

THE WORLD BANK GROUP ARCHIVES

PUBLIC DISCLOSURE AUTHORIZED

Folder Title: Chronological files - (outgoing) - Chrons 13

Folder ID: 1771871

ISAD(G) Reference Code: WB IBRD/IDA 03 EXC-10-4541S

Series: Chronological file (outgoing)

Sub-Fonds: Records of President Robert S. McNamara

Fonds: Records of the Office of the President

Digitized: October 11, 2012

To cite materials from this archival folder, please follow the following format:
[Descriptive name of item], [Folder Title], Folder ID [Folder ID], ISAD(G) Reference Code [Reference Code], [Each Level Label as applicable], World Bank Group Archives, Washington, D.C., United States.

The records in this folder were created or received by The World Bank in the course of its business.

The records that were created by the staff of The World Bank are subject to the Bank's copyright.

Please refer to <http://www.worldbank.org/terms-of-use-earchives> for full copyright terms of use and disclaimers.



THE WORLD BANK
Washington, D.C.

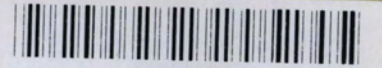
© 2012 International Bank for Reconstruction and Development / International Development Association or
The World Bank
1818 H Street NW
Washington DC 20433
Telephone: 202-473-1000
Internet: www.worldbank.org

PUBLIC DISCLOSURE AUTHORIZED

McNamara Papers

Vol 13
1970 (Mar.-Apr.)

The World Bank Group
Archives



1771871

A1995-252 Other #: 1

309646B

President's papers - Robert S. McNamara Chronological files - (outgoing) - Chrons 13

1. LEC for info
2. Check file

488/4 /175

April 30, 1970

MEMORANDUM TO SIR DENIS RICKETT

Dr. Machado has reported to me that he believes Mexico will be willing to release the balance of their 90% subscription to IDA unconditionally if we are willing to make a gentleman's agreement with them that we will use it only in relation to IDA credits in the Central American area (when used for such credits, the funds would be available to finance procurement anywhere in the world). I am very much inclined to propose to Dr. Machado that he indicate to the Mexican Government we would accept their proposal. Do you agree?

Robert S. McNamara

488/4/172

April 28, 1970

Dear Tom:

Thank you for your letter of April 7. I am very pleased to hear that you and Bill Gaud have reached a good understanding with respect to areas of mutual interest to IFC and Bank of America. It most certainly is encouraging to know that we shall have your assistance in helping to identify investment opportunities for IFC in Latin America. As we agreed in our last meeting, after we have gained some experience with this type of cooperation, we could review it at a later date to see if it perhaps might be expanded to other activities of the World Bank Group.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Tom B. Coughran
Bank of America
41 Broad Street
New York, New York

Cleared w/and cc: Mr. Gaud

LEChristoffersen:ml

488/2/171

April 28, 1970

Dear Mr. Maheu:

Thank you for your letter of April 10 regarding the upcoming vacancy in the position of Director of your Bureau of Personnel.

We will most certainly bring this vacancy to the attention of appropriate members of our staff.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

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

RAClarke:LEChristoffersen:mss

488/4/170

April 28, 1970

Dear Dr. Doxiadis:

Last September I accepted your kind invitation to attend the Delos Symposium scheduled for July 3-10 this year. I am embarrassed to find, however, that much to my regret the heavy work program now scheduled for the month of July makes it impossible for me to participate.

We have an unprecedented operational load of 56 projects planned for Board submission in the remaining part of our fiscal year which ends on June 30, and there is a substantial "spill-over" of projects into July. Furthermore, we are faced with crucial negotiations in the summer months on the replenishment of IDA. The outcome of these discussions will have a profound effect on the whole future of the World Bank Group. As a result, the first half of July in particular will be an extremely busy period.

Please accept my sincere apologies for this withdrawal which I hope will not cause any inconvenience to you and your associates.

Sincerely,
(Signed) Robert S. McNamara

Robert S. McNamara

Dr. C.A. Doxiadis, President
Athens Center of Ekistics
24 Strat, Syndesmou Street
Athens 136, Greece

488/4/169
DECLASSIFIED
CONFIDENTIAL
SEP 19 2012

WBG ARCHIVES

Honorable William J. Porter

AmEmbassy

Seoul, Korea

Ref Seoul 02168

Deeply grateful, Bill, for your invitation to use guest house and wish I could accept. Unfortunately, it appears inappropriate for me, as an international civil servant, to make such obvious use of U.S. associations, but much looking forward to seeing you.

Many thanks.

Robert S. McNamara

Office of the President

488/4/167

APR 24 1970

Dear Ted:

Many thanks for your letter of April 14 regarding Mr. Naim H. Issa. Mr. Issa was recently interviewed by a number of my staff and he made a favorable impression. He is apparently an experienced library assistant.

Although we do not have an extensive library staff in the Bank, I am hopeful that we will find a suitable job for Mr. Issa, particularly in view of the very high regard in which he is held by Steve Young.

With warm personal regards.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

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

HJDyck:pw
April 22, 1970

Cleared with Mr. Ripman

488/4 168

DEMUTH

APRIL 24, 1970

SACHERHOTEL

TELEX

VIENNA

AUSTRIA

4

DUE

~~DUE~~ TO END OF FISCAL YEAR WORKLOAD AND HEAVY SCHEDULE OF BOARD MEETINGS

REGRET IT IS IMPOSSIBLE FOR ME TO ATTEND CEREMONIES IN SAN FRANCISCO

MCNAMARA

INTBAFRAD

Robert S. McNamara

President

RSMcN:ml

cc: Mr. Clark
Mr. Hoffman

(for Mr. McNamara's Office)

488/4/168

APR 24 1970

Dear Governor:

Thank you for your letter of April 2 in which you propose an arrangement to second certain of your senior staff to the World Bank Group.

I very much appreciate your willingness to release your staff for a period of service with us for I share your view that this would be of benefit to both our organizations as well as to the individuals in question. However, in order to avoid any possible misunderstanding in the future, I feel I must make our position clear at the outset.

We do certainly welcome suggestions of candidates for our staff but we must reserve the right to satisfy ourselves that any candidate proposed is fully qualified to carry out the duties we expect him to perform. As you will appreciate, this is particularly important in the case of those who would be with us for only a relatively short period, such as the two years you propose. Our staffing needs are quite specialized and vary from time to time. Thus, whilst we would certainly consider any candidates you put forward in the light of our staffing needs at the time they were available, I cannot at this stage give any assurance that we shall be able to offer a place on our staff to particular individuals two, four or more years hence.

As it happens, Mr. Maurice Bart, who is responsible for our operations in Jordan, will visit Amman early in May. I am asking him to seek an appointment with you to discuss this whole question and how best we might both proceed.

Again, let me assure you of my continuing interest in considering well qualified Jordanian nationals for our staff. I am sure that we shall be able to work out a mutually acceptable arrangement.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
Dr. Khalil Salim
Governor and Chairman of the Board
Central Bank of Jordan
P. O. Box 37
Amman, Jordan

cleared with Mr. Ripman

RAClarke/mg
April 22, 1970

488/4/1965

April 24, 1970

Dr. The Honorable
Nicolaas Diederichs
Minister of Finance
Ministry of Finance
Union Buildings
Pretoria
Republic of South Africa

Dear Dr. Diederichs:

As I am sure you will have heard from Mr. Stone, who is acting as an observer on behalf of your Government, we are now well into the negotiations for the Third Replenishment of the resources of the International Development Association. So far, eight Part I countries--representing two-thirds of the resources committed to previous replenishments--have come out in favor of a Third Replenishment of \$1,000 million annually, and there seems little doubt that agreement will be reached on replenishment at a level substantially higher than the \$400 million level provided under the Second Replenishment.

These indications of strong support reflect, I believe, a growing awareness in developed countries both of the need to blend concessional aid with capital on market terms if the external viability of developing countries is to be preserved in the immediate future, and of the technical and political advantages of doing this through multilateral organizations.

One problem which remains to be settled, however, concerns the relative contributions of different Part I countries to the Third Replenishment. You will no doubt recall that this issue was an important factor prolonging the negotiations for the Second Replenishment, and it is out of a desire to avoid a repetition of this kind of situation that I am writing to you at this stage.

When IDA was first established, South Africa subscribed to its resources on the same basis as did all other members, namely in proportion to its subscription to the capital of the IBRD. The result was that it subscribed 1.34% of all the resources put up at that time by Part I countries. Since that time, however, its relative contribution has declined quite sharply--to 0.54% in the First Replenishment and to 0.25% in the Second. Indeed, even South Africa's absolute contribution has declined sharply--from \$10.1 million in the original subscription, to \$3.0 million in the Second Replenishment.

You will, I am sure, understand that I feel some concern at this declining support. South African GNP is equivalent to some 0.8% of the GNP of all Part I countries, and South Africa's IBRD subscription (on the assumption that South Africa will take up her entitlement to new shares under

488/4/164

SIR DAVID OWEN

APRIL 23, 1970

IPEPEE

NLT

LONDON

ENGLAND

FOR YOUR CONFIDENTIAL USE A COPY OF THE DRAFT INDONESIAN POPULATION
REPORT IS BEING SENT TO YOU AIRMAIL STOP PLEASE NOTE IT HAS NOT YET
BEEN CLEARED BY PARTIES OUTSIDE THE BANK

LEIF E. CHRISTOFFERSEN

PERSONAL ASSISTANT TO MR. MCNAMARA

Leif E. Christoffersen

Office of the President

LEC:ml

cc: Dr. Kanagaratnam
Mr. Pontein
Mr. Hoffman

488 / 4 / 1963

April 23, 1970

Dear Mr. Keeny:

I am delighted to know that we shall have a chance to meet during my forthcoming visit to Taiwan. We certainly intend to pay a visit to the Family Planning Institute in Taichung. At present talks are underway with our hosts to see how we best can arrange to have about three hours at the Institute on May 17. Most likely it will be in the first half of the day. Furthermore, I shall be very pleased if you can find time to join me on the train going back to Taipei at 3:00 p.m. in the afternoon.

Mr. Jochen Kraske, Division Chief in our East Asia and Pacific Department, will be in Taipei on May 4. I have asked him to be in touch with you on this matter.

Sincerely,

Robert S. McNamara

Mr. S. M. Keeny
The Population Council
Post Office Box No. 112
Taichung, Taiwan

cc: Dr. Chen
Messrs. Goodman, Kraske, Hawkins

LEChristoffersen:ml

488/4/162

APR 23 1970

Dear Mr. Maheu:

As indicated in my letter of April 14, I am sending you herewith a draft of the agreed changes in the Bank/Unesco Cooperative Program as prepared by our General Counsel for approval by our Board of Governors. If this meets with your agreement, I will recommend to the Executive Directors of the Bank that it be submitted to the Governors for their approval.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Enclosure

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

MLHoffman/DBallantine/pnn

cc: MR. Demuth
MR. Broches
MR. Ballantine
Mr. McNamara's files (2)

Re Transfer of Bank Funds to IDA in Future Years

April 23, 1970

488/4 /161

Reuss Question #6

Q. Will the World Bank, in your opinion, continue to assist in financing IDA from its own resources:

A. Yes. I understand that the President of the World Bank Group is prepared to recommend to the Executive Directors that substantial shares of the Bank's net income be transferred to IDA. Annual transfers from net income have been made by the Bank to IDA every year since 1964 and in the current ^{fiscal} year amounted to \$100 million. The total for the previous five fiscal years has been \$285 million. When the first transfer to IDA was approved in 1964, the Board of Governors adopted the following statement of policy which remains in effect today: "Any transfers to the Association will be made only out of net income which (1) accrued during the fiscal year in respect of which the transfer is made and (2) is not needed for allocation to reserves or otherwise required to be retained in the Bank's business and, accordingly, could prudently be distributed as dividends."

Robert S. McNamara

Above statement being transmitted to Secretary of the Treasury, David Kennedy, by U.S. Alternate ED, Emmett Rice.

April 23, 1970

488/4/160

APR 22 1970

Mr. David A. Morse
Director-General
International Labour Office
CH 1211
Geneva 22
Switzerland

Dear Dave:

Thank you for your letter of April 1, informing me that in response to the request by the Prime Minister of Ceylon you have selected Ceylon as the first country in Asia for the preparation of an integrated employment promotion program.

As you probably know the Bank, as Chairman of the Aid Group for Ceylon, has been closely associated with Ceylon's efforts over the last several years to overcome a very difficult economic situation and to set the economy on a course of expansion. In our view, creditable progress has been made in this direction. However, much remains to be done, and a wide range of tasks in the field of economic management awaits the next Government when it takes office after the general elections now scheduled for late May. Your intention to help Ceylon in formulating a program for making fuller and more productive use of manpower comes therefore at an opportune time, and we welcome the initiative you are taking. I note that you are now examining the next steps to be taken to get the project underway and look forward to learning more of your plans as you proceed.

The Bank Group does not maintain a resident representative in Colombo. A resident mission is stationed in New Delhi under the direction of Mr. Orville J. McDiarmid. Mr. William S. Humphrey who recently joined the New Delhi mission, has participated in each of the Bank's annual economic missions to Ceylon over the past five years. I am sure your representatives would find it useful to discuss the proposed project with him. However, I would suggest that it would be useful at an appropriate time for ILO staff and others engaged in the project to establish contact with the staff in the Bank's South Asia Department who have been working closely with Ceylon on economic matters over the last several years. I have already asked Mr. Cargill, the Director of that Department, to send you copies of recent Bank economic reports on Ceylon.

Mr. David A. Morse

- 2 -

You may be interested to know that the Bank's next economic mission is scheduled to visit Ceylon around the middle of September. As in the past, its purpose will be to update our knowledge of Ceylon's economic performance and to prepare a report for consideration by the Ceylon Aid Group which will next meet early in 1971. I am sure you will agree that this mission and your proposed employment project should be carefully coordinated so as to avoid excessive or conflicting demand on Ceylonese officials and others with whom both would be working.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

MBHlobel:os
IHRD
April 20, 1970

C
O
P
Y 488/4 1159

For Mr. McNamara's office

April 21, 1970

Dear George:

It certainly is appropriate for the Bank to provide some support to an international conference of statisticians held in Washington, particularly since their work is of such fundamental importance to our own involvement in development. We shall be most pleased to arrange a reception for delegates to the 38th Session of the International Statistical Institute. While the Bank only has modest translation services, to the extent that we have the facilities needed, we shall also be prepared to help with the translation of documents for the conference. I have asked Mr. Arthur Tiemann to get in touch with Dr. Eckler to work out the details of this arrangement.

Sincerely,

Robert S. McNamara

Dr. George H. Brown
Director
Bureau of the Census
U. S. Department of Commerce
Washington, D. C. 20233

LEC:JET:ian
April 16, 1970

cc: Messrs. Knapp, Demuth, Friedman, Ripman, Kamarck, Adler, Tiemann

Copied by ian
4/21/70

488/4 1158

APR 21 1970

Mr. Henri Rochereau
President, Development Assistance Group
Commission of the European Communities
23-27, avenue de la Joyeuse Entree
Brussels 4, Belgium

Dear Mr. Rochereau:

I think your letter of April 7, 1970, contains a very good summary of the conclusions of our recent talks concerning further measures of cooperation between our two organizations. I fully agree with you that there is ample justification for a continuing effort to coordinate the activities of the World Bank and the European Development Fund in the African countries, and the Malagasy Republic, in which both institutions are active.

I appreciate your kind invitation to visit the Commission. I am afraid this will not be possible in the near future but I hope some day to be able to do so. Meanwhile, I understand that Mr. Roger Chauffournier, Director of the Western Africa Department, and Mr. Michael L. Hoffman, Associate Director of the Development Services Department, plan to be in Brussels on May 20 and are arranging through Mr. Ferrandi a series of meetings with officials of the European Development Fund. I am asking them also to request an appointment with you on that day in case there are any further general matters concerning World Bank-FED relations you might wish to discuss.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Henri Rochereau
President, Development Assistance Group
Commission of the European Communities
23-27, avenue de la Joyeuse Entree
Brussels 4, Belgium

MLHoffman/pnn April 17, 1970

cc: Mr. McNamara's files (2)
Mr. Chauffournier

488/4/157

APR 20 1970

Dear Mr. Minister:

Thank you for your letter of March 27th about our plans to set up a consultative group for the Congo. I have now written to President Mobutu, who had himself raised with me the possibility of establishing a group under the chairmanship of the World Bank, to say that I would explore the willingness of appropriate member countries of the Bank and of other international institutions to participate.

We have approached appropriate member countries on the subject through their respective Executive Directors, including Mr. van Campenhout. You may be interested to know that, in addition to Belgium, we have contacted Canada, France, Germany, Italy, Japan, the Netherlands, the Scandinavian countries, the United Kingdom, and the United States.

I am delighted to have your letter of support and I am hoping for an equally warm response from other countries that have a keen interest in the welfare of the Congo. In the meantime, we have made plans to prepare an up-to-date economic report on the Congo for consideration by a possible first meeting of the Congo consultative group towards the end of this year.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

G.deLusignan/JH.Williams/dw

April 16, 1970

Son Excellence Raymond Scheyven
Ministre de la Coopération au Développement
Bruxelles
Belgique

488/4 /156

Copy for President's Office

April 15, 1970

Dear Secretary-General:

I had been very much hoping that I could arrange my schedule so as to attend the forthcoming ACC meeting in Vienna on April 23-24. I find now that this will not be possible and I am therefore asking Mr. Demuth to represent me at this session.

I want to express to you, and I have asked Mr. Demuth to express to my colleagues on the Committee, my regret at being unable to join you this time.

Sincerely,

Robert S. McNamara

U Thant
Secretary-General of the
United Nations
United Nations, New York

RHDemuth:tf
April 14, 1970

488/4 1155

APR 14 1970

John

Dear Dr. Hannah:

Thank you for your letter dated April 3, in which you are kind enough to invite Dr. Kanagaratnam, Director of our Population Projects Department, to the review of your experience with population programs in the less-developed countries.

Dr. Kanagaratnam has recently left the Government of Singapore and will be reporting to the World Bank this week. I am certain that he will be able to attend the interesting meetings you are holding from May 11 to May 13, and he will confirm this as soon as he arrives.

We are looking forward to receiving the detailed information you mention, as well as the general prospectus of the review.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
John A. Hannah
The Administrator
Agency for International Development
Department of State
Washington, D.C. 20523

BChadenet:jfh

April 13, 1970

c.c. Dr. Kanagaratnam
Mr. McNamara's Office (2) ✓

488/4 1154

Copy for President's Office

APR 13 1970

Dear Mr. Maheu:

I was pleased to receive your letter of March 24, informing me that the proposals agreed between our staffs for expansion of the Unesco/IBRD Cooperative Program are acceptable to you. I, too, am in full agreement with the proposals.

Our General Counsel advises me that the understanding we have reached, since it involves an amendment of our original Agreement, will have to be submitted for approval to our Board of Governors. The General Counsel is therefore preparing a draft of supplemental agreement designed for that purpose, which I expect to be able to send to you shortly for review. If this supplemental agreement is acceptable to you, I will promptly recommend to our Executive Directors that it be submitted to the Governors for their approval.

In accordance with your conversation with Mr. Demuth in Geneva, I propose that we make this new Agreement effective July 1, 1970.

With best personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

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

DSBallantine:RHDemuth:tf
April 10, 1970
cc: Mr. Ballantine
Mr. Ellsworth Clark

480 / 4 / 153

April 13, 1970

Dear Mr. Watanabe:

Thank you for your letter of March 10 regarding Dr. S.K. Rau's interest in employment with the World Bank Group.

We had already been made aware of his interest through other channels and have been looking into possibilities for him here. Indeed we have received many very favorable reports about Dr. Rau's capabilities, but it is difficult to envisage where one of his background and experience would fit in our organization.

I am very grateful to you for thinking of us for we are always interested to know of good people.

With warm personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Takeshi Watanabe
President, Asian Development Bank
Commercial Center P.O. Box 126
Makati, Rizal D-708
Philippines

RAClarke:LEChristoffersen:ml

488/4 1152

April 10, 1970

Dear Mr. President:

On behalf of the World Bank Group, permit me to extend our warm congratulations to the Board of Governors, the Executive Directors and staff of the Inter-American Development Bank on the occasion of its tenth anniversary.

In particular, permit me to mention your own role in what has been accomplished during that period. Your vision of the future is clearly manifested in the successful organization which exists today as one of the leaders in the family of multilateral development institutions.

In our common tasks we look forward to a continuing and close relationship with the Inter-American Development Bank in the years to come. Meanwhile, please accept our sincere best wishes for the decade of the 1970s.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Felipe Herrera
President
Inter-American Development Bank
808 17th Street
Washington D.C. 20006

DCF:cc

cc: Mr. Mendels

488/4/150

APR 3 1970

The Honorable
Tun Tan Siew Sin
Minister of Finance
The Treasury
Government of Malaysia
Kuala Lumpur, Malaysia

Dear Mr. Minister:

Our officials who discussed with you and Governor Ismail your suggestion to Mr. Goodman that the Bank explore the possibility of the Bank floating a bond issue in Malaysia denominated in Malaysian dollars, have now returned to Washington. I have given careful consideration to the matter in the light of the points set forth in Governor Ismail's memorandum of March 19 which was handed to our officials, their findings in Kuala Lumpur, and the questions raised in your telex of March 23, in which you asked for my advice on whether a public issue of World Bank bonds in Malaysia would have consequences favorable to Malaysia from the viewpoint of the Bank, and also among international financial groups. I have also considered the suggestion mentioned in your telex that such an issue might reflect unfavorably on the ability of the Malaysian Government to mobilize capital resources on its own account.

Let me say at the outset that we have considered this question essentially from the standpoint of the development needs of Malaysia, with special regard to the mobilization of financial resources for Malaysia's development program, and not merely from the standpoint of the World Bank as a borrower of funds in the international capital markets for its normal lending operations. Consequently, it has raised questions that are somewhat different from those with which we are normally concerned when we float a bond issue in the capital markets of the developed countries. We start from the premise, which is certainly assumed in our lending program to Malaysia, that Malaysia is not in a position to be a net exporter of capital. I am of course mindful that in the economic environment of the open economy of Malaysia, which you are rightly anxious to preserve, a considerable amount of capital is remitted abroad. In these circumstances there might be a case for an operation which would tap domestic savings that would not otherwise be available for investment in Malaysia, and especially funds which in the absence of such an issue might be sent abroad.

More specifically the Bank's present lending program in Malaysia contemplates that, because of the shortage of capital available in Malaysia for development purposes, we should finance out of foreign exchange resources part of the local currency expenditures on your development projects. In these circumstances it might

indeed be an attractive proposition if the Bank could instead finance these local currency expenditures by making issues in your capital market, acting thereby as an intermediary between that market and the needs of your government for development finance, especially if this action would retain in Malaysia capital resources which would otherwise have been sent abroad. This would not only relieve the strain on our foreign exchange resources; it would also serve to reduce your burden of external debt repayable in foreign exchange.

Obviously however, we would not want the Bank's borrowing operations in your market to compete with your own efforts to place government bond issues there. Even less would we want the initiation of our operations in your market to be interpreted as reflecting a lack of confidence in the credit of the Malaysian government. Indeed we would hope that any operations we might undertake would serve to strengthen the eventual receptivity of your capital market for the placement of your own government bonds.

I must say that it is not entirely clear to me at this time why we should be able to raise funds in your market additional to those which you could mobilize by the issuance of government bonds. We would not want to pay significantly more than you are paying by way of interest and in any case I understand that other factors, such as the desire for liquidity, are of greater importance than the interest rate in determining the availability of long-term funds in your market. On this question perhaps further soundings by Governor Ismail would produce more convincing evidence as to the existence of a market for World Bank bonds that would tap domestic savings otherwise not available for financing your development efforts.

On the question of whether an issue by the World Bank might undermine confidence in the Government's credit, I am most hesitant to express an opinion. I would not expect such a reaction in international financial circles, but I think that you are in a much better position than I am to judge the psychological reactions in your own country.

My present conclusion, Mr. Minister, is that no clear case has yet been made for the Bank to make an issue in the Malaysian capital market. In principle I would prefer, as I am sure you would also, that the Government raise more funds on its own, either by taxation or borrowing, instead of having the Bank play an intermediary role in your domestic capital market. Perhaps you would give more thought to some of the considerations which I have discussed above and let us know the results of your further thinking.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

McDiarmid/Goodman/Aldewereld/Knapp:lev

Mr. Aldewereld

cc: Mr. Knapp/Mr. Cope

Mr. Broches/ Mr. Nurick

Mr. Rotberg/Mr. Uhrig

Mr. Goodman/Mr. McDiarmid

488/4 7148

April 3, 1970

Dear Sir Arthur:

Thank you for your letter of March 24 about the Caribbean Development Bank. I need hardly say that I am delighted that you have taken this job on.

We shall be happy to make arrangements for your visit on May 12-14. Dick Demuth is preparing a tentative schedule and will be writing to you about it within the next two weeks. He will also be ready to talk about the UNDP project in May, or later if you prefer.

I shall unfortunately be away from Washington when you come in May, but we could discuss at a later date your suggestion that some World Bank or IDA funds might eventually be channeled through the Caribbean Development Bank. We have never done this before and there may be legal complications, particularly on the Bank side, arising out of the Articles of Agreement, but we will be prepared to discuss the problem with you.

I do hope that our institutions will develop a close working relationship and I wish you every success in the task that you have undertaken.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Sir Arthur Lewis
Woodrow Wilson School of Public
and International Affairs
Princeton University
Princeton, New Jersey 08540

Copies to: Messrs. Aldewereld, Demuth, Diamond

DPWright/mpd/JBKnapp/aet/RSMcNamara/pay

Retyped April 3, 1970

488/4 1147

Your Ref: No. DV.63/49/011

APR 3 1970

Dear Mr. Minister:

I wish to acknowledge your letter of March 11, 1970 proposing that the 1973 Annual Meetings of the World Bank and its Affiliates, and the International Monetary Fund be held in Nairobi.

I will be in touch with Mr. Schweitzer on this matter and will inform the Executive Directors. As you know, the decision as to places for the Annual Meetings must ultimately be made by the Boards of Governors.

It was a real pleasure to meet with you in Nairobi last January and to enjoy a stay in that hospitable city.

With best personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
Mwai Kibaki
Minister for Finance
The Treasury
P.O. Box 30007
Nairobi, Kenya

MMM:rd

688 / 4 / 146

Mrs. Peggy Muller:

April 3, 1970

For your record, this is to advise you that Mr. Leif E. Christoffersen has replaced Mr. Rainer B. Steckhan as Personal Assistant to Mr. McNamara.

(Mrs.) Muriel Lee

488/4/145

APR 3 1970

Dear Mr. Minister:

Thank you for your letter of March 26, 1970. I was pleased to note that your Government is pressing ahead with the preparation of a second phase livestock development project. I share your belief in the considerable potential of the livestock sector in Tanzania and in the need to adopt a comprehensive approach to its development. I also believe in the greatest possible local involvement in project preparation and I am sure that the establishment of a project preparation committee to supervise work on this important task is a most constructive approach.

I understand that you wish help from the staff of our Permanent Mission in Eastern Africa in reviewing the progress of preparation of the project. As you no doubt know, Mr. Schaefer-Kehnert of our Mission has already attended meetings of the project preparation committee and it is our intention to continue that collaboration. Mr. Evans will be in touch with Mr. Ergas to ensure that the respective roles of the Bank's Mission and the FAO/IBRD Cooperative Program in future work connected with the project are clearly understood by all concerned.

Sincerely,
(Signed) Robert S. McNamara
Robert S. McNamara

The Honorable
D. N. M. Bryceson
Minister of Agriculture, Forests and Wildlife
Ministry of Agriculture, Forests and Wildlife
Dar es Salaam, Tanzania

Cleared with: Mr. Evans (substance)
Messrs. McIvor, Knobel, Schumacher, Stoops, Clements
cc: Mr. Brakel (PMEA)

DStoops/RClements/JHWilliams:dr
April 3, 1970

488/4/144

APR 2 1970

Son Excellence
Monsieur Hamani Diori
Président de la République
Niamey, Niger

Dear Mr. President:

In your letter of December 29, 1969, you informed us of developments regarding the project for a uranium mine at Arlit and announced the visit of a delegation to discuss the matter with the Bank. I would like now to give you a reaction to your suggestion that the Bank Group assist by means of a long term, low interest credit for the financing of the road to the mine.

From information available to us, the road appears to be an integral part of the project for the exploitation of the ore body since, according to the estimates provided by the consultants, the amount of road traffic which is not attributable to the operation of the mine will represent only 8 to 10% of the total traffic in the years to come. It would, therefore, not be possible to finance this type of project out of the resources of the International Development Association, which, as you know, are limited. We consider that it is preferable to reserve these resources to those development projects for which financing cannot be obtained on usual market terms for capital; this would not seem to be the case for an operation such as the exploitation of the Arlit mine, which should generate for the sponsors revenue in foreign exchange sufficient to provide guaranties for conventional borrowing, as is the case for enclave type projects of this kind.

There remains, however, the possibility of our collaboration in this project by means of a Bank loan which, of course, would contain conditions ordinarily attached to industrial projects of this type. If it appeared, in fact, that participation by the Bank is indispensable for the realization of this mining project and if it is shown that this project would provide Niger with important advantages, we would then be ready to discuss further the means of financing this operation, either by the Bank acting alone or jointly with other parties. As you may know, Bank financing of the Miferma project in Mauritania and of the Boké project in Guinea was provided on this basis.

In any case, we are prepared, as I indicated in our telegram of February 27, to review with your delegation the questions which it might wish to raise with us.

488/4 1/43

April 2, 1970

Dear Mr. Prime Minister:

I wish to acknowledge with thanks your letter dated March 27, 1970 written on behalf of the Government of Tunisia, regarding the 1970 Annual Meetings of the Board of Governors of the Fund and of the Bank and its Affiliates in Copenhagen in September. I should like first to congratulate the Government of Tunisia sincerely on being selected for the Chairmanship of these important Meetings.

In this connection, I have noted that the Tunisian Government has designated Mr. Hedi Nourra, Minister of State and Governor of the Central Bank of Tunisia, as its representative. There is no doubt that he will discharge his duties with his customary dignity and skill.

It is with much pleasure that we look forward to the success of the forthcoming Annual Meetings.

With best personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Handwritten initials

His Excellency
Bahi Ladgham
Prime Minister
Tunis, Tunisia

488/4/142

April 1, 1970

Dear Mr. Secretary-General:

I am very happy to accept your invitation to attend the Ministerial Meeting of the OECD next month. I expect to arrive Paris during the morning of Wednesday, May 20, and will plan to be at the opening meeting that afternoon.

Sincerely,

ROBERT S. McNAMARA

Robert S. McNamara

The Honorable E. van Lennep
The Secretary-General
Organisation for Economic
Co-operation and Development
2, rue Andre-Pascal
Paris XVI^e, France

MLHoffman:tf:pay

488/4/141

April 1, 1970

MEMORANDUM FOR MR. KAMARCK

Two of our largest borrowers, Brazil and Indonesia, have undergone periods of very high rates of inflation and both have in recent years attempted to bring about an end to these conditions by carrying out comprehensive stabilization programs. Brazil, which reduced the annual rate of inflation from over 100% in early 1964 to about 20% last year, has adopted a "gradualist" approach to the problem. It has explicitly rejected a "shock treatment" of strict monetary, fiscal and wage measures, designed to result in a sudden stop in inflation since it apparently considered this approach too costly for economic growth and to its employment objectives. Indonesia, on the other hand, has been remarkably successful in bringing about a virtually complete stop in inflation within a very short time, but perhaps at some cost to economic growth and employment. In comparing these two different country situations, what judgment would the Bank's economists express on the relative merits of the two policy approaches? From these two cases, is it possible to derive policy guidelines for other countries suffering inflation?

Robert S. McNamara

LEC:pay

488/4/140

April 1, 1970
DECLASSIFIED

"PERSONAL and CONFIDENTIAL"

WBG ARCHIVES

Dear Governor Horowitz,

I received your letter of March 12, in which you raised the question of IDA assistance for the economic advancement of Arab refugees in the West Bank and the Gaza Strip. I very much share your views about the urgency of the refugee problem and the need to provide assistance both for economic and humanitarian reasons. I was also glad to hear that the Israeli Government has taken steps and allocated resources to improve the economic conditions of the people in the Gaza Strip and the West Bank.

The depressing economic situation of Arab refugees has in fact been very much on our mind in the past years and we have been searching for ways of helping them. There are, however, as you are no doubt aware, serious obstacles arising from the present political situation in the Middle East which make it exceedingly difficult for the Bank Group to become actively involved in a constructive solution to the problem in the absence of cooperation between the various governments concerned. I should like to illustrate this by two obstacles to proceeding along the lines suggested by you which arise from IDA's Articles of Agreement. IDA cannot provide financing for a project except upon the recommendation of a committee which includes a nominee of the Governor representing the member in whose territories the project is located. IDA also has to ascertain that that member does not object to the proposed financing.

These legal obstacles demonstrate the general difficulties which we would face. Therefore, even though we would very much like to support the economic advancement of the refugees, I cannot see, at this time, any possibility for Bank Group financing of development schemes in the Gaza Strip or the West Bank.

Sincerely,

Robert S. McNamara

The Honorable
David Horowitz
Governor
Bank of Israel
Jerusalem, Israel

BHartwich:rpo
IDA

cc to Mr. McNamara's Office (2)

488/4 1139

MAR 31 1970

Dear Secretary-General:

This is to acknowledge receipt of your letter PO 230 SOAF (5) of March 16, 1970 on the request of the Ad Hoc Sub-Committee of the Council established in accordance with operative paragraph 6 of Security Council Resolution 276 (1970).

The institutions of the World Bank Group (the Bank, IFC and IDA) have no dealings with South Africa that might have a bearing upon the territory of Namibia. The loans extended by the Bank to, or with the guarantee of, the Government of South Africa, the most recent of which was made in 1966, were for specific projects and the Bank, in accordance with its normal practice took appropriate steps to ensure that the proceeds of the loan would be used for these projects. I may add that neither IDA nor IFC have ever made financing available to, or for projects in, South Africa.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

U Thant
Secretary-General
United Nations
New York, 10017

cc: Mr. McNamara (2)
Cleared with and cc to: Mr. Broches
Cleared in substance and cc to: Mr. Hartwich
Central Files with incoming correspondence

FConsolo:da

March 30, 1970

EDGAR FAURE

488/4 1135

- born 1908

1945 Asst. Delegate, War Crimes Trials, Nuremberg

1946-58 Deputy for Jura (Radical-Socialist)

1950-51 Minister of Budget

1951-52 Minister of Justice

Jan-Feb 1952 Prime Minister

1953-54 Minister of Finance and Economic Affairs

Feb 1955 -
Jan 1956 Prime Minister

May-June 1958 Minister of Finance

1962-66 Prof. of Law, Univ. of Dijon

1966-68 Minister of Agriculture

1968-69 Minister of Education (presented reform law for the
universities in 1968)

Since 1969 Deputy for Jura

3/30/70

488/4/136
March 30, 1970

Dear Mr. President:

When I met with you in Kampala in January we discussed the urgent need to move forward on the proposed loan by the World Bank to the East African Railways Corporation which had been negotiated last October and was awaiting a number of formal approvals in East Africa.

Soon thereafter the loan and its terms were approved by the Communications Council of the Community and by the Board of the Railways Corporation. We were also informed by your Government and the Governments of Kenya and Tanzania that the proposed guarantee agreements to be entered into by each country were acceptable. The last formal step required before the loan and these guarantees can be signed is for both the Uganda and Kenya Parliaments to grant legislative authority for the guarantee agreements to be entered into.

In expectation that this legislative action would soon be taken, I put the loan to the Board of Executive Directors of the Bank for their approval last Tuesday, March 24. I am glad to be able to report that the Executive Directors gave their approval and the loan may be signed as soon as the legislative action has been taken. In Kenya, I understand it is already before the National Assembly.

I know that Parliament is not in session in Uganda and that the necessary action cannot be taken until it reconvenes. However, as I am sure you are, I am acutely aware of the urgent need for the Railways to get ahead with the development program which the proposed loan of \$42.4 million is designed to support, and which, indeed, they cannot undertake without this finance. For various causes the program has already encountered delays with a consequent deterioration in the Railways' ability to provide the services needed and in their financial position. Any further delay in getting started will work to the disadvantage of Uganda and her Partner States. It would be very helpful if the passage of the necessary legislation could be treated as an urgent matter when Parliament convenes. I feel sure that with your personal support, it will be given the priority it deserves. We shall be ready to sign the loan with its guarantees as soon as the legislative action is complete.

Warm personal regards.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
A. Milton Obote
President of the Republic of Uganda
Entebbe, Uganda

MLLejeune:dr

cc: Division B

488/4 1134

Mr. Ripman:

March 30, 1970

In the President's Council meeting this morning, you informed me that all the Bank's food services were under one management, namely under Mr. Jesse Jones, and that there was a sub-manager for the cafeteria unit. You also mentioned that certain personnel matters were dealt with by an outside contractor. Please give me further details about the various management responsibilities.

Robert S. McNamara

488/4/133

Copy for President's Office

MAR 30 1970

Dear Dillon:

I am replying to your letter of March 9 concerning the proposed Lake Atitlan Project.

It is my understanding that the ecological study, which is to be made as part of the comprehensive feasibility study of the Project to be undertaken by consultants for the Guatemalan government, will do considerably more than estimate "the short-term changes in the environment," though it will perhaps not be as intensive as the "fundamental ecological evaluation" you describe. As I indicated in my letter of February 6, it is a serious effort to evaluate all the ecological effects of the proposed Project.

I welcome your offer to make the resources of the Smithsonian Institution available to assist the Bank in planning and conducting ecological appraisals of Bank-financed projects. As a trial step in this direction, I would like to suggest that we set up a meeting in which your staff might brief the consulting engineers on appraising the ecological effects of the Atitlan Project. If this suggestion appeals to you, perhaps you would ask the appropriate member of your staff to get in touch with Mr. Mervyn Weiner, Director of our Public Utilities Projects Department.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
S. Dillon Ripley
Secretary
Smithsonian Institution
Washington, D.C. 20560

JAKing:RHDemuth:tf
March 23, 1970

cc: Messrs. Weiner, Sheehan, Gutierrez/Lari

488/4/132

HIS EXCELLENCY
HASSAN ABBAS ZAKI
MINISTER OF ECONOMY AND FOREIGN TRADE

MARCH 27, 1970

FULL RATE

CAIRO

UNITED ARAB REPUBLIC

EYE AM HAPPY TO SHARE WITH YOU THE GOOD NEWS THAT EXECUTIVE DIRECTORS
APPROVED CREDIT OF \$26 MILLION FOR NILE DELTA DRAINAGE PROJECT STOP
DELIGHTED TO PARTICIPATE IN THIS PROJECT WHICH PLAYS SUCH AN IMPORTANT
ROLE IN YOUR DEVELOPMENT EFFORTS BEST REGARDS

ROBERT S. MCNAMARA
INDEVAS
~~XXXXXXXXXX~~

Robert S. McNamara

President

DHartwich:RSMcNamara:ml

488/4 H31

Le 25 Mars 1970

Monsieur le Président,

De retour à Washington, je tiens à vous dire combien j'ai été sensible à l'aimable attention dont vous-même et les membres de votre Gouvernement avez bien voulu m'entourer lors de mon voyage en France.

Je vous suis particulièrement obligé d'avoir bien voulu m'accorder de votre temps et me faire part de votre point de vue avec tant d'amicale franchise.

Ces entretiens m'ont permis, je crois, de mieux comprendre la manière dont la France interprète le défi que nous pose le développement économique et social des pays du tiers monde. J'en conclus pour ma part que la coopération entre votre Gouvernement et la Banque ne peut devenir que plus étroite encore.

Permettez-moi, Monsieur le Président, de vous exprimer à nouveau mes remerciements les plus chaleureux et ma reconnaissance pour avoir voulu rendre mon séjour à Paris aussi intéressant qu'agréable.

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

(Signed) Robert S. McNamara

Robert S. McNamara

Son Excellence
Monsieur Georges Pompidou
Président de la République
Palais de l'Élysée
Paris
France

488/4/130

Le 25 Mars 1970

Monsieur le Premier Ministre,

De retour à Washington, je tiens à vous remercier bien vivement de l'amicale attention que vous-même et vos collaborateurs m'avez témoignée lors de ma visite à Paris.

Je vous suis gré de m'avoir offert cette occasion de mieux connaître les vues et les espoirs de la France en ce qui concerne l'effort international en faveur du développement. Ce que j'ai appris constitue pour moi un immense encouragement et je me félicite d'une coopération encore plus étroite à l'avenir. Je vous suis très obligé de tout le temps que vous avez bien voulu consacrer à nos entretiens qui furent pour moi des plus agréables et des plus féconds et j'exprime le vœu qu'ils mènent à d'autres échanges de vue, d'une égale sincérité.

Je vous serais reconnaissant de bien vouloir transmettre à vos collaborateurs mes plus vifs remerciements pour avoir contribué à rendre ma visite à Paris aussi instructive et agréable.

Veuillez agréer, Monsieur le Premier Ministre, l'expression de ma très haute considération.

Robert S. McNamara

Son Excellence
Jacques Chaban-Delmas
Premier Ministre
Hôtel Matignon
Paris
France

488/4/127

25

MARCH 25, 1970

SON EXCELLENCE
FELIX HOUPHOUET BOIGNY
PRESIDENT REPUBLIQUE
ABIDJAN

NLT

IVORY COAST

JE SUIS HEUREUX DE VOUS FAIRE CONNAITRE QUE CONSEIL D'ADMINISTRATION DE LA
BANQUE A APPROUVE CE JOUR UNE PROPOSITION DE PRET DE \$11 MILLIONS A LA
REPUBLIQUE DE COTE D'IVOIRE POUR LA REALISATION DU PROJET EDUCATION STOP
JE VOUS PRESENTE MES COMPLIMENTS DE CE RESULTAT ET J'ESPERE QUE LE PROJET
APPORTERA UNE CONTRIBUTION IMPORTANTE AU DEVELOPPEMENT ECONOMIQUE ET HUMAIN
DE VOTRE PAYS STOP TRES HAUTE CONSIDERATION

(Signed) Robert S. McNamara
MCMAMARA

(Unofficial translation - Not for transmission)

I am greatly pleased to inform you that the Board of Directors of the Bank
has approved a proposed loan of \$11 million to the Ivory Coast for the
implementation of an education project stop please accept my congratulations
for this event stop I am hopeful that this project will greatly contribute
to the economic and human development of Ivory Coast stop regards

ROBERT S. MCMAMARA

- cc: Mr. Kochman
- cc: Mr. Christoffersen (Office of the Pre
- Mr. Ballantine (Education)
- Mr. Lethem (Education)
- Mr. Suratgar (Legal)
- Mr. Petretti (Controller's)
- FWA

MLBasin:sjb

488/4 1/26

March 24, 1970

Dear Mr. Power:

Mr. McNamara has asked me to send you the enclosed materials in answer to your request of last Friday.

If they are not appropriate for your purpose or if you have any questions, Mr. McNamara would be happy to talk to you.

Sincerely,

(Miss) Margaret S. Stroud
Secretary to Mr. McNamara

Mr. Eugene B. Power
989 Forest Barton Hills
Ann Arbor, Michigan 48103

Enclosures - 3

488/4 /125

THE RT. HON. THE EARL OF CROMER
8 BISHOPSGATE
LONDON, E. C. 2

MARCH 24, 1970

ENGLAND

REGRET MUST RETURN US SUNDAY EVENING. THEREFORE UNABLE ACCEPT YOUR
INVITATION. MANY THANKS.

ROBERT S. MCNAMARA

INTBAFRAD

Robert S. McNamara

President

RMcN:mss

488/4 / 124

March 23, 1970

Dear Tom:

When you were here earlier this month, I promised to write you about the help that IFC might get from the Bank of America as a "deal finder" in Latin America.

I have checked with Bill Gaud, who welcomes any help that you can give IFC in this respect. He would like to have referred to him anyone seeking financing of \$1 million or more -- perhaps \$500,000 or more in Central America -- for an industrial enterprise that is wholly or partially owned by local interests. I suggest you get in touch with Bill if you would like to set up some mechanics for arranging this.

We will follow LAAD's progress with great interest. I particularly like the emphasis on distribution and marketing as well as production. Please let me know if any situation arises in which IFC can be of help to LAAD.

Sincerely yours,

Robert S. McNamara

Mr. Tom Coughran
Executive Vice President
Bank of America
41 Broad Street
New York, N. Y.

WSGaud:db
March 23, 1970

cc - Mr. McNamara ✓
Mr. Chanmugam

488/4 / 124

March 23, 1970

Dear Tom:

When you were here earlier this month, I promised to write you about the help that IFC might get from the Bank of America as a "deal finder" in Latin America.

I have checked with Bill Gaud, who welcomes any help that you can give IFC in this respect. He would like to have referred to him anyone seeking financing of \$1 million or more -- perhaps \$500,000 or more in Central America -- for an industrial enterprise that is wholly or partially owned by local interests. I suggest you get in touch with Bill if you would like to set up some mechanics for arranging this.

We will follow LAAD's progress with great interest. I particularly like the emphasis on distribution and marketing as well as production. Please let me know if any situation arises in which IFC can be of help to LAAD.

Sincerely yours,

Robert S. McNamara

Mr. Tom Coughran
Executive Vice President
Bank of America
41 Broad Street
New York, N. Y.

WSGaud:db
March 23, 1970

cc - Mr. McNamara ✓
Mr. Chanmugam

488/4 1122

MAR 23 1970

Dear Dr. Berelson:

Thank you for your letter of March 6 enquiring whether the Bank can make a grant to the Council in support of your information service. I am of course aware of the important work being done by the Council through this service, particularly its value to institutions and governments in developing countries. I have given careful consideration to your request, and I am happy to say that the Bank will be willing to make a grant of \$25,000 a year for the next two years in partial support of the information service. The Council would be free to use this money in any way it felt suitable, but in making the grant it is assumed that the information service will follow the general outline developed in the last year, as set out in the attachment to your letter.

In making this grant the Bank expects to receive considerable benefits as a recipient from the continuation of the information service. We attach particular importance to the following items provided by the service:

1. Studies in family planning
2. Current publications in population/family planning
3. Country profiles
4. Reports on population/family planning
5. Documentation services

We also consider that the manner in which you propose to expand the information provided under the above headings will be particularly useful to the Bank in its work. It will enable us to proceed without the necessity of employing additional staff in order to collect and maintain the information which will be available from the service.

The Bank would like to be consulted from time to time on any changes and additions which may be proposed in the information service, and would also like to receive appropriate reports on the use made of it, with special reference to its usefulness to the developing countries.

Sincerely,

Robert S. McNamara

Dr. Bernard Berelson
President, The Population Council
245 Park Avenue
New York, N.Y. 10017

488/4/1921

MAR 23 1970

Dear Mr. de Fouchier:

I thank you for your letter of March 10.

I welcome your interest in World Bank activities in Latin America and am grateful for your offer of cooperation. In the same spirit of cooperation our staff recently discussed our operations in Argentina and Bolivia with your representative, Mr. Nicolas Constantinesco.

As you are probably aware, the joint financing of the Marimbondo hydroelectric project in Brazil was discussed at a meeting of the representatives of the Bank and the governments of the major capital exporting countries in Paris on March 11 and 12 and agreement was reached on the basic principles for this joint financing. I trust that the French authorities will inform you of the details of arrangements they envisage for French participation in the project.

The Argentine railways are at present finalizing an investment plan and we expect to appraise this during May and June 1970. During the appraisal and consequent discussions we hope to assess the financial requirements of the railways and shall also discuss with the Argentine authorities what, if any, coordination is called for among external lenders to finance the program.

I look forward to a fruitful association between our institutions in the field of development.

With best regards.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. J. de Fouchier
Chairman of the Board
Banque de Paris et des Pays-Bas
3 rue d'Antin
Paris, France

cc: 2 copies for Mr. McNamara's office
Mr. Alter
Mr. Skillings
Mr. Husain

SAWMeini/bds
3/19/70

Chron file

488/4 1720

March 20, 1970

Dear George:

I wish I could, but I can't make a contribution toward the projected meeting of the International Statistical Institute.

I would be delighted to meet with you. Please pick a time and ask your secretary to make the arrangements.

With best wishes,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Dr. George H. Brown
Director
Bureau of the Census
U.S. Department of Commerce
Washington, D. C. 20233

MLHoffman:RHDemuth:RMcN:mss

488/4/119

Copy for President's Office

MAR 20 1970

Dear Dr. Candau:

Thank you for your cable of March 9 informing me that the meeting of agencies concerned with the promotion of research in the biomedical aspects of reproduction has been postponed to June 10-12. We shall certainly plan to have a representative of the World Bank attend this meeting, to which we attach considerable importance.

With kind personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

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

GZaidan:RHDemuth:tf
March 19, 1970

cc: Messrs. Chadenet
Dr. Kanagaratnam/Mr. Zaidan
Mr. Hawkins

488/4 1/18

SIR GEOFFREY WILSON

MARCH 19, 1970

MINISTRANT

FULL RATE

LONDON

ENGLAND

REURCAB M224 EYE WILL ARRANGE OWN TRAVEL TO AND FROM DITCHLEY PARK STOP
AT PRESENT ~~IS~~ UNABLE TO TELL YOU TIME AND PLACE OF ARRIVAL IN UK
STOP WILL ADVISE LATER WARM REGARDS

ROBERT S. MCNAMARA
INTBAFRAD

L.E. Christoffersen

Office of the President

LEC:ml

488/4 /MB

March 18, 1970

MEMORANDUM FOR MR. PLESCOFF

I have returned from Paris filled with the stimulation of the past three days, and I want to write at once to thank you for all the trouble you took in making the arrangements.

I thought the visit was most worthwhile and I hope you do. It gave me far clearer insight into French thinking on all manner of topics, and I hope it will enable me to bring the Bank and the French Government into ever closer cooperation.

Thank you once again most sincerely for all your efforts in the past two years and particularly in the past few days to this same end.

Robert S. McNamara

498/4/115

QUAKER UNITED NATIONS OFFICE
345 EAST 46TH STREET
NEW YORK, NEW YORK

MARCH 18, 1970
FULL RATE

HAPPY TO ACCEPT SECRETARY GENERAL'S INVITATION TO MEET WITH HIM
MAY 26 THROUGH MAY 29.

R. McN
ROBERT S. MCNAMARA
INTBAFRAD

Robert S. McNamara
President

RSMcN:pay

688/4/114

MAR 13 1970

Dear Dr. Zijlstra:

I want to thank you for your kind invitation to the Annual General Meeting of the Bank for International Settlements on June 8. To my great regret I will not be able to attend because of prior commitments. I do however hope that Mr. Irving S. Friedman and Sir Denis Rickett will be able to come. I am asking them to get in touch directly with you when their plans will have been firmed up.

With my kindest personal regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Dr. J. Zijlstra
President
Bank for International Settlements
Basle (Switzerland)

cc: Mr. McNamara (2) ✓
Cleared with and cc: Mr. Friedman
cc: Sir Denis Rickett

Central Files with incoming letter

FGonsolo:da
March 13, 1970

(for Mr. McNamara's Office)

MAR 13 1970

488/4/113

Mrs. Diana T. MacArthur
5313 Albemarle Street, N.W.
Washington, D.C. 20016

Dear Diana:

Your letter of March 4 indicates that you are sensitive to some of the problems of economic and social development that are far more subtle and intractable than those involved in building dams or highways. Your hunch is right, however, that the Bank does not have a post of the kind you have in mind.

I'll see if I can briefly explain why. It is not that we are unaware of the need for supporting services for many types of projects or the possibility of using volunteer groups to provide some of the services in certain situations - although I must say that so far we have found very few cases in which the volunteer formula seemed to fit our kind of projects directly. It is rather that the very nature of the Bank and its approach to development finance makes it inappropriate for us to become directly involved in carrying out the management of projects. Were we to do so, we could easily become a monstrous organization with thousands of people in every corner of the developing world mixing into all aspects of our member countries' economic and social life. The Bank has refused to go down that road. We have kept the institution comparatively small. It is headquarters centered without the large field staff that have characterized AID, for instance. Instead we have followed the policy of placing on the borrower the responsibility for carrying out and managing projects. We supervise, advise and sometimes complain, but we do not mix in day-to-day operations. When, as is often the case, the borrower needs operational assistance, we will help arrange for it, and sometimes finance it as part of a loan or credit. But we don't do it ourselves.

You mention the use of volunteers in connection with FAO and ILO projects. Of course, we work very closely with these other members of the U.N. family of Specialized Agencies, as well as with the UNDP, UNESCO, and WHO. If there ever

should be any scope for the organization of volunteer services in connection with our projects, I think it is almost certain that we would look to one of those agencies to identify the needs and supervise the operation rather than trying to do it ourselves. If you want to explore the possibilities for working along the lines of your interest with one of the other Specialized Agencies, I am sure our Personnel Division could put you in touch with the right people.

Warm personal regards.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

MLH:RAClarke/mg
March 12, 1970

cleared with Mr. Twining

March 13, 1970

488/A M12

Dear Mr. Ambassador:

I am writing in reply to your letter dated February 26, 1970, in which you express the interest of your Government in the possibility of a loan for the Animal Husbandry School of the Faculty of Agriculture and Veterinarian Sciences of the National University "Pedro Henriquez Urdía."

A mission from the International Development Association headed by Mr. Dimitri Koulourianos will visit the Dominican Republic for several weeks beginning on or around April 9, 1970, in order to appraise a project in the field of education for which financial assistance has been requested. While we could not consider a separate loan for the Animal Husbandry School, it is just possible that some funds for this school could be included in the proposed IDA credit for education, and I would therefore suggest that the appropriate Dominican authorities discuss the project mentioned by you with the mission during its visit to your country.

With best personal regards,

Sincerely,

Robert S. McNamara

His Excellency
Dr. Mario Read-Vittini
Ambassador E. and P.
Embassy of the Dominican Republic
1715 - 22nd Street, N. W.
Washington, D. C. 20008

FGBochenski/EPWright/LEChristoffersen:mss
Cleared with & cc: Messrs. D. Koulourianos/J.J.Stewart (Education Proj.)

488/4/111

MAR 13 1970

His Excellency
Major-General Yakubu Gowon
Head of the Federal Military
Government and Commander in
Chief of the Armed Forces
Dodan Barracks
Lagos, Nigeria

Your Excellency:

I was glad to have Mr. Chaufoournier's report on his recent visit to Nigeria, and I hasten to express my warm thanks for the cooperation and courtesies extended by your Government to his Mission. He has told me about his meeting with you, and I would like to confirm that we look forward to close cooperation with your Government in its efforts to accelerate the development of Nigeria.

It was clear that considerable effort had been expended on preparing for the Mission and, as a result, it was able before it left to discuss with your senior officials the possibility of a Bank lending operation for transportation which should be of material help in Nigeria's rehabilitation. I believe that the proposals of the Mission provide a suitable basis for an early lending operation, and Mr. Chaufoournier will be writing to Mr. Atta on this matter in the very near future.

The Bank's Economic Mission, which is planning to arrive in Lagos April 20, will be discussing, amongst other things, Nigeria's 5-year Development Plan which is now being prepared, and we are looking forward to participating with other lenders in the financing of the economic development based upon this plan. We think that with the return of political stability, the outlook for economic progress in Nigeria is good given the prospects for petroleum and the growth potential of the rest of the economy. I welcome the assurances of orderly management and effective use of resources which you gave to the Mission, since these are vital factors in development.

...

His Excellency
Major-General Yakubu Gowon

- 2 -

I expect that the Resident Mission, which the Bank will soon be establishing in Nigeria will play a useful role and lead to even closer relations between Nigeria and the Bank Group than we have had in the past.

With best wishes for success in your task,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

F.Povey/M.Burney/R.Chaufournier:ja
IBRD (March 13, 1970)

cleared with and cc: Mr. Cope
cc. Mr. Povey (Western Africa)
Mr. Burney (Chief, Nigeria Resident Mission)
Mr. van Helden (Transp. Projects)
Mr. Kahangi, E.D.

488/4/110

MAR 12 1970

Sire,

La délicate attention que Votre Majesté vient de témoigner à Mme McNamara et à moi-même nous a profondément touchés. Nous sommes particulièrement sensibles à ce que Votre Majesté se soit attachée à nous offrir les spécimens mêmes de l'artisanat marocain qui avaient suscité notre admiration lors de notre récente visite dans Votre Royaume.

Mme McNamara et moi-même avons gardé de notre séjour au Maroc le souvenir le plus attachant et voudrions vous assurer, Sire, que nous apprécions d'autant plus ce gracieux geste de Votre Majesté pour lequel nous tenons à vous exprimer nos plus sincères remerciements.

Je vous prie d'agréer, Sire, les assurances de ma très haute considération.

(Signed) Robert S. McNamara

Robert S. McNamara

Sa Majesté
Hassan II
Roi du Maroc
Palais Royal
Rabat

cc: Mr. Tazi

March 12, 1970

OOP

488/4/109

le 11 mars 1970

Son Excellence
Monsieur Diouri Hamani
Président de la République
Niamey, Niger

Monsieur le Président,

Par lettre du 29 décembre 1969 vous avez bien voulu nous informer de l'évolution du projet relatif à la mine d'uranium d'Arlit et nous annoncer l'envoi à Washington d'une délégation chargée d'en discuter avec la Banque. J'ai pensé qu'il serait opportun de vous faire part de notre manière de voir au sujet de votre souhait d'obtenir l'assistance de notre Groupe pour le financement de la route destinée à servir la mine sous la forme d'un crédit à long terme et à bas taux d'intérêt.

D'après les informations dont nous disposons, cette route nous paraît faire partie intégrante du projet de mise en exploitation du gisement puisque, d'après les estimations des consultants, la part de trafic non imputable aux activités de la mine ne représentera dans les années à venir qu'environ 8 à 10% du trafic total. Dans ces conditions, il n'est donc pas possible d'envisager le financement de ce type de projet sur les ressources de l'Association Internationale de Développement qui, comme vous le savez, sont limitées. Nous estimons en effet qu'il est préférable de les réserver à ceux des projets de développement dont le financement ne pourrait pas être obtenu aux conditions normales du marché des capitaux; ceci ne semblerait pas devoir être le cas pour une opération comme celle de l'exploitation de la mine d'Arlit qui devrait rapporter aux promoteurs des revenus en devises suffisants pour servir de garantie aux emprunts contractés sur le marché.

Resterait cependant la possibilité d'un concours de notre Groupe sous la forme d'un prêt de la Banque qui serait naturellement assorti des conditions généralement pratiquées pour les projets industriels de cette nature. S'il s'avère en effet qu'une participation de la Banque est indispensable pour la réalisation de ce projet minier et s'il est établi que ce projet comporte des avantages importants pour le Niger, nous serions alors prêts à discuter plus avant des modalités de financement de l'opération, soit par la Banque seule soit conjointement avec d'autres organismes. Comme vous le savez peut-être, c'est sur une base analogue que la Banque a participé au financement des projets Miferma en Mauritanie et Boké en Guinée.

De toutes les manières nous sommes tout à fait disposés, comme indiqué dans notre télégramme du 20 février, à passer en revue avec votre délégation les questions dont elle voudra bien nous entretenir.

Je reste pour ma part attentif à toutes informations que vous jugeriez utile de me communiquer sur votre manière de voir et vos démarches au sujet du financement du projet.

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

Robert S. McNamara

RChaufournier/ARgué/MLBazin:sjb

cc: Mr. Christoffersen (Office of the President)
Mr. H. Young (Transportation Projects)
PMWA

cc: Mr. Kochman

March 11, 1970

Son Excellence
Monsieur Diouri Hamani
Président de la République
Niamey, Niger

Dear Mr. President:

In your letter of December 29, 1969, you informed us of developments regarding the project for a uranium mine at Arlit and announced the visit of a delegation to discuss the matter with the Bank. I would like now to give you a reaction to your suggestion that the Bank Group assist by means of a long term, low interest credit for the financing of the road to the mine.

From information available to us, the road appears to be an integral part of the project for the exploitation of the ore body since, according to the estimates provided by the consultants, the amount of road traffic which is not attributable to the operation of the mine will represent only 8 to 10% of the total traffic in the years to come. It would, therefore, not be possible to finance this type of project out of the resources of the International Development Association, which, as you know, are limited. We consider that it is preferable to reserve these resources to those development projects for which financing cannot be obtained on usual market terms for capital; this would not seem to be the case for an operation such as the exploitation of the Arlit mine, which should generate for the sponsors revenue in foreign exchange sufficient to provide guaranties for conventional borrowing.

There remains, however, the possibility of our collaboration in this project by means of a Bank loan which, of course, would contain conditions ordinarily attached to industrial projects of this type. If it appeared, in fact, that participation by the Bank is indispensable for the realization of this mining project and if it is shown that this project would provide Niger with important advantages, we would then be ready to discuss further the means of financing this operation, either by the Bank acting alone or jointly with other parties. As you may know, Bank financing of the Miforma project in Mauritania and of the Boké project in Guinea was provided on this basis.

In any case, we are prepared, as I indicated in our telegram of February 27, to review with your delegation the questions which it might wish to raise with us.

- 2 -

I shall be interested in receiving any further information which you might consider useful for me to have concerning your view of this matter and the steps which you have taken regarding the financing of the project.

Sincerely,

Robert S. McNamara

Cc: Mr. Christoffersen
Mr. Kochman
Mr. H. Young
PWNA

RChaufournier/SCSchott:jlw

488/4 408

March 11, 1970

His Excellency
Il Kwon Chung
Prime Minister of Korea
Seoul

Dear Mr. Prime Minister:

I am writing to thank you for your letter of February 19th, which was delivered to me earlier this month by your Ambassador in Washington, and for your most kind invitation to my wife and me to visit your country.

Since joining the Bank nearly two years ago I have followed with the utmost interest and admiration the rapid economic progress being made by Korea, and have wanted to get a first hand impression of how it has been achieved. I am therefore very happy that my plans permit me to make a brief visit to East Asia this spring and I accordingly have much pleasure in accepting your invitation.

Mrs. McNamara and I expect to arrive in Seoul on the evening of May 13th, and I look forward to calling on you early in my visit.

With warm personal regards and good wishes,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

488/4 /107

MAR 10 1970

Dear Mr. Minister:

During your recent visit in Washington you discussed with me your desire that to the extent consultants were required on highway projects in the Argentine, maximum use be made of local firms. I share your feelings and wish to assure you we will make every effort to accomplish your objective.

As you will see from the enclosed report, we appear to be making progress.

Mr. Alter will be writing you in the next few days setting forth details of our plans for the Bank's operations in Argentina over the next year.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
Dr. Jose Maria Dagnino Pastore
Minister of Economy and Labor
Buenos Aires, Argentina

Enclosure

RMcN:mss:bds

cc: Dr. Caram

3/9/70
LCC

488/4/105

POINTS OF INTEREST

CONGO (K)

1. France's technical assistance in Congo(K) ranks second to Belgium's. There are about 300 French technical assistance experts, half of which are teachers.

2. Since July 1968 economic mission, the French have been particularly receptive to the Bank's new orientation in Congo. FAC welcomed the opportunity to co-finance team of planning experts (1/3 Bank, 1/3 FAC and 1/3 Gov., of total \$600,000) and to subscribe (CCCE and the Banque Francaise du Commerce Extérieur) to the share capital of the Development Finance Corporation, SOCOFIDE, set up with World Bank Group assistance.

3. Regular exchanges of views have been maintained over the last two years between the Bank and FAC. The French recognize the need for aid coordination and are likely to agree to participate in the consultative group.

4. Projects in the fields of telecommunications, water supply, urbanization and aviation could become prospective avenues of cooperation between the World Bank Group and FAC.

48 8/4/104

MAR 9 1970

Dear Mr. Hoffman:

I refer to your telegram of February 21, on the forthcoming meeting of the IACB to be held in Geneva from March 31 to April 1. While I regret that previous commitments will not allow me to come to this meeting, I am pleased to inform you that the Bank will be represented by Mr. Richard H. Demuth, Director, Development Services Department, who will also attend the two day meeting of senior officials immediately following the IACB meeting. Mr. Demuth will be accompanied by Mr. Vincent J. Riley, Chief, Technical Assistance Division, Development Services Department.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Paul G. Hoffman
Administrator
United Nations Development Programme
866 United Nations Plaza
New York, 10017

cc: Mr. McNamara (2)
Mr. Demuth
Mr. Riley

Central Files with incoming telegram

FConsolo/RHDemuth:mmcd
March 6, 1970

To Mr. McNamara's office

488/4/103

MAR 9 1970

Dear L. K.:

I was most pleased to learn from your cable of February 20 that you have subscribed \$1 million to the World Bank's latest issue of two-year bonds.

I welcome your action not only as an expression of your confidence in our bonds as an investment instrument but as a very valuable support for the World Bank in its efforts to promote the economic development of member countries.

I look forward to seeing you soon in Washington in your new capacity as Ambassador to the United States.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. L. K. Jha
Governor
Reserve Bank of India
Bhagat Singh Road
Bombay, India

cc: Sir Denis Rickett
Mr. S. R. Cope
Mr. Lester Nurick
Mr. E. H. Rotberg
New Delhi Office

AFKirk/bj

488/4/102

(for Mr. McNamara's Office)

MAR 9 1970

Dear Mr. Ambassador:

Thank you for your letter of February 25 regarding Mr. Stein L. Halvorsen.

Your warm recommendation of this man reinforces our impressions of him here. We are certainly interested in following up and hope to arrange for Mr. Halvorsen to be interviewed in Europe by one of our senior officers within the next few weeks.

We very much appreciate your support of Mr. Halvorsen for we are always on the lookout for good people.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
Philip K. Crowe
American Ambassador
Oslo, Norway

RAClarke/mg
March 6, 1970

cleared with Mr. Twining

488 / 4 / 101

MAR 9 1970

(for Mr. McNamara's Office)

Dear Ed:

I appreciated your friendly letter of February 27 calling my attention to Mr. Samuel S. Rea, and his interest in a possible association with the Bank. From what you say about Mr. Rea, he does look interesting and I have asked our Personnel Division to follow up.

You have my assurance that we will give him every consideration.

With warm best wishes.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Edward K. Dunn
Chairman of the Executive Committee
Robert Garrett & Sons Incorporated
Garrett Building
Baltimore
Maryland 21203

TMNoone/bc
March 5, 1970

cleared with Mr. ^{Twining}Ripman

488/4/100

(for Mr. McNamara's Office)

MAR 9 1970

Dear Bill:

REC'D - SGIFW
MAR 10 1970
STATE DEPT

I am writing to thank you for your letter of March 2 in which you have called attention to the interests of Mr. Pedro A. Sanjuan in exploring the possibilities of an association with the Bank.

Please be assured that the appropriate officials of the Bank will give Mr. Sanjuan's interests every consideration and that we shall be communicating with him regarding this matter in the usual way.

I very much appreciate your interests in the cause of development and your calling my attention to Mr. Sanjuan's continuing interest in our field.

With best wishes.

Sincerely,
(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
J. W. Fulbright
United States Senate
Washington, D.C. 20510

TNoone/mg
March 6, 1970

cleared with Mr. Twining

488/4/99

SIR DENIS RICKETT

MARCH 6, 1970

INTBAFRAD

NIGHT LETTER

LONDON

ENGLAND

DECLASSIFIED

~~CONFIDENTIAL~~
SEP 19 2012

ALTHOUGH THE PETERSON COMMISSION REPORT HAS NOT YET BEEN RELEASED TO THE PRESS, AND SHOULD NOT BE REFERRED TO EVEN IN PRIVATE MEETINGS UNTIL IT IS, I THOUGHT YOU WOULD BE INTERESTED IN CERTAIN EXTRACTS FROM THE REPORT:

1. THE UNITED STATES SHOULD REDESIGN ITS POLICIES SO THAT THE INTERNATIONAL LENDING INSTITUTIONS BECOME THE MAJOR CHANNEL FOR DEVELOPMENT ASSISTANCE.
2. ADDITIONAL RESOURCES, PRIMARILY IN SUPPORT OF INTERNATIONAL LENDING INSTITUTIONS, ARE NEEDED NOW FOR A NEW APPROACH TO INTERNATIONAL DEVELOPMENT.
3. AN INCREASE IN INTERNATIONAL DEVELOPMENT ASSOCIATION LENDING IS CRITICAL TO ESTABLISH AN INTERNATIONAL FRAMEWORK FOR DEVELOPMENT.
4. THE CURRENT LEVEL OF COUNTRY CONTRIBUTIONS TO IDA IS FOUR HUNDRED MILLION ANNUALLY. 5
5. THE TASK FORCE RECOMMENDS THAT THE UNITED STATES TAKE THE LEAD

Robert S. McNamara

President

RSMcN:pay

488/4/98

DECLASSIFIED

SEP 19 2012

PAGE TWO

WBG ARCHIVES
CONFIDENTIAL

IN SUPPORTING THE PEARSON COMMISSIONS RECOMMENDATIONS THAT THESE CONTRIBUTIONS BE INCREASED TO ABOUT ONE BILLION A YEAR BY 1972 AND A BILLION AND A HALF BY 1975. ↵

5. THE UNITED STATES SHARE WOULD BE FORTY PERCENT OF THE TOTAL.

5. THE TASK FORCE RECOMMENDS THAT THE UNITED STATES PROPOSE THAT ALL INDUSTRIAL COUNTRIES AGREE TO UNTIE THEIR BILATERAL DEVELOPMENT LENDING; THE CREATION OF NEW INTERNATIONAL RESERVES, WHICH IMPROVES WORLDWIDE LIQUIDITY AND WAS DESIGNED TO HELP COUNTRIES REMOVE RESTRICTIONS ON TRADE AND PAYMENTS, PROVIDES FURTHER SUPPORT FOR ACTIONS TO UNTIE DEVELOPMENT LENDING ON A MULTILATERAL BASIS.

6. THE DOWNWARD TREND IN UNITED STATES DEVELOPMENT ASSISTANCE APPROPRIATIONS SHOULD BE REVERSED [BUT] THE TASK FORCE HAS RESERVATIONS ABOUT THE USEFULNESS OF ANY FORMULA TO DETERMINE HOW MUCH ASSISTANCE THE INDUSTRIAL COUNTRIES SHOULD PROVIDE.

ROBERT S. MCNAMARA
INTBAFRAD

488/4/96

T. B. SKINNER
UNIVERSITY OF ABERDEEN
MARISCHAL COLLEGE
ABERDEEN SCOTLAND

MARCH 6, 1970
FULL RATE

GREATLY COMPLIMENTED BY YOUR OFFER OF HONORARY DEGREE STOP WOULD BE
HONORED TO ACCEPT BUT FIND IT IMPOSSIBLE TO BE PRESENT IN PERSON ON
THE DATES PROPOSED STOP LETTER FOLLOWS

ROBERT S. MCNAMARA
INTBAFRAD

Robert S. McNamara
President

cc: Mr. Clark
Mr. Fulton

LEChristoffersen:RSMcNamara:ml

488/4/94

MAR 5 1970

Dear President Lleras:

Thank you for the invitation extended to me in your letter of February 13, to visit Colombia as guest of the Government, and to sign the Bank loans which I expect to present to the Executive Directors between now and June.

I am happy to accept your invitation, and look forward with great pleasure to meeting you again and to making my first visit to your country. I would suggest that the visit take place in June, on a date to be arranged in due course, through your Embassy and your Executive Director, Dr. Virgilio Barco; and I am taking advantage of Dr. Barco's forthcoming journey to Colombia to have him convey this letter to you.

With best personal regards.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
Dr. Carlos Lleras Restrepo
President of the Republic of Colombia
Bogotá D.E., Colombia

cc: His Excellency
Dr. Douglas Botero Boshell
Ambassador of Colombia

Dr. Virgilio Barco V.

RMFrost:ms.
March 3, 1970

488/4/93

MAR 5 1970

Dear Mr. Ammar:

Thank you for conveying to me the Director-General's invitation to the Bank, to send a representative to attend an informal meeting to be held by Mr. Dudley Seers at the ILO in Geneva on March 24 and 25.

I am proposing to send Mr. Dragan Avramovic, Chief Economist of our South America Department, who is presently leading the Bank's economic mission in Colombia, and who has been consulting with Professor Seers; and also Mr. Edward Hawkins from our Economics Department which has a general concern with questions of employment policy.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Abbas Ammar
Deputy Director-General
International Labour Office
CH 1211
Geneva 22, Switzerland

cc: Messrs. Kamarek
Avramovic
Hawkins
DeHaen

RMFrost:eb
March 4, 1970

488/4/92

(For Mr. McNamara's Office)

MAR 5 1970

Dear Mr. Zablocki:

Thank you for your recent letter regarding Mr. Alexander Gritz's interest in employment by the Bank Group.

We have received a large number of replies to our advertisement for geographers and it will be some time before we are able to make a final decision. Our Personnel Division will invite Mr. Gritz for an interview within the next few days.

You may rest assured that his application will be given very serious consideration and that your own strong endorsement will be taken very much into account.

Sincerely,
(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
Clement J. Zablocki
House of Representatives
Washington, D. C. 20515

RAClarke/mg
March 3, 1970

cleared with Mr. Twining

488/4/91

(for Mr. McNamara's Office)

MAR 4 1970

Dear John:

Thank you for your letter of February 18 regarding Dr. Peter Ching's interest in employment with the World Bank.

In order to ascertain whether we may have a suitable opening for someone of Dr. Ching's background and experience, I have asked the Personnel Division to invite him in for an interview. You may be assured that he will be given every consideration.

With best wishes.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
John Sparkman
United States Senate
Washington, D.C. 20510

RAClarke/mg
March 2, 1970

cleared with Mr. Ripman

488/4/90

BARON GUY DE ROTHSCHILD

MARCH 4, 1970

21, RUE LAFITTE

FULL RATE

PARIS 9^e

FRANCE

WILL ARRIVE PARIS LATE SATURDAY MORNING MARCH FOURTEEN FOR OFFICIAL
VISITS BEGINNING MONDAY MARCH SIXTEEN TO PRESIDENT, PRIME MINISTER
AND OTHER MEMBERS GOVERNMENT STOP WOULD BE MOST GRATEFUL IF COULD
MEET WITH YOU FOR A SHORT TIME SATURDAY AFTERNOON AT TIME AND PLACE
OF YOUR CHOOSING STOP BEST REGARDS

ROBERT S. MCNAMARA

INTBAFRAD

Robert S. McNamara

President

HPBenjenk:RSMcNamara:ml

488/4/89

MAR 3 1970

Col. Jose Costa Cavalcanti
Ministro do Interior
Ministerio do Interior
Rio de Janeiro
Brazil

Dear Mr. Minister,

It was a great pleasure to meet you again in Washington on the occasion of the signing of the loan to the Banco do Nordeste do Brasil. I greatly appreciated the opportunity we had subsequent to the loan signing to discuss the progress and the problems of the Government's program for economic and social development in the Northeast, and to exchange views on the role the Bank might play in support of this program.

As you know, the Bank is now intensively studying the problems of agricultural development in Brazil in order to identify the key obstacles to a more rapid growth of production and exports and to determine the areas in which Bank assistance might be most useful. Your Government's application for Bank assistance in financing three irrigation projects, presented in your letter to me of February 14 is, thus, most timely and the three projects will receive our most careful consideration. The Petrolina project in the Sao Francisco Valley in the Northeast is one whose progress we have been closely following for some time. We hope to receive the full feasibility report on this project in the near future and we are prepared thereafter to promptly send a mission to Brazil to appraise the project. The other two projects, Banabuiu and Camaqua, are less familiar to us but the available information on them is being studied by the Agricultural Mission which visited Brazil toward the end of last year. We will be better able to advise you of our views on these projects when the mission completes its report, and further information is available from the full feasibility studies.

We understand that the feasibility study on Banabuiu has been completed and we will be most interested in receiving this report as well as the one currently under preparation on the similar Guru project in the same region. As regards Camaqua, we feel it would be useful if the staff of the FAO/IBRD Cooperative Program could have the opportunity in the near future of discussing the feasibility study with your consultants (OTI-INTECSA, Madrid). Your assistance in arranging for such discussions would be greatly appreciated.

With best regards.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

RDosik: tg

488/4/88

March 2 1970

My dear Perez-Guerrero,

This is in reply to your letter of February 19 regarding supplementary financial measures.

Please be assured that there will be a report to the Trade and Development Board on progress in the field of supplementary financial measures.

Your assurance that it remains within the discretion of the World Bank to decide when and in what form this report should be made to the Trade and Development Board is most appreciated.

Sincerely,
(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Manuel Perez-Guerrero
Secretary-General
United Nations Conference on
Trade and Development
United Nations
New York, N.Y.

cc: Mr. Demuth

Irving S. Friedman/dm
March 2 1970

Mr. Christoffersen
488/4/87

MAR 2 1970

Lic. Antonio Ortiz Mena
Ministro de Hacienda
Secretaría de Hacienda y Crédito Público
México, D.F.
México

Dear Mr. Minister:

As you will have heard, the Executive Directors last Tuesday approved the \$125 million loan for the Mexican Power Program and once again demonstrated their confidence in Mexico's capacity to make good use of external capital in the development of its economy. With this loan the Bank's aggregate lending to Mexico is increased to \$957 million, and Mexico becomes the Bank's largest borrower in terms of commitments outstanding. I consider this a tribute to the skillful and imaginative way in which the economy has been managed during the past decade, and I am happy that the World Bank has been able to make some contribution to the successful accomplishment of your objectives.

The discussion at Tuesday's Board Meeting reflected general admiration for Mexico's remarkable achievement in sustaining such a high rate of economic growth without sacrificing financial stability. At the same time, considerable concern was expressed over the weakening of Mexico's external balance of payments in recent years and over the rapid accumulation of external indebtedness, and there was general agreement with the conclusions of the Bank's last economic report with respect, first, to the need to increase the level of taxation to pay for expanded social services and reduce income disparities and, second, to the importance of taking whatever other action may be necessary to maintain a strong balance of payments and safeguard Mexico's credit standing abroad. Particular stress was laid on the need for caution in entering into new external commitments for public sector investments and consequently on the necessity of placing increased reliance in future on domestic savings for financing the public investment program. The view was also expressed that, in restraining the growth of foreign exchange expenditures, Mexico should look to fiscal action rather than to direct controls.

There were two other themes in the Board discussion which I would like to mention to you. While welcoming the new loan, several Executive Directors felt that Bank lending to Mexico was still too heavily concentrated in the power sector, and that in future the proportion of lending for power should be reduced. Considerable concern was also expressed about the growing imbalance between urban and rural development in Mexico and about the need which your Government has recognized to pay more attention to social reform and to raising the living standards of the mass of the rural population.

Through our economic and other missions I hope that the Bank can continue to be of assistance to your Government in its search for answers to this very difficult problem of raising not only the quantity but also the quality of economic development. This year, as you suggested, we intend that the main focus of our mission work should be on the transport sector and you are, I believe, informed of the arrangements for the transport mission which is planned for April. We will aim to have the draft report of this mission ready for discussion with you by the beginning of October.

On the subject of the power loan itself, I was pleased to hear of the steps being taken in Mexico to initiate the program of frequency unification which, as you know, is a matter of great interest to the Bank. Several questions were raised about this at the Board Meeting and assurances were given that the necessary action was being taken to carry out the first phase of conversion in line with the program agreed during loan negotiations. This is the second largest loan which the Bank has ever made, the largest also being to Mexico for power in 1962, and I am happy that we have been able to contribute in this way to the dynamic growth of the economy.

With best regards,

Sincerely,
(Signed) Robert S. McNamara

Robert S. McNamara

cc: Dr. Machado
Mr. Weiner (PUP)
Mr. Hogg (TP)
Mr. Nelson (CAC)
Mr. Ross (CAC)

RNelson/EPWright/mpd

488/4/86

MAR 2 1970

Dear Kermit:

Many thanks for your letter of February 5 describing the Brookings' Economic Policy Fellowship Program.

As you know, a current participant in this program, Francis Colaco, is on assignment in our Programming and Budgeting Department. He is doing excellent work and we would certainly be interested in considering future candidates of Mr. Colaco's caliber for possible assignments within the Bank Group.

You may be aware of our own special recruitment-cum-training program through which we select each year a small number of academically well-trained but inexperienced candidates under 30 years of age. I enclose a descriptive brochure on our Program for Selecting Young Professionals for your information. Participants in the Young Professionals Program are given special rotational assignments during their first 12 to 18 months in the Bank as a prelude to a regular career with us.

In order to avoid a conflict between your own and our Young Professionals Program, I should like to propose that we consider generally candidates from your Fellowship program who are over 30 years of age and have already several years' post-graduate experience. It is extremely difficult for us to suggest particular assignments for Fellows without knowing their qualifications or interests. If you feel that among the nominations you have received there are some who would be interested in joining us for a time, I suggest you have one of your staff get in touch with Reginald A. Clarke, who is in charge of our Personnel Division, to see whether any arrangement satisfactory to all concerned can be worked out.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. Kermit Gordon
President
The Brookings Institution
1775 Massachusetts Avenue, N.W.
Washington, D. C. 20036

HJDyck/mg
February 25, 1970

cleared with Mr. Ripman

488/4/85

MAR 2 1970

(for Mr. McNamara's Office)

Dear Mr. Sturges:

Thank you for your very nice note.

I can well understand and certainly sympathize with your desire for a change at this stage of your career and I wish I could be of help to you. Unfortunately, we are seldom able to use "generalists" in our operations. Our Young Professionals Program, which is the way of entry into the Bank Group for those with limited practical experience, is geared very heavily indeed to those with high academic qualifications in such fields as business administration, economics, engineering or finance.

I am very pleased to have heard from you and will certainly tell Craig, who is now in California, that you asked about him. He would, I am sure, wish to be remembered to you.

I am sorry that I cannot be at all encouraging about prospects for you here, particularly since I very much sympathize with your motivation. I do hope that you will be able to find a meaningful and challenging position in the near future.

Sincerely,

(Signed) Robert S. McNamara
Robert S. McNamara

Mr. Sheldon B. Sturges
1246 27th Street, N.W.
Washington, D.C.

RAClarke/mg
February 27, 1970

cleared with Mr. Ripman

488/4/84

MAR 2 1970

Dear Len:

I am glad that my associates had an opportunity to explain to you the Bank's new and more active role in Mekong affairs. We expect to be working closely with the Mekong Secretariat in the future and I have decided to set up a small office in Bangkok to maintain technical liaison for this purpose. The office should be established by the end of May.

I am interested to know that you feel Thailand would benefit from a regional Bank presence in Bangkok. As you say, Thailand faces some difficult decisions and I am very conscious of the need to strengthen our support of the development effort in that country. No doubt Ray Goodman mentioned to you that we have recently suggested reviving the Consultative Group for Thailand, and that the Government has agreed. We intend to call a meeting of the Group in the next few months.

With kind regards,

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

The Honorable
Leonard Unger
American Ambassador
APO San Francisco, California 96346

RJGoodman:mh
February 27, 1970

cc: Messrs. Knapp
Shoib
Sadove