisville, Kentucky 40202

## April 28, 1969

On May 1, Robert McNamara, President of the World Bank, will be speaking at the University of Notre Dame on the occasion of his being awarded an honorary degree of Doctor of Laws. His subject will be the problem of excessive population growth in the developing countries and the urgent need to find a solution to that problem if many of those countries are to avoid demographic and economic disaster. Mr. McNamara will also make some suggestions concerning family planning programs in the less developed countries and on how the developed countries can assist in this endeavor. I have taken the liberty of sending along an advance copy of Mr. McNamara's talk, as prepared for delivery. I hope you will find it of interest.

With kindest regards, I am

Sincerely yours,

William L. Bennett Financial Relations Adviser

## List of Addresses - Mr. Bennett's Letter Dated April 28, 1969

MT/ST Tape #551-1

## MT/ST Job No. 1346

Dear Charles:

×

Mr. Charles Ives Editorial Writer The Baltimore Sun Calvert & Center Streets Baltimore, Maryland 21203

Dear Mr. Foote:

Mr. William J. Foote Editor, Editorial Page The Courant 285 Broad Street Hartford, Connecticut 06101

Dear John:

Mr. John T. McCutcheon Editorial Writer The Chicago Tribune 435 North Michigan Avenue Chicago, Illinois 60611

Dear Mr. Homewood:

Mr. Harry Homewood Editorial Writer The Sun-Times 401 No. Wabash Avenue Chicago, Illinois 60611

Dear Bob:

Mr. Robert Lasch × Editor, Editorial Page The Post-Dispatch 1133 Franklin Avenue St. Louis, Missouri 63101

Dear Charles:

Mr. C. W. Gusewelle Editorial Writer The Kansas City Star 1729 Grand Avenue Kansas City, Missouri 64108

#### Dear Frank:

Mr. Frank Rosenau Chief Editorial Writer The Springfield News 32 Cypress Street Springfield, Massachusetts 06101

Dear Melvin:

Mr. Melvin K. Whiteleather Editorial Columnist The Bulletin 30th & Market Streets Philadelphia, Pennsylvania 19104

Dear Tom:

Mr. Thomas Blinkhorn × Editorial Writer The Milwaukee Journal 333 West State Street Milwaukee, Wisconsin 53201

Dear Leonard:

Mr. Leonard Inskip Editorial Page Editor The Minneapolis Tribune 425 Portland Avenue Minneapolis, Minnesota 55415

Dear Mr. Mayne: .

Mr. Calvin Mayne Editorial Page The Times-Union 55 Exchange Street Rochester, New York 14614

Rochester

Dear Mr. Addington:

Mr. Harold Addington Editor, Editorial Page The Herald-Journal 220 Herald Place Syracuse, New York 13202

Dear Bill:

Mr. William B. Smart Editor The Deseret News 33 Richards Street Salt Lake City, Utah 84110 Dear Jack:

Mr. Jack Spalding, Editor The Atlanta Journal 10 Forsyth Street Atlanta, Georgia 30302 Dear Miss Bellamy; Miss Jean Bellamy Editorial Writer The Miami Herald One Herald Plaza Miami, Florida 33101 Dear Edwin: Mr. Edwin McDowell Editorial Writer The Arizona Republic 120 E. Van Buren Pheonix, Arizona 85040 Dear Mr. Conine: Mr. Ernest Conine Lou Fox Editorial Page Assistant Foncies Editor The Los Angeles Times Times Mirror Square Los Angeles, California 90053 Dear Temp: Mr. Templeton Peck Director, Editorial Page The Chronicle 901 Mission Street San Francisco, California 94119 Dear Pat: × Dr. Patricia Shontz Editorial Writer The Detroit News 615 W. Lafayette Blvd. Detroit, Michigan 48231 Dear Mr. Spencer: Mr. S. Cilman Spencer Editor, Editorial Page

The Trentonian Southard at Perry Street Trenton, New Jersey 08602

120

Dear John:

Mr. John Bryan Financial Editor The Plain Dealer 1801 Superior Avenue Cleveland, Ohio 44114

Dear Mr. Beadle:

Mr. Roy Beadle Editor, Editorial Page addac Edido The Oregon Journal 1320 SW Broadway Portland, Oregon 97201

Dear Mr. Wiegand:

Mr. Harold J. Wiegand Editor, Editorial Page The Inquirer 400 No. Broad Street Philadelphia, Pennsylvania 19101

Dear Mr. Ethridge:

Mr. Mark Hthridge, Sr. Sditorial Director The Free Press 321 W Lafayette Blvd. Detroit, Michigan 48231

Dear Sam:

Mr. Sam Acheson Editorial Writer The Dallas News "Communication Center" Dallas, Texas 75222

Dear Mr. Thornton:

Mr. Hamilton Thornton Editor, Editorial Page The Globe Democrat 12 Boulevard at Delmar St. Louis, Missouri 63101

Dear Mr. Harrison:

Mr. Joseph G. Harrison Editor, Editorial Page The Christian Science Monitor One Norway Street

Dear Mr. Rowlinson: Mr. Norman Rowlinson Editorial Writer Buffalo Evening News 218 Main Street Buffalo, New York 14240 Dear Mr. McCall: m. Onea Mr. H. P. McCall Editor, Editorial Page Times-Picayune 601-625 North Street New Orleans, Louisana 70140 Dear Mr. McClatchy: Mr. C. K. McClatchy Editorial Page Edutor The Sacremonto Bee 21st & Q Sacremento, California 95816 Dear Mr. Veblen: Mr. Paul Veblen Executive Editor The News-Press de la Guerra Plaza Santa Barbara, California 93103 Dear Mr. Chaplin: Mr. George Chaplin-Editor The Advertiser P.O. Box 3110 Honolulu, Hawaii 96802 Dear Mr. Soth: Mr. Lauren K. Soth Editor, Editorial Page The Register-Tribune 715 Locust Street Des Moines, Iowa 50304 Dear Bob: Mr. Robert Dietsch Scripps Howard Newspaper Alliance 1013 - 13th Street, N.W. Washington, D.C. 20005

Dear John:

Mr. John Gibson U.S. News & World Report 2300 N Street, N.W. Washington, D.C. 20037

Dear Mr. Ochs:

Mr. Martin S. Ochs Editor, Editorial Page The Chattanooga Times 117 - E. 10th Street Chattanooga, Tennesee 37401

Dear Ed:

▶ Mr. F. E. Tyng Assistant Editor The Journal of Commerce 99 Wall Street New York, New York 10005

Dear Mrs. Clowes:

Mrs. Molly Clowes Editor, Editorial Page The Courier-Journal 525 West Broadway Louisville, Kentucky 40202

Dear Jim:

Mr. James Idema Editor, Editorial Page The Denver Post 650 - 15th Street Denver, Colorado 80202

Dear Mr. Corya:

Mr. Robert Corya Business & Financial Editor / The Indianapolis News 307 No. Pennsylvania Street Indianapolis, Indiana 46206

Dear Mr. Hinden:

Mr. Stanley Hinden Editor, Editorial Page NEWSDAY 550 Stewart Avenue Garden City Long Island, New York 11530

## Dear Mr. Leeney:

Mr. Leeney Executive Editor and Editor, Editorial Page The Register 367 Orange Street New Haven, Connecticut 06511

Dear Fraser:

Mr. Fraser Robertson Columnist The Globe & Mail 140 King Street, West Toronto 1, Ontario Canada

Dear John:

Mr. John Harbron Associate Editor The Telegram 440 Front Street Toronto, Ontario Canada

Dear John:

Mr. J.A. Meyer Managing Editor The Gazette 1000 St. Antoine Street Montreal, Quebec Canada.

San diego CARI Ritter Cool Ritler thead Fin Editor Andrigo Muion 140. Fod Einne Hen Mirgo, Cal. 92112 On Economia hlater Only 5th Manplut \* Frank R. ahlgsen Editor Vie Commercial Ceppeal 195- Juion Corna Monplice Vana. 38101 (\*Elto-Ed. Ed. Poge) Mashoulle SzigENthaleR John Szigen flieler Edita Lee Naplinela Transiston 100. Woodwag Maxlandle Terra 37201 Handliglee Mapai Hisogano Har. & Fin Ed 69 st Dependent Plot Houdulu Haraii 96813

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FILE SEPTEMBER 3

FORM NO. 57

INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

eggen Lamm.

# OFFICE MEMORANDU

Mr. Clark TO:

DATE: August 22, 1969

David Fulton FROM:

SUBJECT:

The Pearson Commission Report -- Launching Preparations II

Lind, Greben, Kilburn and Fulton had their second meeting this afternoon.

Lind reviewed English publication plans -- Praeger to run 1. 50,000 copies, 25,000 to be purchased by the Bank and the remainder for commercial sale. (Of copies for sale, 5,000 will probably be hard bound.) Of Bank supply, we are committing 15,000 to ODC for main U.S. free distribution. Bank will need 2,000 for Annual Meeting, 600-800 for Canada, 550 for Society for International Development conference, and other needs as yet undefined.

In order not to conflict with ODC distribution, Kilburn will 2. give Greben a list of those in U.S. to whom Commission is making free distribution. Greben reported good progress in getting lists for the ODC free distribution. Greben will contact Mr. Dolan of Praeger shortly to discuss promotion plans, review copies, etc.

We agreed it will be essential to have 200 advance copies 3. multilithed to be ready by September 22 for press use in North America and Europe. Kilburn will take advance copies to selected U.S. editorial writers and will mail to others with personal letter and highly visible embargo stamp. Kilburn will also mail copies with covering letters to the European journalists with whom he has been in contact. Our Paris Office will supplement this distribution.

4. Several television activities are developing:

On behalf of the Canadian commercial television network, Station CJOH in Ottawa is preparing a "special" on development, tying it in with the Pearson Commission Report. We are helping with arrangements. The program is to be shown in Canada between October 3-5 and producers are hopeful of selling it in the U.S. and U.K. as well. (Here possibly to NET or a group such as Westinghouse or Metromedia). Format will be 45 minutes on development, 15 minutes open for local commentary.

On October 15, in connection with a couple of mid-west speaking engagements, Pearson has agreed to tape a half hour program in Chicago for wide distribution on mid-west educational stations.

## to: Mr. Clark

Based on Pearson's agreement to appear on television shows immediately after the Report is released, Kilburn has been in touch with Today, Martin Agronsky and Issues and Answers with encouraging responses from all three. He is exploring satellite news coverage and a feature program with Eurovision.

- 2 -

5. As a result of discussions in New York yesterday, Fulton reported interest on the part of the Council on Foreign Relations in scheduling a meeting for Roberto Campos and in road-showing Dillon to Committees on Foreign Relations throughout the U.S. CFR will contact both and follow up.

6. Greben will shortly explore possible tie-ins with the great decisions program and other activities of the Foreign Policy Association.

7. The Leffingwell Lectures are now set for November 19 and 24 and December 9.

8. Greben reported that ODC is now thinking about issuing a monograph 2-3 weeks after the Report's release which would be a critique designed to generate additional public attention and stimulate debate. It would also be used for the basis of a study group in Washington which would hopefully involve key Congressmen, executive-branch officials, and perhaps members of the new President's Commission on International Development.

DCF:1mt

copies to: Messrs. Lind, Greben and Kilburn

August 22, 1969

Mr. Clark

David Fulton

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DCF: 1mt

copies to: Messrs. Lind, Greben and Kilburn

DATE FILE SEPTEMBER 3

Kilburn has O kaged verbally.

DRAFT:DCF:1mt August 13, 1969

c.c. Messrs. Greben Kilburn Lind

from: David Fulton

to: Mr. Clark

memo

subject: The Pearson Commission Report -- Launching Preparations

Sy Greben, Peter Kilburn and I met yesterday at the Bank for the first of what will become regular planning sessions on the U.S. handling of the Pearson Commission Report in the United States. In the course of discussion a couple of non-U.S. issues were raised, which are also noted here.

Main Points:

1. ODC has some doubts about whether they could effectively distribute as many as 25,000 copies of the Report. Soundings of several of the organizations in the Point Four Information Group as to how many copies they could use have not suggested a massive demand. (I have subsequently discussed this point with Lars Lind, and find that of the 25,000 copies to be ordered from Praeger, he intends to use 10,000 for purposes other than U.S. distribution. Therefore ODC would receive for distribution here a maximum of 15,000 copies -- a far more realistic figure).

2. It was agreed that Kilburn (who will be on the Commission staff until October 31) and Greben would take the operational responsibility for generating publicity in the U.S., thus maintaining the posture of the Bank-Commission independence. It was also agreed that our department would provide all possible support.

Greben agreed to contact Praeger (probably in early September)
 to discuss how review copies would be handled.

4. For the ODC distribution, Greben will begin compiling lists. (I have asked him to include trustees of the CED as per your note to me). ODC will also handle distribution to the executive and legislative branches.

5. Kilburn said it was not yet decided whether Pearson would speak to the Annual Meeting on Thursday or Friday. We expressed a preference for Thursday, as Friday newspapers are better than Saturday. The present plan is for Pearson to hold a press conference following his speech to the Governors. This will be staffed by Kilburn, but our department will help with physical arrangements.

6. We all felt that copies of the Commission Report should be available to press attending the Annual Meeting plus selected key journalists notin Washington (particularly editorial writers) about a week in advance of Pearson's speech. We also agreed that there should be a five-page summary to give to reporters at the press conference. Kilburn said he would draft this.

7. Kilburn hopes to visit as many as ten major U.S. newspapers prior to the release of the Report and to send letters to editorial writers on another 20-25. Since these visits really only have a point if the Report is available, it underscores the crucial time problem.

8. Kilburn will handle most of the pre-release promotion. Greben will discuss possible coverage in Time with James Linen, and a possible column with Frank Mankiewicz. I will talk with Jim Bishop of Newsweek.

- 2 -

9. Kilburn is checking on what newspaper publishers are in the running for appointment to President Nixon's commission on international development, on the grounds that because of their interest we may be able to get some special coverage.

10. All Commissioners have been asked by Mr. Pearson to reserve the week after the Annual Meeting for speeches and public appearances in their own countries. Their responses are not yet in, but should be by the end of August. Kilburn asks whether, when we know which Commissioners are available where, the Paris Office could help with setting up TV appearances and talks in Europe. I said I would look into the matter, but that we were understaffed in Paris just at the moment.

11. As to U.S. television, we agreed that the target programs for Pearson immediately after his speech to the Governors would be Issues and Answers (Peggy Whedon, Producer, American Broadcasting Company, 1124 Connecticut Avenue, N.W. Washington, D.C. 20006; telephone Executive 3 7700, the Today Show (contact via Bill Monroe, NBC News Chief in Washington; Emerson 24000) and Martin Agronsky's evening news show on CES. Kilburn will explore these, as well as Canadian possibilities. Greben agreed to look into possibilities on U.S. educational television (NET). Greben will also explore speaking possibilities in the U.S. for Commissioners and staff.

12. Mr. Pearson has committed himself to the Leffingwell Lectures sponsored by the Council on Foreign Relations in New York. Greben pointed out that Harper and Row will publish these in book form and that they very well might succeed in persuading the Book of

- 3 -

the Month Club to carry it as a bonus offering.

13. We agreed to have a second planning meeting at the Bank on Friday, August 22 at 12.30 and to meet regularly thereafter, probably at weekly intervals. In view of his involvement in the publishing of the Report I have invited Mr. Lind to the next meeting.

August 22, 1969

Mr. Peter Kilburn

David Fulton

Press Visits

Referring to our telephone conversation this morning, I attach a list of papers (with names of contacts and telephone numbers) that could be reasonably covered in two trips. I have marked with an asterisk the papers I consider to be top priorities.

We will now set about suggesting contacts on those papers listed in my memorandum of July 7 which are not covered in the attachment. These are people to whom you would presumably write.

I will have this second list to you next week.

DCF: 1mt Attachment

## PAPERS TO VISIT

(\* denotes priority)

## TRIP A

#### BOSTON

\*

Mr. Erwin D. Canham Editor Christian Science Monitor One Norway Street Boston, Mass. 02115

Mr. Charles L. Whipple Editor, Editorial Page Boston Globe 135 Morrissey Blvd. Boston, Mass. 02107

Mr. Robert Nelson Editorial Writer Boston Herald Traveller 300 Harrison Avenue Boston, Mass. 02106

#### NEW YORK

Mr. F. E. Tyng or Miss Emma Doran Assistant Editors Journal of Commerce 99 Wall Street New York, N.Y. 10005

#### PHILADELPHIA

Mr. John McCullough Editor, Editorial Page or Mr. Melvin Whiteleather Columnist The Bulletin 30th and Market Streets Philadelphia, Pa. 19101

Mr. Wynter C. Newhouse Editorial Writer The Inquirer 400 North Broad Street Philadelphia, Pa. 19101 (if he can't see you, ask to talk to the editorial writer who handles international matters)

Tel: (617) 262 2300

Tel: (617) 288 8000

Tel: (617) HA6 3000

Tel: (212) 425 1616

Tel: (215) EV2 7600

Tel: (215) LO3 1600

#### BALTIMORE

Mr. Gerald Griffin
 Editor, Editorial Page
 or Charles Ives, Editorial Writer
 The Sun
 Calvert and Center Streets
 Baltimore, Md. 21203

Tel: (301) 539 7744

### TRIP B

#### ST. LOUIS

 Mr. Robert Lasch Editor, Editorial Page
 St. Louis Post Dispatch
 1133 Franklin Avenue
 St. Louis, Mo. 63101

> Mr. Hamilton Thornton Editor, Editorial Page St. Louis Globe Democrat 12th Blvd. at Delmar St. St. Louis, Mo. 63101

#### CHICAGO

Mr. Gerry Robichaud Editorial Writer Chicago Daily News 401 N. Wabash Chicago, Ill. 60611

Mr. Robert E. Kennedy Editorial Page Editor or Harry Honewood Editorial Writer The Sun Times 401 N. Wabash Chicago, Ill. 60611

Mr. John McCutcheon Editorial Writer The Tribune 435 N. Michigan Avenue Chicago, Ill. 60611

#### MINNEAPOLIS

 Mr. Leonard Inskip Editorial Editor (The Tribune) and Mr. George L. Peterson Editorial Editor (The Star) Minneapolis Star & Tribune Fifth and Portland Minneapolis, Minn. 55415 - 2 -

Tel: (314) 621 1111

Tel: (314) GA1 1212

Tel: (312) 321 2000

Tel: (312) 321 3000

Tel: (312) 222 3232

Tel: (612) 372 4141

## MILWAUKEE

\*

Mr. Paul Ringler Editorial Editor or Thomas Blinkhorn Editorial Writer The Milwaukee Journal 333 W. State St. Milwaukee, Wis. 53201

Mr. Harvey W. Schwandner Editorial Editor The Milwaukee Sentinel 918 N. 4th St. Milwaukee, Wis. 53201

#### DETROIT

Mr. Mark Ethridge, Jr. Editor The Free Press 321 W. Lafayette Blvd. Detroit, Mich.48231

Mr. Wilbur Elston Dir. of Editorial Page or Dr. Patricia Shontz Editorial Writer The Detroit News 615 Lafayette Blvd. Detroit, Mich. 48231 Tel: (414) 271 6000

Tel: (414) 276 3900

Tel: (313) 222 6400

Tel: (313) 222 2000

September 5, 1969

Dear Mr. Seith:

....

....

Mr. Lind has told me about his conversation with you regarding Mr. Pearson's forthcoming television appearance in Chicago and your desire to obtain illustrative material on development for an introduction.

As to still photographs in color, we have an extensive collection, but the cream of the crop is represented in the enclosed booklet, and if you will check the ones you are interested in, we will gladly lend you transparencies. For your reference, a second copy of the booklet is enclosed for you to retain.

Should you feel the need of additional slides, I will be glad to make a selection if you could give me general guidance as to subject matter (education, power, industry, etc.) and an indication of geographical preferences.

Mr. Lind also mentioned your interest in film footage. All we could offer here, I am afraid, would be footage from a film we made on El Salvador a couple of years ago, and the same from a documentary on the Indus Waters scheme in Pakistan (neither film is available for TV use in its entirety). I understand that these could be excerpted without damaging the prints themselves.

If you would like to borrow these films, please let me know and I will have them shipped to you immediately.

Sincerely,

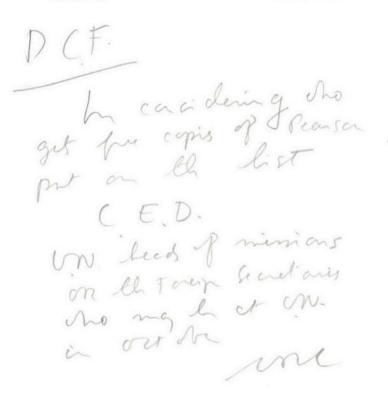
David C. Fulton Chief, Public Affairs

Mr. Alex Seith 135 South Lasalle Street (Suite 2500) Chicago, Illinois 60603

DCF: 1mt c.c. Mr. Lind

#### INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION INTERNATIONAL FINANCE CORPORATION



ORM	No	57-	CI	D	
URM	140 .	5/-	01		

	OFFICE MEMORA	NDUM		
TO:	Messrs. D. Fulton and L. Lind	DATE:	August 20,	1969
FROM:	Peter M. Kilburn VOL			
SUBJECT:	Article in "The Banker"			

The attached article was submitted by Mr. Pearson to "The Banker" (London), for publication in the September issue. "The Banker" also intends to cover the report in Oct. or Nov.

PMK:tlg

Encl.

## Suggested Introduction

In 1967, in a context of increasing concern about the state of development assistance to low-income countries, George Woods, then President of the World Bank, suggested the creation of a commission of inquiry in which a group of men of international stature and experience would "meet together, study the consequences of 20 years of development assistance, assess the results, clarify the errors and propose the policies which will work better in the future".

On August 19, 1968, the Rt. Hon. Lester B. Pearson, Nobel Peace Prize winner and former Prime Minister of Canada, accepted an invitation from Robert S. McNamara, President of the World Bank, that he form a Commission to undertake such a study. Mr. Pearson asked seven men, each from a different country, to join him on the Commission: The Rt, Hon. Sir Edward Boyle (U.K.), The Hon. Roberto de Oliveira Campos (Brazil), The Hon. Douglas Dillon (U.S.A.), Dr. Wilfried Guth (Germany), Professor Sir W. Arthur Lewis (Jamaica), Dr. Robert E. Marjolin (France), and Dr. Saburo Okita (Japan).

In order to obtain the views of the governments of low-income countries on matters relating to economic development and aid, Mr. Pearson, accompanied by some of his colleagues, held meetings in Latin America (Santiago), Africa (Abidjan and Kampal), Asia (Rawalpindi, New Delhi and Singapore) and the Middle East (Ankara), at which some 70 governments presented their views on the full range of relevant issues. In a parallel series of consultations with the governments of wealthy countries, Mr. Pearson has discussed the issues in Washington, London, The Commission's Canberra, Tokyo, Paris, Bonn, Copenhagen, Rome and Ottawa. / Research was undertaken by an international staff of development experts, assembled in Washington for this purpose.

The Commission will report through the World Bank, of which it is however independent, to all those involved in the field of international development. It is intended that the report become public during the first week of October.

## THE COMMITMENT TO DEVELOPMENT ASSISTANCE

The diminishing commitment to development assistance for low-income countries was a major reason for the establishment of the Commission on International Development. It was therefore necessary and inevitable that we should be confronted early by the question, "Why development assistance?" by and the need to find a clear and obvious justification or rationale which would persuade those who do not feel that such assistance is warranted.

Our task might have been easier had we concentrated only on the more obvious and apparently more practical problems relating to the flows, terms and mechanics of aid. The practical problems to which our report will address recommendations exist, however, within a framework of commitment to international cooperation for development. We had, therefore, to face the basic question because it would have been finally unconvincing to do otherwise.

The weakening of the will to continue international aid to development has been very obvious in the past five years, particularly in one or two of the major aid giving countries. Official development assistance provided by the rich industrialized countries rose dramatically from an annual average of \$3.5 billion during the first half of the fifties, to over \$6 billion in 1961. The earliest steps were taken by the United States, but soon other governments followed suit, and by 1961 the official flow represented 1% of the combined National Incomes of donor countries.

In the recent years the volume of foreign official aid has been stagnant. It has not kept pace with the growth of the economies of the wealthy nations. This situation was highlighted two months ago by the publication of the Development Assistance Committee's latest aid figures. In 1968, although larger transfers of private funds increased the <u>total</u> flow of resources, official assistance provided by the developed countries represented on this Committee actually decreased for the first time since the programme began. The latest figures, it is true, show an increase in aid flows from some of the smaller donors. But since the greater part of official aid comes from 5 major donor countries (U.S.A., U.K., France, Germany, Japan), reductions in the contributions of one or two of these countries were sufficient to offset the improved performances of the smaller donor countries.

It has been obvious to many experts and government leaders interested in the subject, that development assistance has been in trouble for some years. The most recent figures should now make the point to a larger audience, and underscore the importance of undertaking the sort of comprehensive review upon which my colleagues and I are now engaged.

The situation is now so disturbing in its implications that it can aptly be described as a crisis. 'Crisis' implies the last moment before fundamental choice. It implies widespread concern and conviction, leading to decisive action. What we are in fact faced with is the real danger that, unsupported by a strong sense of commitment, aid transfers will continue to dwindle unnoticed and unattended and will, for all practical purposes, die "with a whimper". The struggle could be lost by default.

If on the one hand our search for an answer to the question "why development assistance?" is impelled by the depressing evidence of declining will in the rich countries it is, on the other hand, encouraged by the gratifying record of economic progress in the low-income countries in recent years. This record offers solid evidence that the economic development of low-income countries is not only possible but can be stimulated both by an intelligent ordering of domestic policies and by the contribution of intelligently invested external resources on concessional terms.

The achievements of the less developed countries deserve to be better known. Their economic growth has proceeded at faster rates than the industrialized

- 2

countries ever enjoyed at a similar stage in their own history. The fear that backward parts of the world were incapable of growth and that their political problems would be so great as to preclude any economic advance, has proved to be unfounded. By no means all, but many of the less developed countries have shown themselves capable of a major development effort.

The achievements of the developing countries, in which the contributions of the donor countries have also played their part, can be seen in the dramatic progress in secondary school enrollment (in Ghana, up 30% per annum between 1950 and 1965), in the growing number of physicians per 1000 inhabitants (up 220% in Indonesia since 1955), in the pace of industrialization, and in the introduction of new farming methods (new dwarf varieties of cereals can increase yields by factors of 2, 3 or 4).

Thus the record shows that much has been learned about development in the past twenty years. We now know more what makes development possible, as well as what interferes with the process, and we are able to see more clearly the role that foreign assistance can play.

Development assistance has contributed only about 2% of the total income of developing countries. Its role, however, has been vital. It finances a significant fraction of investment activities in the developing countries, and in 1967 contributed over one third of the value of imports into Pakistan, India, Indonesia and Tunisia. Sectors such as transportation, communications and agriculture have all benefited greatly from concessional finance. Such assistance has often permitted the risk-taking that is necessarily associated with dynamic economic growth. There have been problems in the way aid has been provided and there have been mistakes in the way it has been utilized. Nevertheless, it is clear that aid has helped to make possible a good record of achievement in the past two decades.

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Whatever the rich countries do or do not do in the developing countries there is now no choice for or against development. That choice has been made and they are determined to achieve better incomes, better-health and longer life. The real question is the kind of commitment and the obligations which the rich and fortunate countries should assume towards the developing countries. In short will they take the necessary decisions to reverse the present trend or will they allow the structure built up for development cooperation to languish and deteriorate with all the implications this will have for relations between rich and poor countries in an increasingly interdependent world community?

In the knowledge that economic development in low-income countries is possible, and that concessional funds can accelerate this process, we as a Commission have inquired into the reasons for the declining will, have weighed these reasons, and in our report will propose a basis for renewed commitment. Herecy I should like to refer to some aspects of this important issue and to some of the problem associated with it.

There can be no doubt that development assistance is given for a wide variety of motives and is intended by the donors to accomplish a variety of ends, some apparently considerably removed from what would normally be considered 'development'. The list would have to accommodate such diverse motives and considerations as military strategy and humanitarian altruism; commercial benefit and a genuine interest in useful investment; short term political advantage and a belief in the brotherhood of man; the maintenance of historical ties and a desire to promote more effective independence.

Motives are rarely pure, and it may well be inevitable that apparently uncomplementary impulses will continue to influence the aid effort. It is clear,

1/ Aid may, of course, also be accepted for a variety of motives, though this article does not attempt to explore that side of the equation.

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however, that the loose framework of motives and commitment, which apparently satisfied the fifties and early sixties, is now no longer relevant. An effort is urgently needed to reconcile the diverse and often divergent aims and elements of resource transfers to the low-income countries. To give but one example: the understandable desire to link some of such transfers to commercial advantage and development at home, has led to a proliferation of export credits to such an extent that efforts more directly aimed at development in the developing countries are being imperilled by a rapid aggravation of the debt problems in many of these countries. (In 1966, outstanding debt on suppliers' credits constituted less than 15% of the total external debt of the developing countries. Payments on these credits, however, amounted to 27% of total debt servicing. More than a quarter of the total external debt outstanding for Argentina, Peru, Korea, Rwanda, Mauritania, Niger, Ivory Coast, Ghana, Chad and Yugoslavia is related to such credits.) Similar examples of conflicting aims and results could be provided in fields such as trade, lending for development, food aid and the transfer of technology.

The disillusionment and weariness underlying the weakening sense of purpose in some major donor countries is also partly due to excessive expectations in the early days of the aid partnership. The rush of real concern for the plight of many poor and newly independent countries, coming as it did on the heels of Europe's miraculous post-war reconstruction, led many people in the developed countries to believe that the economies of low-income countries would respond quickly and visibly to co-operative efforts in development, and that aid funds would therefore be needed for/a very few years. Although the developing countries in many cases have made good progress, we now know that there is m such thing as "instant development", Instead, international cooperation for development means a sustained effort by rich countries for quite some time,

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though not forever. Hopes, however, that had been raised too high earlier fell too low. Disenchantment began to take hold; the critics painted dire pictures of waste and corruption, and many legislators, keen to the changing mood, advocated reduced foreign aid appropriations.

It has become clear that aid will not buy dependable political friends and military allies or lead to the adoption in the recipient country of a particular ideology or value system. Yet, in the past, aid has sometimes been based on such motives and resulting disappointment has also tended to weaken support for aid. In general, therefore, we are confronted with a situation in which motives and aims having little to do with the objective of development tends to distort and weaken the whole framework of commitment and, indeed, the very "respectability" of development assistance.

Not least among the forces tending to reduce interest and support development co-operation is the crescendo of domestic problems crying for attention in many industrialized countries. Civil disorders, unemployment, balance of payments problems, tunultuous campuses, regional domestic underdevelopment -- all of these turn people's attention in those countries from the continuing plight of the greater part of mankind.

The declining will of some of the rich countries and the confusion of motives underlying the transfer of resources from rich to poor countries make their major impact on the total volume of such flows. But their consequences are also to be seen in the whole range of matters under study by the Commission, including such subjects as: the terms of aid, the aid relationship, the structure of aid giving (bilateral and multilateral), food aid, technical assistance, private foreign investment and international trade.

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The search for a new rationale, a new framework for the motives and aims which should apply to international cooperation for development, must turn on arguments that can be widely understood and that can have broad appeal. The world-wide jubilation that followed the landing of man on the moon may be read as an indication that mankind is becoming ready to think in global terms, that the time has come to scarch out the bases for a world community. Our Report will argue the practical problems of economic growth and development assistance in terms of such a rationale.

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FORM NO. 57-CID

# OFFICE MEMORANDUM

TO: Mr. David Fulton

DATE: August 20, 1969

FROM: Peter M. Kilburn

SUBJECT: The Top Twelve

You will have seen my memo to Hamilton, of Aug. 18, outlining how the press might be approached.

Ed Hamilton will handle the first four in the list of the 16 most important U.S. papers, which begins on page 1.

With respect to the remaining 12 (list below), I wonder if you and your staff might provide the following:

> a) An importance rating - if I can't visit all of them, I want to confine myself to the most important.

Do you agree that San Francisco (!) and Atlanta should be covered? If so, please fill in the name. Also, please choose between the two Philadelphia suggestions.

b) The address and phone number of each paper, as well as the name of the editorial writer I should see.

Christian Science Monitor
 Los Angeles Times
 St. Louis Post-Dispatch
 Chicago Daily News
 Philadelphia (Enquirer?) (Bulletin?)
 Minneapolis Star & Tribune
 Milwaukee Journal
 Journal of Commerce (N.Y.)
 Baltimore Sun
 Detroit News
 San Francisco ? Chronicle
 Atlanta ? Constitution

PMK:tlg

August 19, 1969

for Pearson Commission File

by telecon with Andy Rice, SID, I committed us to supply 550 free copies of Pearson Report-- 500 for Delhi meeting and 50 for distribution by SID to their chapters.

X	OFFICE MEMORAND	MU		
TO:	Messrs. D. Fulton and Sy Greben	DATE:	August 19, 1969	
FROM:	Peter M. Kilburn 7012			
SUBJECT:	Mr. Pearson's Speaking Dates			

Mr. Pearson has accepted three more speaking engagements:

October 15	Keynote speaker (9:30 a.m.)
Wednesday	at League of Women Voters' Education
	Fund meeting at Racine, Wisconsin
	(40 miles from Chicago). Open to media.

October 16 Thursday Luncheon speaker (12"15 p.m.) to <u>Chicago Council on Foreign Relations</u> at Chicago (Sherman Hotel). Open to media.

> Followed by 4:00 p.m. (approx.) session with 30-40 top businessmen at joint meeting of the Council and the Chicago Commercial Club. Closed to media.

November 18 Tuesday Luncheon speaker at luncheon meeting of National Foreign Trade Council. Open to media.

P.S. League of Women Voters expressed interest in getting Mr. Pearson's speech taped by NET. The Chicago Council mentioned the same possibility. Sy, what do you think?

PMK:tlg

cc: Mr. E. K. Hamilton Mr. E. Stern COMMISSION ON INTERNATIONAL DEVELOPMENT

TO: Mr. E. K. Hamilton

Peter M. Kilburn

DATE: Augu

August 18, 1969

SUBJECT:

FROM:

r: Newspaper Coverage of the Report

The following is based upon conversations I have had with you and David Fulton. It suggests how the newspapers should be "handled", and makes distinctions between U.S. and foreign press, and between news coverage, editorials and special coverage (spreads, excerpts from the report etc.).

A later memo will deal with periodicals, journals, radio and T. V.

I. U.S.A.:

a) News coverage will arise out of the advance copy of the report and the press conference. All appropriate Washington correspondents will be invited to the former.

I will settle with David Fulton the question of to whom, in each paper, the advance copy should be made available.

The advance copy, the invitation to the press conference, and notice sent out by the wire services should constitute sufficient forewarning of the report's imminent appearance. In the case of the most important papers, however, (see 'c' below) I would either visit or phone the Washington correspondent.

- b) Special coverage in the form of excerpts, spreads, and magazine sections would be handled in the following way:
  - i) You will approach the N.Y. Times , the Washington Post (Outlook), the Wall Street Journal and the Washington Star.
  - ii) During my trip described in c) below, I shall see if other papers may be persuaded to provide special coverage.
- c) Editorial coverage should be suggested to the most important papers before the report comes out. The 'most important' list would include the following:

New York Times Washington Fost Washington Star Wall Street Journal Christan Science Monitor Los Angeles Times St. Louis Post-Dispatch Chicago Daily News Philadelphia (Enquirer?) (Bulletin?)

FORM NO. 57-CID

Minneapolis Star & Tribune Milwaukee Journal Journal of Commerce (N.Y.) Baltimore Sun Detroit News San Francisco ? Atlanta ?

In those cases where it is appropriate, your enquires about 'special coverage' (see first four above) would also take care of editorial coverage.

I would handle the remaining cases by visits to the appropriate member of the editorial board in early or middle September. If visits to all 12 are impracticable, I will visit the key papers and handle the others by a combination of mail and phone.

d) Papers which we want to reach, but to which we can not practicably apply the above procedures, will be sent a special letter in mid-September, advising them of the report's appearance, promising them an advance copy and including the press kit. There are about 35 papers on this list.

II. CANADA

I will visit Ottawa, Montreal and Toronto between Sept. 2 and Sept. 9. Apart from dealing with the Canadian Council for International Co-operation (Canada's OCD), I shall spend a good deal of time on press matters.

I shall see the appropriate editors of the main papers in these cities in order to accomplish the equivalent of a) to c) as listed in the U.S. section above.

In addition, I shall see the Parliamentary Correspondents of many other Canadian papers on the assumption that these men will be recipients of advance copies.

I will obtain from C.C.I.C. and from the Information Division of C.I.D.A. the names of those papers for which we should do the equivalent of d), above.

### III. EUROPE

Specific plans are still impossible as we won't know for a few days to what extent the Paris office of the Bank can take over (they are understaffed).

## Generally, the approach could be:

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- to brief Reuters, AFP, Deutsch-Presse etc. so they may pass the word on to their subscribers,
- that I write a letter to each of the editors I saw in Europe, reminding him of the upcoming publication and promising an advance copy by airmail, and
- that I approach correspondents here in Washington.

V. JAPAN

Would you please get advice from Okita, at Geneva?

I would normally plan:

- to see the agency people here and to provide them with advance copies,
- to write to each of the 5 editors I saw in Tokyo, reminding them about the report and promising an advance copy by airmail,
- to see or speak to the correspondents in Washington.
- VI. LDC's
  - I do not think we can reasonably develop a detailed programme.

I would suggest:

- that I contact correspondents and agency representatives stationed here,
- write to each of the editors I saw in Africa and Asia,
- write to a select list of editors, based on names I would get from the IDB Information Division.

#### VII. PRESS CONFERENCE

There is no need to go into detail here.

It will (I hope) be held on Thursday afternoon, Ocy. 2, at the Sheraton Hotel. Invitations will be sent out well in advance, and many of those attending will have received advance copies of the report.

Paper to be handed out, or to be available at the press conference include:

- copies of the report
- copies of Pearson's speech (English, French & Spanish?)
- a five to ten-page press release providing basic background information and a list of the major recommendations (English, French, Spanish, German, Japanese?)
- press kits (English, French, German, Spanish, Italian) - already prepared

P.S. We will have to decide what is to be done where advance copies are required in non-English speaking countries. I would suggest, on the assumption that foreign language editions cannot be ready by the week of Sept. 28, that they be sent in English and that a covering letter promise the appropriate edition for later on.

PMK:tlg

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cc.:			Stern Fulton	~
	-	•	and the second	

August 15, 1969

Dear Mrs. Temple Roberts:

As indicated in his letter of July 28, Mr. Christensen has passed on to me your enquiry about the Pearson Commission Report.

We are delighted to learn of your interest, and the BBC's in the possibility of producing a talk on the Report of the Pearson Commission on international development. The fact is that we do not anticipate having copies available more than a day or two in advance of its presentation, now planned to take place one one of the final days of the Annual Meeting of the Board of Governors of the Bank in early October. We will however take note of your interest and do all we can to see that a copy reaches you just as soon as it becomes available.

With best wishes,

Sincerely,

David C. Fulton Chief, Public Affairs

- 4 +

Mrs. E. Temple Roberts Producer, Talks Department British Broadcasting Corporation Broadcasting House London, WIA 1AA, England

DCF:1mt copy of c.c. Mr. Kilburn with/incoming



### BRITISH BROADCASTING CORPORATION

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July 22nd 1969

Dear Mr. Christensen,

I understand that the report of the Pearson Commission on International Development is likely to come out in the autumn, perhaps in time for the World Bank meeting in Washington at the end of September.

Though I have only a very slight idea at present what the report is likely to contain, it seems to me that it might make the subject of at least one good probing talk on development aid. and the general trend of such aid at the present time.

Is there any chance of obtaining a review copy of the report, so that we could base a talk on it not too long after its publication? This, I should like to explain, would be quite apart from any news coverage or a brief comment of the kind that usually follows the publication of any important document on the day of issue. In fact, if the Pearson report should be sufficiently weighty, it might provide us with the basis for a discussion programme or possibly be the occasion for a series of talks.

Any help or advice you may be able to give me on this point would be most welcome.

Looking forward to hearing from you,

E iemple Roberts

(Mrs. E. Temple Roberts) Producer, Talks Department

V.A. Christensen, Esq., International Bank for Reconstruction and Development, 4 Avenue d'Iena, Paris 16e, France. As from : World Bank, 12 rue de Presbourg, Paris, 16'e. 28 July 1969.

## Dear Mrs. Temple Roberts,

I was very pleased to hear from you again after an interval which has been too long. We are of course delighted to hear about your interest in the Pearson Commission report, and are anxious to give you every possible support. When the time for publication comes we in the European Office will of course be actively engaged in promotion work, but at the present moment the advance planning is in the hands of my colleague in Washington, Mr. Lars J. Lind, Deputy Director of the Department of Information and Public Affairs. He is in a better position than I to say how far in advance a copy of the report could be placed confidentially in the hands ofk the B.B.C., and I have therefore sent Lars Lind your letter and copy of this letter, asking him to reply direct to you. I am writing this letter from my summer retreat in Denmark, hence the somewhat primitive letter head.

Wikh kind regards,

Yours very sincerely,

Viggo A. Christensen

Mrs. E. Temple Roberts, Talks Department, B.B.C., Broadcasting House, LONDON, W 1 A - 1 A A.

Peason Commission File

August 5, 1969

# MR. PEARSON'S ENGAGEMENTS

- 1) The attached lists invitations that have already been accepted.
- 2) The exceptions are:
  - League of Women Voters (Racine)
  - National Foreign Trade Council
  - Leffingwell Lectures

The first two of the above have not yet been accepted, but are likely to soon be so, and I have therefore included them. The last has been accepted but dates have not been set.

3) I also have in hand a list of invitations to which there has so far been no response. Some of these may be proposed to various other Commission members.

871Killow

# August 5, 1969

# MR. PEARSON ENGAGEMENT'S - BALANCE OF 1969

	Sunday July 20	7-8 p.m appearance on CTV programme in connection with "astronauts landing on the moon.
		Topic: "What This Means to Mankind". Televised at home.
•91 (J	Tuesday July 22	9:00 a.m Dr. Lee
•	Thursday July 24	11:00 a.m Meeting with Christopher Young, Cameron Graham and Ed Reid In connection with the CEC filming of the domestic and political history between 1958-1968. (This will not be
•		shown for a couple of years and afterwards, will be placed in the Archives).
	Mon-Wed Sept. 1-6	GENEVA - Meeting with Commissioners.
	Thursday Sept. 11	TORONIO - Crown Life Directors Meeting.
	Thurs-Sun Sept. 18-21	THE HAGUE - Preside over 11th Annual Conference, Institute of Strategic Studies.
•	Mon-Fri Sept. 29- Oct. 3	WASHINGTON - Meeting of the International Monetary Fund and World Bank, Sheraton Park Hotel.
•	Thur-Fri Oct. 2-3	STANFORD, California. Meeting of Stanford University's Presidential Visiting Committee.
	Thursday Oct. 9	TORONTO - Crown Life Directors Meeting.
	Friday Oct. 10	OTTAWA - Carleton's Homecoming Dinner Dance at the Skyline Hotel. Mr. Pearson to present brief address. (Provisional acceptance).
	Wednesday Oct. 15	RACINE (Wisconsin) - League of Women Voters (likely).
•	Monday Oct. 20	MONTREAL - Address the Women's Canadian Club at a special luncheon meeting.
	Tuesday Oct. 21	WASHINGTON - Participate in panel discussion of the signers of the North Atlantic Treaty at ATA Gen. Assembly.
	Thur-Fri Oct. 23-24	PARIS - Attend Meeting of DAC Parliamentarians.
	Wed-Fri Oct. 29-31	VICTORIA - Colombo Plan Conference

Monday Nov. 10 TORONTO - Speak to the Wind-up Meeting and Gala Birthday. Party of 50th Anniversary Year of the Board of Trade of Metropolitan Toronto. (Provisional acceptance)

Tuesday Nov. 11 TORONTO - Hart House 50th Anniversary Dinner. (Mr. Pearson is Honorary Chairman of the Planning Cttee.)

Thursday Nov. 13

TORONTO - Crown Life Directors Meeting.

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Tuesday Nov. 18 NEW YORK - Address luncheon meeting of National Foreign Trade Council (likely).

Thursday Nov. 20 NEW YORK - Receive the Gold Medal Award of the National Institute of Social Sciences at a Dinner in the Ballroom of the Plaza Hotel.

Sunday Nov. 23 NEW YORK - Mr. & Mrs. Pearson to attend dinner of the Zionist Organization of America at which Mr. Pearson is to receive the Theodore Herzl Award. Waldorf-Astoria Hotel.

Tuesday Nov. 25 TORONTO - Participate in CBC discussion re performance of "Threnody".

TORONTO - Crown Life Directors Luncheon and Meeting.

Thursday Dec. 11

:

# UNDATED

Late November OTTAWA - Canadian Development Conference, Carleton University. or Early December

November and NEW YORK - Leffingwell Lectures, Council on Foreign December Relations (likely)

# ENGAGEMENTS FOR 1970

Saturday Jan. 10

Wednesday

Feb. 4

Council of Europe

Address Ottawa Canadian Club.

NEW YORK - Columbia University Conference on Development. Sun-Fri Feb. 15-20

TORONTO - Speak at Victoria College Graduation Banquet. Thursday Feb. 26

June 16-30

THE HAGUE: - Mr. & Mrs. Pearson attend FAO 2nd World Food Congress. (Specific date for Mr. Pearson's attendance not mentioned as yet.)

Followed by

CAMBRIDGE, England - Smuts Memorial Lecture, St. Catharines College.

NEW YORK - Academic Weekend at N.Y.U. Center for International Last week in Studies. (Provisional acceptance). September

July 7, 1969

Mr. Peter Kilburn

David C. Fulton

### Pearson Commission Report Handling

In line with our telephone conversation of July 2 here is some information on media which may be helpful in planning the launching of the Commission's Report.

 Top U.S. newspapers with strong Washington bureaus which might be invited to a special briefing:

New York Times Christian Science Monitor Los Angeles Times St. Louis Post Dispatch Chicago Daily News Philadelphia Bulletin Minneapolis Star & Tribune Milwaukee Journal Journal of Commerce (New York) Baltimore Sun Detroit News

I would also include the Washington Post and the Evening Star.

(2) In addition letters with appropriate attachments could be sent to the editors and/or editorial page editors of the following papers:

> The Boston Globe, 125 Morrissey Bhd. Boston, Mass. 02107

The Boston Herald-Traveler, 300 Harrison Street Boston, Mass. 02112

The Los Angeles Herald-Examiner, 111 So. Broadway Los Angeles, Cal. 90054

Mr. Templeton Peck. Edutoriel Pase Edutor The San Francisco Chronicle, 901 Mission Street San Francisco, Cal. 94119

The San Francisco Examiner, 140 5th Street, South San Francisco, Cal. 94119

The San Diego Union, 940 Third Avenue San Diego, Cal. 92112 1

Mr. James Idema, Editorial Pare Editor The Denver Post, 650 15th Street, Denver, Colo. 80202

The Hartford Courant, 285 Broad Street Hartford, Conn. 06101

The Hartford Times, 10 Prospect Street Hartford, Conn. 06101

The Miami Herald, One Herald Plaza Miami, Fla. 33101

The Atlanta Journal, 10 Forsyth Street Atlanta, Ga. 30302

The Chicago Sun-Times, 401 No. Wabash Chicago, Ill. 60611

The Chicago Tribune, 435 No. Michigan Ave. Chicago, Ill. 60611

Indianapolis News, 307 No. Pennsylvania St. Indianapolis, Ind. 46206

The Springfield News, 32 Cypress Street Springfield, Mass. 06101

The Detroit Free Press, 321 W. Lafayette Blvd. Detroit, Mich. 48231

The Kansas City Times-Star, 1729 Grand Avenue Kansas City, Mo. 64108

The Newark News, 215-221 Market Street Newark, N.J. 07101

The Trenton Times, 500 Perry Street Trenton, N.J. 08618

The Cincinnati Enquirer, 617 Vine Street Cincinnati, Ohio 45201

The Cleveland Plain Dealer, 1801 Superior Ave. Cleveland, Ohio 44114

The Cleveland Press, 901 Lakeside Avenue Cleveland, Ohio 44114

The Oklahoman, 500 No. Broadway Oklahoma City, Okla. 73125

The Philadelphia Inquirer, 400 No. Broad St. Philadelphia, Pa. 19101

The Tennessean, 1100 Broadway Nashville, Tenn. 37201

The Dallas News, "Communications Center" Dallas, Tex. 75222

The Dallas Times-Herald, 1101 Pacific Dallas, Tex. 75202

The Houston Post, 2410 Polk Avenue Houston, Tex. 77001

The Deseret News, 34 East 1st. St. South Salt Lake City, Utah 84110

The Salt Lake Tribune, 143 So. Main St. Salt Lake City, Utah 84101

The Milwaukee Sentinel, 918 No. 4th Street Milwaukee, Wis. 53201

The St. Louis Post-Dispatch, 133 Franklin Ave. St. Louis, Mo. 63101

The Arizona Republic, 120 East Van Buren Phoenix, Ariz. 85040

- (3) <u>Periodicals</u>. The weekly news media should not be ignored, and consideration should be made as to how best to handle Time, Newsweek, and U.S. News and World Report. I think we should also aim for special attention in the New Republic, the Saturday Review and possibly the major religious organs (e.g. the Christian Herald, The Christian Century, Commonweal America and Commentary).
- (4) The television programs which might be considered would seem to me to be "Meet the Press", "Face the Nation", and "Issues and Answers" all of which tend to use a "confrontation" technique in order to make the subject matter more lively for the viewing audience. NBC's "Today" show boasts an excellent early morning audience and is allegedly watched by a large segment of the U.S. intelligentsia. One could expect friendly and sympathetic treatment from that quarter, I would think. Also we should try for a brief segment on the Huntley-Brinkley report and the corresponding CBS evening news program with Walter Gronkite.

- Several papers and magazines have regular editorial (5) Board lunches. The best ones for us to concentrate on would be the Washington Post, the New York Times, Time, Newsweek, and possibly McGraw Hill. The latter draws together editors of all the McGraw Hill publications, many of which have a substantial interest in development and related questions, particularly as they affect the private sector.
- In the U.S. several categories of groups (6) Speaking. might be considered. They seem to me to break down into:
  - (a) groups already oriented towards development;
  - (b) groups with a strong peripheral interest in development; and
  - (c) prestigious local forums.

Under category (a) I would include the International Development Conference, an annual Washington affair sponsored by national membership organizations (Chamber of Commerce, churches, labor, etc.), meetings of the Society for International Development, and seminars or conferences sponsored by the Council on Foreign Relations.

Under category (b) I would include large business-oriented and public policy gatherings such as those sponsored by the National Industrial Conference Board, National Council on Foreign Trade, the International Chamber of Commerce and the Foreign Policy Association. . I would also include major church groups and organizations such as the League of Women Voters.

Groups in category (c) would include the more active World Affairs Councils (Los Angeles, San Francisco, Cleveland, Cincinatti, Philadelphia and Pittsburgh), the Chicago Council on Foreign Relations, The Executives' Club. Chicago, and the Detroit Economic Club. Also to be considered are the 20 or so local Committees on Foreign Relations throughout the U.S. which are affiliated with the Council on Foreign Relations.

It should be noted in considering speaking possibilities that they are infinite and depend almost entirely on the availability of people related to the Commission and its work who can be matched with appropriate groups. I have not even touched on the university scene, and a great deal can be done here in the way of promoting guest lectureships and meetings with student international relations clubs.

After you have had a chance to consider these suggestions and to give me some idea of the thinking of the Commission and its staff, we can begin to firm up a more specific program.

DCF:1mt

c.c. Mr. Clark Mr. Lind

Pearson Communon file

Notes on mag the 30 W Killim, Lind . Brano

Monday, Juno 30

# A. Fublication

1. Forms (mimeograph and connercial?) Sott 2. Dates of publication @ Gov. Mtg @ month later or carrier Fr., Sp. [Ger.) all by mid - November 3. Other languages and dates of these kilburn to investigate budget situation. 4. - advance sumaries to prose? 5pg. double space vellage desirable Sp. Fr. Ger. Halim - advance copies to press?

- and in what languages?
  - attach background note to press copies?
  - how to deliver?

# 5. Inmodiate Publicity

- briefing by Pearson to 30 or 10 key press people? (attending Bank/Fund meeting)
- press conference on day of presentation? Wes PM for Thu.
- release-day T.V., radio etc. NO pretaringinUs las invite Radio 1
  - pratape radio and T.V.?
  - 6. Report mailing list (to whom free, in what edition etc.?)
- B. Programme for Genera (1st week August).

Need for specific proposals: emphasis on participation required from members

- 1. 1st week after publication Use media Commentaton + TV.
- 2. next 2 weeks radio + prestigion speaking cyclements.
- 3. next 6 months h. Nock-up of cover

# C. Pre-publication publicity

- EXH will lunch with a number of journalists
   I will see Canadians
   letters to columnists etc. (EXH)
- 2. Special case of radio and T.V.
- 3. Further publicity required in Europe, Latin America etc.?
- 4. Special case of Information Officers of aid agencies, intil. orgs., etc.

Mr. William Clark

June 5, 1969

Julian Grenfell

Pearson Commission Report

Follow-up in LDCs.

Our contacts with LDC newspaper editors and radio and TV outlets should enable us to push the report quite extensively on publication. But main interest in LDCs will be centered on reaction of donor countries to Pearson recommendations. LDC press may grow actively hostile if time passes and there is no tangible indication that the aid-givers are responding positively. We should therefore seize on all positive response in the rich world and help publicize it in the Third World. "Welcoming words not enough" is likely to be the Third World's editorial line. We must hope for some positive steps.

In publicizing the report itself, efforts should be made to recruit respected voices other than those of the Commissioners to boost it in the LDCs, e.g. Robert Gardiner, Tom Mboya, etc. Seminars based on LDC universities or the Regional Economic Commissions should be considered. Pearson should certainly appear before the ECA, ECAFE and ECLA. Emperor Haile Selassie might schedule an OAU Session devoted to the Report.

We should concentrate on high circulation prestige magazines for in-depth coverage such as Jeune Afrique, Asia Magazine, Drum, etc.

We might consider a monthly press-review, prepared here, giving highlights of press reaction and comment to Pearson and circulate it to LDC media. They will be particularly interested to know how opinion is building up, especially in the donor countries.

JPG: jhg

INTERNATIONAL BANK FOR FORM NO. 75 RECONSTRUCTION AND DEVELOPMENT (2-60) INTERNATIONAL FINANCE INTERNATIONAL DEVELOPMENT ASSOCIATION Date 27 Mars ROUTING SLIP ROOM NO. NAME TANO Note and File To Handle Note and Return Appropriate Disposition Prepare Reply Approval Comment Per Our Conversation Recommendation Full Report Signature Information Initial Send On REMARKS attached are some very preliminary notes on the handling of the Pearson report I would be grateful if each of you would prepare a brief memo outlining four own ideas as to how this ought to be handled - dorse with special reference to Latin America. Jan and Faton From

#### PRELIMINARY NOTES ON PEARSON COMMISSION REPORT CAMPAIGN

#### BEFORE RELEASE

Contact National Support Groups, e.g. ODC (U.S.), ODI (U.K.), External Aid (Canada) to advise them of release and determine what they can and are willing to do.

Contact Commissioners individually to ascertain willingness to (a) appear on TV, (b) give press conferences, (c) make speeches. On basis of returns, begin developing individual program for each, in his home country.

Discuss with Pearson his willingness to make appearances (U.S., U.K., Canada) and arrange accordingly. In U.S., <u>Meet</u> <u>the Press</u> would be desirable. Follow with discussions with Spivak and others.

Consider mounting advertising program in <u>Foreign Affairs</u>, <u>Saturday Review</u>, <u>Economist</u>, etc., to advertise availability of report. In U.S. it might be possible to enlist the help of the Advertising Council, if we really want to make a mass impact.

As soon as draft is ready, explore with publishers possibility of early commercial publication of paperback in U.S., U.K., Western Europe. Would Book-of-the-Month Club be interested in offering as a supplement?

#### RELEASE

Desirable to have report or at least summary available in French, Spanish, English (German?). Should be in hands of <u>selected</u> journalists 7-9 days before release. Time release so as to conform to <u>Time</u>, <u>Newsweek</u> publication schedules if possible. Have pre-release briefing for top Washington correspondents by Pearson and Hamilton.

Release could be at combination presentation ceremony (in which Pearson gives it to RSM) followed by a press conference. TV attendance should be encouraged. Both would make brief prepared statements, after which Pearson would submit to questions.

### POST-RELEASE

Report could be mailed to members American Economic Association and American Academy of Political and Social Sciences, and similar societies in other countries. Also to key parliamentarians by local support groups.

Would Hamilton make an effective lecturer at Universities? If so we could put him on the road, perhaps on a tour organized by the ODC (or we could do it). Similar tours could be arranged in Canada, Britain, Germany, possibly involving other Commission staff members.

Organize speeches and TV interviews by Commissioners in accordance with their availability.

Arrange to have question about report asked at White House Press Conference. Also questions in Parliament, Canada and U.K.

Place Pearson on major business-oriented conference program (NICB?).

Special effort to place report in hands of developmentoriented church groups in all advanced countries, and to promote discussion and study programs within the churches.

Contact Foreign Policy Association to see if development could be made focus of Great Decisions Program.

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Form No. 26 (6.65)	INTERNATIONAL DEVELOPMENT ASSOCIATION	INTERNATIONAL BARECONSTRUCTION AND		TIONAL FINANCE RPORATION	Pearson Commiss
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DATE AND TIME OF CABLE:	JUNE 4, 1969	1247		ROUTING	
LOG NO.:	WU 14 / 4		ACTION COPY:	MR. REAMY	
TO:	REAMY INTBAFRAD		INFORMATION COPY:		
FROM:	KOEBEN HAVN		DECODED BY:		

TEXT:

PLEASE CABLE DOLLARS 300 KILBURN PEARSON COMMISSION HOTEL ROYAL COPENHAGEN BY FRIDAY JUNE 6. THANKS

B HARRIS

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Development -

FOR INFORMATION REGARDING CABLES, PLEASE CALL THE COMMUNICATIONS UNIT EXT. 2021

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FORK NO. 26

Develop. - Pearsm Commissim

823/1/96

June 4, 1969

Mr. Escott Reid York University Glendon College 2275 Eavview Avenue Toronto 12, Canada

Dear Escott:

Thank you for your letter of May 27, as well as for the two memoranda that you sent to Mr. Pearson. I think you have some good points on the unsatisfactory state of the definitions of the flow of aid. It is not only the countries that are included which fuzz up the figures, but it is what is included in the figures. Many of the exporter credits do not deserve to be classified as aid any more than some poor individual is talked into buying an expensive motorcar which he cannot afford, on instalment plan, is receiving aid from the finance company.

I have received a copy of Timothy's book. I have leafed through it. It strikes me that this is an excellent book for people beginning Economics. It makes Economics meaningful and does not turn people off. My son took an elementary Economics course at college last year. He was taught how to program a computer, how to do the mathematics of elasticity of demand and supply, but he never learned what it was all about and I doubt if I will ever be able to get him to do any economics anywhere. If he had had something like Timothy's book in the American environment he would have been enthusiastic since it would have met an important test of relevance.

With all best wishes,

A. M. Kamarck (signed)

Andrew M. Kamarch Director Economics Department

June 4, 1969

Mr. Hacott Reid York University Glendon College 2275 Eayview Avenue Coronto 12,

Bear Escott:

Thank you for your letter of May 27, as well as for the two memorands that you sent to Mr. Pearson. I think you have some good points on the unsatisfactory state of the definitions of the flow of aid. It is not only the countries that are included which fuzz up the figures, but it is what is included in the figures. Many of the exporter credits do not deserve to be classified as aid any more than some poor individual is talked into buying an expensive motorcar which he cannot afford, on instalment plan, is receiving aid from the finance company.

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Sinceraly yours, A. M. Kamarck (signed) (AB THE 2 Ether SC Director Economics Department

AMKamarck: js

Form No. 27 (6-68) INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

1/95

Develop. - Pearson Commission

# OUTGOING WIRE

TO: PETER M KILBURN - Pears Comment

ROYALHOTEL C/O HOTEL ROTAL DATE: JUNE 4, 1969

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JUNE 4, 1969

Mr. William Clark

June 2, 1969

Development - Pearson Commistion 923/ 1/94

P. Rocheron

PR amp

Pearson Commission Report. Exploitation and Follow-up in Europe

I have some personal suggestions about exploitation of the Pearson Commission in Europe and measures to take to maintain interest for some months.

1. A short (one to two pages), effective press release must be made available to the press, mainly to international press agencies, in advance or simultaneously to the issuing of the report.

2. The full text must be translated rapidly and carefully in main languages, in addition to English (French, Spanish, German, Italian, Arabic), for the press.

3. Television interviews, with participation of members of the Commission could be arranged in advance in principal countries. For example, the day of issue of the report, Alain Vernay or Michel Drancourt could interview Mr. Marjolin on a ten-minute "special page" of the French Television regular evening news. The same possibilities exist probably in principal countries (U.K., Germany).

4. Taped interviews and short commentaries on the report could be prepared and made available in English, French, Spanish and maybe Arabic to national radio networks (mainly in LDC's) and to European and American networks broadcasting toward foreign countries (VOA, EBC, ORTF). This material should be short (5 to 10 minutes) and the recipients should be authorized to edit it for insertion in their regular programming.

5. Seminars or symposiums could be organized in different key countries, at regular intervals (3 to 4 months between each) where development experts, political figures, etc. could discuss the report and the implementation of its conclusions. London, Bonn, Paris, maybe Tunis or Rabat. The seminar in Paris could use the facilities of the Bank's Conference Center in the new Paris Office building.

6. A new effort will have to be made when the report is published in book form by national publishers in different countries. Mr. Pearson and possibly other members of the Commission should visit the different capitals and give press conferences, television interviews, signing, etc. to promote it. For optimum distribution, the book should be published directly in a popularly priced <u>paperback edition</u> (USIA and Jeune Afrique have experience in this field). A foreword by a "national" expert (i.e. Pierre Moussa, Robert Buron, Andre Philip, Rene Dumont or Gabriel Ardant for the French edition) could help considerably.

Development Pearson Commission. 823/1/93

June 2, 1969

Mr. Irving E. Friedman

William Clark

Pearson Commission.

The phrase in President Nixon's message on Aid is

"The internationally sponsored Pearson Commission".

The vile Press, mistaken as ever, interpreted this as "The World Bank's Pearson Commission"!

cc: Mr. R. S. McNamara Mr. R. Demuth whe WDC/ag

Development - Pearson Commission 823/ 1/92

Paris, May 28, 1969

Mr. S. Hartz Rasmussen

H. M. Moyens 11 MM

Consecutive interpreter for Mr. Pearson on June 13 and 16.

Arrangements have been made for providing consecutive interpretation on Friday, June 13, and Monday, June 16, 1969 when Mr. Pearson will meet in Paris with Mr. Couve de Murville and other Government officials.

The interpreter on this occasion will be Miss Giandini, who will also serve as an interpreter for the meeting of the Commission on International Development in Ankara, June 9-12, 1969.

Miss Giannini will check directly with Mr. Pearson in Ankara regarding his program in Paris. As requested, Miss Giannini will also arrange to double check with Mr. Chatenay at the Paris Office on June 12.

For this type of work, Miss Giannini's fee will be \$120 per day.

HMM:mel

823/1/91

Development - learson Commons.

May 27, 1969

Files

Huguette Angel

# Work for Pearson Commission

Following Mr. E. K. Hamilton's memorandum of February 3, 1969, to Mr. A. Kamarck, I met with Mr. Ravi Gulhati on February 19, 1969 to discuss the possibilities of producing for them the tables as outlined in paragraph 2 of said memo. The outcome of the meeting was that producing the tables could be done with some reprogramming of one of my country models programs (about 2 man weeks) but the real difficulty was the nonavailability of consistent debt data, especially figures to express the 1966 (or 1967) gross flow level. As agreed with Mr. Gulhati, I referred this question to the External Debt experts, Mr. McPheeters in particular. Mr. Gulhati then left on a trip with other members of the Pearson Commission and no further work (Programming or data preparation) was done on the matter.

I recently talked to Mr. Gulhati who was trying to find out when results would be obtained. Since Mr. McPheeters was away on a mission and since Mr. Gulhati was getting ready to leave on a mission until June 18, it was decided to keep the project in its dormant state until then.

cc: Mr. Kamarck Mr. Stevenson Mr. Tiemann Mr. McPheeters

H/Angel/tl

FORM NO. 26 (4-69) INTERNATIONAL FINANCE CORPORATION INTERNATIONAL DEVELOPMENT ASSOCIATION INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT 90 INCOMING CABLE DATE AND TIME ROUTING MAY 27, 1969 427PM OF CABLE: MR. WOOLLATT LOG NO.: RCA TELEX/27 ACTION COPY: TO: INTBAFRAD INFORMATION COPY: FROM: PARIS DECODED BY:

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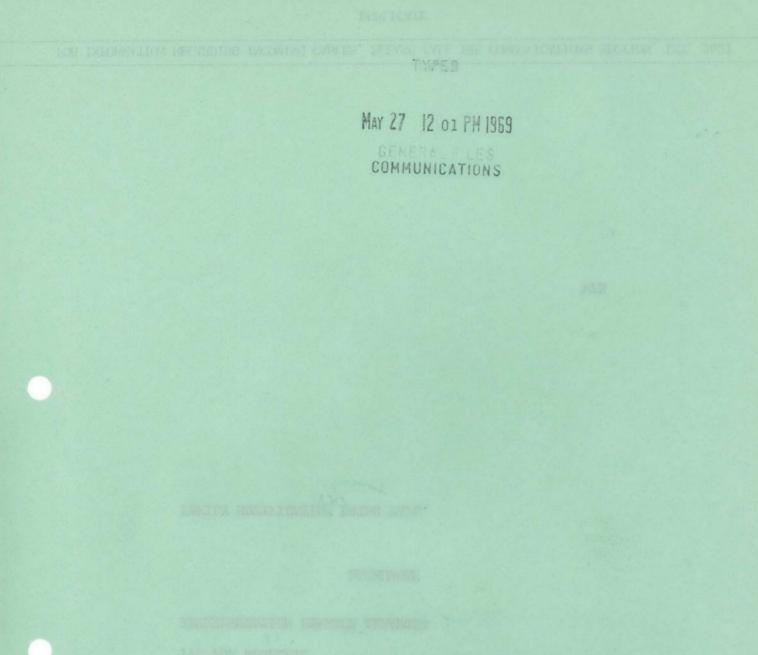
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INTERPRETATION PEARSON ARRANGED

RASMUSSEN

FAMILY NOTIFICATION BEING MADE.

MPB



Commissim

OFFICE OF THE PRINCIPAL

### GLENDON COLLEGE

2275 BAYVIEW AVENUE TORONTO 12, CANADA

May 27th, 1969

Mr. Andrew Kamarck Director of the Economics Department International Bank for Reconstruction and Development 1818 "H" Street N.W. Washington, D.C. 20443

Dear Andy:

. . .

I was re-reading recently the two memoranda which I gave to Mr. Pearson on August 30th last year about the work of his Commission and the necessity of getting better statistics on the flow of aid to poor countries. I enclose a copy of each of these since they may contain something of interest to you.

I feel strongly that none of the statistical tables which I have seen on the flow of aid are satisfactory. It seems to me that the only satisfactory statistics would be ones which would give the flow at constant prices and net of both capital repayments and interest payments.

I also consider that the flow should be the flow only to low income countries. The cut-off could be a per capita G.N.P. of less than \$250 or of less than \$350. As you know a change from \$250 to \$350 makes very little difference in the number of people affected.

The important thing is that statistics on aid should not include so called aid to nations such as Israel, Venezuela and Argentina. Or, I think, to Greece, Spain, Jugoslavia and Mexico.

If it is considered desirable to have statistics of aid to middle income countries there might be a separate table but certainly we shouldn't include in our tables on aid the flow of funds to wealthy countries such as Israel, Venezuela and Argentina.

Yours sincerely

Acle . Jame of

GERLAL FRES

1969 MAY 30 All 9:05

Esrott Reld August 30, 1968.

## MEMORANDUM TO MR. PEARSON: NO. 1

SOME COMMENTS ON THE

WORK OF YOUR COMMISSION\*

1. I assume that the purpose of your Commission is to increase informed and sustained support from the public, the parliaments and the governments of rich countries for a greater and more effective flow of material resources and of skills from the rich countries to the poor countries to help them speed up their rate of economic growth. The methods to be followed in order to increase such informed and sustained support will differ for each of the five main ways by which resources and skills can be trensforred: private investment, higher commodity prices, trade, tourism, official grants and loans.

 Our objective must be firm undertakings from the rich countries that they will greatly increase the flow of resources and skills to those poor countries which demonstrate that they are determined to improve their economic and social policies, programmes and performance.

3.

- By poor countries, I meen countries with a per capita income of less than \$250 a year. The total population of these countries is 2,250 millions of whem 750 million are in China. The population of the other less developed countriesthose with par capita incomes between \$250 and \$750 a year - is only 250 millions and their problems are much less intractable than those of the poor countries since middle-income countries which tex themselves sufficiently don't need soft loans and grents.
- 4. <u>Private Investment</u>. Some of the possible ways of increasing private investment are government guarantees, both multilateral and bilateral, tax incentives; and feasibility studies provided free of charge by I.F.C. or by national governments.

 <u>Commodity prices</u>. Various possible ways have been suggested for increasing the prices to consumers in rich countries of such goods as coffee, tea, cocoa, sugar, and bananas and of trensferring the proceeds to the governments of the poor countries from which these goods come.

<u>Trede</u>. The rich countries should not just open their markets wide to the manufactured goods of the poor countries, they should help the poor countries build up markets for their goods in the rich countries.

Tourism. Tourism could become the greatest single provider of foreign exchange for many poor countries such as india but only if rich countries assist not just by cepital but by skills in order that the poor countries can provide the kind of tourist facilities which will attract the kind of tourists from rich countries who will maximize the poor country's net income from tourism. Rich countries could also undertake not to apply exchange restrictions on expenditures by their nationals on tourism in poor countries.

Official grants, loans and technical assistance, given bilaterally and through multilateral agencies such as the World Bank. Here there should be an exemination of measures to increase the effectiveness of the national and international agencies concerned with economic aid to poor countries and, in particular of the World Bank. What changes could be made in the Articles of Agreement of the World Bank, its policies, organization, etcetera to make it more effective? ... What are the most useful ways for introducing greater multilateral content into bilateral aid?

When the Commission is excaling the use which has been made in the past of the tasources transferred from rich countries to poor countries. it will want to exemine the extent of the misuse of the resources and to distribute the responsibility for misuse between the rich giving notions and the poor receiving nations. Mere it is essential to distinguish between resources which were provided to speed up economic growth and payments which were disguised as economic aid c.g. payments for the provision of facilities for defence installations and operations, and economic support for allitary build-up.

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One of the matters to which the Commission

will wish to devote a good deal of attention is the extent of the social and economic changes required in poor countries to enable them to achieve a reasonably repid rate of economic growth. Some of the social and economic probless which such poor countries as India face differ in degree but not in kind from some of the problems which countries such as Britain Thus both India and Britain would got face. cheed fastar if they had greater social mobility, less of the generalist epproach to echlaistration, less of the old-boy network, more modern methods of business administration, more breaking of the cake of custom. All these defects result in a waste of human and material resources. Othor problems of poor countries are unique. TRUS Myrdal has recently emphasized that countries which are hershly inegalitarian and poor can make repld economic progress only if they enforce much greater social obligations on people in all strate of society. Examples of such obligations are higher texation of the better-off, including in particular the batter-off landowners, and compulsory inbour for the rural underemployed on rural public works. Only by enforcing such greater social obligations can the maximum material and intellectual resources of a poor nation be mobilized for investment in economic growth. Only if poor countries enforce such greater social obligations on people in all strate of society con tempsyors in rich countries be assured that their aid to poor countries is not subsidizing the well-to-do or the lazy.

Escott Reid August 30, 1968.

## MEMORANDUM TO MR. PEARSON: NO. 2

### STATISTICS ON THE FLOW

## OF AID SINCE 1950

- Your Commission has been asked to consider imong other things "the orders of magnitude" of the external assistance from the richer nations to the poor developing nations "which appear necessary over the next decade and the next generation".
- It is clearly essential that your Commission should know what the orders of magnitude of external assistance have been during the past decade or two. The existing statistics on this are not satisfactory.
- 3. The two principal weaknesses in the present statistics on external assistance are that they do not distinguish clearly enough between gross ald and net aid and between aid to poor countries and aid to middle-income countries.
  - Net aid is disbursements less interest payments and capital repayments. It is only net aid which measures the flow of resources.
  - The World Bank's definition of poor orilowincome countries is that a low-income country has a per capita GNP of less than \$250 a year. The population of the low-income countries is 2,250 millions of which 750 millions are in China. This is eleven times the population of the middle-income countries (those with per capita GNP's of \$250 to \$749), the total population of these countries being only 250 millions. (The total population of the rich countries is 1,000 millions, of whom 300 millions are in the USSR, East Germany, Poland, Czechoslovakia and Hungary. The population of the world is 3,500 millions.).

Even if we call both the low-income countries and the middle-income countries underdeveloped the core of the problem facing your Commission is the problem of the economic growth of the lowincome countries, for two reasons, first that there are 2,250 million people living in lowincome countries and only 250 million in middle-

6.

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income countries, and <u>secondly</u> that the problems of the low-income countries are much more intractable than the problems of the middleincome countries. Thus middle-income countries which tax themselves sufficiently don't need soft loans and grants.

ù.

One of the main purposes of securing as reliable statistics as possible on the net flow of aid from each of the rich countries (given bilatorally or through multilatoral agencies) to the low-income countries is to deflate the figures on aid which are customarily cited. These figures often include so-called ald to rich nations such as Israel (with a per cap. GNP of \$1,130 in 1965) or Venezuels and Argentina which had per copies ENP's in 1965 of \$830 and \$755 respectively. The figures of aid usually cited almost always include aid to such middleincome nations as Greece (\$600). Spain (\$575), Yugoslavia (\$470), and Maxico (\$435). not aid from rich nations to middle-income nations should, of course, be shown in statistical tables produced for your Commission but this information should be separated from the figures of not aid to the low-income nations. This separation will bring out in stark relief the very low rate of flow of resources to the lowincome nations from the rich nations in the past two decades.

- 7. The statistical tables should distinguish between official aid given bilatarally and through multilateral agencies and, if multilaterally, through which agency.
- The tables should give the net flow from each of the rich countries.
- 9. There should be two sets of tables. One set would give the total official financial flows at constant prices and net of capital and interest payments. The second set would give the total non-official flows (private investment) at constant prices and net of repatriation of capital, interest, dividends, profits, royalties; and license fees.

10.

If considered desirable the definition of a low-income country could be changed from the

- 2 -

present generally accepted definition of below \$250 per cap. GNP to below \$300 or even \$350. The change to below \$300 would add countries with populations totalling about 33 million; the change to \$350 an additional 27 million. The grand total of the population of the lowincome countries, defined as these with per capita GNP's under \$350 would be about 2,300 millions (2,250 plus 60). The total population of middle-income countries would be reduced to about 200 millions (250 less 50). All these estimates of population are, of course, subject to wide margins of error - probably plus or minus 10 percent.

- 11. You may find that some officials of some bid-glving governments may not favour on emphasis by your Commission on the statistics of net aid to peer countries. This attitude will naturally bu most pronounced emong officials of countries whose record on aid will not appear very generous if your Commission emphasizes not aid to peer countries rather than gross aid to developing countries.
- 12. Some officials may argue that the aid figures should be gross aid less capital repayments but not less interest repayments. But I submit that what your Commission is interested in finding out is the flow of resources from richer countries to peer countries, and the flow is measured by not aid which is gross aid less both interest payments and capital repayments.

13.

Other critics may say that the statistics of net ald to pear countries are not a true indicator of aid since they do not distinguish between the quality of aid but are concerned morely with quentity. Thus untied aid is more valuable to the recipiont than tied aid - aid tled to the goods and services of the denor Some exports claim that a dollar's country. worth of tied aid is, on the everega, equal to 70 cents of untied aid. Your Commission will, no doubt, wish to examine how for this contention is corroct but even if it is substantially correct, it does not affect the validity of the claim that figures of net aid to poor countries are more useful for the purposes of your Commission than the figures of gross aid to underdeveloped countries.

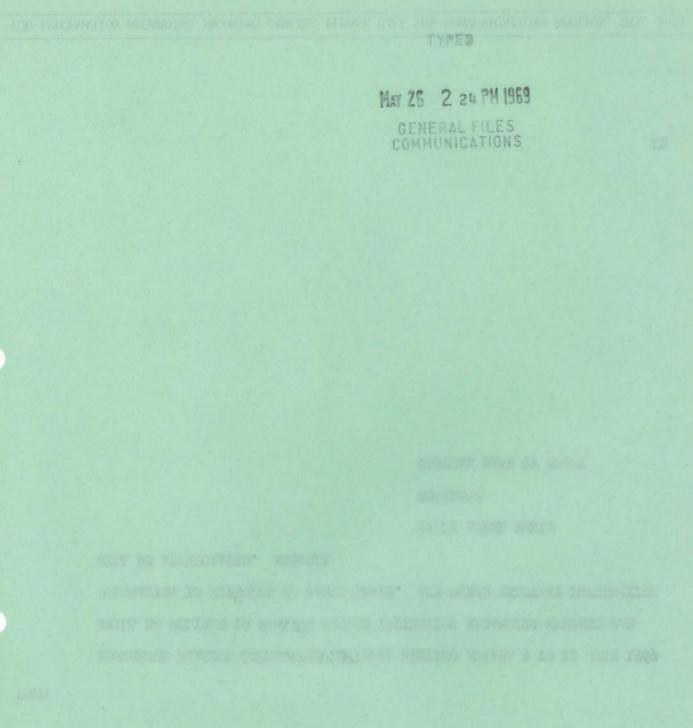
- 3 -

Form No. 26 (4-69)	INTERNATIONAL DEVELOPMEN ASSOCIATION	T INTERNATIONAL BA RECONSTRUCTION AND E		
		INCOMING C	ABLE	
DATE AND TIME OF CABLE:	MAY 26, 1969	1725	ROUTING	
LOG NO.:	ITT 15 / 26		ACTION COPY: MR. MENDELS	
TO:	MENDELS SECRETARY	INTBAFRAD	INFORMATION COPY:	
FROM:	CAIRO		DECODED BY:	

TEXT:

REFERENCE PEARSON COMMISSION REGIONAL MEETING ANKARA 9 TO 12 JUNE 1969 SHALL BE OBLIGED TO RECEIVE CABLED INTIMATION REGARDING WHETHER UAR DELEGATION IS EXPECTED TO PARTICIPATE. ANY OTHER RELEVANT INFORMATION WILL BE APPRECIATED. REGARDS

> NAZMY ABDEL HAMID GOVERNOR CENTRAL BANK OF EGYPT



Sovelopment - Pearson Commiss. 823/1/87

May 13, 1969

Dear Edward,

I am beginning to think hard about the publication of the Pearson Commission report. I take it this will be some 250 pages, perhaps with a short opening summary. It will be ready for the printer about September 16, and will probably be made public about October 4. (Not, I expect, in printed form).

Do you suppose Penguin would be interested in a rush job? If so when could it be ready? Could you print also in the U.S. for simultaneous publication? Should we seek others to do this? Are you interested in the French translation we will certainly make?

Let me know your preliminary thoughts. I should add that I believe a cheap edition will have really large sales because of all the organisations which plan to plug it.

I shall be in London on June 9, probably all day. Could we dine perhaps and chat with some of your colleagues?

Just off to Japan, back May 26.

Yours ever,

Lor

William Clark Director Information and Public Affairs

(Dictated by Mr. Clark but signed in his absence).

Sir Edward Boyle House of Commons London, S.W.1 England

WDClark:sf

Form No., 26 (6-65)	INTERNATIONAL DEVELOPMENT ASSOCIATION	INTERNATIONAL BANK RECONSTRUCTION AND DEV		TIONAL FINANCE PRPORATION 823/1/86
		INCOMING CA	BLE	
DATE AND TIME OF CABLE:	MAY 4, 1969	1355		ROUTING
LOG NO.:	ITT 13/5		ACTION COPY:	INFORMATION DEPARTMENT
TO:	INTBAFRAD		INFORMATION COPY:	
FROM:	CHARLOTTENLUND		DECODED BY:	

TEXT:

## FOR LARS LIND

PEARSON LETTER. HAVE ASKED PARIS INFORMATION SEND YOU SUGGESTIONS FOR PARIS BRUXELLES BONN AND FRANKFURT. WILL TELEPHONE PARIS SUGGESTIONS FOR LONDON STOCKHOLM AMSTERDAM AND ASK THEM TO SEND YOU ADDRESSES TOMORROW. IS KILBURN INTERESTED IN PRESS ONLY OR WOULD HE SEE ALSO SUPPORTERS LIKE ODI ODM SIDA ETC. I WOULD VERY MUCH LIKE MEET KILBURN WHEN HE COMES TO PARIS MAY 19. THEREFORE GRATEFUL IF JOHN SCOTT COULD REARRANGE ORDER OF HIS THIP COMING TO PARIS MAY 19 20 21 AND DO MAMBURG 22ND. PLEASE ADVISE EARLIEST POSSIELE TO GRAND HOTEL STOCKHOLM

#### CHRISTENSEN

MPB

Development - learsm

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May 5 9 02 AM 1969 COMMUNICATIONS

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INTERNATIONAL DEVELOPMENT LINERALADOAAL BUNK FOR INTER RESOCIATION RECOMMINICATION AND DEVELOPMENT

Der- Plarson Commission

823/1/85

April 29, 1969

Dear Viggo:

Peter Kilburn, who is the press and information officer (Canadian citizen) of the Pearson Commission, is coming to Europe in connection with the next full meeting of the Commission in Copenhagen (Royal Hotel), 3 - 6 June. He intends to use this opportunity to meet with some European press mainly in order to have the right contacts at the time of the publication of the Report, presumably October 1. He very much hopes to be able to visit you and your office on Monday, May 19, and will let us know for certain later on. He would then proceed to Brussels, London, Bonn and Frankfurt, and time permitting, Stockholm and The Hague/Amsterdam. We would be most grateful if you could send me a list of the best people in the press to contact in these cities. He is particularly interested in seeing the individuals who might have some influence on the space and treatment given to the Report: he is not interested, except in Copenhagen, to make any special efforts on behalf of the Copenhagen meeting, from which no news will emanate apart from the mere fact that they are meeting.

He plans to spend three days each in London, Bonn/Frankfurt and Brussels. Could you send me a list fairly urgently so that he might himself write some letters before departure to the people he wishes to see.

Yours ever,

Lars J. Lind

Mr. Viggo A. Christensen Chief of Information Services - IBRD European Office 12, rue de Presbourg 75 PARIS 16e

me JL/ag

Developent - Ceanson la mission 823/1/84

Mr. George P. Papadopoulos

April 21, 1969

Ifm H. Marc Moyens

Pearson Mission to Singapore

Attached you will find all papers relevant to my mission to Singapore for the Pearson Commission.

HMMoyens/dea

Pearson Commin 5 823/1/83

Mr. S. Hartz Rasmussen

April 17, 1969

H. Marc Moyens UMM

## Pearson Commission Interpreting Services

From all accounts, interpreting services went swimmingly well, both in Abidjan and Kampala. The equipment built specially for the Bank worked very well indeed, with one exception; the small glass baffle which was to dampen the voice of the interpreter proved to be insufficient, and a new one had to be purchased in Paris and is now the property of the Bank.

In Singapore, interpreting services went without a hitch. It is to be noted that several delegations would not have been able to understand the proceedings and/or express themselves without the assistance of interpreters.

Development - Pearson Commiss.

823/1/82

April 16, 1969

Letter No. 128

Dear Franz:

Thank you very much for your letter of April 2 about the Pearson Commission's visit.

I can well imagine that the organisation was quite a considerable effort, and indeed the holding of the conference quite a considerable expense, but I do feel that it was probably worth while. I notice for instance in this morning's press cable that Jeune Afrique comments very favourably on the Pearson Commission after its Abidjan visit. I think the problem of keeping the developing nations happy is quite a considerable one for the whole of the Commission, which is undoubtedly weighted in favour of the more developed countries.

I have seen Ed Hamilton since his return, and he was immensely pleased with the way things went both in Africa(East and West).

We are all very grateful to you for the trouble you took.

With best wishes,

Yours sincerely,

hor

William Clark Director Information and Public Affairs

Mr. Franz Lutolf International Bank for Reconstruction and Development Permanent Mission in Western Africa B.P. 1850, Abidjan, Ivory Coast.

WDClark:sf

Form No. 27 (7-61) INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE CORPORATION

Development - Plakeon

375

Commiss.

# OUTGOING WIRE

TO: MRS. BARBARA W. HARRIS

DATE: APRIL 14, 1969

CLASS OF SERVICE: NLT

GOODWOOD PARK HOTEL

COUNTRY: SINGAPORE

TEXT: Cable No.:

WE HAVE CONFIRMATION FROM BANK MALAYSIA THEY TRANSFERRED

SINGAPORE DOLLARS 18,000 TO CITIBANK APRIL 12 stop PLEASE

CHECK WITH CITIBANK ORCHARD ROAD BRANCH Stop

REAMY

NOT TO BE TRANSMITTED					
MESSAGE A	THORIZED BY:	CLEARANCES AND COPY DISTRIBUTION:			
NAME	A. F. JOHNSTON CHARGE TO PEARSON COMMISSON	COMMUNICATIONS			
DEPT.	TREASURER'S	VIII 11 23 WW 1828			
SIGNATURE	(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)				
And	AML/dmk	For Use by Archives Division			
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SERVICE NL

TO MAG. BANBARA W. HARELS

DATE: APRAL ALL, 1969

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CORPORATION

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		INCOMING	CABLE		823/118	30
DATE AND TIME OF CABLE:	APRIL 12, 1969	1210			ROUTING	
LOG NO.:	WU 4/12		ACTI	ON COPY:	MR. DONOVAN	
TO:	DONOVAN INTBAFRAD		INF	OFMATION COPY:		
FROM:	SINGAPORE		DE	CODED BY:		
					AN AND AND AND AND AND AND AND AND AND A	

TEXT:

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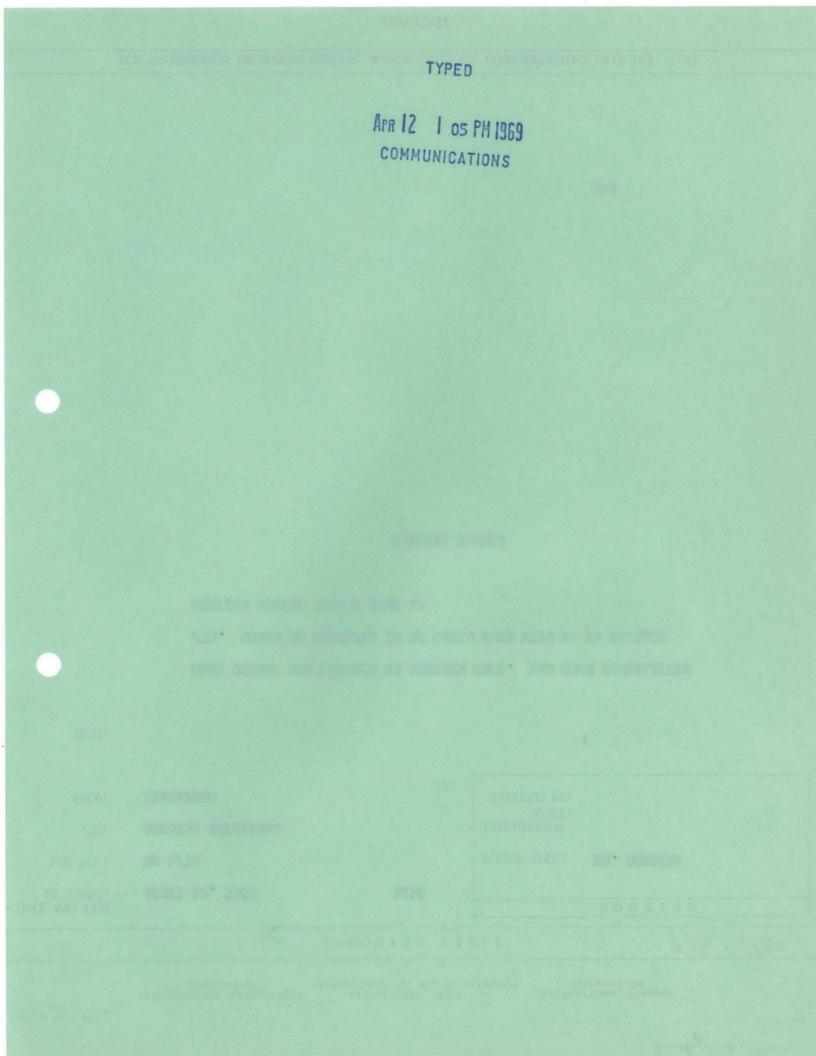
BARBARA HARRIS

MPB

Development - Pearson

FOR INFORMATION REGARDING CABLES, PLEASE CALL THE COMMUNICATIONS UNIT EXT. 2021

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		INCOMING C	ABLE \$23/1/79
DATE AND TIME OF CABLE:	APRIL 12, 1969	1220	ROUTING
LOG NO.:	WU 3/12		ACTION COPY: MR. REAMY
TO:	REAMY INTBAFRAD		INFORMATION COPY:
FROM:	SINGAPORE		DECODED BY:

TEXT:

## URGENT

BANK HERE MUST HAVE AUTHORIZATION FROM FIRST NATIONAL CITY BANK OFFICE IN NEW YORK BEFORE WILL ISSUE MY FUNDS

BARBARA HARRIS

MPB

FOR INFORMATION REGARDING CABLES, PLEASE CALL THE COMMUNICATIONS UNIT EXT. 2021

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	Sector 1	INCOMING (	CABLE	823/1/78
DATE AND TIME OF CABLE:	APRIL 10, 1969	1248		ROUTING
LOG NO.:	WU 6/10		ACTION COPY:	MR. REAMY
TO:	REAMY INTBAFRAD		INFORMATION COPY:	
FROM:	SINGAPORE		DECODED BY:	

TEXT:

PLEASE CABLE 6000 USDOLLARS TO ME AT GOODWOOD PARK HOTEL

SINGAPORE HOTEL AND OTHER BILLS.

BARBARA HARRIS

FCE

PHP Development

FOR INFORMATION REGARDING CABLES, PLEASE CALL THE COMMUNICATIONS UNIT EXT. 2021

DUPLICATE

CONTRACTORS



APR 10 10 13 AM 1969 COMMUNICATIONS Form No. 27 (7-61) INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

Pf P- Development

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# OUTGOING WIRE

TO: MRS. BARBARA W. HARRIS

GOODWOOD PARK HOTEL

DATE: APRIL 10, 1969

CLASS OF SERVICE: NLT

COUNTRY: SINGAPORE

TEXT: Cable No.:

> FRIDAY TRANSFERRING BY CABLE SINGAPORE DOLLARS 18,000 TO FIRST NATIONAL CITY BANK, ORCHARD ROAD BRANCH TO BE DRAWN AS REQUIRED Stop YOU SHOULD CONTACT THEM STOP IF FURTHER FUNDS REQUIRED PLEASE CABLE STOP

> > REAMY INTBAFRAD

NOT TO BE TRANSN	IITTED
MESSAGE AUTHORIZED BY:	CLEARANCES AND COPY DISTRIBUTION:
NAME A. F. JOHNSTON	
DEPT. TREASURER'S - CHARGE TO PEARSON COMMISSI SIGNATURE (SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)	ON
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ORIGINAL (File Copy) (IMPORTANT: See Secretaries Guide for preparing form)	Checked for Dispatch:

INTERNATIONAL BANK FOR

CORPORATIONAL FINES

## OUTGOING WIRI

MRS. BARBARA W. HARRIS

CODWOOD PARK HOTEL

CLASS OF SERVICE: MLT

SINGAPORE

TEAL

FRIDAY TRANSFERRING BY CABLE SINGAPORE DOLLARS 18,000 TO FIRST NATIONAL CITY BANK, ORCHARD ROAD BRANCH TO BE DRAWN AS REQUIRED STOP YOU SHOULD CONTACT THEM STOP IF RIFTHER MURDS REQUIRED FLEASE CARLE STOP

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FORM NO. 26 (6.65)

INTERNATIONAL DEVELOPMENT INTERNATIONAL BANK FOR ASSOCIATION RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE CORPORATION

## INCOMING CABLE

DATE AND TIME OF CABLE:	APRIL 9, 1969 1752	ROUTING
LOG NO.:	WU 20/9	ACTION COPY: MR. REAMY
TO:	REAMY INTBAFRAD	INFORMATION COPY:
FROM:	SINGAPORE	DECODED BY:

TEXT:

APOLO HOTEL BILL CAMPALA APPROVED SUBJECT TO YOUR AUDITING OF ADDITION. MANY ERROR FOUND IN HOTEL IVOIRE BILL ABIDJAN. SUGGEST YOU HOLD IVOIRE PAYMENT UNTIL MY RETURN ABOUT APRIL 20. SINGAPORE MEETING SWITCHED TO ANOTHER HOTEL. ALL BILLS AMOUNTING TO SEVERAL THOUSAND MUST BE PAID ON SPOT. WILL CABLE AMOUNT TOMORROW. PLEASE CABLE ME GOODWOOD PARK HOTEL IF THIS CREATES ANY DIFFICULTIES

BARBARA HARRIS

FOR INFORMATION REGARDING CABLES, PLEASE CALL THE COMMUNICATIONS UNIT EXT. 2021

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FROM: The Secretary

# April 7, 1969

#### THE PEARSON COMMISSION

As requested at the Meeting of the Executive Directors on March 25, 1969, there is attached a report on the "Activities of the Commission on International Development".

#### Distribution:

Executive Directors and Alternates President President's Council Executive Vice President, IFC Vice President, IFC Department Heads, Bank and IFC

# ACTIVITIES OF THE COMMISSION ON INTERNATIONAL DEVELOPMENT

The Commission came into formal existence with an exchange of letters between Mr. McNamara and Mr. Pearson on August 16, 1968. Mr. McNamara referred to the proposal made by his predecessor, Mr. Woods, that there be a "grand assize" of development assistance, and indicated that his own experience since becoming President of the Bank had persuaded him that there was a need for such a review. Accordingly, he asked Mr. Pearson to head an international commission to "review the impact of external assistance on the development of the poorer nations over the past two decades . . . and consider the methods of giving assistance and the orders of magnitude for that assistance which appear necessary over the next decade and the next generation in order to ensure a reasonable hope of sustained, and eventually self-sustaining, growth in a number of the less-developed countries." Mr. Pearson was asked to select and invite members of the Commission according to his own judgment. Mr. McNamara noted that Mr. Woods had put the Bank on record as prepared to finance necessary research and to assist in recruiting the technical staff. In all other respects, the Commission is entirely independent of the Bank and of all government and international organizations.

Mr. Pearson immediately set about assembling a Commission of distinguished individuals who, acting in non-official capacities, could be expected to render sound judgments on these important questions and to influence opinion in their countries and in the world community at large. Membership was restricted to eight so that the work of the Commission could proceed at a speed commensurate with the urgency of the problem. By the middle of October seven distinguished leaders, each from a different country and background, had agreed to serve with Mr. Pearson. They were and are Sir Edward Boyle, Roberto Campos, C. Douglas Dillon, Wilfried Guth, Sir W. Arthur Lewis, Robert Marjolin and Saburo Okita. Only Chairman Pearson devotes full time to his Commission tasks. The others give of their time as the Commission's work demands.

Immediate action was also necessary to assemble the staff required to perform the very broad range of research and analysis entailed in the Commission's task. It was decided very early that the Commission's job should be directed not only toward flows of official aid as usually defined, but to the full range of the relations and resource flows between rich nations and poor nations, as Mr. McNamara had suggested in his letter. This enormous intellectual spectrum requires staff experience and expertise of a range and quality very difficult to come by. Chairman Pearson elected to proceed with a relatively small staff for a task of this size, holding it to sixteen senior professional people, with provision for limited additional junior-level research assistance on an hourly basis. His Staff Director and Deputy Staff Director had begun work by October 1, and the full complement of staff members, drawn from all over the world, were assembled in Washington by the end of the year. (A full roster of the staff is shown in Annex A).

The rudiments of organization having been accomplished, the Commission set about its task by planning and starting work of four major types, as follows:

#### I. Commission Meetings

In order to take advantage of the rhythms and circumstances of political life with respect to development programs, the Commission decided to complete its task in one year, issuing its Report about the end of September 1969. It was necessary, therefore, to establish a schedule of meetings which allowed sufficient time for careful and detailed review of staff work leading to the final Report, but which also took into account the fact that each Commissioner is intensely busy and must budget his time very carefully. The resulting schedule was a sequence of four meetings, beginning in December 1968 near Montreal, and proceeding to Rome in March 1969, to Copenhagen in June, and to Geneva in August. Each successive meeting is longer than the last, beginning with two days in Montreal and ending with a full week in Geneva; this corresponds to the growing volume of work as the Commission gets closer to the issuance of its Report. Actual meeting days are, of course, supplemented by the extensive work each Commissioner does at home in preparation for meetings.

The first two meetings of the Commission have proceeded on schedule. The Montreal session was held December 16-17, 1968, and the meeting at Rome was held March 13-15, 1969. Each required the attendance of most of the senior staff because the Commission addresses all of its major areas of possible recommendation at each sitting. The senior staff people responsible must be present to present analysis and receive instructions.

#### II. Regional Hearings

Ideally, a Commission of inquiry into the whole development situation should visit all developing countries. Each is a unique universe of circumstances, problems, and opportunities, and each has its own views of the proper future course for development assistance. Although there is an extensive literature on development, few would argue that there is any substitute for direct contact with the people and the problems which the Commission was appointed to address. And there is no intellectually respectable basis for distinguishing between countries and deciding to visit some but not others.

In practice, however, it would be physically impossible for the Commission to visit every developing country. Even if this could be arranged, it would reduce the study to an exhausting and largely ceremonial process of airport arrivals and departures. The Commission elected, therefore, to sponsor a series of regional hearings in the less-developed world. Chairman Pearson, accompanied by various Commissioners, as each could manage the time, would establish headquarters for a few days in a central location and invite governments, and in some cases distinguished private individuals, to come and give testimony to the Commission on the full range of development issues which it had been charged to study. Ultimately, this process would give every government of every developing country an opportunity to present its views to the Commission if it so desires.

Seven such regional hearings were scheduled, beginning with a Latin American meeting in Santiago, January 13-17, 1969, and proceeding to West Africa (Abidjan, March 17-19), East Africa (Kampala, March 24-26), South Asia (Rawalpindi, March 31-April 1, and New Delhi, April 3-5), East Asia (Singapore, April 8-11), and the Near East/North Africa (Ankara, June 9-12). These hearings are now underway. All have thus far been held on schedule. Chairman Pearson will also take advantage of his presence in East Asia to accept a long-standing invitation to visit Australia where he will preside over a special development seminar being organized by Australian National University, and to make one-day visit to Japan, corresponding to similar visits he will make in June to confer with high-ranking finance and development officials in several European countries.

#### III. Contracted Staff Work

It was clear from the outset that sixteen professionals could not possibly do the full amount of research necessary for the Commission to reach informed judgments on the range of issues presented by the development problem. A select number of projects were therefore contracted out to qualified private authorities. This work is centered on two kinds of research: (a) studies of conditions and prospects in individual developing countries; and (b) studies of the history and structure of opinion toward development aid in the major donor countries. Each contract has been carefully conceived and each contractor has been subject to thorough scrutiny of his credentials and record of reliability.

#### IV. Direct Staff Work

The great bulk of the staff work performed for the Commission is done by its own professional staff. The group is housed in its own offices in a building at 1900 L Street in Northwest Washington. It has been designed to make maximum use of existing Bank, Fund and other facilities so as not to duplicate any research aids which already exist. Each man is responsible, with the aid of limited graduate-student research assistance, for a large section of the subject matter the Commission hopes to cover. For example, one senior man is responsible for all aspects of trade; another deals with the question of aid magnitudes; a third is responsible for recommendations with respect to the debt problem. Each staff judgment as delivered to the Commission is the result of extended collective consideration by the entire staff, but each first reflects the thought and effort of a single senior man directly responsible for that topic. Thus, each staff member is both very busy and critical to the success of the entire enterprise.

Effective staff work on the issues presented requires a limited amount of staff travel. In almost every case, this travel is connected with journeys to Commission meetings which would have to be undertaken in any event. There is also limited travel connected with maintaining contact, as directed in Mr. McNamara's letter to Mr. Pearson, with the several other development assistance study groups which are now in operation under the auspices of the United Nations, the Inter-American Development Bank, and other bodies.

#### V. Budget

Following is the present estimate of total expenses and expenses to be incurred in FY1969 for the Commission:

	Total Estimated Expenses		Expenses FY1969
Staff Personal Services Costs (Salaries, Tax Reimbursements, Staff Benefits)	Ş	417,000	\$ 264,000
Staff Travel		150,000	124,000
Consultants (Fees and Travel)		175,000	150,000
Office Occupancy		51,000	39,000
Other Expenses		55,000	45,000
	\$	848,000	\$ 622,000

#### COMMISSION STAFF

Edward K. Hamilton (United States)

Executive Secretary & Staff Director

Recent Posts: Senior Member, National Security Council Staff, The White House (1966-68) with senior responsibility for African affairs (1966-68) and South Asian affairs and foreign aid matters in general (1967-68); member, National Security Staff (1965-66); assistant to Director of the Bureau (1963-64) and staff member, International Division (1962-63), Bureau of the Budget, U.S. Government.

Ernest Stern (United States)

Deputy Staff Director and Area Specialist for Near East/South Asia

Recent Posts: Deputy Director, U.S. A.I.D. Mission, Pakistan (1967-68); Assistant Director for Development Policy, U.S. A.I.D. Mission, India (1965-67); Officer in Charge (1964-65), Office of Pakistan Affairs, A.I.D., Washington; economist, A.I.D., Ankara (1959-63); instructor, Dept. of Economics and Statistics, Middle East Technical University, (1960-61).

Sartaj Aziz (Pakistan)

Economist

Recent Posts: Joint Secretary (Plan Co-ordination) (1968- ); staff member, Chief International Economics Section (1963-68) and Deputy Secretary (Programming) (1961-63), Planning Commission, Government of Pakistan.

Publications: "Industrial Location Policy in Pakistan" (Research Study). <u>Problems of Export Promotion in Developing Countries</u> (Monograph). Role of Private Sector in Pakistan's Development (Monograph).

Mrs. Patricia W. Blair (United States) Staff Associate

Recent Posts: Editor (1967-68) and Associate Editor (1966-67), <u>Development</u> <u>Digest</u>; consultant, Council on Foreign Relations, U.S. State Department (INR), A.I.D./New Delhi, and African-American Institute (1963-68); associate editor (1959-63) and research editor (1958-59), Carnegie Endowment for International Peace.

Publications: <u>The Ministate Dilemma</u> (Monograph, 1967). <u>Portuguese Africa and</u> the United Nations (Monograph, 1963). <u>Burma's Role in the United Nations</u> (Joint author, monograph, 1957).

Donald T. Brash (New Zealand)

Private Investment Expert

Recent Posts: Staff member, Dept. of Investments, International Finance Corporation, International Bank for Reconstruction and Development (1966-); Research Scholar, Australian National University (1962-66); Research Assistant, Reserve Bank of New Zealand (1962). Recent Posts: Associate Professor, University of Minnesota (1965- ); staff member, Committee of Nine, Alliance for Progress (1962-63); assistant professor, Yale University (1961-65).

Publications: Exchange Rate Devaluation in a Semi-Industrialized Country (1965). Essays on the Economic History of the Argentine Republic (Forthcoming). Journal articles on Latin American development and international trade.

Harold B. Dunkerley (United Kingdom) Economist

Recent Posts: Harvard University Development Advisory Service, Colombia and Ghana (Leader of Advisory Group in Ghana) 1963-68; general economic advisor to Government of Vietnam, Brookings Institution (1960-62); member, Gilbert White Mission on overall assessment of Mekong River Basin Development (1962).

Publications: Journal articles on general economic and monetary subjects.

Dharam P. Ghai (Kenya)

Economist

Recent Posts: Research Professor (1968-) and Senior Research Fellow (1966-67), Institute for Development Studies, University College, Nairobi; Visiting Research Fellow, Economic Growth Center, Yale University (1965-66); Senior Lecturer (1964-65) and Lecturer (1961-64) in Economics, Makerere University College, Kampala, Uganda.

Publications: <u>Taxation for Development: A Case Study of Uganda</u> (1966); <u>Portrait of a Minority: Asians in East Africa</u> (Editor, 1965). Journal articles on developmental problems of East African countries.

Ravi Gulhati (India)

Economist

Recent Posts: Director, Ministry of Finance, Government of India (1966-); Chief, World Bank Mission to Korea (1965-66); staff member, Office of the President (1964-65) and economist, Economics Department (1956-64), International Bank for Reconstruction and Development.

Publications: "The Uses of Analytical Techniques in Estimating Foreign Aid Requirements" (Joint author, research study report, 1966). "The Need for Foreign Resources, Absorptive Capacity and Debt-Servicing Capacity" (Paper, 1965). Economic Growth and External Debt (Joint author, 1964). Debt-Servicing Problems in Low Income Countries (Joint author, 1960). Debt-Servicing Capacity and Postwar Growth in International Indebtedness (Joint author, 1958).

Albert F. Hart (Canada)

Special Assistant to the Chairman

Recent Posts: Canadian High Commissioner in Ghana (1966-68); Fellow, Center for International Affairs, Harvard University (1965-66); Counsellor, Canadian Embassy, Moscow (1962-64); Deputy Head, Canadian Military Mission, Berlin (1960-62). Bimal Jalan (India)

#### Economist

Recent Posts: Economics Department, International Bank for Reconstruction and Development (1964- ); economist, Exchange Restrictions Department, International Monetary Fund (1964).

### Peter M. Kilburn (Canada) Staff Assistant

Recent Posts: Special assistant, Minister of Rural Development (1968) and Minister of Manpower and Immigration (1966-68), Government of Canada; radio producer, public affairs programming, Canadian Broadcasting Corporation (1965-66); programme and liaison officer, Royal Commission on Bilingualism and Biculturalism (1963-65); attorney, Montreal (1963).

Sylvain Lourie (France)

#### Area Specialist for Africa

Recent Posts: Assistant Director, Educational Financing Division, UNESCO (1965-); Senior Research Fellow, Institute of Economic and Social Studies, University of Paris (1962-65); Secretary-General, Training Centre for Technical Cooperation Experts, National Foundation of Political Science, University of Paris (1957-65); Chief of Planning and Policy, Directorate of Cultural and Technical Cooperation (Secretary of State for Cooperation) (1960-65), French Ministry of Foreign Affairs.

Publications: Problems and Strategies of Educational Planning: Lessons from Latin America (Joint author, 1964). Development Prospects for Education in 19 Latin American Countries (1962). Research studies on Cameroon, Chad, Gabon, Ivory Coast, and Pakistan (1965-68). Survey studies of education in Brazil, Costa Rica, and Rwanda (1965-68). Journal articles on technical assistance.

#### Goran Ohlin (Sweden)

#### Economist

Recent Posts: Acting Professor, Stockholm School of Economics (1968-); Head, Economics Division, Federation of Swedish Industries (1966-68); Fellow, O.E.C.D. Development Centre, Paris (1964-66); Visiting Research Professor, Institute of International Economic Studies, Stockholm (1962-63); Associate Professor, Department of Economics, Columbia University (1959-62).

Publications: Population Control and Economic Development (1967). Aid and Indebtedness (1967). Foreign Aid Policies Reconsidered (1966). Journal articles on the historical aspects of economic development problems.

Javier Pazos ()

#### (Cuba)

Area Specialist for Latin America

Recent Posts: Foreign trade advisor to the Government of Venezuela at Cordiplan (1968); head, economic staff in charge of country studies, ECLA (1963-68); Vice-Minister of Economics, Government of Cuba (1959-60).

Publications: Journal articles on Latin American economic development.

Miss Annette Perron (Canada)

#### Executive Assistant to the Chairman

Former Posts: Private Secretary to Mr. Lester B. Pearson, Prime Minister of Canada (1963-68) and Leader of Liberal Party (1958-68); personal and private secretary to the Right Honorable Louis St. Laurent, Prime Minister of Canada (1950-57).

Thomas H. Silcock (Australia & United Kingdom) Area Specialist for East Asia

Recent Posts: Senior Economic Adviser, U.K. Ministry of Overseas Development (1968); Senior Research Fellow, Australian National University (1964-); Senior Research Fellow, Institute of Commonwealth Studies, London (1960-64); Professor of Economics and Dean of Arts, University of Malaya (1958-60).

Publications: Proud and Serene (1968). Thailand, Social and Economic Studies in Development (1967). The Economy of Malaya (1963). Political Economy of Independent Malaya (1963). Southeast Asian University (1963). Readings in Malayan Economics (Editor, 1961). Towards a Malayan Nation (1961). The Commonwealth Economy in Southeast Asia (1959). Fiscal Survey of Sarawak (1956).

Develop - Pearson Commiss

823/1/74

April 7, 1969

Mr. Ernest Stern

John R. Crowley MM

Pearson Commission Meeting in Ankara June 9 through 12

In connection with the meeting which the Commission is planning to hold in Ankara from June 9 through 12, Mr. H. Marc Moyens has secured the services of Mr. Vladimir Pojidaeff, 1601 19th Street, N. W., Washington, D. C. 20009, and Mademoiselle Anne Giannini, 15, rue des Aulnes, 92-Sceaux, France.

cc: Miss Deister Mr. Rasmussen FORM NO. 26

(6.65)	INTERNATIONAL DEVELOPMENT ASSOCIATION			DRPORATION 823/1/73	
· · · ·		INCOMING CAE	BLE		
DATE AND TIME OF CABLE:	APRIL L, 1969			ROUTING	
LOG NO.:	WU TELEX/4		ACTION COPY:	MES. ALEXANDER	
TO:	INTBAFRAD		INFORMATION		
FROM:	PARIS		COPY: DECODED BY:		

TEXT:

# ALS FOR MRS. ALEXANDER LANGUAGE DIVISION

PLEASE ARRANGE THROUGH MORALES RECORDING TWO OR THREE LECTURES IN SPANISH WITH THE FUND INSTITUTE. SUCH RECORDING NECESSARY FOR MAY TEST. RE PEARSON COMMISSION MEETING ANKARA JUNE 9 THROUGH 12 PLEASE ADVISE COMMISSION POJIDAEFF AND MISS ANNE GIAMMINI ADDRESS IN ALL YEARBOOK. BOTH INTERPRETERS HAVE ACCEPTED BEST REGARDS

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FORM No. 26 (6-65)

INTERNATIONAL DEVELOPMENT INTERNATIONAL BANK FOR INTERNATIONAL FINANCE 823/1/72

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# INCOMING CABLE

DATE AND TIME OF CABLE:	APRIL 4, 1969	1127	ROUTING
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TO:	REAMY INTBAFRAD		INFORMATION COPY:
FROM:	NEW DELHI		DECODED EY:

TEXT:

PLEASE ARRANGE TRAVELLERS CHECKS IN US DOLLARS IN AMOUNTS OF 300 FOR PETER KILBURN AND 600 FOR BARBARA HARRIS. BOTH AT SINGAPURA INTERCONTINENTAL SINGAPORE APRIL 7TH THROUGH LATH

BARBARA HARRIS

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Headquarters: Washington, D.C., U.S.A.



# INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT # 4/16 823/1/II

PERMANENT MISSION IN WESTERN AFRICA B.P. 1850, Abidjan, Ivory Coast Telephone 254-51, 52, 53 · Cable Address - INTBAFRAD ABIDJAN

Letter No. 133

Mr. William Clark, Director Information & Public Affairs Department IBRD Washington, D.C.

April 2, 1969

Personal DECLASSIFIED NOV 3 0 2012 WBG ARCHIVES

Dear William,

The Pearson Commission has come and gone, and, as you requested, I will let you have a few lines to let you know how I feel things went.

Organizing such a conference is quite a job. You know how difficult it is to get the African delegations to the Annual Meetings to attend the pre-arranged discussions at the right day, time and place. Here, the difficulty was to get them to Abidjan in the first place. In addition to what the Commission did from Washington, I sent two series of cables and made numerous 'phone calls. Finally, we had answers from 17 of the 20 countries invited. Cameroon attended without letting us know beforehand; Guinea and Congo (K) never replied. Congo (B), Dahomey, Gabon, CAR and, of course, Nigeria said they would not be represented. The remaining 12 countries sent representatives, most of them one delegate, but Ghana attended with a delegation of five. Alamoody was there for the ADB; Gardiner for ECA.

The Ivory Coast took the conference seriously; its Minister of Finance was in Brussels at the time but Houphouet-Boigny (himself in Europe) ordered him to return to Abidjan for two days to attend the meetings. He did, well prepared and supported by good people from his and the Planning Ministry. The quality of the other delegations varied: Some sent their ministers concerned with Bank affairs; they performed generally satisfactorily. Others were represented by second and even third class Government officials.

Apart from Chairman Pearson himself, the Commission was represented by Sir Arthur Lewis, who attended all meetings and Mr. Campos, who had to leave Abidjan after the first day. The Commission staff counted ten including one of my secreteries!

In order to guide the deliberations, the Commission had sent out guidelines which you have probably seen. These were no more than a list of topics, presented in telegraphic style. The list covered practically everything under the sun which bears any relationship to foreign aid. The idea was to discuss the items point by point, but this is not what really happened. The delegates often rambled all over the field and some key issues - for instance, the problems connected with regional arrangements or African aid institutions - were not discussed meaningfully or in depth. Campos enlivened the deliberations by introducing thoughts on commodity prices and markets, and Arthur Lewis tried to initiate a discussion by argueing that foreign aid might be rendered more effective and/or equitable by making it partly dependent on the recipient countries' performance. Apart from this, the Commission made no attempt to provide guidance; every delegate was free to talk as often and as long as he chose. Needless to say that the Commission was hardly told anything new but heard a lot of nonsense. Early in the game, the delegate from Sierra Leone suggested that the agenda should include an item on what the countries which receive foreign aid ought to do to improve the effectiveness of such aid. This, in my view, was a splendid opportunity to get to the heart of the matter. Unfortunately, it was missed. The reason given was that the Commission's report will address itself primarily to the donor countries and their aid policies.

Under those circumstances, the central theme became the industrialized countries' lack of understanding of African development problems and, of course, their failure to commit and deliver more foreign aid. Almost all delegates availed themselves of this opportunity, some with more, others with less diplomacy.

I take it the prime purpose of the Abidjan meeting (as well as of the other regional conferences) is public relations: the Commission wanted to demonstrate to the underdeveloped countries its willingness to listen to their voice by making a long and arduous trip around the world and meeting with their representatives for long hours. That purpose has been fulfilled. For one reason alone: the Chairman's fascinating and yet so natural personality.

So I suppose the price tag matters not!

Yours sincerely,

tran >

Franz Lutolf

cc: Mr. Chaufournier



EMBASSY OF THE REPUBLIC OF GUINEA ALGERIAN INTERESTS SECTION 2118 KALORAMA ROAD, N. W., WASHINGTON, D. C. 20008

April 2nd, 1969

Pearson comm. L. 823/1/70

The Embassy of the Republic of Guinea, Algerian Interests Section, presents its compliments to Mr. Robert McNAMARA, President of the INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, and has the honour to kindly request that Mr. McNAMARA forwards the enclosed letter emanating from Mr. Haouri BOUMEDIENE, President of the Council of Revolution and President of the Council of Ministers to Mr. Lester B. PEARSON, Chairman of the COMMISSION ON INTERNATIONAL DEVELOPMENT.

The Embassy of the Republic of Guinea, Algerian Interests Section, avails itself of this opportunity to renew to Mr. Robert McNAMARA, the assurances of its highest consideration .-

Mr. Lester B. PEARSON Chairman of the Commission On International Development s/c Mr. Robert McNAMARA President of the International Bank for Reconstruction and Development Washington D. C. 20433



Date: 4/7/6 g Communicatio

Communications Section

Form No. 27 (6-68) INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

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TO: INTBAFRAD PARIS DATE:

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COUNTRY: FRANCE

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JET: ian ORIGINAL (File Copy) (IMPORTANT: See Secretaries Guide for preparing form)	Checked for Dispatch:

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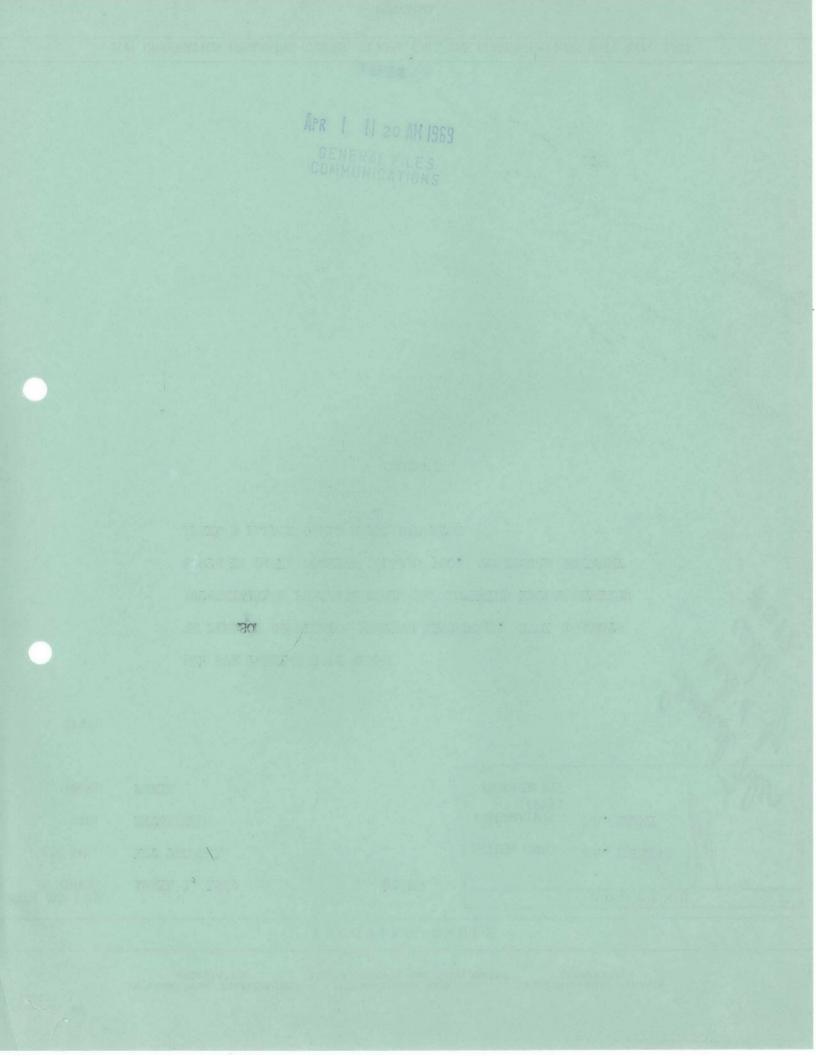
FORM NO. 26 (6-65) INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL DEVELOPMENT INTERNATIONAL FINANCE ASSOCIATION CORPORATION INCOMING CABLE ROUTING DATE AND TIME 423PM APRIL 1, 1969 OF CABLE: MR. TWINING ITT TELEX/1 LOG NO.: ACTION COPY: MR. REAMY TO: INTBAFRAD INFORMATION COPY: PARTS DECODED BY: FROM: od b. Arent TEXT: 504 FOR TWINING COPY REAMY RE PEARSON COMMISSION MEETING SINGAPORE. CHOI REQUESTS AUTHORIZATION PURCHASE PORTABLE ALUMINIUM INTERPRETATION BOOTH IN PARLS COSTING DOLLARS 300. TO INSURE DELIVERY APRIL 2 PLEASE CABLE REPLY URGENTLY CHATENAY

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FOR INFORMATION REGARDING CABLES, PLEASE CALL THE COMMUNICATIONS UNIT EXT. 2021

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FORM NO. 26-IFC

(4-68)

INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

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# INCOMING CABLE

DATE AND TIME OF CABLE:		ROUTING
LOG NO. : TO: FROM:	MARCH 26, 1969 1240 RC 31/26 INTBAFRAD ISLAMABAD	ACTION COPY: INFORMATION COPY: DECODED BY: AB & HEL

TEXT:

## 100 FOR CARGILL MELMOTH

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FORM NO. 26-IFC

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INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE CORPORATION

PSP Pearson Commission

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DATE AND TIME OF CABLE: LOG NO.: TO: FROM:	MARCH 26, 1969 ITT 9/26 DONOVAN INTEAFRAD KAMPALA	1320	ACTION COPY: INFORMATION COPY: DECODED BY:	ROUTING MR. DONOVAN

TEXT:

ABIDJAN AND KAMPALA MEETINGS CONCLUDED SUCCESSFULLY. AM TIRED BUT RELIEVED KINDLY CONVEY THANKS TO EVERYONE CONCERNED

KENNETH CHOI

MPB

FOR INFORMATION REGARDING CABLES, PLEASE CALL THE COMMUNICATIONS UNIT EXT. 2021

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BARBARA HARRIS HOTEL APOLLO KAMPALA OUGANDA

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BARBARA MARRIS HOTEL APOLLO

KAMPALA

RECEIVED FOLLOWING CABLE MARCH 24 QUOTE 153 INFORMATION ROME NAIROBI REFERENCE OUR TELEGRAM 142 MARCH 14 INTERNATIONAL COMMISSION FOR DEVELOPMENT MEETING KAMPALA AT REQUEST MR PEARSON INFORMATION OUR REFERENCE TELEGRA FOLLOWS STOP ZAMBIAN REPRESENTATIVE WILL BE JB ZULU GOVERNOR BANK OF ZAMBIA STOP TANZAN DELEGATION HEADED BY JD NAMFUA PRINCIPAL SECRETARY TREASURY ACCOMPAGNIED BY IM KADUMA DIRECTOR OF FINANCES AND TECHNICAL COOP TREASURY AND CM NYIRABU MINISTRY ECONOMIC AFFAIRS AND DEVELOPMENT PLANNING STOP THESE THREE MAY BE ACCOMPAGNIED BY OTHERS DOMCAN DARESALAAM UNQUOTE

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MARCH 24,1969

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24/3/69

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BARBARA HARRIS HOTEL APOLLO KAMPALA OUGANDA

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FOLLOWING CABLE RECEIVED ABIDJAN MARCH 24 1969 QUOTE NOT COMPLY REQUEST SINCE AS YOU KNOW PURPOSE MY EARLIER VISIT DELHI AND PINDI IS TO ARRANGE SCHEDULE STOP FOR DELHI TO DATE AS FOLLOWS SATURDAY MORNING SET BARBARA HARRIS ASIDE FOR NEPAL AND CEYLON PEARSON APPROVED DINNER WEDNESDAY NIGHT WITH PRIME MINISTER AND THURSDAY WITH DEPUTY PRIME MINISTER NO SCHEDULE WEDNESDAY STOP THURSDA AND FRIDAY SCHEDULED FOR DISCUSSION PLANNING COMMISSION SENIRO OFFICIALS AND INDUSTRIALISTS ORDER NOT YET KNOWN KILBURN PLANNING PRESS CONFERENCE FOR FRIDAY NIGHT WHEN WE ALSO PLAN SMALL RECEPTION STOP SATURDAY AFTERNOON AND SUNDAY FREE STOP FOR PINDI HAVE ACCEPTED PRESIDENTS LUNCHEON TUESDAY PER PEARSON INSTRUCTION DISCUSSIONS SCHEDULED FOR MONDAY PLAN NO RECEPTION STOP HAVE SENT MESSAGES TO HAMILTON AND HART TWO DAYS AGO WHICH STILL UNANSWERED ESSENTIAL I KNOW SOONEST WHETHER MRS PEARSON ACCOMPANYING STOP ALSO HAVE ASSUMED PEARSON DOES NOT WISH STAY PRIME MINISTER RESIDENCE INDIA AND HAVE ACCORDINGLY DECLINED INVITATIONS STERN UNQUOTE

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24/3/69

MARCH 24,1969

md : 9399

LT

Develop. - Pearson Commission

823/1/63

# Columbia Anthersity in the City of New York New YORK, N.Y. 10027 SCHOOL OF INTERNATIONAL AFFAIRS

March 27, 1969

Dr. Irving Friedman World Bank Washington, D.C.

My dear Irving :

I did so enjoy our talk last night and I think that many of the suggestions that came up are extremely valuable and I will find ways of passing them on. I shall be seeing Bob as soon as I get back in May and I will do what I can to encourage him on the development side.

William Clark will be talking to you about the academic conference we are organizing at Columbia in response to the Pearson Report - I enclose a brief memorandum on its overall purposes. William thinks that the World Bank might help with travel costs if we include experts whom you would find interesting to consult with at the Bank. The Ford Foundation is also interested. Could you very kindly, together with Dr. Sundrum and William, think of some names of development experts from the various regions whom you would think worth supporting ? Then we can talk over the list in May and determine whether the Bank will help with travelling expenses.

One last think - when you and I talked with Marvin a month ago, we told you of the possible shift of mood at the Vatican occasioned by the enclosed article. \*) Do you think your people could vet the figures and the conclusions and let us have their reactions ? Our plan is to compile an absolutely irresistable case and to present it to the Vatican authorities. Your help would give great weight to the enterprise.

I look forward very much to seeing you in May. Meanwhile much love from,

Datseua Lady Jackson

\*) The article will be sent by separate mail

Mr. Friedman Section

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FORM No. 26 (6-65)

INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE OP

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## INCOMING CABLE

DATE AND TIME OF CABLE:	MARCH 26, 1969	1240		ROUTING
LOG NO.:	RC 31/26		ACTION COPY:	MR. CARGILL
TO:	INTBAFRAD		INFORMATION COPY:	MR. MELMOTH CC: Mr. Vatan
FROM:	ISLAMABAD		DECODED BY:	AB & HEL

TEXT: 100 FOR CARGILL MELMOTH

RE PEARSON VISIT. VIEW NEW SITUATION HAVE TALKED TO MUZAFFAR WHO RECOMMENDS FIRMLY THAT PEARSON VISIT PAKISTAN AS SCHEDULED. THIS I AGREE ALSO STERN ARRIVING (?FROM) KARACHI THIS AFTERNOON. PROBLEM IS CANADIAN HIGH COMMISSIONER WHO IS STRESSING CANADIAN POLITICAL IMPLICATIONS AND MAY BE CABLING ADVERSE RECOMMENDATION IN RESPONSE TO PEARSON'S PERSONAL ENQUIRY. STERN MYSELF MEETING COMMISSIONER THIS AFTERNOON MEANWHILE YOU MAY WISH TO CABLE YOUR ADVICE TO PEARSON IN NAIROBI. MUZAFFAR TRUSTS MELMOTH MISSION PROCEED AS PLANNED AND I CONCUR. REGARDS

FINSAAS

AB

GENERAL ANESS COMMERCIANS

P: P/Der / Pearson Comm 823/1/61

March 24, 1969

Dear Ted:

Thank you very much for your letter of March 17th. I understand that Mr. Choi will be arriving in Rome on the afternoon of April 3rd and will call you as soon as he gets to his hotel. I believe he is only staying one day and leaves Rome on the morning of the 5th.

We all thank you very much for all your assistance.

Very sincerely yours,

Garrick M. Lightowler Information and Public Affairs Department

GML:js

Mr. T. Kaghan Director Information Division Food and Agriculture Organization of the United Nations Via delle Terme di Caracalla Rome, Italy.

FORM NO. 26-IFC

(4-68)

C INTERNATIONAL DEVELOPMENT INTERNATIONAL BANK FOR INTERNATIONAL FINANCE ASSOCIATION RECONSTRUCTION AND DEVELOPMENT CORPORATION

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DATE AND TIME OF CABLE:		ROUTING
	MARCH 20, 1969 1636	
LOG NO.:	RC 39/20	ACTION COPY: MR. REAMY
TO:	REAMY INTBAFRAD	INFORMATION COPY:
FROM:	ABIDJAN	DECODED BY:

TEXT:

LUTOLF OF BIRD ABIDJAN OFFICE HAS ISSUED K CHOI OF OUR STAFF CFA 150000 AND US 1800 DOLLARS TO COVER SHIPMENT OF INTERPRETING EQUIPMENT FROM ABIDJAN TO KAMPALA TO SINGAPORE. PLEASE CHARGE AGAINST OUR FUNDS PER YOUR LETTER NO 55 OF FEBRUARY 19TH LUTOLF

BARBARA HARRIS

AB

FOR INFORMATION REGARDING CABLES, PLEASE CALL THE COMMUNICATIONS UNIT EXT. 2021

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Form No. 27 (6-68) INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

# OUTGOING WIRE

INTERNATIONAL FINANCE CORPORATION

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PEP/Der Pearson

DATE:

MARCH 20, 1969 NIGHT LETTER

TO: SUK HONG CHOI PEARSON COMMISSION APOLOTEL KAMPALA

CLASS OF SERVICE:

IFF

COUNTRY: UGANDA TEXT:

Cable No .:

EMERGENCY CONTACT SINGAPORE IS MRS. WONG-LEE SIOK TIN ACTING DEPUTY DIRECTOR BROADCASTING GOVERNMENT OF SINGAPORE.

LIGHTOWLER

NOT TO BE TRANS	MITTED
MESSAGE AUTHORIZED BY:	CLEARANCES AND COPY DISTRIBUTION:
NAME Lars J. Lind	
DEPT. Information and Public Affairs	
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FORM NO. 26-IFC

(4-68)

INTERNATIONAL DEVELOPMENT ASSOCIATION INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

823/1/57

#### INCOMING CABLE ROUTING DATE AND TIME OF CABLE: MARCH 19, 1969 1715 LOG NO.: ACTION COPY: RC 36/19 TRAVEL OFFICE TO: INFORMATION COPY: HAUENSTEIN INTEAFRAD DECODED BY: FROM: ABIDJAN

TEXT:

REF SINGAPURA LETTER TO YOU OF MARCH 1. PLEASE INFORM SINGAPURA

FIRST OFFICE SHOULD BE READY FOR US COMPLETE WITH TYPEWRITERS AND COPYING MACHINE APRIL 4TH.

SECOND MEETING ROOM MUST BE SET UP BY MORNING APRIL 8TH 24 HOURS BEFORE MEETING BEGINS IN ORDER INTERPRETING EQUIPMENT CAN BE INSTALLED.

THIRD ADVISE HOTEL TO HIRE BETTER OF TWO COPYING MACHINES

HARR IS

FCA

FORM NOT 20-1FE

INTERNATIONAL DEVELORMEN

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

ERMATIONAL FIBANCE

DATE AND TIME OF CABLE: COF CABLE: COF

TEXT:

ALL SIMULTEL LIFTER TO TOT OF MARCH 1. PERATE DEFENSION SIMULTURA FILST OFFICE SHOULD DE SEART FOR OR DESCRIPTE VITE FIFENELEESE AND COPPEND HECHTRE ATRIL ATR.

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COMMUNICATIONS

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FOR INFORMATION RECAROING CARLES, PLEASE CALL THE COMMUNICATIONS UNIT EDT. 2021

AN BRELICATE

Pearson Com,

823 /1/56

March 19, 1969

Dear Alamoody:

I hope you will excuse a very delayed answer to your letter of February 15 but I have been running around in other parts of the world since I saw you.

I was delighted to read Mamoun Beheiry's letter to Mr. Pearson. Did some of you get a chance to testify before the Commission when it was in Abidjan? I very much hope you did.

It was so pleasant seeing you on that lovely terrace in Abidjan and I very much hope I can get out there again before too long.

Please let me know if you are ever in this country, and if it is of any value to you do come and stay at my house which is quite close to the centre.

With best wishes to you all.

Yours sincerely,

Loot

William Clark Director Information and Public Affairs

Sheikh M.A. Alamoody Vice-President African Development Bank B.P. No. 1387 Abidjan <u>Cote d'Ivoire</u>

WDClark:sf

ORGANISATION DES NATIONS UNIES POUR L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS PARA LA AGRICULTURA Y LA ALIMENTACION

FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

Via delle Terme di Caracalla ROME

Cables: FOODAGRI ROME

Telex: 61181 FOODAGRI

Telephone: 5797

1- P/Der/ Pearson Como

Ref.

Rome, 17 March 1969

## Dear Mr. Lightowler,

I have your letter of 11 March indicating that Kenneth Choi of your Radio and Recording operation will be here on 4 April. We will of course be delighted to show him around our own audio/ visual facilities.

Since the Pearson Commission has completed its work in Rome, and is even now headed for the African leg of its Africa/ Asia swing, it might be well if Mr. Choi could tell us how long he intends to be in Rome before moving on to catch up with the Commission members, if that is his intention.

In any event, we will gladly take care of him.

Yours sincerely,

T. Kaghan Director, Information Division

Mr. Garrick M. Lightowler Information and Public Affairs Department World Bank - IDA 1818 H Street, N.W., Washington D.C. 20433, U.S.A.

ORGANISATION DES NATIONS UNIES POUR L'ALIMENTATION ET L'AGRICULTURE



ORGANIZACION DE LAS NACIONES UNIDAS PARA LA AGRICULTURA Y LA ALIMENTACION

# FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

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T. Kaghan Director, Information Division

> Mr. Garrick M. Lightowler Information and Public Affairs Department World Bank - IDA 1818 H Street, N.W., Washington D.C. 20433, U.S.A.

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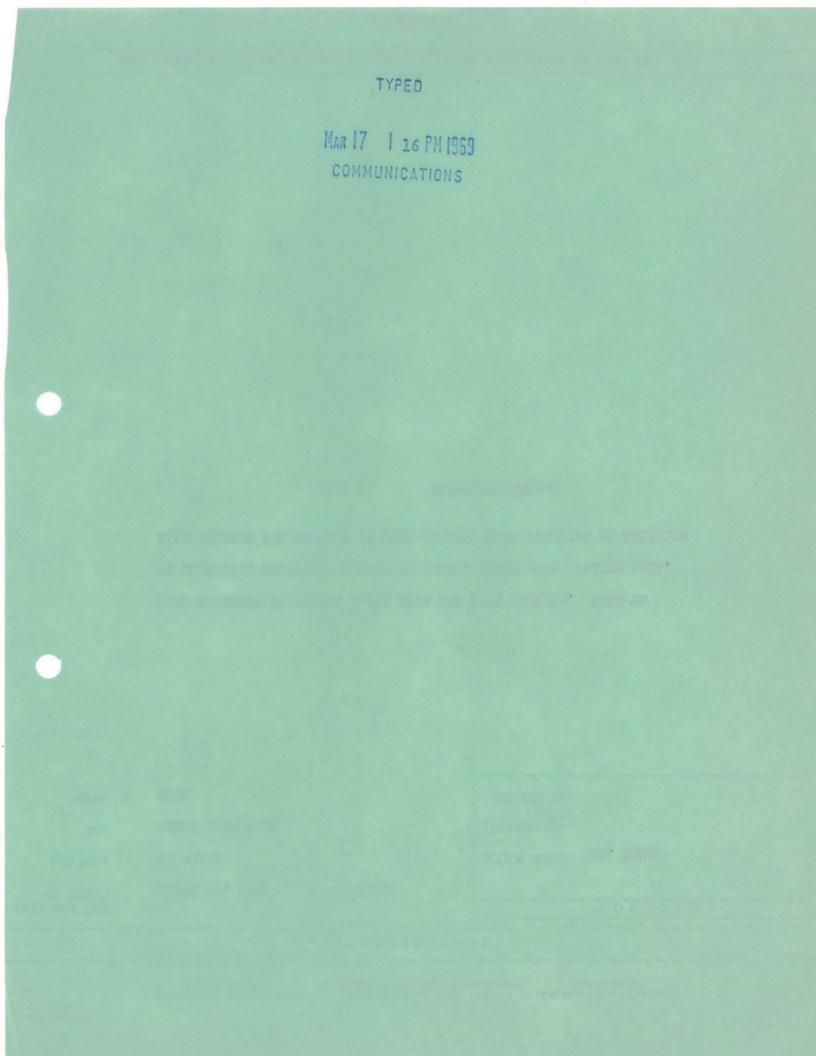
Form No. 26 (6-65)	INTERNATIONAL DEVELOPMENT ASSOCIATION	INTERNATIONAL E RECONSTRUCTION AND	
		INCOMING	CABLE
DATE AND TIME			ROUTING
OF CABLE:	MARCH 17, 1969	1355	
LOG NO.:	WU 20/17		ACTION COPY: MR. REAMY
TO:	REAMY INTBAFRAD		INFORMATION
FROM:	ROMA		COPY: DECODED EY:

TEXT:

HAVE REVIEWED EXCELSION HOTEL BILL FOR ROME MEETING. BILL TO BE SUMMITTED DIRECTLY TO YOU AND TOTALS ABOUT FOUR MILLION LINA. BILL CLEARED FOR PAYMENT IN FULL SUBJECT YOUR AUDITING OF ADDITION

HAMILTON PEARCOM

FCA



INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT FORM NO. 75 (2-60)INTERNATIONAL FINANCE CORPORATION INTERNATIONAL DEVELOPMENT ASSOCIATION Date ROUTING SLIP ROOM NO. NAME C209 sles To Handle Note and File Appropriate Disposition Note and Return Prepare Reply Approval Per Our Conversation Commen t Recommendation Full Report Information Signature Initial Send On REMARKS Noris an un Paris office be polded, plane, por Pearso lan From an

HEADQUARTERS: WASHINGTON D.C. 20433

Zevelopment - rearson commission

873/1157

DEVELOPA

## INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

CABLE ADDRESS-INTBAFRAD

INTERNATIONAL DEVELOPMENT ASSOCIATION



EUROPEAN OFFICE: 4, AVENUE D'IÉNA PARIS (16<sup>e</sup>) - FRANCE Telephone: KLEBER 25-10

March 14, 1969

INFORMATION SERVICES TEMPORARY ADDRESS 12,RUE DE PRESBOURG,PARIS 165 TELEPHONE 704.78.20 TELEX : INBAFRAD 62164 F

Dear Lars:

Thank you for your note of March 5 on the Pearson Commission. Viggo suggests to ask you whether we have to ask Mr. Kilburn to be put on his mailing list for future releases and/or general information.

As far as our annual reports are concerned, we pressed many times the printers in order to have a quick reply to our request about possible delays due to inclusions of graphs and pictures in colour. Both promised to give me a detailed reply (cost and timing) at the beginning of next week; both also have anticipated that they will not be able to produce full colour pages in light tones (as, for instance, page 48 and following of the 1968 English edition) without using coloured paper. This is because our editions, due to limited run, are produced in typo instead of offset.

Yours sincerely,

Corrado Sellaroli

Mr. Lars Lind Information and Public Affairs Dept. International Bank for Reconstruction and Development Washington, D.C. 20433

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Information and Post of Allalino Look.

Seablington, D.C. SU155

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8231 4/51

March 11, 1969

Dear Mr. Kaghan:

Mr. Kenneth Choi, who is in charge of our Radio and Recording facilities (and was responsible for the taping, etc. of the recent CCPI meeting) is about to leave Washington for an extended tour with the Pearson Commission.

While in Rome on April 4, Mr. Choi would like to visit FAO and have a look at the Audio/Visual operations (Conference Rooms Simultaneous Interpretation operations, Taping, Film Projection and storage, etc.). In the hope that you can arrange for someone to show him around, I have asked Mr. Choi to get in touch with you as soon as he reaches Rome.

Anything you can do for Mr. Choi would be most appreciated by the Information and Public Affairs Department.

Very sincerely yours,

the

Garrick M. Lightowler Information and Public Affairs Department

Mr. Ted Kaghan Director Information Division Food and Agriculture Organization Via delle Terme di Garacalla Rome, Italy

GML:sgm

cc: Mr. Kenneth Choi

823/1150

March 11, 1969

Dear Hans,

Two letters in a week, after so many years, is almost too much!

Mr. Kenneth Choi, who is in charge of our Recordong and Radio facilities, is about to leave with the Pearson Commission on a lengthy trip. He will be in Paris on April 1 and 2 and would very much like to visit Unesco and have a look at your Audio/Visual facilities (Conference Rooms, Simultaneous Interpretation operations, Taping and Film Projection, etc.). I have asked Mr. Choi to phone you as soon as he reaches Paris in the hope that you can arrange for someone to show him around.

Anything you can do for Mr. Choi will be greatly appreciated by the Information and Public Affairs Department.

With best regards.

Very sincerely yours, M.

Garrick M. Lightowler Information and Public Affairs Department

Mr. Hans R. van Stuwe Chief Radio and Visual Information Division UNESCO 9, Place de Fontenoy Paris Vll, France

GML:sgm

cc: Mr. Choi

FORM NO. 26 (6.65)

INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONȘTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE CORPORATION AL CAN

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		INCOMING CA	BLE	823/1/49	
DATE AND TIME OF CABLE:	MARSH 21, 1959	1320		ROUTING	
LOG NO.:	13 39/12		ACTION COPY:	122. CLIEK	
TO:	CHILL ZEVERAFRAD		INFORMATION COPY:	MR. CHAUFOUTTREER	
FROM:	KAUJEA		DECODED BY:		
- comment			•	-	

TEXT:

51

PRIMO ECJECTN CANNES LEFTER FOR YOU CONFIDENCE THAT ALL ARRANGEDHES YOU HAVE REQUESTED FOR CHOIL HAVE BEEN

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Form No. 27 (6-68) INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

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## OUTGOING WIRE

- TO: FRANZ LUTOLF INTBAFRAD ABIDJAN DATE: MARCH 10, 1969

CLASS OF NLT SERVICE:

COUNTRY: IVORY COAST TEXT: V Cable No.: 58

> PRIMO RE MY LETTER 51 OF FEBRUARY 26 ON PEARSON COMMISSION CAN YOU ADVISE BY CABLE ABILITY TO ASSIST KENNETH CHOI AS PROPOSED stop SECUNDO FALILOU KANE SEGERAL OCAM ADVISES CONFERENCE ON AFRICANIZATION WILL BE HELD IN ABIDJAN APRIL FOURTEEN TO NINETEEN AND WE WOULD APPRECIATE YOUR ARRANGING ATTENDANCE AS EARLIER AGREED REGARDS

> > CHEEK

INTBAFRAD -----

NOT TO BE TRANS	MITTED	
MESSAGE AUTHORIZED BY:	CLEARANCES AND COPY DISTRIBUTION:	
NAME	cc: Miss D. Murphy	
Bruce M. Cheek	Mr. Baldwin E.D.I.	
DEPT.	Mr. de la Renaudiere	
Western Africa	11 19-1	
SIGNATURE	BMCheek:hpb	
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)		
Commenter		
	L' CP.	11
<b>GRIGINAL (File Copy)</b>		Y
(IMPORTANT: See Secretarios Guide for preparing form)	Checked for Dispatch:	

OFFICE MEMORANDUM

INTERNATIONAL BANK FOR

RECONSTRUCTION AND DEVELOPME

TO: Mr. G. M. Lightowler

INTERNATIONAL DEVELOPMENT

ASSOCIATION

FOR 1 No. 53

1 phoi Kenneth Choi FROM:

DATE: March 6, 1969

Poten and one

INTERNATIONAL FINANC

CORPORATION

Comanna.

Tour Arrangement of FAO. UNESCO Audio-Visual Facilities SUBJECT:

> Will you kindly write a letter to your contacts in UNESCO . Paris for tour of Audio-Visual facilities ( Conference Rooms, Simultaneous Interpretation facilities, Taping and Film Projection, etc. ) for me on either April 1 (Tue) Whater & Van Stures Kaghen Thireh 11,1969 or April 2 (Wed.)

And likewise in FAO, Rome on April 4 (Fri.).

I would very much like to see these two places on my way to Singapore meeting for Pearson Commission.

Thank you.

FORM No. 26 (6-65)

INTERNATIONAL DEVELOPMENT INTERNATIONAL BANK FOR ASSOCIATION RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL FINANCE CORPORATION

823/1/46

## INCOMING CABLE

DATE AND TIME OF CABLE:	MARCH 5, 1969	356PM		ROUTING
LOG NO.:	WU TELEX/5		ACTION COPY:	INFORMATION DEPARTMENT
TO:	INTBAFRAD		INFORMATION COPY:	And and a second se
FROM:	PARIS		DECODED BY:	

TEXT:

## 346 FOR LARS LIND

HEARD BY CHANCE THAT FAO IS ORGANIZING PRESS CONFERENCE IN ROME MARCH 15 FOR PEARSON COMMISSION. PLEASE INFORM WHETHER YOU HAVE ANY FRESH BACKGROUND MATERIAL IN CASE OF QUERIES TO OUR OFFICE. REGARDS

SELLAROLI

MPB

REPARTICULE DEVELOPMENT (INTERNATIONAL DANK FOR ACTION ATION - RECONSTRUCTION AND DEVLOPMENT

THTERNTLORG FINN

TACOMING CABEE

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# ORGANISATION DE COOPÉRATION

ET DE DÉVELOPPEMENT ÉCONOMIQUES

ORGANISATION FOR ECONOMIC **CO-OPERATION AND DEVELOPMENT** 

Téléphone : TROcadéro 76-00

CDF

Télégrammes : DEVELOPECONOMIE

2, rue André-Pascal, PARIS-XVI®

4002 3/11

Comité d'Aide au Développement

Development Assistance Committee

February 27, 1969

Mr. William Clark I.B.R.D. 1818 H Street, N.W. Washington, D. C.

Dear Bill:

I have just read the paper submitted to the Pearson Commission by the UK Chapter of SID. It is throughout an outstanding presentation but the first few pages on public attitudes and the need for political leadership to give more sustained attention to aid objectives are so good and so pertinent to your concerns and some of the matters we talked about at luncheon Tuesday that I wanted to be sure that you were aware of it. I suppose Hamilton can make a copy available to you.

Sincerely.

Edwin M. Martin Chairman

learners



6918 IN 5-018 EN

MINISTRY OF OVERSEAS DEVELOPMENT Eland House, Stag Place, LONDON S.W.1 Telegrams: Ministrant, London, Telex Telephone: 01-834-2377 Ex.725

Our reference: Your reference:

27th February, 1969.

Des. - Pearson

Commission

23/1/44

Den william

It was very pleasant to spend an evening with you after so long.

The meeting on the second day was even more useful I think, and we ended up with a written set of recommendations. You will be interested to know that the French did their best to write out any reference to the Pearson Commission on the grounds that (i) it was presumptuous for the group to involve itself in such high level matters, and (ii) that the DAC itself should not be asked to take note of the work of a non-governmental group. They did however allow that the report would no doubt be of great importance and that all Governments would be paying close attention to it: notwithstanding this it did not seem "procedurally" correct for us to be anticipating its possible uses. In The purch New.

I am arranging to send you our newspaper direct as proposed; the current issue is on its way.

(Richard Miles)

Mr. William Clark, Director, Information and Public Affairs, World Bank, 1818 H Street, Washington, DC., U.S.A.



MINISTRY OF OVERSEAS DEVELOPMENT Eland House, Stag Place, LONDON S.W.1 Telegrams: Ministrant, London, Telex Telephone: 01-834-2377 Ex.725

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27th February, 1969.

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Bren Case Cechar Richard Miles)

Mr. William Clark, Director, Information and Public Affairs, World Bank, 1818 H Street, Washington, DC., U.S.A.

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Letter No. 5F 63

February 26, 1969

Pearson ammiros

123/1/43

Mr. Franz Lutolf International Bank for Reconstruction and Development B.P. 1850 Abidjan, Ivory Coast

Dear Franz:

Here is another aspect of the Pearson Commission visit on which we would appreciate your help. Could you assist a staff member of the Bank who will be visiting Abidjan with the Pearson Commission for three days in March? Mr. Kenneth Choi, who is in charge of the equipment in the Bank for simultaneous interpretation will be accompanying the commission for their meetings in Africa. He will be alone, and will need help. He is bringing with him about 200 lbs. of sensitive equipment (customs clearance is vital) and this has to be assembled on Sunday, March 16, in preparation for the meetings to commence next morning. He cannot do this single-handed and we were wondering if you could give some help from your office staff?

Mr. Choi is arriving at the airport at 0430 hours on March 16, and I wonder whether you would have a station waggon or some vehicle which could transport him and six pieces of luggage weighing 200 lbs. to the Hotel Ivoir? He would like to have someone from your staff to assist him in unpacking and assembling the equipment. In addition, as it is a Sunday, we wondered whether any of your office secretaries (bi-Lingual) could help him in arranging the meeting facilities at the hotel? The meetings are being held in the Hotel itself and 19 African States will be attending.

Mr. Choi will be packing for departure to Kampala on March 20, and again could use some help if at all possible, and transport of the equipment to the airport at 7.40 a.m. on March 21.

We would certainly appreciate any help you could give and I know it would make Mr. Choi's task a great deal easier if he had dependable assistance. You know your own commitments however, and I don't expect you to do impossibilities.

With best wishes,

DMurphy: BMCheek: hpb

cc: Miss D. Murphy

Yours sincerely,

Rub

Bruce M. Cheek Deputy Director

Letter No. 5-63

February 26, 1969

Mr. Franz Lutolf International Bank for Reconstruction and Development B.F. 1850 Abidjan, Ivory Coast

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With best wishes,

DMurphy: BMCheek: hpb

cc: Miss D. Murphy

Nours sincerely,

Rach

Bruce M. Cheek Deputy Director

Plerson Commission

823/1/42

February 26, 1969

Dear Franz:

You will by now have received the letter of February 20 from Peter Kilburn of the Pearson Commission. We would be most grateful for anything you can do to help out whilst maintaining the strict operational policy that the Commission is completely independent, in fact and in appearance, from the World Bank.

With my best personal regards,

Yours sincerely,

Lars J. Lind

Letter No. 61

Mr. F. Lutolf Permanent Mission in Western Africa - IBRD B. P. 1850 Abidjan

CC: Mr. P.M. Kilburn

BU LJL/ag

FORM NO. 59 (2-55)

823/1/41

#### CROSS REFERENCE SHEET

COMMUNICATION: Letter

DATED: February 25, 1969

TO: Mr. Diamond

FROM: Mr. C.L. Mehta ICICI

#### FILED UNDER: INDIA- ICICI Gen.

#### SUMMARY: Extract:

"Thank you for your letter of February 18, I heard from Mathew regarding the Commission on International Development. Incidentally, Mr. Donald T.Brash of the Commission has written to R.V. Raman, Executive Director of the Indian Investment Center, who is now in correspondence with Mr. Brash. If necessary, I shall be prepared to go to Delhi to meet Mr. Lester Pearson and his colleggues."

Pearson low.

823/1/40

February 24, 1969

Mr. Peter Kilbourn Lars J. Lind Abidjan Meeting.

I enclose correspondence from our office in West Africa. It would seem to me that some kind of statement from the Commission staff would be helpful. It should however not come from our representative, although his office clearly can be helpful in transmitting a release or brief announcement from you. Please keep me informed.

cc: Mr. W. Clark Mr. F. Lutolf

HLL LJL/ag

Headquarters: Washington, D.C., U.S.A.



### INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

#### RESIDENT REPRESENTATIVE IN PAKISTAN

P.O. BOX 1025, ISL AMABAD, PAKISTAN Telephone 20280 · Cable Address - INTBAFRAD ISLAMABAD

#### Registered

February 22, 1969

-2

Mr. Ernest Stern Deputy Staff Director Commission on International Development 1900 L Street N.W. Washington, D.C. 20036 U. S. A.

Dear Mr. Stern:

Many thanks for your letter of February 10, 1969 regarding the proposed visit by members of the Pearson Commission on March 31 and April 1. I have just returned from a visit to East Pakistan, and in the meantime I hope you have received Miss McCaw's acknowledgement of your letter.

We shall of course be most glad to put our facilities here at your disposal during your visit. We have two competent stenographers and typists whom you may use, and we can also make one or two offices available if you so wish. There is no problem with the car you mentioned for Mr. Pearson, and with the experience we have had on a couple of occasions with Government drivers, I think he would be well advised to use one of our cars. My driver is most competent and reliable and would have no problems in locating any of the addresses Mr. Pearson may want to call at. Anyway, I understand you will arrive about a week ahead of your colleagues, and we can then finalize any practical arrangements prior to their arrival.

As you may have noted from the papers, the political situation here has been somewhat unsettled lately, and people like President Ayub will most likely be somewhat preoccupied with these matters. Incidentally, it was interesting to note in his speech last night - when he announced his decision not to stand for the next election - that he emphasised the need for continued "progress and growth". Anyway, I am quite certain there will be business more or less as usual in the Planning Commission and in any other Government departments you may want to contact. I therefore hope the proposed visit will come off as scheduled even though the

# HINE CLEAN

#### INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

#### RESIDENT REPRESENTATIVE IN PAKISTAN

P.O. BOX 1025, ISLAMABAD, PARISTAN Telephone 20280 Cable Address - INTBAFRAD ISLAMABAD

February 21, 1969

5-2

Mr. Wrnest Stern Deputy Staff Director Commission on International Development 1900 I Street N.W. Washington, D.C. 20036 U.S.A.

Dear Mr. Stern:

Registered

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(2-60) ERNATIONAL FINANCE CORPORATION	INTERNATIONAL DEVEL ASSOCIATION	OPM
ROUTING SLIP	Date February 24, 19	69
NAME	ROOM NO	).
Mr. C.S. Melmoth	Blog	8
M. Hoffman.	(80	8
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To Handle	Note and File	
Appropriate Disposition	Note and Return	
Approval	Prepare Reply	
Comment	Per Our Conversat	ion
/ Full Report	Recommendation	
V Information	Signature	_
Initial	Send On	-
From Mr. T. Finsaas -		

Mr. Ernest Stern

- 2 -

image of Pakistan in the international news media may be somewhat mixed in the weeks ahead. If you have any inquiries on this point, or any other matters, please let me know and I shall ensure a prompt response.

I am sure that a great number of your friends here will like me - be most glad to see you in the landscape again, and meanwhile my best wishes to you,

Yours sincerely,

Torgeir Finsaas Resident Representative

Pearson Com.

823/1/38

February 20, 1969

Mr. Sylvain Lourié Commission on International Development 1900 L. Street N.W. Washington, D.C. 20036

Dear Mr. Lourié,

Your letter of February 12 has just come in and I hasten to send you the list you have requested right away. I will go through it carefully again and may want to suggest two or three more names; on the whole I think it is fairly complete.

I am afraid the list contains some ninety persons (including wives). I do believe however that none of those listed should be omitted if indeed you mean to invite the heads of the diplomatic missions. Also, it is reasonable to assume that no more than about 60% of those invited will actually turn up. In particular, Africans frequently leave their wives at home.

I am looking forward to your instructions concerning the final list of those to be invited.

As to the organization of the business part of the meeting, I repeat that we shall be happy to assist you in any way we can.

> Franz Lutolf Chief of Mission

## WEST AFRICA DEPT.



FLutolf:md

## WEST AFRICA DEPT.

Div. Div. Div.

Div.

Op. Files

Res. Files

Other

Π

	Chaufournier		
List of personalities which may be invited to Mr. Pearson's reception	MAR / 1707		
THATTed to HI. LEGISON & TOOCDOLOW	Cheek		
Abidjan March 19, 1969	🗖 de Wilde		
	Div. A		

Government of Ivory Coast

President Houphouet-Boigny П Ph. Yacé, President National Assembly A. Denise, Minister of State M. Coulibaly, President of Economic and Social Council A. Boni, President of Supreme Court

Ministers of :

- Foreign Affaires - Public Works - Education - Finance - Planning - Agriculture - Information

Guy Nairay, Director of Cabinet, Office of the President G. Ouegnin, Chief of Protocole, Office of the President

Ambassadors of Bank's member countries : 2.

> Algeria Germany Belgium Republic of China Korea Congo Kinshasa Gabon United States France Ghana United Kingdom Upper Volta Israel

Italy Japan Lebanon Liberia Mali Matocco Norway Netherlands United Arab Republic Switzerland (non member) Tunisia Vietnam

3.

1.

#### Other personalities :

P. Kaya, Administrative secretary, Entente of West Africa

M. Beheiry, President African Development Bank

R. Calais, Representative of FED

J. Charpentier, Director Central Bank

H. Ehrensträle, Resident Representative UNDP

R, Paulian, Rector, University of Abidjan

LOURIE PEARCOM WASE INGTONDC

LUTOLF

LDURIE

WASHINGTONDC

PEARCOM

YURLET FEBRUARY TWENTY HAVE MAILED TODAY LIST YOU REQUESTED Stop HOTEL IVOIRE HAS MADE RESERVATIONS FROM MARCH SEVENTEEN AS SPECIFIED THEIR LETTER TO YOU JANUARY 31 Stop YURCAB FEBRUARY EIGHTEEN MAY IMPLY SOME CID MEMBERS ARRIVE ABIDJAN EARLIER Stop FLEASE ADVISE DETAILS SOONEST IN VIEW DIFFICULTY OBTAIN HOTEL RESERVATIONS Stop ALSO ADVISE HOW MANY HOTEL ROOMS REQUIRED FOR NIGHT AFTER MARCH TWENTY

LUTOLF

## WEST AFRICA DEPT.

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21 fev. 1969 21 février 1969

LT

LT

No. 009329 FLutolf/jp

Le 19 Février 1969

La Mission Permanente à Abidjan de la Banque Mondiale présente ses compliments au Ministère des Affaires Etrangères et a l'honneur de lui faire parvenir des franchises diplomatiques au nom de Monsieur Charles E. Metcalfe, fonctionnaire permanent de la Banque Mondiale qui est arrivé en Côte d'Ivoire le 25 Janvier 1969.

La Banque Mondiale saisit cette occasion pour renouveler au Ministère des Affaires Etrangères les assurance de sa haute considération.

> André R. Gué Chef Adjoint de Mission

## WEST AFRICA DEPT.

Chaufournier MAR7 1769 Cheek □ de Wilde Div. Div. Div. Div. Div. DD Op. Files Res. Files □ Other

Ministère des Affaires Etrangères Abidjan

JBesneaud: md P.J: - 2 demandes de franchises nº 096 & 097 - 1 demande de carte grise - 1 attestation d'assurance - 1 permis de circuler (suisse)

Le 18 Février 1969

Service Ventes S.A.R.I. B.P. 1327 Abidjan

## BON DE COMMANDE

## Une Peugeot Familiale 404 - 7/8 places Carrosserie bleu ciel , intérieur plastic brun

#### Prix Hors Douane

610.000 Frs CFA

Afin de nous permettre d'établir dans les meilleurs délais la demande d'admission temporaire de cette voiture (immatriculation en série diplomatique), les délais étant de de deux à trois semaines, vous voudrez bien nous fournir les renseignements nécessaires à cette demande dès qu'une voiture nous aura été réservée. Nous devrons connaître en particulier les numéros de série et du chassis.

## WEST AFRICA DEPT.

Franz Lutolf Chef de Mission

- Chaufournier
- Cheek
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- 🗌 Res. Files
  - 🗌 Other

Pearson Com. 823/1/37

February 18, 1969

Mr. G. L. Mehta Chairman Industrial Credit and Investment Corporation of India Limited 163 Backbay Reclamation Bombay 1, India

Dear Mr. Mehta:

On my return from a holiday yesterday, I found your personal note of January 30, which Mathew had already acknowledged. In fact, as you know, Mathew had already taken the only action which we are in a position to take, for our official posture towards the Commission is to remain at arms length, so that there can be no question of the Commission's independence of action and judgment. On the other hand, it would be easier, and entirely in order, if you were yourself to make your suggestion directly to your friends on the Commission.

I hope all is well with you and your family, and with ICICI. I have heard a little bit from James Raj about his visit, in the few moments I have had with him since my return, and look forward to hearing more within the next day or so.

I am glad we were able to work out arrangements satisfactory to ICICI for Mr. Divecha's visit here, including his spells with the First Boston Corporation and Sullivan & Cromwell. I look forward to seeing him soon.

Many thanks for remembering me with the two amusing Laxman cartoons.

With best regards.

Sincerely yours,

William Diamond Director Development Finance Companies

cc Mr. Pollan

WDiamond:us

# BANQUE AFRICAINE DE DÉVELOPPEMENT AFRICAN DEVELOPMENT BANK

ADRESSE TÉLÉGRAPHIQUE A F D E V A B I D J A N TÉLÉPHONE 256-60 TELEX 717



B. P. Nº 1387 ABIDJAN CÔTE D'IVOIRE

learon affilio more 3/20

RÉFÉRENCE DATE 15 February 1969

Mr. William Clark, International Bank for Reconstruction and Development, 1818 H Street, N.W. WASHINGTON D.C. 20433

U.S.A.

Dear William

It was an unexpected pleasure to meet you the other day when you accompanied Mr. McNamara during his visit to Abidjan. It was a pity though that the short time at your disposal did not allow you sufficient time to pay us a visit at the Bank. We would have very much liked to show you around to enable you to see how far the Bank has advanced since your previous visit to Abidjan. Nevertheless it was pleasant to be able to talk to you even so briefly.

As I promised you, I am enclosing a copy of President Beheiry's letter to Mr. Pearson in which, as you will have observed, he has attempted to throw out a few ideas to the Commission of International Development. We hope to have an opportunity of meeting the Commission during its forthcoming visit to Abidjan.

With warmest personal regards,

our succes

Sheikh M.A. Alamoody Vice-President

SMAA/vjb.

# BANQUE AFRICAINE DE DÉVELOPPEMENT African development bank

ADRESSE TELÉGRAPHIQUE A P D E V A B I D J A N TÉLÉPHONE 256 60 • TELEX. 717



COLE D'IVOIRE

nérénence DATE 15 February 1969

> Mr. William Clark, International Bank for Reconstruction and Development, 1818 H Street, N.W. WASHINGTON D.C. 20433

> > . S. A.

SMAA/vib.

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With warmest personal regards,

Sheikh M.A. Alamoody 7 61 5:00 Vice-President

# BANQUE AFRICAINE DE DÉVELOPPEMENT AFRICAN DEVELOPMENT BANK



PRÉSIDENT

ABIDUAN, 31st December 1968

The Rt. Hon. L. B. Pearson Chairman Commission on International Development Suit 907 - Fuller Building 75 Albert Street OTTAWA 4 Canada

Dear Mr. Pearson,

Thank you for your letter of 8 November 1968 about the Commission on International Development and its aims, which I have read with interest. I must say, first of all, that we of the African Development Bank are encouraged to see an initiative of this kind being taken and to feel that the problems that are of such immediate concern to us are to receive the searching attention of a distinguished team of eminent people.

If I may say so, your letter shows that you are well aware of the complexities of the problems involved, though many of these are still, even to us who are on the spot, only half-discerned : by this I mean that there are problems or aspects of problems which come to light from time to time but which had scarcely been suspected by the earlier planners. Some can be solved immediately, others have wider effects which we are constantly studying. Indeed, in the first four years of the Bank's existence we have witnessed many unexpected facets of our task, both disappointing and encouraging, but in all cases representing challenges and opportunities.

Amongst other things, our experience, brief as it is, has proved that there is often more than one way of dealing with a problem and that, in such matters, it is often those who have first-hand knowledge of a given situation, of local conditions, or of a type of country, who can provide the most useful contribution. This is one of the reasons why we always ensure that our African staff are fully associated with every phase of work on our projects. Similarly, we do feel that although fundamentally all development problems have much in common, the differences between the various

#### AFRICAN DEVELOPMENT BANK

areas of the world are such that an exchange of experience can be most constructive.

You have correctly pointed out the increasing indifference to aid in many of the higher income countries. There is a general impression that the results achieved are not commensurate with the quantum of aid that has been provided and that a part of the aid has been wasted. In order to prevent a repetition of past mistakes it is necessary that the causes of such waste should be carefully analysed.

Probably some of the recipient countries are partly responsible for this. But what about the donor countries themselves ? Are the terms and conditions, under which aid is some times provided. conducive to the production of desired results ? How far are the development priorities of the recipient countries distorted to suit the balance of payments requirements of the donor countries ? To what extent are the aid procedures followed by some of donor countries cumbersome and costly in terms of money and time ? A proper appreciation of these and other problems which affect the efficient utilization of aid is essential for preventing future waste. We are therefore disappointed that no one from the developing Asian and African countries, having experience of the problems of aid utilization at the receiving end, would be serving on your Commission. Be that as it may, we shall of course at all times be glad to offer any assistance we can, and I hasten to assure you of our sincere goodwill and cooperation in your valuable task.

The concept of aid and of what is appropriate action at the receiving end are constantly evolving. In the Bank (for I would not take it upon myself to speak for all the developing countries ) we feel increasingly that it is our duty, as well as our desire, to make every effort we can ourselves, and we are always looking for additional ways of doing so : we must do more than play a passive role as recipients. Responsibility for development work must, we are convinced, rest to the maximum with those who are to benefit from it. Hence the regional development banks came into being, to answer part of the need of recipient countries to make their own countribution, in funds when possible, and in expertise, manpower and experience, to the task of developing their own area. Furthermore, we feel that the developing countries must have more say in matters that affect them, particularly financial matters. There must be a definite move towards a real partnership based on mutual interest. The developing world cannot for ever financially be run from Bonn, Paris, London and Washington.

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## BANQUE AFRICAINE DE DÉVELOPPEMENT

## AFRICAN DEVELOPMENT BANK

- 3 -

There is a basic problem common to all developing countries that can vitiate the efforts we are making and the aid we receive that is, the terms of trade. This is a problem of which we are fully conscious but over which, so far, there appears to be no equitable solution. Indeed, there is little point in talking about aid without taking into account this factor. But if aid is the only immediate practical answer whatever its limitations, let us tackle it with vigour and in earnest.

Each of the regional development banks now in existence has a slightly different structure, and we of the African Development Bank feel that we may be justifiably pround of the effort the Africans themselves are making, though the sacrifice in order to do so is a hard one. I am enclosing for your information a note giving a breakdown of the actual contributions by the developing members to the different institutions, from which you will see that, in terms of real resources, the African countries are making proportionately the greatest contribution of all developing countries to their own regional development institution.

Furthermore, the African Development Bank is setting up a multi-national and multi-purpose fund within the Bank, to be known as the African Development Fund. The poverty of many developing countries and their debt-servicing burdens make it difficult, if not impossible, for them to take loans unless they are on concessionary terms; at the same time, there is a growing lack of funds available for granting loans on soft terms, and it is to provide a channel for such funds as may be available that the Bank is setting up the African Development Fund. Capital-exporting countries have been invited to contribute to the Fund, and though the response received so far is not discouraging, there is still much to be done before the Fund is established. I am enclosing an Aide-Mémoire describing the Fund.

Taking into account the general climate for aid, there is also the problem of some countries whose ability to negotiate and utilize external aid is limited because their own resources, financial as well as technical, are so scanty. For its members in this position the Bank, some time ago, conceived a special programme. A copy of the Aid-Mémoire describing this programme is enclosed. It is grafifying to learn from Mr. McNamara's first statement as President of IBRD that the World Bank now recognizes the need for the type of action we

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#### BANQUE AFRICAINE DE DÉVELOPPEMENT

AFRICAN DEVELOPMENT BANK

advocated three years ago although we did not have the appropriate resources at our disposal then.

I hope that this information gives you some indication of the ways in which we of the African Development Bank are trying to make every effort we can ourselves and to make the most of the assistance we receive ( although so far this has been practically nothing as far as the Bank is concerned ) so that our members can obtain the maximum benefit.

Your letter states that the Commission will operate independently of the World Bank and of governments, but will seek advice from the governments of developing countries and from international organizations working in those countries. May I say that we think this is a wise approach, and we hope that your recommendations will be as widelybased as possible, covering not only the self-evident problems but also those whose greater part, like an iceberg, lies hidden beneath the surface.

In this letter I have attempted to throw out a few ideas which we hope the Commission will be able to consider, for it is clear that a radical revision of the terms and conditions under which funds are made available to the developing countries is necessary.

We shall look forward to being kept informed of the Commission's progress; and I should like again to assure you of whatever support we can give and of our sincere goodwill for your efforts which will, I am sure, help to fill a sorely-felt gap. We shall be very glad if your Commission pays us a visit in Abidjan. Alternatively, if you consider it useful, I would be prepared to come myself, or to send a senior representative, to give you verbally any further information you may require.

Yours sincerely,

Mamoun BEHEIRY President.

Development · Pearson Commission.

823/1/35

February 13, 1969

## Dear Mr. Loganathan:

and that have been

Your letter of February 6 arrived during Mr. McNamara's apsence in Africa but I will certainly see that it is drawn to his attention upon his return, and, as you request, that it is passed on to the Pearson Commission subsequently.

I know Mr. McNamara will find your further observations of interest.

Sincerely,

# David C. Fulton Chief, Public Affairs

# President has seen

Mr. C. Loganathan Bank of Ceylon Colombo, Ceylon

DCF: Imt c.c. with copy of incoming to Mr. Hamilton

- Y TOWN



From: Norman St. John-Stevas, M.P.

House of Commons,

5-Populat

London, 5.W.1 823/1/34

Verter. Becason Com. .

February 11, 1969.

Dear Mr. McNamara,

I am sending you under separate cover a copy of an address I gave in December at the St. Louis symposium on population studies since it may be of interest to you. I, myself, am extremely interested in the work you are doing and would like to congratulate you on the magnificent address to the Board.

Sir Edward Boyle is a close friend of mine, and tells me that he is on the Pearson Commission. If there is anything I can do to help the work on aid to under-developed countries, I would be most happy to do so.

We have a mutual friend in Eunice Shriver, who promised to introduce me to you when I was last at Edson Vale, but of course she is now in Paris. I saw her in New York last month and am hoping to see her at the end of this one in Paris.

With all good wishes,

Yours sincerely,

Nan Stal. Stern

Mr. Robert McNamara, President, World Bank, 1818 H. Street, N.W., Washington D.C. 20433, U.S.A.

> Date: Feb. 13, 1969 Communications Section

823/1/33

### COMMISSION ON INTERNATIONAL DEVELOPMENT

General Offices: 1900 L Street, N.W., Washington, D.C. 20036, U.S.A. / Area Code 202 • Telephone 381-4481 • Cable Address - PEARCOM Ottawa Office: Suite 907, 75 Albert Street, Ottawa 4, Canada / Area Code 613 • Telephone 996-5277 • Cable Address - CIDAOTT

The Right Honorable L. B. Pearson, Chairman

Mr. Torgeir Finsaas P.O. Box 1025 International Bank for Reconstruction and Development Islamabad, Pakistan

Dear Mr. Finsaas:

You may have heard by now that the Pearson Commission plans to visit Rawalpindi March 31 and April 1 for meetings with the Government of Pakistan.

Although we are indpendent of the Bank, we do rely on the Bank administrative support during our travels. The Bank has already made reservations for Mr. Pearson and his group at the Inter-Continental. The party will consist of Mr. Pearson, Sir Edward Boyle of the U.K., Mr. Saburo Okita of Japan, Miss Annette Perron, Mr. Pearson's executive assistant, Mr. Albert Hart, his special assistant and myself.

I have written to M.M. Ahmed and assume that he will be setting up the necessary appointments with the Government officials. I expect to arrive a week early to complete the arrangements. In our other regional meetings we had a number of countries invited but in the case of Pakistan, we will only be dealing with the GOP. We are, therefore, not bringing any secretarial staff and I was wondering whether we would be able to call on your office for assistance in case the need arises. I would also like to know whether it would be possible for you to let us have a car for Mr. Pearson's use during the two days that he is there. If that strains your facilities excessively, please let me know and we will try to make alternative arrangements.

Looking forward to seeing you again.

Best regards,

Sincerely,

February 10,

196

Ernest Stern Deputy Staff Director

aen Filo 22/69

823/1/32

February 7, 1969

Der- Pearson Com

Mr. G. L. Mehta Chairman of the Board The Industrial Credit and Investment Corporation of India Limited, 163, Backbay Reclamation, Bombay 1, India

Dear Mehtaji:

In Mr. Diamond's absence on vacation, I am writing in reply to your letter of January 30 about the visit to India of the Lester Pearson Commission. I have passed your letter to the Commission, and Mr. Ernest Stern of the Commission staff hopes to answer you. Your suggestion that the Commission meet with Indian non-officials is an interesting one and I hope the Commission will agree to it.

The Commission is an entirely independent body, to which it has not been our practice to make suggestions of any kind. Apart from passing your request to the Commission, we have not made any suggestion or recommendation. I hope you will understand this.

With best personal regards,

Sincerely yours,

P. M. Mathew Deputy Director Development Finance Companies

cc: Mr. Stern

Mr. Diamond on return

PMMathew:jm

Form No. 27 (7-61) INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

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Pearson Com.

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# OUTGOING WIRE

TO:	WELLS DATE: FEBRUARY 7, 1969
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	ROME
COUNTRY:	ITALY
TEXT: Cable No.:	
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	AGENDA POINTS DISCUSS WITH THEM AND SECRETARIAT

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Der. - Pearson Com,

873/1/31

February 7, 1969

Dear Mr. Ioganathan:

Thank you for your letter of January 30, 1969 to Mr. Cargill, who is at present away from Washington. I will show it to him when he returns; in the meantime I have passed on a copy, together with the documents you attached, to Mr. Edward Hamilton of the Pearson Commission.

With kind regards,

Yours sincerely,

William S. Humphrey South Asia Department

Mr. C. Loganathan Bank of Ceylon Colombo, Ceylon

ec: Mr. Cargill Mr. E. Hamilton, Pearson Commission

WSHumphrey:hj.M.L.

#### COLOMBO CEYLON. (BANK OF CEYLON)

Telephone: OFFICE - 22000 REGIDENCE- 94403

823/1/30

Ach: Feb. 13.

6th February, 1969.

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

Dear Mr. McNamara,

CANSA

I thank you very much for your kind letter of the 30th January.

I am sorry that owing to my deep concern for the urgent need for rapid economic growth accompanied by diffusion of ownership of property in the developing countries I have failed to state clearly what I meant in regard to the effectiveness of foreign aid. No doubt, foreign aid, particularly from the U.S.A., directly or indirectly has assisted, in a large way, both the public and private sectors of developing countries.

What I wanted to emphasise was that although the rates of investment in terms of increases in national incomeshave been significant in some developing countries, the output-capital ratios have not been equally significant. This has been due mainly to the failure on the part of aid receiving countries to match foreign aid with adequate "self help".

I mean by "self help" not merely correct overall plan formulation and the selection, timing and implementation of projects. There has been a failure, generally, on the part of the authorities of developing countries to identify, and to endeavour to reconcile, the conflicts inherent in their various broad objectives and also in the means adopted to achieve these objectives.

What is significant, among other things, is the failure on the part of the leaders of many aid-receiving countries to appreciate that, except where there is political dictatorship, incentives should be provided to the people at all levels to view and use their political power with a sense of balance and realism.

Lat. A.

Chical

#### COLOMBO CEYLON. (BANK OF CEYLON)

- 2

Telephone: OFFICE - 22838 REBIDENCE - 94403

What is it that a democratic government, committed to a mixed economy, could offer which a Marxist opposition cannot promise or improve on? Could it be subsidised social services or subsidised food and clothing, or shorter hours of work or higher pay? A Marxist opposition, or for that matter and thresponsible opposition, could promise much more in these fields, for the sake of getting into power. Muether these promises would or could be implemented is another matter. There is one thing, however, which a Marxist opposition cannot promise to the people, and that is real ownership in factories, business establishments, plantations and the like through the joint stock device or otherwise, for the reason that such ownership would be foreign to the Marxist ideology.

Mhen I stated that foreign aid has reached only a "super stratum of capitalists or politicians in power", I meant that the Common Man, although benefiting from "development" and "consumer" aid, has not been appreciative of its value for the reason that such aid is not personal to him and is not in a durable form in so far as he is concerned. The Communist Parties supported by Communist Power Blocs promise the abolition of the institution of private property and the bringing down of the "haves" to the level of the "have nots". The "have nots", who mistakenly think they have nothing to lose thereby, seem to be attracted by such promises. It is for this reason that even countries which have received massive aid from U.S.A., though they have achieved rapid economic growth, cannot be considered politically stable in the long term, because the relatively large number of "have nots" would always be a threat to the institution of private property which is the preserve of a relatively few "haves".

Mhat should be aimed at is the creation of a sense of ownership among the masses, or atleast representative cross sections of the masses, in the institution of private property, so that they would not only defend their democratic institutions but also feel a true sense of participation in the great venture of development. The main objective of my scheme is to bring about this type of "self help" so necessary for both economic growth and the preservation of democratic institutions.

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### CALOMBO CEYLON, (BANK OF CEYLON)

Telephone : OFFICE · 22535 REGIDENCE · 54403

- 3 -

I shall be grateful if a copy of this note is also passed on to the Pearson Commission.

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With kind regards, .

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Yours sincerely, thos quella white the

De. - Pearson Com. xalgha - Logahathan. 823/1/29

IDA	IBRD	IFC
FORM NO. 92 CORRES	SPONDENCE RECOR	
FROM		DATED Feb. 6, 1969
C. Loganathan Colombo, Ceylon		· ·
SUBJECT Acknowledging lett detail "self-help"	scheme.	
ADDRESSED TO	ROUTED TOME. W.	Clark DATE RECEIVED
Mr. McNamara co	Information I	Dept. 2/10/69 jgv

Form No. 27

(6-68) INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

WNT

# OUTGOING WIRE

TO: SELESKOVITCH 16 rue CUVIER PARIS DATE: FEBRUARY 5, 1969 CLASS OF LT ET

SERVICE:

COUNTRY: (FRANCE)

TEXT: Cable No.:

PLEASED TO CONFIRM APPOINTMENT INTERPRETER ABIDJAN KAMPALA CONFERENCES

STOP CONTRACT FOLLOWS

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MESSAGE AUTHORIZED BY:	CLEARANCES AND COPY DISTRIBUTION:		
NAME H. MARC MOYENS	cc: Mr. Stern Mr. Geli		
DEPT. ADMINISTRATION (TO BE CHARGED TO PEARSON COMMISSION, 1900 L ST., N.W., WASHINGTON, DC) SIGNATURE H. Marc March			
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)			
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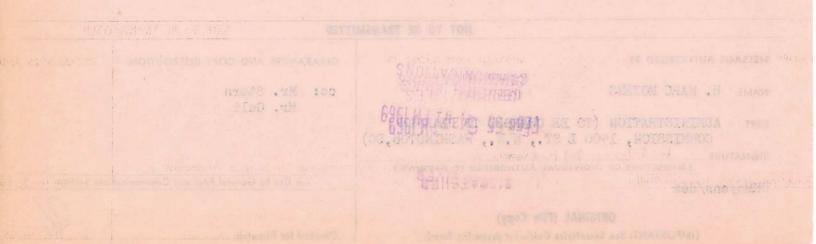
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SWELL ON



Pears m Com. {23/1/27

Mr. A. E. Tiemann

February 5, 1969

Alexander Stevenson

Mr. Namilton's Request for Assistance

I attach the memorandum from Mr. Hamilton to Mr. Kamarck, dated February 3, of which we spoke on the phone. Would you please let me know how much work is involved in this and whether questions of confidentiality are involved. As Mr. Hamilton indicates, if you have any questions about the specifications please get in touch with Mr. Gulhati.

AStevenson: js

Form No. 27 (6-68) INTERNATIONAL DEVELOPMENT

ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

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# OUTGOING WIRE

TO: KARASZ INTBAFRAD PARIS

### DATE: FEBRUARY 5, 1969

CLASS OF SERVICE:

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COUNTRY:	FRANCE		
TEXT:			
Cable No.:	165		

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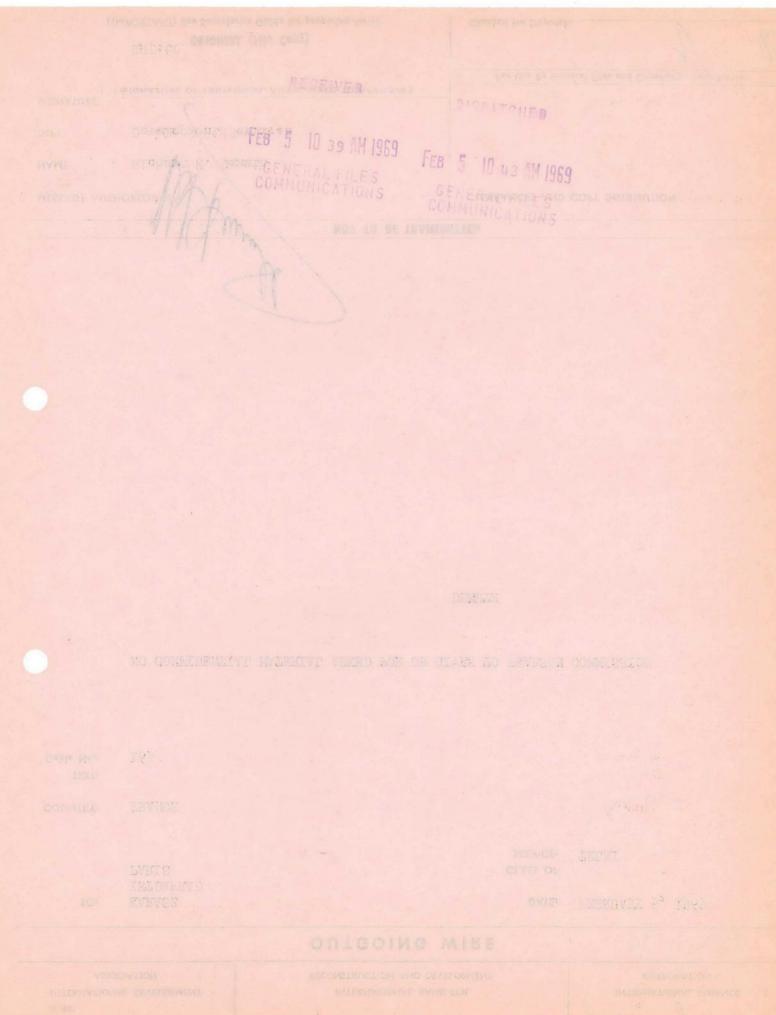
 NAME
 Richard H. Demuth

 DEPT.
 Development Services

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File Title					Barcode No.
Bank Administration and Policy: Pearson	Commission General - 01				1547550
Document Date Feb 5, 1969	Document Type Memorandum				10 1
Correspondents / Participants H. Marc Moyens to Ernest Stern					18
Subject / Title Pearson Commission Meetings in Africa		÷			
Exception No(s)	5 6 7 0	8 🗌 9	10 A-C	] 10 D	rerogative to Restrict
Reason for Removal Personal Information					
Additional Comments		×		in accordance to Information. Bank Access to	ntified above has/have been removed with The World Bank Policy on Access This Policy can be found on the World o Information website.
			×	Withdrawn by Sher	rine M. Thompson Nov 30, 2012

Form No. 27 (7-61) INTERNATIONAL DEVELOPMENT ASSOCIATION

FOODAGRI

ROME

ITALY

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

823/1/24

ステブ

Pearson Com.

2- FRO

# OUTGOING WIRE

DATE: FEB. 4, 1969

1

CLASS OF SERVICE:

IFTelex

COUNTRY:

TO:

TEXT: Cable No.:

> PRO WELLS AND BHATTACHARJEE **PAOMARAGAN** PEARSON COMMISSION ARRIVING ROME MARCH TWELVE THROUGH SIXTEEN STOP HAVE BEEN ASKED WHETHER WE CAN RESERVE DATE DISCUSSION NOW STOP WILL PHONE BHATTACHARJEE TOMORROW WEDNESDAY

> > VJERSCART

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NAME M. Veraart	cc: Mr. Ergas
DEPT. Agriculture Projects	
SIGNATURE (SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)	
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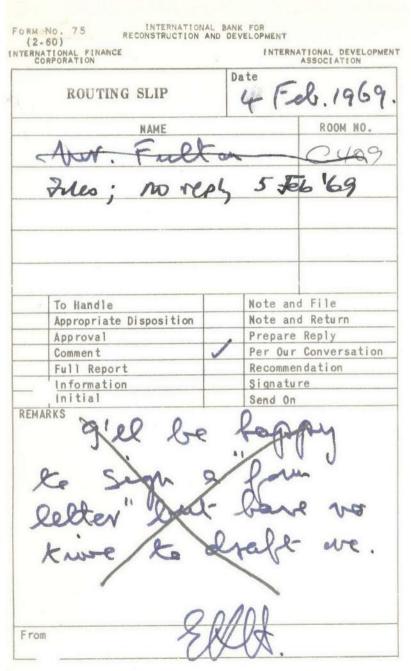
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INTERNATIONAL PURATO



# COMMISSION ON INTERNATIONAL DEVELOPMENT 823/1/23

SUITE 907, FULLER BUILDING, 75 ALBERT STREET OTTAWA 4, CANADA

> TELEPHONE: (613) 996-5277 CABLE ADDRESS: CIDAOTT

\* 5- Populat.

THE RIGHT HONOURABLE L. B. PEARSON CHAIRMAN

January 31, 1969.

Dear Mr. Hawkins:

Mr. Stern of our Washington office suggested that I might forward to you the attached material for any action you may consider to be appropriate. It consists of:

- (a) copy of a letter of January 8, 1969 from Professor D. Cappon; and
- (b) copy of Mr. Pearson's reply of January 28, 1969.

With many thanks for your attention to this matter.

Yours sincerely,

antar

Attachments 2

Mr. E. K. Hawkins, Acting Head, Population Division, International Bank for Reconstruction and Development, Washington, D.C., U.S.A. COMMISSION ON INTERNATIONAL DEVELOPMENT

SUITE 907, FULLER BUILDING, 75 ALBERT STREET OTTAWA 4, CANADA

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arthur

Attachments 2

Mr. H. K. Hawkins, Acting Head, Population Division, International Bank for Reconstruction and Development, Washington, D.dt. 135UN.3: 08

mer. Wart

# UNIVERSITY OF MARYLAND SCHOOL OF MEDICINE BALTIMORE, MARYLAND 21201

THE PSYCHIATRIC INSTITUTE • 645 West Redwood Street

Tab have a

January 8, 1969

Mr. Lester B. Pearson The World Bank 20 Exchange Place New York, New York 10005

Dear Mr. Pearson:

Congratulations on your appointment to the World Bank and the very best wishes to you for the new year, in a job that seems so suitable a follow through of your career as a man of international affairs.

You may or may not have heard of me or read my words or seen my personal presentations on Canadian television. At any rate, I have spent the middle years of my professional life in Toronto, where I still live and practice or juggle several careers, when I'm not I am here.

What I am writing to you about concerns one of the conditions the World Bank makes when it undertakes to help underdeveloped countries. I believe the Bank stipulates that the recipients declare themselves willing to undertake measures of birth control. This, of course, raises diverse difficulties in South America, India or elsewhere in Asia and Africa, not only from a religious point of view but the practical problem of clear mass communication. Accordingly, my associates in the educational film-making enterprise (Canadian firm) and myself from my position here trying to combat the acute crisis of the American inner city (a consequence of the population explosion and very much a crisis in poverty, lack of information and inordinate illegitimate births) have thought that a series of movies on birth control problems and methods should be very timely. If we could come up with a series of uniconcept films, in the universal language of visuals, making the point of desirability of control, both the World Bank and the world itself may benefit. If the films were expressive enough, it would be natural for the Bank to insist on their distribution throughout the applicant country.

In any case, if the idea seems meritorious enough to you, the next step would be your directing me to your associates who are in a position not so much to commission such a series of educational films as to . encourage us to make them for the Bank, but also for the world community. Hoping to hear from you regarding this matter in the near future.

I remain, Sir,

Your admirer and well wisher,

appour.

Daniel Cappon, M.B., F.R.C.P. Professor of Psychiatry University of Maryland Director, Inner City Community Mental Health Program to become "Community Advancement Program"

DC/jh

January 28, 1969.

Dear Professor Cappon:

I was interested to read in your letter of January 8, 1969 about your proposal for a series of movies on birth control problems and methods. For those agencies and professional workers engaged in the planning and implementation of practical measures and programmes in this field, your idea might well offer useful possibilities.

I am forwarding a copy of your letter to Mr. E. K. Hawkins, Acting Head of the Population Division of the World Bank in Washington. Presumably Mr. Hawkins will be in touch with you directly to explain the Bank's views on population control measures in the developing countries and to comment on your proposal.

As you may know, the task of the Commission, of which I am Chairman, is to examine the progress and problems experienced in the field of international aid and development assistance over the past twenty years and to make recommendations on the best policies and methods to help promote the economic growth of the developing world in the years to come. The population problem is certainly one of the significant questions to which we are giving attention and is the

Professor Daniel Cappon, The Psychiatric Institute, 645 West Redwood Street, Baltimore, Maryland 21201, U.S.A.

...2:

subject of staff studies being conducted by the Commission Secretariat and of consultations which we are carrying out with academic and other authorities in this field.

Incidentally, for the purpose of our consideration of the population problem, we have established contacts with the International Planned Parenthood Federation. This is a voluntary international organization which has branches in a great number of countries throughout the world and seeks to establish family planning services within the reach of people everywhere. The Canadian Vice-Chairman of the governing body is Mr. George W. Cadbury, 35 Brantwood Road, Oakville, Ontario. You may wish perhaps to write to Mr. Cadbury about your proposal.

Thank you for your good wishes and for your kind remarks on my present appointment.

Yours sincerely,

## L. B. PEARSON

# 823/1/22

# THE INDUSTRIAL CREDIT AND INVESTMENT CORPORATION OF INDIA LIMITED



163, BACKBAY RECLAMATION, BOMBAY 1 / GRAMS: 'CREDCORP' BOMBAY / PHONE: 245081/245478/245485/245939

## DECLASSIFIED

Personal

## MAY 26 2022

Mr. William D amond

# **WBG ARCHIVES**

Mr. William Diamond International Bank for Reconstruction and Development 1818 H Street, N.W. Washington, D.C.

January 30, 1969

Sean by Nu Marthaut ce. Mesers. Ravi Veteur Gulhate Harsen Peilan

My dear Diamond,

Reports have appeared in the Indian press about the appointment of an international commission at the instance of the World Bank to study developmental processes in various countries and formulate their views on the subject. This commission is to be headed by Mr. Lester Pearson and is going to include among others, Mr. Douglas Dillon, Sir Edward Boyle and Sir Arthur Lewis. It has also been stated that this team would be visiting India in April next. I feel, and I presume you will agree that it would be desirable for this commission to meet some non-officials, apart from Ministers and officials in New Delhi and elsewhere. I would particularly like to meet them alongwith some of my colleagues of ICICI. I was wondering what would be the best course to take in this matter. Although I have known Mr. Lester Pearson in the past as also Mr. Dillon and have met Sir Arthur at one or two seminars, I hesitate to write to them. I am not sure whether Mr. McNamara could put in a word suggesting that it might be worthwhile their meeting a group like ours. We would be prepared, if necessary, to go over to Delhi to meet them. We do not, of course, want any publicity or fanfare but would appreciate an opportunity to discuss some important aspects of economic development. I trust you will kindly give a thought to this matter and let me have your views at an early date.

Thanking you and with kindest regards,

Yours sincerely,

(G. L. Mehta)

aca Feb 18/09

Der Pearson Com. x algela - Loganathan, C. 823/1/21

JAN 3 0 1969

Dear Mr. Loganathan:

Far from being an intrusion on my time, I found your letter of January 18 both interesting and stimulating, and I am grateful to you for writing.

I fully agree with your point about self-help on the part of the peoples in developing countries which receive assistance from overseas. I cannot, however, agree with your assertion that previous assistance has reached only "a super-stratum of capitalists, or politicians in power who are just birds of passage." During my own recent travels in Latin America, Asia and the Middle East, I saw a great many achievements which were in large part due to foreign assistance programs, and which had benefited large numbers of ordinary citizens -- not just "elite groups" or those in power.

Certainly there is much to say for mobilizing the savings of ordinary citizens and enlisting them in the development effort. We at the World Bank have always felt that the encouragement of domestic savings and the development of domestic capital markets was an important aspect in any developing country's economy.

You will be interested to learn that Mr. Pearson and his associates are now at work and one of the important aspects of their task is to collect ideas and suggestions from informed persons such as yourself. I am therefore taking the liberty of passing your letter on to the Pearson Commission.

Meanwhile, thank you for writing and please accept my very kind regards and best wishes.

Sincerely,

(Signed) Potent S. McNamara

Robert S. McNamara

Mr. C. Loganathan Bank of Ceylon Colombo Ceylon

DCF: jas c.c. Mr. Hamilton w/ncoming Commission on International Development

### C. LOGANATHAN

#### COLOMBO CEYLON. (BANK OF CEYLON)

Telephone : OFFICE RESIDENCE

823/1/20

Januar Dev. -

I.P.M.Cargill Esq. International Bank for Reconstruction & Development, 1818 H.Street, N.W. Washington D.C.20433. U.S.A.

Dear Peter,

Although I come from a developing country requiring urgently substantial foreign aid, I feel that more harm than good will be the our come of indiscriminate aid for both the aid giving countries and aid receiving countries in the long term. Foreign Aid should be tied, as far as possible, to self help on the part of the aid receiving countries. I mean by "self help" not merely correct overall plan formulation and the selection and timing of appropriate projects, but also adequate planning for implementation, as distinct from implementation itself. The "NETWORK" and "CRITICAL PATH" techniques should be used in the following broad areas in order to identify conflicts both in the various object objectives and in the means to achieve these objectives :-

> 1. Broad objectives such as Rapid Economic Growth, Provision of Social Justice, and the Preservation of Democratic Institutions.

2. The formulation of economic projects

3. Planning for implementation of projects, and

4. Implementation.

What is lacking, among other things, is the appreciation on the part of the leaders of both aid giving and aid receiving countries that, except in countries where there is political dictatorship, incentives should be provided to the people at all levels to view and use their political power with a sense of balance and realism.

I shall be very grateful if you could pass on a copy of this note along with the enclosed literature to an active economic research officer, with an open mind, in the Secretariat of the Pearson Commission, which is now examining the "Effectiveness of Development Aid". Attachmente sent to 27 Hamilton Reason Con

With kind regards,

Yours sincerely,

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January 30, 1969

823/1/19

Mr. George C. Wishart Chief Liaison Officer European Office International Bank for Reconstruction and Development 4, Avenue d'Iena Paris 16e, France

Dear George:

The request for assistance by the Pearson Commission enclosed in your letter of January 2h is quite an order. I think you are right that there may be quite a discussion about it and we will, of course, be very much interested in having your report on future developments.

Sincerely,

Michael L. Hoffman Associate Director Development Services Department

MLHoffman/pnn

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Form No. 26 (6.65)	INTERNATIONAL DEVELOPMENT ASSOCIATION	INTERNATIONAL BANK RECONSTRUCTION AND DEV	
		INCOMING CA	B L E
DATE AND TIME OF CABLE: LOG NO.: TO:	JANUARY 29, 1969 WU TELEX/29 INTBAFRAD	408pm	ROUTING ACTION COPY: MR. MARTIN INFORMATION
FROM:	PARIS		COPY: DECODED BY:

TEXT:

# 152 FOR C J MARTIN

STEUBER OUT OF TOWN TILL FEBRUARY 8. PARIS HAS TWO SUGGESTIONS OF PERSONS TO TALK TO IF YOU WANT APPOINTMENTS MADE. REGARDS

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FAMILY NOTIFICATION BEING MADE.

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FOR INFORMATION REGARDING CABLES, PLEASE CALL THE COMMUNICATIONS UNIT EXT. 2021

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-ON INFORMATION DEGARDING CALLES, PLEASE CALL THE COMMENDICATIONS INTE EXT. 2021

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GENERAL FILES COMMUNICATIONS

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ASSOCIATION

INTERNATIONAL PARK FOR RECORDITION AND DEVELOPMENT NTERNATIONAL FINANCE. COMPORATION

FORM NO. 24

LITTLE BAMBOO BOX 71 CAPTIVA, FLORIDA 33924

### January 28, 1969

march all

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

Dear Bob:

attacted Recently I received a letter from Don Hoagland which I enclose and which is self-explanatory.

Certainly the Aspen Institute would be most happy to provide the facilities for a meeting of Lester Pearson's committee and do hope you will keep this in mind.

As you know, comparable meetings have been held in our facilities at Aspen through the years and participants have felt that we provide an ideal place to carry out serious and important discussions, in a pleasant location free from the distractions and interruptions found in so many other places.

Sorry I haven't had the pleasure of seeing you recently. We are here for the winter but will be back in Aspen for three weeks beginning on February 15.

We will be conducting two of our regular Executive Sessions which promise to be well-attended. Please be sure to let me know if you will be in Colorado during that period.

With all good wishes,

Sincerely, William Stevenson

President has seen

823/1/17

RICHARD M. DAVIS DONALD S. GRAHAM DONALD S. STUBBS DONALD W. HOAGLAND HOWARD W. REA ROBERT H. HARRY JOHN M. SAYRE GEORGE M. HOPFENBECK, JR. ROBERT L. SHANSTROM

JOEL C. DAVIS WILLIAM A HILLHOUSE II RICHARD P. HOLME HAROLD A. HADDON ARMIL L.SNOW JAMES E.CULHANE LESTER R. WOODWARD DONALD J. O'CONNOR WALTER B.ASH WILLIAM E.MEYERS THOMAS S. NICHOLS L. RICHARD FREESE, JR. DALE R. HARRIS JON N. HALVERSON

#### DAVIS, GRAHAM & STUBBS

(LEWIS, GRANT & DAVIS)

ATTORNEYS AND COUNSELLORS AT LAW AMERICAN NATIONAL BANK BUILDING DENVER, COLORADO 80202

ROBERT S. ZINN DAVID M. EBEL JOHN L. McCABE JOHN W. MADDEN III THEODORE M. SMITH DONALD E. PHILLIPSON

ROBE STEARNS

303-255-5475

### January 22, 1969

Mr. William E. Stevenson, President Aspen Institute For Humanistic Studies P. O. Box 219 Aspen, Colorado 81611

Dear Mr. Stevenson:

A few weeks ago I mentioned to one of your Trustees an idea which I think is worth sending along to you more directly. As you know, the new President of the World Bank has established a committee to examine the basic premises and policies of assistance to developing countries. Lester Pearson has been appointed Chairman, and a distinguished group gathered as members of the Committee. I would expect that a few days of meetings in Aspen under the auspices of the Institute would be an excellent way for this group to pull its thoughts together. The hope is that they will think deeply into this question, and to do so they deserve the invitation to creative thinking represented by the Institute's facilities. It may also be true that they would need some Staff support from World Bank people, but that could also be accommodated in the Institute's facilities.

Naturally, I am also counting on Mr. McNamara's familiarity with Aspen as a reason to anticipate ready acceptance of the proposal.

I am making no suggestions about procedure for pursuing this idea since, if it does appeal to you, I know you would have no difficulty in moving it along. I am not overlooking the probability that your own participation would add to the value of the proposal.

Sincerely yours,

· Durald Hoagland

Donald W. Hoagland

DWH: ams



**Record Removal Notice** 



File Title				Barcode No.	
Bank Administration and Policy: Pearson Commission General - 01					
				1547550	
Document Date	Document Type				
Jan 23, 1969	Memorandum				
Correspondents / Participants					
H. Marc Moyens to Ernest Stern					
Subject / Title					
Pearson Commission Meetings in Africa					
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			to Information. T	This Policy can be found on the World Information website.	
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January 22, 1969

823/1/15

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Mr. John R. Crowley Edward J. Donovan MS/22

Additional Office Space - Pearson Commission

Last Friday, Miss Teresa Skowronski, the new Administrative Assistant appointed to the Pearson Commission to work with Mrs. Harris, called regarding additional office space.

You will recall that in December Mrs. Harris raised a question about one additional window on the 7th Floor and you were going to check availability. Since then Mrs. Harris has been away from the office most of the time and now that Miss Skowronski has started the question has been raised again.

I told Miss Skowronski as I told Mrs. Harris that additional space would mean amendment of the existing contract dated Sept. 27, 1968 between the Bank and Cafritz Company and therefore we would need to have an idea of how much space would be needed and a memorandum from Mr. Stern requesting it.

At that time she told me that Mr. Stern had been in touch with Mr. Fowler of Cafritz, told there was no more space available on the 7th Floor and that Mr. Fowler had shown Mr. Stern space on the 6th Floor which could be rented. They also had some discussion as to alterations, partitions, etc.

This morning the attached memo came from Mr. Stern, who is very anxious to get the space as quickly as possible.

Mr. Poss handled the original contact for the space and after the lease was signed for the 5,790 sq. ft. we did the necessary alteration and carpentry work.

Would you please advise how this request should be handled, bearing in mind the necessary alterations and Mr. Stern's request for availability at the earliest possible date.

Attachment

EJDonovan:sbp

cc: Mr. T. Mitchell

COMMISSION ON INTERNATIONAL DEVELOPMENT

FORM NO. 57-CID

# OFFICE MEMORANDUM

TO: Mr. E. J. Donovan

DATE: January 21, 1969

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FROM: E. Stern

SUBJECT: Request for additional office space

- 1. The office space on the 7th floor of the 1900 L Street Building as originally accepted is now inadequate for the needs of the Pearson Commission, therefore additional office space is requested.
- 2. Mr. Fowler of Cafritz Realty Company has been contacted regarding additional space in the 1900 L Building and has indicated that the required space is available on the 6th floor. This consists of three offices and the necessary access area.
- 3. It is requested that the present lease be amended to include this additional space, and that these offices be made available at the earliest possible date.

alterations

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FORM NO. 92 (4-68) CORRE	SPONDENCE RECOR	DFORM
FROM	1	DATED
		Jan. 18, 1969
C. Loganathan		
Bank of Ceylon		A /
Colombo, Ceylon	acre	Jan 30/19
SUBJECT		1 1
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ADDRESSED TO Mr. McNamara co	ROUTED TO Mr. W. Information De	ClarkeATE RECEIVED

FORM NO. 57

INTERNATIONAL DEVELOPMENT ASSOCIATION INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

can com. INTERNATIONAL FINANCE CORPORATION

## OFFICE MEMORANDUM

823/1/14

TO: Files

FROM: Samir K. Bhatia

DATE: January

January 21, 1969

SUBJECT: Messrs. Stern and Ohlin

Messrs. Stern and Ohlin of the Commission of International Development came to see Mr. Kamarck on January 15, 1969.

Mr. Stern said that several of their Staff Papers are in the course of preparation. A list of these papers is attached. Mr. Stern briefly described the broad areas to be covered in these papers.

Mr. Stern suggested that when the first draft of these papers were ready, it would be useful for them to have a meeting with a small group of our people to discuss these papers.

Mr. Kamarck welcomed this proposal and felt that this kind of discussion would be very useful for us, since most of the subject matters of these papers were areas in which this Department was engaged.

Mr. Stern said that it was expected that the first paper in this series would be ready sometime at the end of January and he would then call Mr. Kamarck or Mr. Stevenson to make arrangements for a meeting. Mr. Kamarck agreed to this proposal.

Cleared with Mr. Stevenson

cc: Mr. Friedman Mr. Kamarck Mr. Clark Mr. Adler Mr. Stevenson Mr. Stern Mr. Ohlin

Attachment:

SKBhatia:rf

Staff Papers

823/1/13

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l.	The Aid relationship	Ohlin	Jalan
2.	Aid magnitudes	Stern	Lourie
3.	Structural and organizational		<b>a</b> 1
	change	Hamilton	Stern
4.	Technical assistance		
	A. Transfer of knowledge and skills	Lourie	Silcock
	B. Volunteer programs and donor T.A. problems	Silcock	Lourie
5.	Debt		
	A. Handling the current problem	Gulhati	Ohlin
	B. Future policy	Jalan	Dunkerley
6.	Population	Ohlin	Hamilton
7.	Trade and Commodity Agreements	Ghai	Gulhati
8.	Private investment		
	A. Foreign	Brash	Ohlin
	B. Domestic	Stern	Brash
9.	Donor administrative practices	Dunkerley	Stern
10.	Aid and monetary policy	(contracted out)	Ghai

823/1/12 FORM No. 26 (6.65) INTERNATIONAL DEVELOPMENT INTERNATIONAL BANK FOR ASSOCIATION RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION INCOMING CABLE ROUTING DATE AND TIME OF CABLE: JANUARY 23, 1969 1227 LOG NO.: ACTION COPY: INFORMATION DEPARTMENT WU 11/24 TO: INFORMATION INTBAFRAD COPY: DECODED BY: FROM: CANBERRA

TEXT:

### CLARK DIRECTOR INFORMATION

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Commissi in

C. LOGANATHAN

#### COLOMBO CEYLON, (BANK OF CEYLON)

Telephone : OFFICE - 22538 RESIDENCE - 94403

18th January, 1969.

Robert F.McNamara, Esq., President, International Bank for Reconstruction and Development, 823/1/11 1818 H.Street, N.W. Washington, D.C.20433, U. S. A.

Dear Mr. McNamara,

As a banker in a developing country I am interested in the progress and the findings of the "Grand Assize" on "the effectiveness of development aid", presided over by Mr. Lester Pearson.

Foreign aid cannot be of much use unless it is coupled with self-help on the part of the masses of the country receiving the aid. Hitherto, aid from U.S.A. and other Western countries has reached only a super stratum of capitalists, or politicians in power who are just birds of passage. It has had no impact on the much larger and the more weighty sub-strata of the body politic. The result has been the ineffective and inefficient use of foreign aid either as an instrument of economic development or as a device to neutralise extreme socialist propaganda from the point of view of both the aid-giving and aid-receiving countries.

Most political parties at present in power or seeking power in Asian countries have declared as one of their basic objectives the achievement of "democratic socialism". Unfortunately, however, they have not formulated any constructive plan or device to achieve this objective. Moreover, on account of pressure from doctrinaire socialist parties and the so called "under-privileged" who have no personal stake in the private sector, even democratic parties have been forced to promise to the voter the nationalisation of the means of production, confiscatory tax measures, unrealistic social services and other subsidies. In other words, the parties in power, though democratic in their intentions, are forced to promise unwise measures that would ultimately lead to the destruction of democratic institutions.

(Contd...)

Ade San 30.

#### COLOMBO CEYLON. (BANK OF CEYLON)

Telephone : OFFICE - 22538 RESIDENCE - 94403

- 2 -

Those political parties which speak for the private sector are fighting a losing battle for the simple reason that they are unable to attract to their way of thinking the voter, particularly the worker, who is the most vociferous of the underprivileged. If the private sector is to survive and is to play a vital role in economic development it must be adequately broad-based. A start must be made at least with the working classes and other income earners whether employed by others or self employed to create a stake for them in the private sector.

Since 1956, when I was appointed a member of the National Planning Council of Ceylon, I have been trying to promote an idea for the establishment in developing countries of a multi-purpose Savings cum Investment Scheme embracing people in all walks of life. This scheme has received some publicity both in developed and developing countries. Some of the senior officials of the I.B.R.D., I am sure, would be in a position to acquaint you with my scheme.

I am forwarding to you a booklet entitled "Economic Growth Through The Democratic Process And The Role Of The Development Savings Bank" along with a note I submitted as an addendum to the report of a committee appointed by the Government of Ceylon to examine the scheme formulated in the enclosed booklet. I decided to write to you direct because you were responsible for the appointment of the Pearson Commission and because some of your officials are already acquainted with the philosophy bahind my scheme.

The International Chamber of Commerce has already published a report (Doc.244) incorporating and supporting my scheme. An Electronic Computer Scheme has already been formulated and is ready to operate my scheme, once it is accepted for implementation. The Government of Ceylon, it is expected, will shortly be making an announcement on my scheme, though under a different name.

I hope I have not intruded on your valuable time.

With kind regards,

Yours sincerely,

thoy are

Copy to: Mr.Edward K. Hamilton.

Encla: P.T.O.

#### COLOMBO CEYLON, (BANK OF CEYLON)

Telephone : OFFICE - 22538 RESIDENCE - 94403

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### Enclosures:

- 1. Book entitled "Economic Growth through the Democratic Process and the Role of the Development Savings Bank. (a series of talks over the Caylon Broadcasting Corporation).
- 2. An addendum to the Report of the Investment Trust Committee by the writer.

### BROAD-BASING OF OWNERSHIP OF PROTERTY

The Investment Trust Committee has submitted inter alia the following for the consideration of the Government:-

- 1) Their recommendations in regard to the broad basing of companies.
- 2) A Preliminary Draft Bill for the establishment of 'The Unit Trust of Ceylon'.
- 3) A Preliminary Draft Bill for the establishment of the Central Savings and Investment Trust of Ceylon.

The first report on the broad basing of companies outlines the minimum measures that ought to be adopted by the Government to induce private and closely held public companies to make themselves broad-based in order that their shares may be available to investors in the low income groups, who have not hitherto been accustomed to investing their savings in company shares. The definition of a broad-based company as formulated by the Committee will be applicable to existing companies as well as new companies. Any loss in revenue arising from the tax concessions proposed will be more than offset by increase in revenue from increased incomes all round generated by increased economic activity.

The Draft Bill for the establishment of a Unit Trust would make it possible for savers in the smaller income groups to diversify their investments, thus avoiding the risks involved in the investment of their savings in one or two companies only.

The Draft Bill for the establishment of the Central Savings and Investment Trust of Ceylon is the most important piece of legislation for the purpose of achieving a greater mobilisation of savings through various collecting points established throughout the country. This institution will generally act as an automatic link between the small saver and the Unit Trust of Ceylon. Unlike an ordinary savings bank, the Central Savings and Investment Trust provides scope for the wider participation of people, at all levels of society, both in the urban and rural sectors.

In their earlier memoranda the Committee has stressed the desirability of the Government encouraging the people to invest their savings in State Corporations, both those now existing and those to be established in the future. This is a matter which should be considered by the Government at the earliest opportunity, so that adequate investments would be made available to absorb the large flow of savings which will result from the establishment and successful operation of the Central Savings and Investment Trust. The Committee expects that there will always be a core of uninvested funds held by the Central Savings and Investment Trust, which would be available for investment in short and medium dated government bonds. This core of funds may even be larger than the funds currently available for investment in government bonds and savings institutions. The institutional devices the Committee has formulated are primarily meant to blend with the political philosophy of the government. Democratic socialism as understood by the Government is both a concept and a realisation of its broad objectives of adequately increasing national output, while at the same time providing social justice within the framework of democracy.

One pre-requisite of democracy is the wide diffusion of economic power. No scope is permitted for the concentration of economic power in the hands of the State or a small capitalist class. This would mean that one ingredient of a democratic political structure is a broad-based private sector, representative of the masses of the people, which could be styled the "peoples' sector."

The development of the "peoples' sector" is not a problem capable of easy solution. Economic resources are limited in relation to population and cannot be divided and distributed physically among the population in portions that will be either substantial or sufficiently integrated to be efficient units for economic development. The modern and highly developed joint-stock device, with proper safeguards to protect the interests of small shareholders, will enable a more even distribution of wealth, though not physical or in equal proportions, and will at the same time provide for the grouping of resources in efficient economic units. If the joint-stock device with the necessary safeguards for the small holders is used to create a series of corporations for different types of economic activity, without allowing room for any monopolistic controls, and if the shareholders constitute cross-sections of the masses of the people who enjoy adequate voting power, then it can be said that some measure in the diffusion of economic power has been achieved although there would be no equality of ownership.

The institutional devices the Committee has formulated will be capable of mobilising, without injuring private incentive, the maximum of private savings for purposes of investment for economic development. Further this would be an effective means of drawing the people at large into any national economic development plan. This scheme can also be used for channelling excess purchasing power in any section of the economy, or abnormal profits or income in the hands of any section of the population, into investment. All levels of society - high income tax-payers, salaried employees, wage-earners, peasants and others - will be provided the opportunity and the incentive to participate in the economic development of their country.

Cont.....

- 2 -

There will progressively come into being a property-owning democracy so essential for both the provision of social justice and the preservation of democracy. Employer-employee relations will also improve and labour disputes will tend to be settled by constitutional methods and not by strikes that will damage the financial interests of the employees themselves. The environment, as existing in Ceylon today, is not attractive to the entrepreneur. No amount of ministerial or governmental assurances guaranteeing the existance of the private sector and no amount of tax concessions will be of avail, as long as the people have doubts as to whether successor governments will implement the policy statements or assurances of present governments. What is required, and what is aimed at by the proposed devices, is the creation of a vested interest on the part of all classes of society in political and economic stability.

Any campaign to popularise the purchase of locally produced goods will be stimulated by self interest on the part of the people, in addition to any enthusiasm generated by patriotic or sentimental feelings; and there will thus be less need for import or tariff regulations to give protection to local products.

This scheme provides the means by which the unbalanced and undemocratic capitalist form of society, as it exists in Ceylon today, could be converted into a social democracy geared for rapid economic development.

A healthy and secure private sector is a condition precedent to any substantial inflow of foreign capital at the private level, and this scheme will promote such a private sector for the reason that it will in future be a "peoples' sector".

It must be explained in this connection that this plan does not envisage a situation in which every investment in the private or "peoples" sector" will be made through the institutions mentioned in this report. It is meant to create an environment for a healthy and broad-based private sector, confident of its future, and is particularly intended as an effective stimulus to the growth of the entrepreneur class which is unfortunately not significant in countries like Ceylon.

The resources and objectives of the "Peoples' Sector" will be such that some of the large scale industries which have hitherto been the exclusive preserve of the Government Sector, in view of insufficient resources in the private sector, could now come under the "Peoples' Sector," for the reason that the argument, that a particular industry is beyond the capacity of the private sector, would no longer be tenable. The resources of the Central Savings and Investment Trust, along with private resources and the resources of long-term credit or finance corporations and some assistance from government where necessary, will be adequate for many large scale industries. If any

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industry is to be assigned to the Government Sector it will be due more to considerations such as the unattractiveness of such industry to the Central Savings and Investment Trust and the private or Peoples' Sector and considerations of State policy than to inadequacy of resources in the non-government sectors.

One main purpose of the Central Savings and Investment Trust and the other measures proposed is to create an environment for increased productivity of labour and most other factors of production. Development apart Ceylon depending as it does on foreign consumer goods, will, by maximising its savings and investments, minimise its drawings of foreign exchange reserves so necessary to take care of the oft-recurring adverse trade swings and to meet the cost of imported capital goods that will be needed for development.

The measures formulated will serve several objects simultaneously. They will give the common man a personal sense of participation in the great venture of development in which his Government and the country are engaged. They will strengthen a real peoples' sector in the economy. Ownership by government of the instruments of production including capital is no longer an indispensable part of the socialist technique. The measures themselves when underway will demonstrate how monopolistic control of capital resources can be avoided, and in a genuine sense it will be a move in the direction of democratic socialism.

### Colombo.

- (1) The name "Central Savings and Investment Trust" is another name for the "Development Savings Bank" figuring in Mr.Loganathan's scheme.
- (2) This document was prepared by Mr.Loganathan as a basic document for a discussion with some members of the Ceylon Government.
- (3) The Investment Trust Committee was appointed by the Ceylon Government, and has submitted its reports with the necessary draft legislation for the implementation of the proposals.

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( By Mr. C. Loganathan. )

Rapid economic growth depends inter alia on an adequate increase in the rate of investment in relation to national income, and on an adequate increase in the productivity of capital.

Investment must depend largely on the effective mobilisation and proper channelling of all available savings. The productivity of capital, particularly in a developing country like Ceylon, depends to a large extent on the productivity of labour, and more particularly on the willingness of labour to meet the needs of economic growth. Labour participation in the ownership of property, the Investment Trust Committee feels, is the most important step towards bringing about better industrial relations.

The changing pattern of income distribution necessitates savings, particularly at the low income levels which are receiving increasingly larger shares of the national product. This problem of mobilising savings at the low income levels can no longer be shirked. This is also connected with the problem of increasing the output of labour which must be far ahead of the current purchasing power released in its hands. The working population as well as those in the rural and agricultural sectors must be encouraged to be thrifty and at the same time to be ambitious.

The Central Savings and Investment Trust is an investment device intended to mobilise the savings available in the country into a central pool; to provide incentives for increasing the volume of personal savings; and to act as a direct link between individual savers and investment institutions such as unit trusts; and thus to assist the workers and the masses in general to have a stake in the ownership of companies.

A savings institution of the usual type collects deposits and lends them to a restricted class of borrowers, or invests them in government securities. A purely development bank invests, or lends, shareholders' capital or borrowed capital again for the benefit of a restricted class of capitalists. An investment trust or unit trust is purely an investment holding institution. The investments are held in its name although the owners of the investment trusts or unit trusts have an indirect interest in the investments. The investments made by the Central Savings and Investment Trust, on the other hand, except under special circumstances, will be in the names of the savers or members themselves.

Small savers at present receive a poor return in the form of interest on their deposits in savings banks or on their government savings certificates and are not protected against depreciation in the value of the deposits or certificates in real terms, i.e. in relation to property, goods or services. Too low rates of interest paid on savings deposits will act as a disincentive to savings, while on the other hand too high rates of interest will push up lending rates and scare away borrowers. The surest way of partially reconciling the conflict of interests of savers and users is to make the savers themselves users of a part of their own savings, as investors. This is what the Central Savings and Investment Trust seeks to bring about.

The mobilisation of savings alone, through the Central Savings and Investment Trust or by other means, will not necessarily ensure that there will be enough investments to absorb the savings. It is for this reason that the Investment Trust Committee has recommended certain tax incentives to both existing and new companies to induce them to offer their shares to a much larger body of potential investors. The investment Trust Committee has also recommended that, in view of the magnitude of new savings that would be mobilised by the Central Savings and Investment Trust particularly from the rural and agricultural sector, some of the State Corporations should also offer shares at realistic prices to the Unit Trust of Ceylon and to individual savers either directly or via the Central Savings and Investment Trust. The main purpose of the Unit Trust of Ceylon Bill is to enable the savings of particularly the small saver to be invested simultaneously in a wide variety of company shares, and perhaps in government bonds as well, in order to minimise his investment risks. The Central Savings and Investment Trust will be the most important link between the small saver and the Unit Trust of Ceylon.

The Central Savings and Investment Trust also offers scope for guaranteeing the payment of minimum dividends to specified classes of investors on specified investments. The Central Savings and Investment Trust also provides for employers both in the government and private sectors to increase the investment capacity of the workers by contributions to the funds of employees who are members of the Central Savings and Investment Trust. Such assistance could be in the form of regular contributions such as those made by employers to Provident Funds, or could be in the form of bonus or profit shares. Government may even consider a tie-up of any increase in salaries of government servants with the Central Savings and Investment Trust scheme by syphoning off into the Trust a part or whole of the salary increases, depending on the scales of salaries of employees. Provision has also been made for members of the Trust to borrow in order to supplement their own funds for the purpose of buying investments. The Central Savings and Investment Trust Bill has also provided for contributions in the form of grants by foreign governments and institutions to provide incentives for workers and other low income groups to participate in the scheme. Tax rebates have also been made possible via the Central Savings and Investment Trust.

The measures proposed by the Investment Trust Committee, if implemented, may on the one hand result, in the short term, in a decrease in government revenue from direct taxation, but on the other hand these measures may achieve a large increase in revenue resulting from larger taxable incomes all round, even at lower rates of taxation. Further, in view of the contemplated disengagement on the part of the State from its capital holdings in State Corporations, more resources would be released to Government for investment on infra structure or on new government business enterprises. It is also probable that the core of savings held by the Central Savings and Investment Trust, that would always remain uninvested in the private sector, may be larger than the aggregate personal savings that now go to finance a part of the issues of Government securities. This core of funds could be invested in Treasury Bills and short dated government bonds.

One other point requires emphasis. Recourse to deficit financing without causing harm to the economy would be feasible on the basis of an adequately large aggregate of personal savings. There are already signs of a shortage of savings to finance the private sector. This is evidenced by the ceiling that has been placed by the Central Bank on commercial bank credit to the private sector. Mobilisation of savings on a national scale is therefore urgently needed at least to meet this problem. The Central Savings and Investment Trust scheme, supported by other measures already proposed, would not only achieve this purpose but would also usher in larger equity capital participation by small savers in financing enterprises in the private sector. This would reduce, everything else being equal, the need for bank finance and other types of loan capital that may be inflationary in character.

There is no compulsory element in any of the proposals under consideration.

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The several measures recommended by the Investment Trust Committee would serve several objectives simultaneously. They will give the common man a personal sense of participation in the great venture of development in which the government and the country are engaged. They will create a real Peoples' Sector in the economy. Ownership by government of the instruments of production including capital is no longer an indispensable part of the socialist technique.

The measures, when under way, will also demonstrate how monopolistic control of capital resources can be avoided. In a genuine sense these measures, if implemented, will be an appropriate move in the direction of sound economic growth and in the provision of social justice and social security.

Colombo. 4th December, 1968.

- (1) "The Central Savings and Investment Trust" referred to in this document is a new name given for the "Development Savings Bank" figuring in Mr.Loganathan's scheme.
- (2) The Investment Trust Committee was appointed by the Ceylon Government, and has submitted its reports with the necessary draft legislation for the implementation of the proposals.

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## THE NEED FOR A NEW CONCEPT FOR FOREIGN AID CHANNELLED THROUGH DEVELOPMENT FINANCING INSTITUTIONS AND ALSO FOR A NEW APPROACH TO EQUITY PARTICIPATION BY THE PUBLIC

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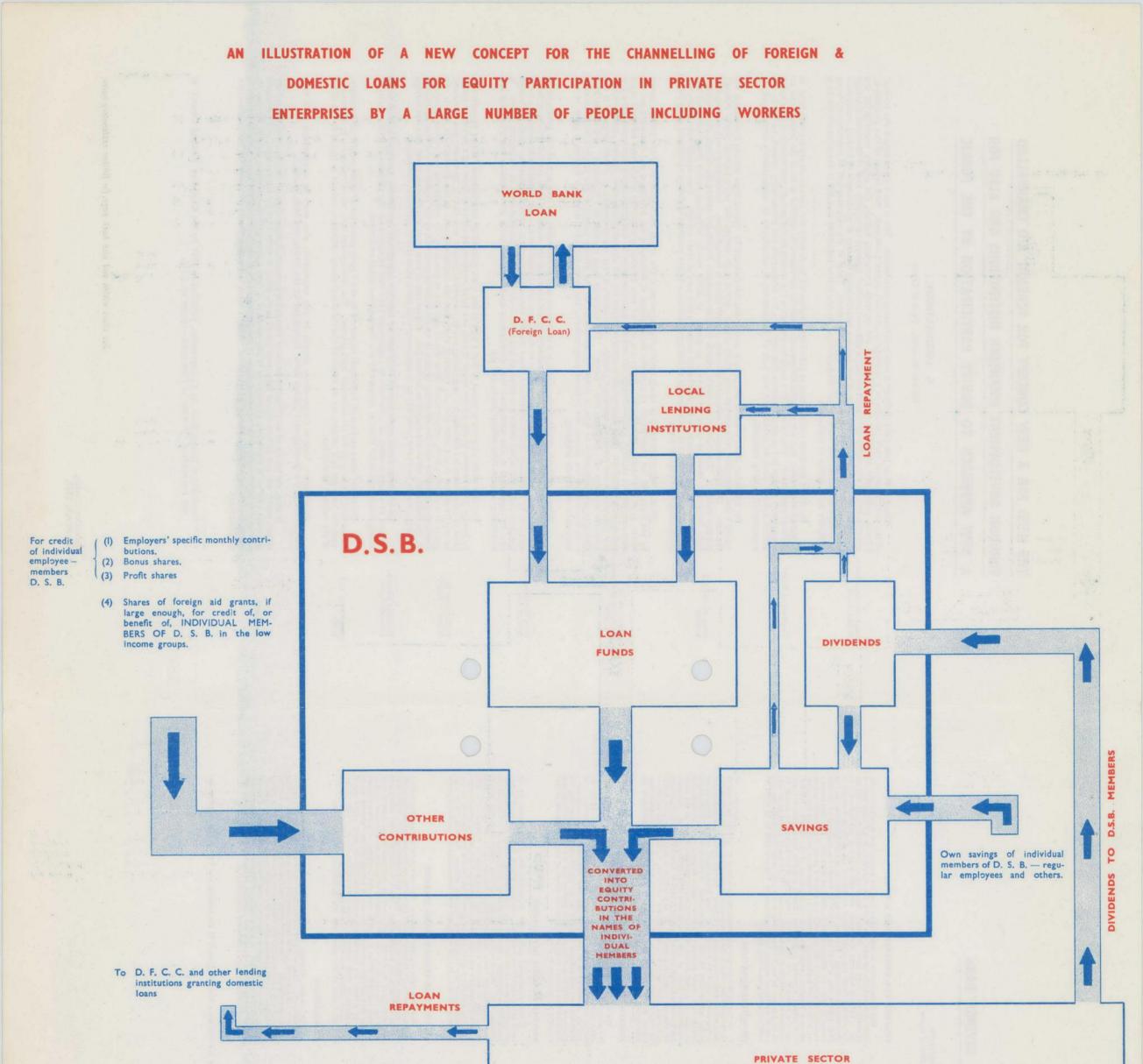
#### C. LOGANATHAN,

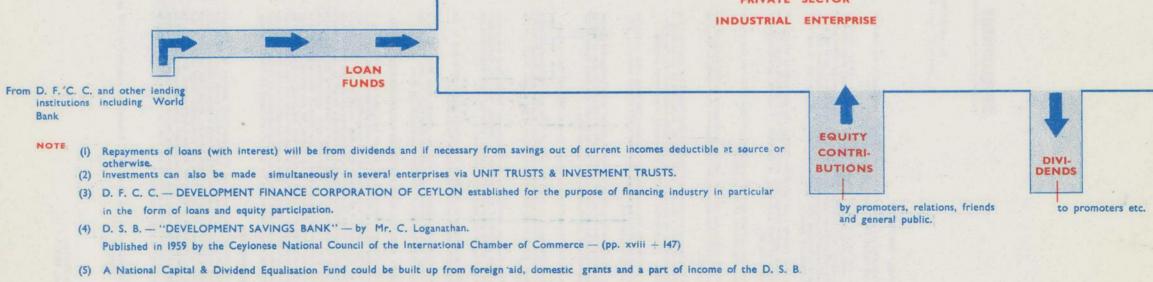
General Manager, Bank of Ceylon

There is an urgent need to foster a widely diffused private sector. This is not only to secure the survival of the private sector itself but also as a strategy to promote capital formation. One aspect of this problem is, I think, sufficiently important to justify special and separate treatment, namely, the urgent necessity for the governments of the highly developed countries and international agencies to support new institutional device(s) to achieve these objectives, for none of the existing international (private or governmental) lending institutions consciously assists in the broad basing of the private sector. Those at the receiving end of international loans or credits are either the State sector institutions or private sector industries that are in the main owned by a relatively small group of capitalists. Need for Broad-Based Private Sector No doubt the State sector requires substantial foreign aid to develop the infra-structure services, such as irrigation and power, that are essential for general economic development, whether it be in the State sector or in the private sector. What should be a cause for concern is the anxiety on the part of governments in developing countries to engage in economic activities that may well, for democratic and productivity reasons, be left to the private sector. Such an attitude on the part of Government is consciously or unconsciously encouraged by international lending institutions. Government Sector On the other hand, those in the private sector who are financed by international lending institutions are mainly a few capitalists, who are the envy of the masses ; and it is the masses that enjoy political power through the vote. The achievement of adequate economic growth alone is not sufficient. Sustained growth presupposes political stability. The fruits of economic growth must be equitably distributed among the masses and progress-ively more and more of it for investment purposes. In other words, individual savers must be given the opportunities and incentives to be themselves investors of a part of their savings. They should not remain, for all time, solely as lenders to Government or savings institutions by the purchase of savings certificates or by being mere holders of deposit funds. Need for Political Stability What is witnessed today in newly developing countries is the steady encroachment of the private sector by the State and the mobilisation of powerful forces aimed at destroying the privileged and restricted private sector as it is presently constituted. There are one or two developing countries which have achieved rapid economic growth through massive foreign aid and the initiative taken by the governments concerned and a few enterprising capitalists. But, unfortunately, these countries are not assured of long term political stability which is a sine-quanon for sustained economic growth. The reason is that the institution of private property is the exclusive preserve of a relatively few "haves." The relatively large number of "have-nots" will always be a threat to the institution of private property, and hence to the private sector, unless at least representative cross-sections of the masses are induced progressively, and with the least delay, to acquire a stake in the institution of private property. Danger to the Institution of Private Property institution of private property. What is urgently required, therefore, is a certain amount of rethinking on the part of the governments of highly developed countries and international lending institutions in the matter of their aid and lending policies. The foreign loans granted should not only be to the Government sector and to the capitalists but also, in a large measure, to individuals in the middle and lower middle classes and workers, to enable them to acquire, through the joint stock and other modern investment and Unit Trust devices, a financial stake in the private sector. It may be mentioned in this connection that development banks could provide the necessary machinery for the channelling of such international credit and aid. New Dimension for Foreign Aid The idea underlying the proposal is that a part of the loans granted by international lending agencies and by foreign governments to the private sector should, in a large measure, be aimed at financing a particular enter-prise or enterprises not directly, but by enabling a large number of people, who already have some free resources, to acquire shares in the enterprise, by financing them through institutions such as the development banks. To put it in a different form, international loans should also aim at providing the middle and low income groups in developing countries with the necessary finance to enable them to subscribe to the capital of, and thus participate in, the industries, which are sought to be financed. Repayment of such loans and interest in the required foreign exchange would be in the same way as is customary with loans advanced to particular companies. Participation by People in Equity Development banks could also on their own or through appropriate institutions, arrange for loans to be granted to a large number of individuals to supplement their own resources for the purpose of taking equity in enterprises accepted for financial support by the development banks concerned. Domestic Loans to Purchase Equity The shares taken up by each individual, supported by third party guarantee or other security, if necessary, would form the security for the individual loans granted. The development bank concerned could, by agreement, until the loans are fully settled, act on behalf of the individual equity holders concerned in regard to the affairs Security for such Loans of the relevant enterprises. Development Finance Corporations should, in this connection, also work in co-operation with such institutions as the Development Savings Bank\* formulated by the writer, and Unit Trusts. In sum, the future of development banks or finance corporations is dependent on the future of the private sector, which will not survive in the long-term unless every effort is made both by Government and the public to create a sense of ownership of property in the minds of at least a progressively increasing core of the masses, so that they could feel a sense of participation in the great venture of development, and also a pride in upholding the institution of private property which, in the writer's view, is a pre-condition necessary for the preservation of democracy. Conclusion of democracy.

> \* Development Savings Bank, by C. Loganathan, published in 1959 by the Ceylonese National Council of the International Chamber of Commerce — pages viii + 147.

> > See chart within and also back page, for further explanatory notes.





Offset by Kalamazoo

### DEVELOPMENT SAVINGS BANK

C. LOGANATHAN, General Manager. Bank of Ceylon

#### PRINCIPAL FEATURES

The following are some of the principal features envisaged in the proposed tutional device, the '' Development Savings Bank '' : instit

- It will receive as far as practicable compulsory and/or voluntary contributions from every individual who is on the pay sheet of every employer within the government and private sectors for the credit of the respective employees, with suitable inducements so as to make such contributions attractive to the employees concerned, and with certain features that would in practice avoid the use of any rigid compulsory element.
- It will receive from employers within the government sector and private sector compulsory and/or voluntary contributions for the credit of their employees, in the form of specific contributions or profit shares.
- 3. Provision is made for the merging of provident funds into the scheme with the consent of the members.
- It will receive tax rebates from the government for the credit of tax-payers in blocked accounts for investment in their names in approved projects.
- 5. It will receive voluntary contributions from income tax-payers for the credit of their accounts, which will be deductible as an expense in their income tax returns the limits to be determined by the govern-ment. These savings will also be invested in approved projects.
- It will receive from non-income tax-payers and from other categories of persons voluntary contributions for credit of their accounts, under certain inducements.
- It will receive from the government such part of the foreign aid granted by foreign governments or institutions in the form of gifts as may be determined by the government for the benefit of certain classes of the members of the Development Savings Bank.
- 8. It will raise domestic and/or foreign loans on behalf of the members.
- The funds would generally be invested in the private sector and more
  particularly in unit and investment trusts, and the contributors will be
  given shares in the different enterprises in the private sector and the
  trusts.
- 10. The resources mobilised by the Development Savings Bank will gener-ally be channelled into projects in keeping with any development policy of the government concerned, provided such investments are beneficial to the members themselves.
- The constitution of the Bank will provide certain safeguards to the members against undue interference by government.
- 12. An electronic computer scheme has already been published by a foreign firm of international repute specifically to take care of the accounting problems of the Development Savings Bank.

#### NATIONAL CAPITAL AND DIVIDEND EQUALISATION FUND

The Development Savings Bank scheme in a country implementing it could be supported by a National Capital and Dividend Equalisation Fund specially created from contributions by the government of the country, and perhaps by governments of capital exporting countries and international organisations such as the United Nations Organisation and the World Bank. Its main purpose would be to guarantee a minimum return on certain classes of investments in the hands of certain classes of investors at the low income level. This same Fund, if it could be sufficiently strengthened, could also purchase such investments in the hands of the classes of investors referred to — if the normal Stock Exchange is not geared for the purpose — at prices that would not be less than those at which they were originally purchased by the investors concerned. Provision may also be made for this Fund or other appropriate institutions to grant loans to certain classes of investments, if their existing savings are inadequate, on the basis of repayment from future savings.

#### TAX INCENTIVES

Tax incentives generously but discriminatingly granted for approved investments in new projects in the private sector would give rise to the gradual sale of existing investments held by high income tax payers and which are reasonably sound in regard to capital value but which yield relatively small returns after payment of tax. These old investments would gradually find their way into the hands of the lower income groups directly or through the scheme I have formulated. The lower income groups should ordinarily be encouraged to prefer safety and reasonable return to insecurity and high return. This process would gradually increase the volume of investments to meet the demands under my scheme. ly be high

#### FINANCE FOR GOVERNMENT SECTOR

One question may be asked as to how the government would find suffi-cient resources for its own use if the Development Savings Bank scheme operates on a large scale. As it is, resources of Provident Funds, Savings Banks and Life Insurance Companies, and even a part of the resources of Commercial Banks and other similar institutions are generally invested in Government securities. The implementation of the Development Savings Bank scheme may at first sight appear to reduce the quantum of financial resources that may otherwise be available to the State. The first point I would like to make in this connection is that any government which accepts my scheme and implements it would be prepared to adopt tax and other revenue measures compatible with the objectives of the scheme. Further, with greater economic growth, tax revenue could be higher even at lower rates of taxation. All the savings under the proposed scheme cannot be invested immediately in the private sector. There would always be an ade-quate quantum of liquid funds available not only under the scheme but also out of traditional savings for investment in Treasury Bills or in short or medium dated government bonds.

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#### DE-NATIONALISATION

It may be that governments accepting my scheme would even be prepared to de-nationalise some of the State-owned Corporations which by their nature need not necessarily be owned by the State. Perhaps, some of the government corporations could be transformed into broad-based private corporations whose capital could be held by government, members of the Development Savings Bank, other domestic private investors, foreign private investors and perhaps, to a small extent, by international organisations such as the Asian Development Bank or the International Finance Corporation. Adequate guarantees to foreign private investors in regard to repatriation of capital and remittance of profits supported by appropriate bi-lateral or multi-lateral guarantee agreements and management contracts, coupled with attractive tax incentives or exemptions, would, I am sure, bring in more resources from capital exporting countries. At the same time budgetary provisions for government investments in corporations could be reduced.

#### HUMAN FACTOR

The human factor is as important as, if not more important than, such factors as Irrigation or Power on which governments all over the world invest large sums of money. The development of an environment in which the human factor could operate with a sense of responsibility and realism must also be considered as an infra-strurture item for government in supporting the proposed Development Savings Bank Scheme and the National Capital and Dividend Equalisation Fund should be considered at least as essential as that incurred on Irrigation or Power.

#### PRIVATE FOREIGN INVESTMENT

if such a combined Savings and Investment device as proposed by me could be successfully implemented, economic growth in the countries oper-ating the scheme would be faster through increased savings, investments and productivity, particularly through enlightend self-interest on the part of the common man. This would also attract a greater inflow of foreign private investment for the reason that the foreign investor would, for the first time, be assured of popular support for his participation in development. This factor will provide a more permanent safeguard to the foreign private investor than any guarantees given by the government of the host country, or any guarantee under any multi-lateral insurance scheme. Participation in joint ventures will be more with the people than with members of a small capitalist class.

#### EQUITY FINANCING VS BANK FINANCE

One other point requires emphasis. Recourse to deficit financing without causing harm to the economy would be feasible on the basis of an adequately large aggregate of personal savings. There are already signs of a shortage of savings to finance the private sector. This is evidenced by the ceiling that has been placed by Central Banks in most countries on commercial bank credit to the private sector. Mobilisation of savings on a national scale is therefore urgently needed at least to meet this problem. The Development Savings Bank Scheme, supported inter alia by appropriate tax measures, would not only achieve this purpose but would also usher in larger equity capital participation by small savers in financing enterprises in the private sector. This would reduce, everything else being equal, the need for bank finance and other types of loan capital that may be inflationary in character.

#### CONCLUSION

The several measures recommended would serve several objectives simultaneously. They will give the common man a personal sense of partici-pation in the great venture of development in which the government and the country are engaged. They will create a real People's Sector in the economy. Ownership by government of the instruments of production including capital is no longer an indispensable part of the socialist technique. The measures, when under way, will also demonstrate how monopolistic control of capital resources can be avoided. In a genuine sense these measures, if implemented, will be an appropriate move in the direction of sound economic growth and in the provision of social justice and social security.

\* Development Savings Bank, by C. Loganathan, published in 1959 by the Ceylonese National Council of the International Chamber of Commerce— pages viii+147.

Colombo, Ceylon, 4th March, 1969.

X Alpha: Bank of Ceylon x . . : Loganathan, C.

x . . : Loganathan, C. 823/1/10

### CROSS REFERENCE SHEET

82 3/1/9

COMMUNICATION: Letter

DATED: January 17, 1969

TO: Mr. McNamara

FROM: Mr. Eugene R. Balck Lazard Freres & Co.

FILED UNDER: ASIA- Private Investment Company for Asia (PICA)

### SUMMARY:

Extract

" I still lood forward to discussing with you the subject matter under discussion by the Pearson Committee, and on my next trip to Washingron I will try to arrange ab appointment."

Des Pearson Com.

823/1/8

ORM NO. 92 (4-68)	COR	RESPONDENCE REC	CORD FORM
Royal Den Washingto	ish Emb	BRSY	DATED Jan. 14, 1969





File Title					Barcode No.
Bank Administration and Policy: Pearson C	ommission General - 01				
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	Description				
Document Date	Document Type Report				
Correspondente / Participante	Report				
Correspondents / Participants J. Leeming					
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Subject / Title					
Aide Memorie on Assistance Given to the C	Commission on Internation	nal Developm	ent by the Bank Gr	oup	-
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Reason for Removal					
Corporate Administrative Matters					
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Additional Comments				The item(s) ide	ntified above has/have been removed
				in accordance	with The World Bank Policy on Access
					This Policy can be found on the World Information website.
				Withdrawn by	Date
		2			Bertha F. Wilson Feb 12, 2013

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Der - Plann Comm.

823/1/6

January 9, 1969

Mr. W. Hauenstein

J. C. Leeming

Payment of Taxes on Rental of Equipment and Accommodation for the Pearson Commission Seminars

You asked me whether the Bank should use its diplomatic immunity to obtain a waver of taxes on the rental of accommodation and/or equipment for simultaneous interpretation for the seminars for the Pearson Commission. Both the accommodation and the equipment is being obtained for the account of the Commission and it would not be appropriate therefore for the Bank to claim its diplomatic immunity for taxes on these services.

The circumstances would of course be different if it were decided that simultaneous interpretation equipment should be bought for the Bank's own ultimate use, as I understand is being considered. In that event the Bank could rightly claim its immunity on a purchase of equipment for its own use even though it might be proposing to lend the equipment in the first instance for the use of the Pearson Commission.

cc: Mr. Twining Mr. Reamy Mr. Curtin Mr. Stern

JCL :bl

Dev - Pearson Comm. e. As - PICA

823/1/5

January 8, 1969

Mr. Eugene R. Black, Jr. Lazard Freres & Co. 44 Wall Street New York City, N. Y. 10005

Dear Gene:

Just a note to thank you for sending me so promptly the documents about "PICA," as well as a copy of your letter to Mr. McNamara about the Pearson Commission. The PICA documents were most useful and the letter most interesting. I hope we have a chance soon to discuss some of the general issues which you have raised.

With best wishes,

Sincerely yours, Rich Demuth Director Development Services Department

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RHD: tf

Form No. 27 (6-68) INTERNATIONAL DEVELOPMENT ASSOCIATION

TO:

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

Dw. - Plan in Common

### OUTGOING WIRE

DATE: January 7, 1969

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COUNTRY: IVORY COAST

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ABIDJAN

TEXT: Cable No.:

6 LESTER PEARSON COMMA CHAIRMAN COMMA COMMISSION ON INTERNATIONAL DEVELOPMENT COMMA REQUESTS THAT FOLLOWING MESSAGE BE TRANSMITTED THROUGH OUR CHANNELS TO PRESIDENT HOUPHOUET-BOIGNY SINCE THERE IS NO CANADIAN AMBASSADOR IN ABIDJAN STOP

YOUR EXCELLENCY COLON LAST NOVEMBER I WROTE TO YOU TO INFORM YOU OF THE ESTABLISHMENT OF THE COMMISSION ON INTERNATIONAL DEVELOPMENT AND TO EXPLAIN SOMETHING OF ITS PURPOSE STOP THIS MESSAGE IS TO SEEK YOUR HELP IN GATHERING THE INFORMATION SO NECESSARY TO THE COMMISSION'S WORK STOP

IT IS ESSENTIAL THAT THE COMMISSION OBTAIN THE VIEWS OF GOVERNMENTS IN DEVELOPING AND DEVELOPED COUNTRIES AS WELL AS VIEWS OF LEADING INDIVIDUALS IN THE ACADEMIC AND BUSINESS COMMUNITIES CONCERNED WITH DEVELOPMENT PROBLEMS STOP SINCE OUR TIME IS TOO LIMITED TO PERMIT A VISIT TO EACH COUNTRY COMMA WE PROPOSE TO HOLD A SERIES OF REGIONAL MEETINGS TO WHICH WE WOULD ASK GOVERNMENTS IN THE AREA TO SEND REPRESENTATIVES COMMA AND TO WHICH WE WOULD INVITE A SMALL NUMBER OF PRIVATE INDIVIDUALS STOP

NOT TO BE TRANSM	ITTED /continued
MESSAGE AUTHORIZED BY:	CLEARANCES AND COPY DISTRIBUTION:
NAME William Clark	
DEPT. Information & Public Affairs	
SIGNATURE	
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)	For Use By General Files and Communications Section
WDC:1mt ORIGINAL (File Copy)	
(IMPORTANT: See Secretaries Guide for preparing form)	Checked for Dispatch:

Form No. 27 (6-68) INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

### OUTGOING WIRE

TO:

DATE:

CLASS OF SERVICE:

COUNTRY:

TEXT: Cable No.:

> TO COVER THE COUNTRIES OF SUB-SAHARAN AFRICA WE ARE PROPOSING TO HOLD TWO SUCH MEETINGS STOP THE PURPOSE OF THIS MESSAGE IS TO REQUEST YOUR CONCURRENCE TO HOLD ONE MEETING IN ABIDJAN COMMA MARCH 18-20 STOP I AM SEEING THE CONCURRENCE OF PRESIDENT OBOTE TO HOLD THE OTHER MEETING IN KAMPALA COMMA MARCH 24-26 STOP SHOULD YOU AGREE COMMA WE WOULD EXPECT TO BE MAKING PRIVATE PHYSICAL ARRANGEMENTS UNDER WORLD BANK ADMINISTRATIVE AUSPICES STOP

I AM LOOKING FORWARD TO YOUR REPLY AND HOPE THAT IT WILL PROVIDE ME WITH AN OPPORTUNITY OF MEETING YOU AGAIN IN THE NEAR FUTURE STOP

KINDEST PERSONAL REGARDS STOP YOURS SINCERELY COMMA SIGNED LESTER B PEARSON

WILLIAM CLARK

NOT TO BE TRANSMITTED		
MESSAGE AUTHORIZED BY:	CLEARANCES AND COPY DISTRIBUTION:	
NAME William Clark Mr.	Elle La Carte de l	
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TO COVER THE COUNSELES OF SUB-SAMARAN AFRICA WE ARE PROPOSITIO TO

HOULD EXPECT TO BE MANING PRIVATE PRESIGAL ARRANGEMENTS UNDER BUDLE I AN SERING THE CONCURRENCE OF PRESIDENT OBOTH TO HOLD THE OTHER YOUR CONCERNENCE TO HOLD ONE MERTING TO ABIDIAN COMPANYARCH 18-20 STOP INFO INC SUCH MELLINGS SICE THE FURPORT OF THIS MESSAGE IS TO RECENT

KINDERS PERSONAL REGARDS STOP YOURS SINCEMELY COMMA SIGNED

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Des - Planson Com.

January 3, 1969

M. Guillaume Guindey Caisse Centrale de Cooperation Economique 233, Boulevard Saint-Germain Paris VII<sup>e</sup>, France

My dear Guillaume:

I was very sorry to hear from your letter of December 30 that some confusion had arisen over the employment of M. Bertrand Hommey on the staff of the Pearson Commission. As you know, the Pearson Commission is operating quite independently from the Bank, but I got in touch with Mr. Hamilton immediately and I understand that he wrote to you last night to express his great apologies for the lack of communication which apparently developed in this case. I presume that you will have had his letter by now and I only desire to express my regret to you and to M. Hommey for any inconvenience which you may have suffered.

With best personal regards,

Sincerely yours,

J. Burke Knapp Vice President

Pknapp:dk

Form No. 27 (7-61) INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION

DATE: JANUARY 2, 1969

CLASS OF SERVICE: LT

## OUTGOING WIRE

TO: A.F. HART AND ANNETTE PERRON

GIDAOTT Pearson Comminian 45 a. l. Bert ST., Room 902

OTTAWA

COUNTRY: CANADA

TEXT: Cable No.:

INSTRUCTED ROYALBANK OTTAWA ARRANGE PAYMENT OF TRAVELLERS CHECKS \$300

EACH TO YOU

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MESSAGE AUTHORIZED BY:	CLEARANCES AND COPY DISTRIBUTION:
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Form No. 89 (2.66) INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION INTERNATIONAL FINANCE CORPORATION

	ROUTING SLIP	Date Jan. 30, 1969
	OFFICE OF THE	PRESIDENT
	Name	Room No.
	Mr. Wm. Clark	
	The Stork	fan M
	To Handle	Note and File
	Appropriate Disposition	Note and Return
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		R.B. Steckhan
From		K.B. SLeckhan

### HERNANDO AGUDELO VILLA

### Addressed Mr. McNamara

DISCURSO PRONUNCIADO POR EL DR. HERNANDO AGUDELO VILLA EN LA PRIMERA SESION DE LA CONFERENCIA DE LA COMISION-PARA EL DESARROLLO INTERNACIONAL, REUNIDA EN SANTIAGO-DE CHILE ENTRE EL 7 Y EL 13 DE ENERO DE 1.969.

Señor Pearson, Presidente de la Comisión para el desa rrollo Internacional,

Señores Miembros de la Comisión,

Señores representantes de los Gobiernos Latinoameri -

823/1/1

canos,

### Señores:

El señor Robert Mc\_Namara, Presidente del Banco Mun dial y hasta hace poco tiempo Secretario de Defensa de los Estados Uni dos, está haciendo un histórico esfuerzo por rescatar el programa de ayuda externa para los países en desarrollo, que se inició a comienzos de la presente década bajo excelentes auspicios, pero que ha venido languideciendo melancólicamente en un ambiente general de frustracióny escepticismo.

### "EL NOMBRE DE LA PAZ ES DESARROLLO"

Su exposición en un Seminario celebrado en Jackson en Febrero de 1967 y su discurso ante la Asamblea de Gobernadores del -Banco, reunida recientemente en Washington, audaces, francos e inspira dos en una cabal comprensión del drama de atraso y miseria de las tres cuartas partes de la humanidad, prolongan el eco de las doctrinas delilustre Presidente Norteamericano que en 1960 anunciaba que nos encontrábamos en los umbrales de un esfuerzo verdaderamente unificado e importante para ser realizado por las naciones industrializadas del mundo libre, con el fin de ayudar a los países menos desarrollados; y que afirmaba que la década de 1960 podía y debía ser la decisiva para el desarrollo, el período en que muchos países hicieran la transición hacia un proceso de crecimiento autosuficiente, en que una comunidad denaciones libres, estables y dependientes de sí mismas, pudieran redu cir las tensiones y la inseguridad del mundo.

Los conceptos del nuevo Presidente del Banco de Re construcción y Fomento de que en los tiempos modernos la defensa nacio nal, la seguridad, serán en realidad el desarrollo económico y científico y no el poderío militar; y de que si las naciones ricas del mundo no hacen un esfuerzo intenso y coordinado para llenar la brecha que se para las dos mitades del planeta, nadie podría garantizar la seguridad de su país contra las olas de violencia que arrasarían las más inexpug DESCURSO PRONUNCIADO PON EL DR. MERMANDO AGUMELO VILLA EN LA FRIMERA SESIÓN DE LA CONFERENCIA DE LA CONFERICION -PARA EL DESARROLLO INTERNACIONAL, NEUMIDA EN SENTIACO-DE CHILE ENTRE EL 7 Y EL 13 DE EMERO DE 1.969.

Señor Pearson, Presidente de la Comisión para el Aesa erollo Esternacional,

Sodores Miembros is la Comisión,

Señores representantes de los Gabiernos Latinosmert -

El señor Robert Mo\_Namara, Fresidente del Banco Mun dial y Lasta hace poco tiempo Secretario de Defensa de los Estados Uni dos, está haciendo un histórico estuerzo por rescatar el programa de ayuda externa para los países en desarrollo, que se inició a comienzos de la presente década bajo escelentes auspicios, pero que ha venido ianguideciendo melancólicamente en un ambiente general de frustración-

"DE NOMBRE DE LA FRA DE DESALHOLEO"

Los conceptos del nuevo Presidente del Junço de Reocnstrucción y Pomento de que en los tiempos modernos la dePansa nacio nal, la seguridad, serán en reslidad el desarrollo conómico y científico y no el poderio militar, y de que si las paciones ricas del mudo no hacen un esfuerzo intenso [202 dordi Rado para lienar la brecha que en para las dos mitades del planeta, madio podría garantizar la seguridad de la paía contra las olas de violencia que arrasarían las más jexpog nables defensas, se unen a la voz angustiada del máximo jerarca de la Iglesia Católica, que en sus recientes encíclicas ha dicho que "el nombre de la paz es desarrollo"; y a la voz admonitoria del Secreta rio General de las Naciones Unidas de que "no estamos ganando la guerra a la necesidad".

De otra parte, el nombramiento de la Comisión para el Desarrollo que preside el Ministro Lester Pearson y que integran connotadas personalidades, para que estudien lo que se ha hecho en ma teria de ayuda, y determinen las enseñanzas que puedan deducirse para el futuro, se complementa con la sugerencia hecha por el Presidente de Colombia al Banco Interamericano de Desarrollo durante la reuniónde gobernadores celebrada on Abril de 1968 en Bogotá y ya aceptada ypuesta en marcha por tal institución, para que, ante el hecho de que, con raras excepciones, los países latinoamericanos no están alcanzando los niveles de desarrollo que se contemplaron en los comienzos dela Alianza, el Banco tome la iniciativa de realizar en unión de la -CEPAL y de las principales entidades del sistema interamericano, la evaluación sobre lo que realmente ha representado la cooperación fi nanciera internacional para la América Latina en los últimos lustros; de lo que ha sido nuestro propio esfuerzo y de lo que puede y debe ha cerse para corregir las fallas internas y las de la cooperación exte rior.

## QUIEBRA DE LOS PRINCIPIOS DE SOLIDARIDAD

A qué se debe este clamoroso pedimento para que se analicen con severidad los resultados de la política de ayuda? Qué h<u>e</u> chos han acaecido durante la década del desarrollo para que se esté conmoviendo tan fuertemente la sensibilidad de los dirigentes y estadistas frente al tremendo drama de los países atrasados?.

Sencillamente que están periclitando, en un ambiente de fatiga y desencanto, los grandes principios de solidaridad, de ju<u>s</u> ticia internacional, y la promesa de ponder al servicio de la humanidad los beneficios de la fabulosa revolución tecnológica que estamosviviendo, que fueron la inspiración del programa inicial. Sencillamen te, que están renaciendo con fiereza los intereses nacionales y la egoísta preocupación por resolver los problemas propios.

Hay cifras de un dramatismo impresionante: En lo que va corrido del presente decenio los países desarrollados han aumentado sus ingresos anuales reales en unos 400.000 millones de dólares, aumento que en sí mismo es mucho mayor que el total de los ingresos anuales de los países subdesarrollados de Asia, Africa y América Latina. Yen 1967, los 16 países prósperos de Europa y los Estados Unidos, con tan fabuloso crecimiento, dieron ayuda neta, por procedimientos bilaterales, a 100 países atrasados, por una cuantía de 6.200 millones de dolares, lo que equivale apenas a 900 millones más que en 1961, según datos pu blicados por el Comité de Ayuda para el Desarrollo (DAD) en Julio de -1968. La asistencia financiera de los países socialistas en el mismo lapso sólo representó un aumento de 50 millones de dólares. Y el únicorenglón que acusa un avance importante en el aporte neto al desarrollo, es el de los organismos financieros internacionales, que se incrementóentre el principio de la década en curso y 1967, de 250 a 1.000 millo nes de dólares, aunque una parte considerable de estos fondos provinieron de los reembolsos hechos por los países de bajos ingresos a cuentade los préstamos conseguidos con anterioridad.

El compromiso adquirido por los países desarrollados en las Naciones Unidas de destinar un 1% de su producto nacional brutoa la ayuda de las naciones en desarrollo, se redujo de un 0.7% en 1962a 0.5% hoy en día.

### REAJUSTES INTERNACIONALES A COSTA DE LOS PAISES EN DESARROLLO

Pero quizás es más demostrativo del relajamiento del espíritu que inspiraba los programas de ayuda, la forma como se ha ac tuado frente a los problemas surgidos a raíz de las dificultades de labalanza de pagos norteamericana y de la tregua en el auge económico de Europa a partir de 1967.

No puede desconocerse la importancia que para la estabilidad de la economía mundial representa el equilibrio de la balanza de pagos de los Estados Unidos, que sustenta fundamentalmente el sistema monetario internacional. Y menos puede discutirse que la prosperidad económica de las naciones industrializadas determina en gran medida lade los países productores de materias primas. Lo discutible e inaceptable es que los remedios a los problemas de desequilibrio se tengan queaplicar retardando el crecimiento de las naciones en desarrollo, comoha acontecido.

El severo programa aplicado por el Gobierno Norteamericano para hacer frente al desequilibrio de la balanza, ha implicadoun recorte sustancial de los recursos destinados a la ayuda exterior y en particular al programa de la Alianza para el Progreso; la repatriación creciente de fondos norteamericanos de los países en desarrollo y la adopción de una política proteccionista tendiente a abaratar los productos americanos en el exterior y a encarecer las mercancías ex tranjeras en el mercado norteamericano. Además, las condiciones de laayuda a los países en desarrollo se han hecho más estrictas y ligadas a los intereses comerciales del país prestamista.

La disminución en el ritmo de crecimiento de la economía europea, inevitablemente se tradujo en la reducción de la tasade crecimiento del comercio internacional. Pero dado el dinamimsmo delcomercio entre los países europeos, el peso del reajuste recayó fundamen talmente sobre las economías de los países en desarrollo. La demanda pa ra la mayoría de los productos primarios se debilitó y bajaron sus precios, hasta el punto de que durante 1967 el comercio de las regiones en desarrollo apenas creció levemente.

El resultado de esta política ha sido el estancamiento de las corrientes de ayuda externa, el alza de las tasas de interés delos recursos financiero: disponibles para los países en desarrollo y el relajamiento de los precios y de la demanda mundial de los productos bá sicos, pese a su leve reacción durante el último año.

Cabe anotar también cómo los países desarrollados hansido impermeables a las peticiones clamorosas de los atrasados para que se busquen soluciones acordes con la justicia internacional. Las dos -Conferencias de Comercio y Desarrollo de Ginebra y de Nueva Delhi con firman esta aseveración. Los progresos que se obtuvieron fueron muy limitados, pues cuando los hubo, no pasaron de compromisos más o menos va gos, sin lograrse la creación de mecanismos adecuados para ejecutarloso la definición de fechas para cumplirlos. Ello acontecio: con la potición de un tratamiento preferencial para el acceso de las manufacturasde los países subdesarrollados a los centros industriales; con el finan ciamiento complementario que deberían aportar los países desarrollados; con la petición de facilitar el acceso de los productos primarios a los centros industriales. Igualmente, ha quedado la evidencia de que en laejecución de la política tendiente a la expansión del comercio mundial, como la Ronda Kennedy, muy poco se avanzó en la creación de posibilidades mayores para el acceso de los productos originarios de las regiones en desarrollo a los mercados de los países avanzados.

Una política de esta naturaleza ha agudizado la cri -

sis que se está produciendo en el mundo a causa de la brecha económica, que va en aumento, entre los países subdesarrollados y los desarrolla dos y que el señor Mc Namara analiza así: "La renta media individual, en más de cuarenta naciones del mundo, en los países subdesarrollados, nopasa hoy de los 120 dólares al año. La renta media individual, en los -Estados Unidos, es de más de 3.000 dólares. Es decir, existe una diferen cia de 2.000 por ciento. Esta cifra ha dejado de tener una significación puramente económica. Es una cifra fabulosa y volcánica, que se hunde pe ligrosamente bajo la superficie terrestre y que no puede dejar de tener consecuencias explosivas. Las explosiones sociológicas, mucho más peligrosas y más mortiferas que las explosiones volcánicas naturales, con cluye el señor Mc\_Namara, se diferencian de estas últimas en que pueden preverse. Y si pueden preverse, también tendrán que poder impedirse".

#### LA EESPONSABILIDAD DE LOS PAISES SUBDESARROLLADOS

Los ateriores puntos de vista, presentados con tanta crudeza, no tratan de exonerar a los países en desarrollo por la mala administración de la ayuda en muchos casos, ni de la responsabilidad que seguramente les incumbe en la frustración de la política de desarro llo, en otros, ni tampoco negar que, pese a las limitaciones señaladas, el ingreso del mundo subdesarrollado está creciendo. Lo que queremos re lievar es que la situación sería muy distinta si se aplicara por partede los países desarrollados una política más positiva y si para la defen sa de sus exclusivos intereses no hicieran recaer el esfuerzo que impli ca corregir los desajusted del comercio internacional, o los deseguilibrios de los balances de pagos sobre la economía de los débiles, sin ar gumentos valederos para hacerlo, como en el caso de las medidas de re corte de la ayuda externa para corregir un déficit de balanza, cuando la realidad es que tales dificultades constituyen, como en forma irreba tible lo expresó el señor Mc Námara, un problema entre las economías prósperas y no entre éstas y el resto del mundo, toda vez que es escasa la proporción de los fondos aportados para fines de la ayuda que quedaen lospaíses en desarrollo, si se tiene en cuenta que prácticamente todos se reintegran rápidamente a los países ricos en pago de bienes adquiridos en ellos.

### REPERCUSIONES EN AMERICA LATINA

Para la América Latina estos hechos no solamente hantenido serias repercusiones en el lento crecimiento de la economía, (serán necesarios más de 40 años para duplicar el bajísimo ingreso por-

-5-

habitante que hoy es sólo de 340 dólares) y en la disminución proporcio nal de su participación en el comercio mundial, sino que han contribuído positivamente a la frustración de uno de los programas de cooperación internacional más ambicioso y audaz emprendido en el mundo, como es el de la Alianza para el Progreso, que no surgió como la pragmática necesidad de acudir a la ayuda de naciones en dificultades, sino como un cuerpo de doctrina y de procedimientos multilaterales para establecer la soli daridad entre los pueblos ricos y pobres del continente y darle conteni do económico y social al sistema regional americano.

Ese programa fue la culminación de un largo proceso delucha de las naciones latinoamericanas, en las conferencias mundiales y del hemisferio, en busca de bases más justas y dinámicas de relación en tre las dos partes del continente.

La necesidad de establecer tratamientos diferentes para los países según el grado de desarrollo, cuando se trata de libe-rar el comercio, a fin de evitar monstruosas injusticias. La estabilización de los precios de los productos primarios y la adopción de medi das para evitar la irritante desigualdad entre los precios de las mate rias primas y los manufacturados . El reclamo de fondos públicos parafinanciar el desarrollo de los países atrasados y no a través de la in versión privada, como se sostenía con intransigencia. La necesidad de ex tender el campo de la financiación internacional a las inversiones decarácter social, es decir, a aquellas destinadas al mejoramiento humano en la forma de educación, salud y vivienda. La conveniencia de hacer planes y programas para dirigir el desarrollo, fijando objetivos de largo alcance, señalando prioridades a las inversiones y definiendo políticas económicas adecuadas. El otorgamiento de ayuda externa a largo plazo, con bajos intereses, sobre bases que garanticen la continuidaden su otorgamiento, mediante compromisos de financiación de programasy no simplemente de proyectos. La necesidad de crear una institución financiera para complementar los esfuerzos de las entidades mundialesy especializada en las modalidades propias del desarrollo latinoamericano. La conciencia sobre la necesidad de crear organismos independien tes y técnicos para evaluar el monto de las necesidades de ayuda exter na y orientar la asignación de los recursos, a fin de garantizar la a plicación de un criterio funcional en el manejo de los programas de ayuda externa. El impulso a los planes de integración económica del continente, indispensables para poder asimilar el avance tecnológicomoderno y mejorar la capacidad negociadora frente a los bloques econó micos existentes. La necesidad de que la ayuda externa impulse los cam

bios en la estructura social, a fin de garantizar la justicia y la equi dad en la distribución del ingreso, a la vez que el aumento en la pro ductividad de la economía, son todos temas que figuran en las agendas de CEPAL y de las conferencias interamericanas, desde 1945, hasta ser consagrados, dentro del programa de la Alianza para el Progreso, en el-Acta de Bogotá y en la Carta de Punta del Este, durante los años 1960 y 1961.

# APOYO A LA NUEVA POLITICA DEL BANCO MUNDIAL

La enumeración de las principales ideas por las cua les ha luchado latinoamérica, no la hacemos para reclamar derechos deprimogenitura sobre unas tésis que están imponiéndose cada día con ma yor firmeza, lo cual carecería de importancia, sino por el contrario,para argumentar que los países latinoamericanos deben dar un vigorosoapoyo a la nueva política del Banco Mundial y no permitir que ella seinterprete como una amenaza para el sistema regional, que ha sufrido tan serios reveses en los últimos años, sino, por el contrario, como un gran estímulo para que aquél supere sus problemas, revise sus estruc turas administrativas, redoble sus esfuerzos por incrementar los recur sos financieros de su banco regional, y demuestre con hechos evidentes su capacidad no sólo para formular y acordar una política de desarro llo, sino para aplicarla con éxito, que es lo que en último término de mandan los pueblos del continente.

No otra podría ser la actitud latinoamericana frentea la fecunda renovación en la política del Banco Mundial, que se expre sa en hechos como los siguientes: su presidente está pidiendo ocupar una posición de vanguardia en los esfuerzos por aumentar la ayuda ex terna y para demostrar que no son precisamente los recursos los que es casean, ya que los países más ricos cuentan con ellos, sino la decisión para dedicarlos al desarrollo de las naciones más pobres. El Banco Mun dial ha emprendido un estudio, que abarca los próximos cinco años, con el objeto de formular "un plan de desarrollo" para cada país quese cuentra en ese proceso y determinar así cuánto podría invertir elgrupo del Banco si no hubiera restricciones de fondos y si la única limitación a las actividades fuera la capacidad de los propios países miembros para utilizar la asistencia y reembolsar los préstamos en los plazos y condiciones acordados. La institución se propone prestar en el próximo quinquenio el doble de lo que ha dado en asistencia financiera en los 22 años de su existencia, y su nueva política avanza enel sentido de que se elijan aquellos proyectos que contribuyan de un-

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modo más fundamental a la expansión de la economía nacional en su conjunto y tiendan a superar los problemas que obstaculicen el proceso de desarrollo, lo cual está lejos del ideal de la financiación de programas y planes, pero supera el estrecho criterio de financiar únicamente el componente importado de los proyectos. También cabe destacar que el Banco introducirá cambios radicales en el campo de las inversiones y dará especial prioridad a los renglones de la educación y la agricultura; que promete simplificar los trámites y procedimientos; que colaborará con los países para que establezcan sus organismos de planeacióny elaboren sus planes de desarrollo. Y a todo ello se agrega la ventaja de ser una entidad que opera con criterio multilateral y está avanzando en el perfeccionamiento de técnicas y procedimientos como el delos grupos de consulta para aunar los esfuerzos de gobiernos y agen cias internacionales en el financiamiento de los programas de desarrollo y que con tanto éxito están operando como en el caso de Colombia.

# LA ESCASEZ DE DIVISAS, PRIMER OBSTACULO AL DESARROLLO

Como el objeto de esta reunión es analizar las experiencias latinoamericanas sobre la forma como la ayuda externa ha contribuído al desarrollo de los países, quiero, en nombre del gobierno colombiano, hacer algunas consideraciones sobre el particular, con laadvertencia de que Colombia ha sido, durante la última década, una delas naciones más favorecidas por los programas de ayuda externa, razón por la cual sus críticas a algunos de los procedimientos empleados, no tienen otro motivo que el de contribuir a que objetivamente se estudien las razones por las cuales los programas que se están aplicando adole cen de serias deficiencias.

La escasez de recursos de cambio exterior constituye, en el caso de Colombia, como en el de la mayoría de los países en de sarrollo, la gran barrera para lograr un crecimiento económico sosten<u>i</u> do. Las exportaciones colombianas siguen dependiendo en un 60% del c<u>a</u> fé, que es un artículo superproducido, sujeto a crónicas fluctuaciones en los precios, y que no obstante haberse logrado la firma de un conv<u>e</u> nio internacional entre productores y consumidores, se ha estabilizado, en cuanto a precio y volumen de exportación, a niveles tan bajos que sólo le permiten al país recibir hoy, en 1968, menos de 350 millones de dólares por año, cuando en 1953 y 1954 el valor de las exportaciones cafeteras ascendía a 490 y 550 millones de dólares, respectivamente. Es fácil hablar de que se debe diversificar la exportación y sustituír el café por otros artículos. Pero la realidad econó mica y comercial es distinta. Es posible hacer un esfuerzo importanteal igual que el que está haciendo Colombia, para lograr tal diversificación, como lo demuestra el hecho de que el país ha logrado incrementar las exportaciones distintas al café a una tasa del 16% anual entre 1959 y 1967. Pero para el éxito de una política de diversificación, se tropieza con las barreras aduaneras de los países consumidores, con los tratamientos preferenciales, que hacen muy difícil entrar a los grandes mercados en condiciones competitivas, máxime en aquellos ren glones de materias primas y artículos semimanufacturados que las nacio nes industriales, aún a base de subsidios, están produciendo.

La realidad de la economía colombiana, expuesta por el propio Banco Mundial, es que la capacidad de importar bienes y servicios no fué en 1967 significativamente mayor que en 1954, con la diferencia de que el producto nacional en tal lapso aumentó en un 70% yla población en un 50%.

#### POR QUE SE ROMPEN LAS POLITICAS DE ESTABILIZACION

Las consecuencias de este vital problema no son tansimples como a veces la ortodoxia económica de las entidades internacionales la plantea, de imponer el cinturón apretado y aplicar estric tamente severas políticas de estabilización.

Una política de estabilidad, cuando no obedece a rea les razones de equilibrio interno, sino a la necesidad de evitar quese creen desequilibrios en la balanza de pagos, reduce inevitablemente la demanda global por debajo de la capacidad productora de la economía, disminuye las inversiones por falta de bienes de capital importados y ... las plantas industriales operan por debajo de su capacidad, debido a la escasez de materias primas o de repuestos que permitan una mejor utilización de los equipos.

A menos que el país logre una ayuda financiera exter na que le permita financiar un volumen adecuado de importaciones, y en la oportunidad debida, la nación que padece el déficit de balanza de pagos tiene.que lanzarse por el despeñadero de las restricciones a lademanda, que conllevan graves traumatismos para el crecimiento nor mal de la economía, o a la inflación, la vía más fácil pero también la más frustrante para un desarrollo sostenido, a no muy largo término. Todos conocemos los efectos de las políticas estabilizadoras a ultranza: altas barreras protectoras para sustituir impor taciones a costa de una inevitable incapacidad de la producción na cional para competir en los mercados mundiales; desempleo, insuficien te utilización de los equipos, lento crecimiento económico, inestabilidad social y, como conclusión, trastornos sociales y políticos queterminan siendo amortigüados por una dictadura o por Ministros de Hacienda que inyectan el narcótico de la inflación para prolongar el ad venimiento de la crísis.

Quienes hemos tenido en América Latina la responsabi lidad de dirigir la política financiera de nuestros países, seguimosdevanándonos los sesos por encontrar una teoría económica sólida. y seria que permita aseverar que es posible impedir que se rompan las políticas de estabilización monetaria y financiera, sobre las cualeshay una extensa y erudita doctrina, mientras persistan las causas dedesequilibrio de la balanza de pagos, no debida a excesivas presiones de los países para importar por encima de las necesidades vitales, si no a la caída de sus ingresos ordinarios.

En sana lógica, se llega a la conclusión de que si el propósito es permitir a los países en desarrollo un avance sosteni do y estable, es indispensable complementar sus ingresos de recursosexternos, en la proporción necesaria, para evitar que una deficiencia en el volumen de importaciones limite el desarrollo.

Quizás no es tan difígil demostrar la necesidad de un aumento considerable de recursos externos para complementar los in gresos de divisas de los países en relación con sus requerimientos de importación, a fin de asegurar un crecimiento sostenido.

Los préstamos otorgados por la Agencia de Desarrollo de los Estados Unidos (AID), a base de financiación de programas, demuestran que se está formando conciencia sobre el problema que esta mos analizando. En el caso de Colombia, el país ha recibido durante el programa de la Alianza, 460 millones de dólares de las agencias norteamericanas, de los cuales 380 han sido hechos bajo la modalidad de préstamos de programa para sustentar políticas de estabilización financiera, y de desarrollo en diversos campos.

# LAS MODALIDADES DE LA AYUDA GON INADECUADAS

Sin embargo, las modalidades de tal ayuda aún no están de acuerdo con los requerimientos necesarios para impulsar el desarrollo del país, respetando su autonomía y consultando sus reales necesidades, aparte de los intereses políticos y comerciales del país otorgante de los créditos.

En primer lugar, el volumen es inadecuado. Según los cálculos del Banco Mundial, en 1968 los requerimentos del país en materia de importaciones debieran haber sido del orden de los 732 mill<u>o</u> nes de dólares y sólo tuvo capacidad de 492 con sus recursos propiosy de 570 con los recursos provenientes de los programas de asistencia externa.

En segundo lugar, la ayuda recibida que reviste la modalidad de financiamiento por programas, que ofrece grandes ventajas adicionales, como la posibilidad de utilizar los recursos en moneda local para las inversiones públicas, términos a 40 años y muy bajos intereses, ha conservado, sin embargo, las características propias de los préstamos bilaterales, sometidos a condiciones ajenas a un criterio puramente funcional y multilateral de apoyo a un programa de de sarrollo, sin consideración al interés comercial del país prestamista; y además, no es una ayuda estable, sujeta a un plan de desarrollo para ejecutar en varios años, pues los compromisos deben negociarse anual mente, sin que el país tenga seguridad de recibir los recursos necesarios que garanticen la ejecución cabal del programa.

#### CONDICIONES INACEPTABLES

Pero lo más grave no es tanto la incertidumbre-sobre la continuidad de los recursos, como las condiciones que regulan lospréstamos, que rebasan los requisitos puramente técnicos y financieros.

Los préstamos están sometidos a un difícil proceso de negociaciones, a base de la firma de documentos de "intención" sobre la política de desarrollo, en los cuales se aspira a obtener am plios compromisos del gobierno sobre la política económica y financi<u>e</u> ra.

El primer campo preferido para tales compromisos es -

el reajuste periódico en latasa de cambio con un criterio automático,que en concepto de las entidades prestamistas es el índice por excelen cia para juzgar el desarrollo y perspectivas de la balanza de pagos. -Para ellos, el ideal sería permitir un reajuste escalonado de la tasade cambio por encima del índice de precios internos.

Recientemente, el gobierno colombiano se opuso a talcriterio y a la libertad cambiaria, a la cual algunas entidades internacionales siguen rindiendo culto reverencial.Y se resistió a devaluar masivamente, con el argumento de que es política propia de los gobiernos el menejo del cambio, cuya fijación no es automática, sino que depende de muchas otras consideraciones, como el incremento de las expor taciones, los presupuestos de importaciones, la agilidad en los girosal exterior, el comportamiento de las reservas internacionales, etc.

El gobierno colombiano estableció un control de cam bios, que le ha facilitado el uso óptimo de los recursos externos, elmejoramiento notable de sus reservas internacionales y liberarse de la política de despilfarro y boato que patrocinó el régimen del mercado libre y de libertad de importaciones. Y ello no lo hizo por contradecir a las organizaciones internacionales, sino porque consideró que ese era el instrumento adecuado, dentro de su crísis cambiaria, para conju rarla y porque no cree en los automatismos naturales, y, por el contra rio, considera que la clave de la política económica moderna es ponera funcionar mecanismos dependientes de la acción de los hombres para manejar su destino.

El segundo campo de preferencia de la política de los países prestamistas es la reducción progresiva y rápida de los controles de importación. El Gobierno colombiano ha sostenido que una políti ca de este estilo, en situación de incertidumbre en cuanto a los recur sos de cambio extranjero, es contraproducente y peligrosa.

Además, los préstamos de programa que hoy recibimos están condicionados al compromiso del país recipiente de mantener la participación de las importaciones ordinarias de los Estados Unidosen el conjunto. Y para ello se establece una lista que comprende los bienes que pueden ser financiados dentro del préstamo de programa.

Tal lista incluye preferencialmente aquellos rengl<u>o</u> nes en los cuales los productores del país prestamista han encontra-

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do condiciones difíciles para mecerle frente a la competencia internacional, lo cual contribuye a descargar parte de la solución de su problema de balanza de pagos sobre los hombros del país subdesarrollado que recibe la ayuda.

### PERSPECTIVAS DE LA ECONOMIA COLOMBIANA

En el temario, los organizadores de esta reunión noshan pedido que digamos cual será el comportamiento de nuestras econo mías en la próxima década, lo cual no es tarea fácil ni realista cuando se proyecta a tan largo plazo.

Sin embargo, creo que podemos presentar algunas de las metas que Colombia se propone alcanzar en los próximos años, como una contribución al juicio que la Comisión para el Desarrollo tendráque formarse sobre el dinamismo de la economía del continente, para poder formular sus recomendaciones.

De acuerdo con las proyecciones de nuestro Departamento de Planeación, podremos crecer a una tasa del 6% anual en losaños futuros, en relación con tasas del 5% que hemos logrado en el in mediato pasado.

Estamos en capacidad de aumentar la inversión públ<u>i</u> ca en un 10% anual durante los próximos años, porque las reformas in troducidas en el sistema tributario y una buena política fiscal se han traducido en aumento de dicha inversión de un 17% anual entre -1962 y 1965, de un 15% en 1967 y de un 19% en 1968.

Creemos poder impulsar nuestro desarrollo sin graves presiones inflacionarias, porque tenemos en ejecución una política f<u>i</u> nanciera y de producción que han permitido un alza en el índice de precios de solo 8 y 9% durante 1967 y 1968, en relación con 16 y 17% durante el período de 1962/1966.

Planeamos aumentar en un 25% anual nuestras exporta ciones distintas al café hasta 1970 y en un 20% en los años posterio res, o sea un incremento del 8.3% anual, que implicará reducir la participación del café en el conjunto de las exportaciones de un 60% a un 40% en 1973 y aumentar las exportaciones totales de 555 millones de d<u>ó</u> lares en 1967 a 900 en los próximos cinco años, con base en lo logrado en la última década de un aumento del 16% anual, en promedio.

Estamos impulsando una serie de reformas a la estructura social, como la agraria, la tributaria, la administrativa, para poder avanzar hacia el ideal de una sociedad cuyo ingreso crezca en forma sostenida, pero para ampliar las oportunidades de las grandes ma yorías de la población y no de minorías privilegiadas.

Y necesitamos ayuda externa en cuantía de 250 a 300 millones de dólares anuales durante los próximos 4 años, no con el carác ter de ayuda de emergencia, sino de complemento a los esfuerzos propios de un país que quiere y está en capacidad de romper las barreras del atraso. Pero una ayuda para el desarrollo, a largo plazo, barata y sin ataduras a intereses comerciales o políticos.

# CONCLUSIONES

Como conclusión, permítanme que trate de resumir en los siguientes puntos las cuestiones a las cuales consideramos que la-Comisión para el Desarrollo, así como los que se encargarán de hacer la revisión del programa de ayuda externa para la América Latina, bajo el patrocinio del Banco Interamericano, deberían dar preferente aten ción:

<u>PRIMERO</u>: Hay que adelantar sin tregua una vigorosa campaña a escala mundial para crear conciencia en los países prósperos sobre la necesidad y urgencia de que sean aumentados considerablemente los fondos públicos para complementar el financiamiento del desarrollo de las zonas atrasadas, no sólo como una política de justicia distrib<u>u</u>. tiva en el campo internacional, sino como la única garantía efectiva de la paz y seguridad mundiales. No obstante la bondad de la política tendiente a arbitrar recursos en los mercados de capital, no tendría jus tificación que se exonerara a los países ricos del compromiso ético deaportar recursos públicos, a largo plazo, con bajas tasas de interés, al estilo de los que integran el Fondo Fiduciario para el Progreso social, manejado tan eficazmente por el Banco Interamericano.

<u>SEGUNDO</u>: Los programas de ayuda estarán llamados a se guro fracaso mientras no se haga multilateral su otorgamiento, pues el trato bilateral que casi siempre conlleva condiciones de carácter polí tico o comercial que lesionan la soberanía de los países, frustra a la larga el esfuerzo de cooperación. Los bancos especializados y regio nales son los instrumentos adecuados para la ejecución de los programas de asistencia y habrá que volver los ojos a los métodos de evalua ción de las necesidades de ayuda y de su asignación con un criterio funcional, tales como el comité de expertos independientes concebidoen la Alianza para el Progreso y al cual se le dió tan duro golpe.

TERCERO: No debe perderse de vista que el problema del desarrollo no consiste solamente en asistencia financiera, pues hay que impulsar fundamentalmente la solución de los problemas comerciales, defender los precios de los productos primarios, ampliar losmercados, lo que es aún más importante que la misma asistencia. Y para ello es necesario que opere con dinamismo el esfuerzo cooperativo de los países a traves de su sistema regional como el interamericano, pero revitalizado y agilizado. La lucha contra las discriminaciones comerciales a nuestros productos, la posibilidad de conseguir, por ejemplo, para América Latina algún trato preferencial en el mercado Norteamericano, la integración económica del continente o la subregional, requie ren el impulso político de organismos multilaterales que aunen los esfuerzos.

<u>CUARTO</u>:Debe avanzarse en el perfeccionamiento de la financiación de los programas de desarrollo, que es la única manera de asegurar que habrá consistencia entre la movilización de recursos int<u>er</u> nos, públicos y privados y el flujo de recursos externos, a fin de garantizar que el crecimiento podrá hacerse ininterrupidamente y no lim<u>i</u> tado por la escasez periódica de divisas extranjeras.

#### Señores:

Emprenlamos con fe y convicción este nuevo empeño, puesto en manos tan expertas como las del Ministro Pearson y los miem bros de la Comisión que lo acompañarán. Pero además, no dejemos que se desvíe el noble y gran propósito que ineludiblemente tiene que alen tar esta política; realizar el ideal de sociedades más justas, más pro picias para que los seres humanos que las integran, se superen permanen temente.

Y emprendamos de nuevo la batalla sin tardanza, como lo expresó recientemente el presidente de mi país, "la falta de audacia no es hoy prudencia, sino imprevisión; y el aferrarse a las viejas concepciones no es ya más un conservatismo respetable, sino una ineroia preña da de peligros".

> Muchas gracias. Santiago, 13 de Enero de 1969.