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THE WORLD BANK
Washington, D.C.

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McNamara Papers

Chronological files, 1969 (Jan.)

The World Bank Group
Archives



1772412

A1995-257 Other #: 1

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Robert S. McNamara Personal Chronological Files - Chrons 05

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WBG Archives

488/1/24

IBRD: BORROWINGS IN FY1969

First Half FY1969

US (Public)	Oct	\$ 250 m	6.51%
Central Banks	Oct	144.5	5.80
Bundesbank	Aug	64.5	6.00
	Oct	32	5.875
Germany (Girozentrale)	July	100	6.72
(Public)	Aug	100	6.61
(Girozentrale I)	Dec	37.5	6.54
Kuwait	Sept	42	6.73
Saudi Arabia	Oct	15	6.43
Switzerland	Nov	18.6	5.51
		<u>804</u>	<u>6.344</u>

Second Half FY1969

Central Banks	Mar	175	6.50
Bundesbank	Feb	64.5	6.50
Germany (Girozentrale II)	Jan	31.25	6.54
(Girozentrale III)	Mar	31.25	6.54
(Public)	Apr	100	6.54

Total Second Half, with
No US Borrowing a/ 402 6.516

US (Public - 200) b/ 200 7.00

Total Second Half, with
US Borrowing of \$200m 602 6.68

US (Public - 150) 150 7.00

Total Second Half, with
US Borrowing of \$150m 552 6.618

Total for FY1969

No New US Borrowing	1206	6.401
US Borrowing \$200m	1406	6.48
US Borrowing \$150m	1356	6.467

a/ There may be another Federal Republic of Germany borrowing prior to July 1, 1969, of approximately \$100 million at 6.50%.

b/ If the net cost of borrowing in the U.S. market remains at 7.00%, or above, it is unlikely we will borrow prior to July 1, 1969 and, if we do, it is unlikely the amount would exceed \$200 million.

1/31/89

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

STANDARD LOAN INTEREST RATES

May, 1947	4-1/4%
April, 1950	4-1/4%
August, 1951	4-1/2%
February, 1952	4-3/4%
December, 1952	4-7/8%
July, 1953	5%
February, 1954	4-7/8%
April, 1954	4-3/4%
June, 1956	5%
February, 1957	5-1/2%
May, 1957	5-5/8%
July, 1957	5-3/4%
October, 1957	6%
November, 1957	5-3/4%
December, 1957	5-5/8%
January, 1958	5-1/2%
April, 1958	5-3/8%
August, 1958	5-3/4%
April, 1959	6%
January, 1960	6-1/4%
March, 1960	6%
June, 1960	5-3/4%
August 27, 1962	5-1/2%
February 10, 1966	6%
December 28, 1967	6-1/4%
August 1, 1968	6-1/2%

Source of Information: Mr. Eugene H. Rotberg's file entitled "Loan Charges," Volume 1, paper dated August 5, 1966, marked Annex B, which provides the information up to August, 1962.

IBRD: WEIGHTED COST OF NEW BORROWINGS VS. INTEREST RATE ON NEW LOANS

(percentages)

	<u>New Borrowing Rate</u>		<u>Interest</u>	<u>Difference</u>
	<u>Past Six</u>	<u>Aver. Past Six</u>	<u>Rate on</u>	<u>(3) - (2)</u>
	<u>Months</u>	<u>and Next Six</u>	<u>New Loans</u>	<u>(4)</u>
	(1)	(2)	(3)	(4)
12/31/46				
6/30/47			4.25	
12/31/47	2.73	2.73	4.25	1.52
6/30/48	2.50	2.50	4.50	2.00
12/31/48			3.56	
6/30/49			4.50	
12/31/49		1.98	4.25	2.27
6/30/50	1.98	1.98	4.25	2.27
12/31/50		3.20	4.25	1.05
6/30/51	3.20	3.27	4.38	1.11
12/31/51	3.31	3.44	4.50	1.06
6/30/52	3.66	3.70	4.75	1.05
12/31/52	3.74	3.74	4.75	1.02
6/30/53		3.47	4.88	1.41
12/31/53	3.47	3.55	5.00	1.45
6/30/54	3.61	3.36	4.75	1.39
12/31/54	2.92	3.01	4.75	1.74
6/30/55	3.52	3.55	4.75	1.20
12/31/55	3.60	3.61	4.75	1.14
6/30/56	3.61	3.51	4.75	1.24
12/31/56	3.50	4.12	5.00	.88
6/30/57	4.31	4.39	5.63	1.24
12/31/57	4.46	4.01	6.00	1.99
6/30/58	3.73	3.68	5.50	1.82
12/31/58	3.60	3.93	5.75	1.82
6/30/59	4.45	4.63	6.00	1.37
12/31/59	4.81	4.83	6.00	1.19
6/30/60	4.84	4.42	6.00	1.58
12/31/60	4.19	3.93	5.75	1.82
6/30/61	3.68	3.81	5.75	1.94
12/31/61	4.15	4.31	5.75	1.44
6/30/62	4.50	4.19	5.75	1.56
12/31/62	3.37	3.87	5.50	1.63
6/30/63		4.00	5.50	1.50
12/31/63	4.00	4.00	5.50	1.50
6/30/64		4.19	5.50	1.31
12/31/64	4.19	4.53	5.50	.97
6/30/65	4.70	4.61	5.50	.89
12/31/65	4.34	4.83	5.50	.67
6/30/66	5.27	5.50	6.00	.50
12/31/66	5.61	5.51	6.00	.49
6/30/67	5.44	5.62	6.00	.38
12/31/67	5.88	6.18	6.00 ^{6.25}	(.18) .07
6/30/68	6.39	6.36	6.25 ^{6.50} _{2/}	(.11) .14
12/31/68	6.34	6.40	6.50	.10
6/30/69	6.52 _{a/}			

a) Assuming no U.S. borrowing in second half FY 1969

b) Effective 8/1/68

1/30/69

488/1/23

White Paper on Population Growths: Its Costs and Prospects for Curbing It

1. Facts re population growth rates; death rates; birth rates -- in total and for major areas
 - past trends
 - future projections
2. The social and economic "costs" of such growth
 - affect on economic development of LDCs
 - affect on quality of life (e.g., effect of dietary deficiency, etc.)
 - abortion rates; illegitimacy
3. Contraceptives
 - evaluation of effectiveness of current contraceptives
 - potential for improvement
4. Research in reproductive biology
 - current vs. optimum programs -- content and cost
 - sources of financing -- past, current, and future (e.g. NIH)
5. The position of the Catholic Church re:
 - the population explosion
 - population planning
 - birth control methods
6. The problem and program (if any) in key areas
 - e.g. India; Pakistan; Taiwan; Korea; Morocco; Malaysia; Brazil; etc.
7. Evaluation of Program in Selected Areas (e.g. Taiwan; Korea; India)
 - progress to date; cause and effect; forecast for the future
8. The relationship of the agricultural revolution to population planning
 - C.P. Snow; George Harrar; etc.
9. Action recommended by others; by us
10. Arguments against population planning and rebuttal -- empty lands, etc. not a proper loan for Bank

White Paper on P.P. status Growth: Its Cost & Prospects for limiting it ^{Prin}

- 1. Facts re pop. growth rates; death rates; birth ^{rates} - on total + for major areas
 - past trends
 - future projections

- 2. The social + economic "costs" of such growth
 - affect on economic development of LDC's
 - affect on quality of life (e.g. effect of dietary deficiency, etc)
 - abortion rates, illegitimacy

- 3. Contraceptives
 - evaluation of effectiveness of current contraceptives
 - potential for improvement

- 4. Research in reproductive biology
 - current or optimum programs - content + cost
 - sources of financing - past, current, + future (e.g. UN/FAO)

- 5. The position of the Catholic Church re:
 - The propagation of life
 - population planning
 - birth control methods

Purpose

1. Disjunctive article - e.g. Every office
2. Disjunctive speech

Schedule

1. Outline - Tues 7/11 4/4
2. Draft 4/48 - length 40-50 pages

9. Action recommended by others; by us
10. Arguments against pop. planning + rebuttals

- 6. The problem + program (if any) in key areas
 - e.g. India, Pak, Taiwan, Korea, Morocco, Malaysia, Brazil, etc
 - not a proper loan for PK
 - empty cards, etc.

- 7. Evaluation of Program in selected areas (e.g. Taiwan; Korea; India)
 - progress to date; cause + effect; forecast for the future

- 8. The relationship of the agricultural production to pop. planning
 - C.P. Snow; George Barron; etc.

CHRON.

488/1 /22

January 28, 1969

The Board Room
280 Park Avenue
New York, N.Y. 10017

Gentlemen:

Mr. Robert S. McNamara has asked me to tell you that he very much appreciates your invitation to become a non-resident member of the club. However, he is unable to do so at the present time.

If such an invitation were to open up again sometime in the future, Mr. McNamara would indeed give it further consideration.

Sincerely,

(Miss) Polly Yates
Secretary to
Mr. McNamara

Chen
488/1/21

January 28, 1969

Telegram sent to Mr. Briggs, charged to the home phone:
(Telephoned Mr. Briggs' secretary to alert her to the message.)

"It is only an unbreakable commitment here in Washington which prevents me from being present in Dearborn to join with Al's other friends paying tribute to an outstanding engineer and a great human being."

Robert S. McNamara

Filed under Briggs

488/1/20

January 25, 1969

Dear Mr. Miller:

I have just read your report on the Bank's European Office. It is the only intelligent statement I have seen of the function of that organization and for the first time I am beginning to understand the contribution it can make to our operations.

Many thanks for taking the time to write to me.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Mr. John Duncan Miller
101 rue de la Faisanderie
Paris 16, France

488/1 /19

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL FINANCE
CORPORATION

OFFICE OF THE PRESIDENT

1/21

Dear Chamberlain

My memory is bad.
My secretary has pointed
out to me I have both
received and replied to the
letter from the Providence
Chamber of Commerce.

I regret I cannot
accept your invitation.
Best wishes
Bob

488/1/18

January 18, 1969

Dear Charlie:

You are quite correct in believing that the Ford Foundation cannot help Rev. Meyers in financing the "Major Mobilization" project. I wish it were otherwise.

I do hope that in the near future we can lunch together.

Best wishes for the New Year.

Sincerely,

RS/BoL

Robert S. McNamara

Honorable Charles E. Bennett
House of Representatives
Washington, D.C. 20515

488/1/17

January 17, 1969

Proposed Study of External Financing of Industrialization in
Developing Countries, Including the Role of the Bank Group

I. Scope of Study

A. The Role of IFC, Including a Review of Its Industrial Financing Policies:

- (i) Investment Terms - particularly the extent, if any, to which IFC should increase its straight loan operations.
- (ii) Investment Limits
- (iii) Types of Enterprises Financed
- (iv) Promotional Efforts - should they be increased and, if so, how?
- (v) Underwriting Activities
- (vi) Target for Volume of Operations - and implications for IFC's own financial structure.

B. The Role of IBRD/IDA, Including a Review of Its Industrial Financing Policies:

- (i) Loan Terms - particularly whether private enterprises (or perhaps all competitive industrial enterprises) should be charged more than IBRD standard interest rate.
- (ii) Possible use of IBRD guarantee powers to finance subsidiaries of international corporations.
- (iii) Publicly-owned Enterprises - particularly the extent to which and conditions under which Bank should help in their organization or reorganization and in providing management assistance.
- (iv) Assistance to Indigenous Small-Scale and Medium-Sized Industries, through
 - (a) Industrial Estates

- (b) Publicly-Owned Development Banks
- (c) Special Institutions Created for Purpose
- (d) Other?

[Quaere: Are different techniques needed for Africa than elsewhere?]

C. The Role of Other Industrial Financing Intermediaries

- (i) Private regional firms (e.g., ADELA, PICA). Should Bank Group provide financing through these firms and, if so, of what kind and on what terms?
- (ii) Central Banks (e.g., Private Investment Fund of Colombian Central Bank).
- (iii) Other? For example, the proposed U.S. Government sponsored investment corporation.

D. Relationship Between IFC and IBRD/IDA

What should be the respective roles of IFC and of IBRD/IDA in industrial finance?

[Notes:

(1) In view of the advanced state of the discussions on a multi-lateral investment guarantee scheme, it is not proposed to include the subject of guarantees in the present study.

(2) It is assumed that analysis of the general problem of the role of industry in the development process will continue to be the responsibility of the Economics Department and that, to the extent that the present study involves that issue or other economic analyses, it will be based on the work of the Economics Department.

II. Conduct of Study

- A. The study will be based on (i) examination of the relevant policy papers in the files of the Bank Group, (ii) interviews with officials of IFC and IBRD, and (iii) advice from outside experts, such as the members of IFC's Advisory Panel, officials of AID's Office of Private Resources, officers of agencies and firms such as AIDB, ADELA, UNIDO, Arthur D. Little, Inc., Stanford Research Institute, local development banks and corporations, etc.
- B. The study will be made the principal responsibility of a highly-qualified staff member or consultant, with two assistants (preferably one of whom would be on loan from IFC), working under the immediate direction of the Director, Development Services Department. If conclusions are reached on particular issues requiring management or Board decisions, special papers will be prepared for that purpose. A final report will be scheduled tentatively for May 1. The final report will contain recommendations as to continuing work needed to be done in reviewing Bank Group industrial assistance policies and as to jurisdictional responsibility therefor.

January 16, 1969

488/1/76

Dear Mr. McNaughton:

I should like to assist in every possible way in supporting the suits you are filing in relation to John's death and I shall be most willing to meet with your attorneys. Perhaps you could have them write me directly to arrange a mutually convenient appointment. I plan to be out of the country between February 5 and February 18, but any time before or after those dates would be entirely acceptable.

Margaret and I deeply appreciated your letter. We shall cherish it along with our other memories of John.

Sincerely,

Robert S. McNamara

Mr. F. F. McNaughton
Editor
Pekin Daily Times
Pekin, Illinois 61554

488/1/74

January 16, 1969

Dear Mr. Lopez:

You have asked for my comments on Mr. Russell Murray 2nd in relation to a position he has been offered by Pfizer. Because you have not indicated the position to which he is to be assigned, I cannot be specific, but I do want to emphasize my very high opinion of his general executive abilities. He is well educated, highly intelligent, extremely diligent, flexible of mind, and extraordinarily capable in handling controversial matters with associates above, below, and alongside of him.

Sincerely,

Robert S. McNamara

Mr. Eugene R. Lopez
Vice President
Pfizer International, Inc.
235 East 42nd Street
New York, New York 10017

January 16, 1969

488/1/75

Dear Tom:

As I explained to you over the telephone, I am presently scheduled to leave for Africa Friday morning, February 7, and it may be necessary for me to depart on February 6. Assuming I proceed on my original schedule, I should very much like to accept your invitation to attend the morning, afternoon and evening sessions of the International Council meeting on Thursday, February 6.

Many thanks for inviting me.

Sincerely,

Robert S. McNamara

Mr. Thomas S. Gates
Chairman of the Executive Committee
Morgan Guaranty Trust Company
23 Wall Street
New York, N. Y. 10015

488/1/13

January 15, 1969

Dear Mac and Alan:

You have invited me to participate in a discussion at the Ford Foundation on Monday, January 27, to help determine the role of the Ford and Carnegie Foundations in studies of the national nominating and electoral process. I had previously made commitments to attend a luncheon and dinner in New York on that date. If you would excuse me from your meeting on those two occasions, I shall be happy to attend the morning and afternoon sessions.

Sincerely,

Robert S. McNamara

Mr. McGeorge Bundy
President
The Ford Foundation
320 East 43rd Street
New York, New York 10017

Mr. Alan Pifer
President
Carnegie Corporation
of New York
437 Madison Avenue
New York, New York 10022

By post

488/1/12

January 14, 1969

Gentlemen:

Mrs. McNamara and I are delighted with the volume of art work by Marcantonio Raimondi. Thank you for your thoughtful generosity.

Best wishes to all of you for a pleasant and prosperous New Year.

Sincerely,

Robert S. McNamara

Ing. C. Olivetti & Company

Milano, Italy

488/1/11

January 14, 1969

Dear Mr. Frantz:

Mrs. McNamara and I are delighted to have the framed photo you sent, a nice reminder of a wonderful vacation. Thank you for your kindness in sending it to us.

I am, of course, more than happy to return to you the photo for Ed Cole, inscribed as you suggested.

Sincerely,

Robert S. McNamara

Mr. Ralph S. Frantz
1668 22nd Street
Santa Monica, California 90404

Inscription: "Why don't you take the hint and pull out as I did?"

488/1/10

January 14, 1969

Dear Mr. Alexandroni:

You were most kind to send to me "Jerusalem: A History of Forty Centuries." It is indeed a handsome and informative volume. My family joins me in sending profound thanks to you for your thoughtfulness.

Sincerely,

Robert S. McNamara

Mr. Shimon Alexandroni
Economic Minister
Embassy of Israel
850 Third Avenue
New York, New York 10022

INCOME PER CAPITA AND POPULATION (MILLIONS) - 1966 vs. 2000

Country	<u>Population</u>		<u>Income per Capita</u>	
	<u>1966</u>	<u>2000</u>	<u>1966</u>	<u>2000</u>
<u>"Rich"</u>				
Australia	11	20	1,973	4,612
Canada	20	38	2,341	7,070
Czechoslovakia	14	17	1,554	7,046
France	49	64	2,370	6,830
Israel	3	5	1,330	5,839
Italy	52	60	1,040	4,450
Japan	98	123	919	8,590
Poland	31	45	962	3,680
Soviet Union	233	352	1,288	4,650
United Kingdom	55	60	1,644	6,530
United States	197	318	3,504	10,160
West Germany	57	67	1,740	7,790
<u>"Poor"</u>				
Argentina	22	33	765	1,300
Brazil	83	212	273	506
China	710	1,271	98	321
Colombia	18	55	319	359
India	498	988	84	270
Indonesia	107	239	90	123
Mexico	44	133	484	680
Nigeria	58	176	79	125
Pakistan	105	288	101	200
S. Africa and S.W. Africa	19	48	559	906
Taiwan	13	25	215	837
Thailand	31	74	141	402
United Arab Republic	30	79	165	480

17

1/7

Newsweek

488/7/9

"The failures of development.....

I believe unduly pessimistic,

"C.P. Snow is [wrong] though I am not saying everyone will be getting all the calories they need by 1975. There has been a very significant advance in agricultural technology and, in addition, an increase in the availability of capital for agricultural investment. For these reasons the chances are probably three to one that there won't be large scale famine in the next decade or two.

"One of the other

"There has been a widespread belief, which is not true, that aid and development funds have been mis-used more than defense funds or private investment. Was there ever a greater mis-use of money than the investment in the Edsel or the investment by the Defense Department in the arms projects -- e.g., Dynasoar and Skybolt -- which were cancelled earlier in the decade after the spending of billions of dollars?"

"One of the reasons.....

"Given political action

Note. All the rest

488/7/8

January 6, 1969

Dear Bob:

Paul Nitze has told me he has discussed with you the possible appointment of Phil Goulding as President of the Aspen Institute. I should like to support Paul's suggestion and I am sure that Cy Vance also would strongly second such an appointment.

Nitze, Vance and I all worked very closely with Phil for three or four years and we all believe him to be intelligent, thoughtful, creative and hard working. He writes well, meets people easily, and should be able to direct both the "academic programming" and fund raising activities of the Institute.

He has my unqualified endorsement.

Sincerely,

Robert S. McNamara

Mr. Robert Anderson
Box 1000
Roswell, N. M. 88201

January 6, 1969

Chen
488 / 1 / 7

Cosmos Club
Admissions Committee
2121 Massachusetts Avenue, N.W.
Washington, D.C. 20008

Gentlemen:

I understand that Dr. Ralph A. Sawyer of the University of Michigan and others are proposing Mr. Eugene Power for membership in the Cosmos Club.

For over three decades, Mr. Power has pioneered in the use of microphotography and xerography in the preservation, storage and publication of ancient documents, doctoral dissertations, and out-of-print books and periodicals.

I have known Mr. Power for approximately twenty years, believe him well qualified for membership in the Cosmos Club, and should like to endorse his application.

Sincerely,

Robert S. McNamara

bcc: Dr. Sawyer

1. RBS for info
2. Return to Puly

OUTGOING WIRE

TO: ADMIRAL OF THE FLEET LOUIS MOUNTBATTEN
OF BURMA
2 KINNERTON STREET

DATE: JANUARY 4, 1969

CLASS OF SERVICE: FULL RATE

488 / 1 / 6

COUNTRY: LONDON, S.W. 1

TEXT: ENGLAND

Cable No.:

REGRETFULLY, YOUR NOVEMBER 8 LETTER DID NOT REACH ME IN INDIA. EYE WILL
DO WHAT EYE CAN FROM HERE TO HELP YOU ACCOMPLISH YOUR PURPOSE.

BEST WISHES FOR THE NEW YEAR.

ROBERT S. MCNAMARA
INTBAFRAD

NOT TO BE TRANSMITTED

MESSAGE AUTHORIZED BY:

NAME Robert S. McNamara

DEPT. President

SIGNATURE _____
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

RMcN:pay

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WBG ARCHIVES

TELEPHONE
ROMSEY 3333.

30th December, 1968

My dear Bob,

On 8th November I wrote you a letter and sent it through our High Commissioner in New Delhi so he should have been able to deliver it to you while you were there round about 11th November. I do sincerely hope you received the letter. I fully understand that during your tour you wouldn't be able to answer it but I hope you are back in the United States now.

My reason for writing again is that Mrs Gandhi is coming to the Commonwealth Prime Ministers Conference and will be in England from 5th to 10th January. I am proposing to tackle her personally about the Princes Privy Purses and it would be an enormous help to me if I knew whether you had been able to have a word with her or Morarji Desai or Chavan himself. If you could possibly send me an airmail letter addressed to my London address, 2 Kinnerton Street, London, S.W.1., I should be more than grateful.

I enclose a copy of my original letter in case by some misfortune it went astray.

With all best wishes to you for the New Year.

Yours ever

Dickie Hawthorne

PRIVATE &
CONFIDENTIAL

8th November 1968

I am so delighted to hear that you are about to visit India and hope you won't mind my using our long standing personal friendship to write to you about a matter in which I feel closely concerned.

When I was Viceroy of India I was the man responsible for persuading all the ruling Princes, who by law were to become entirely independent on the transfer of power, to accede to India or Pakistan (according to geography) on three subjects only, external affairs, defence and communications. This they did and the Government of India gladly accepted their accession, but their integrity as Rulers of States within this framework was not challenged.

The Indians invited me to stay on as their first Constitutional Governor-General which I did for 10 months. During this time negotiations were started for the Indian States to become integrated into the rest of India in return for safeguarding the position of the Rulers.

However, full agreement on all sides was not reached until after I had left but I do remember asking Nehru how he proposed to safeguard the sanctity of the agreement after he and his generation of Indian leaders and Ministers had passed on. He told me he intended to enshrine the agreement in the new Constitution of India then being written. He said it was unthinkable that successors could risk the good name of India in the financial world by forcing an amendment to the Constitution through to enable them to escape their freely entered into financial obligations. On this I felt happy and so did the Princes.

However, we reckoned without Chavan, whom I am sure you will remember as Minister of Defence in India when you were Secretary of Defence. (In strict privacy it might amuse you to know that when I was Viceroy I was advised to put a price on his head as he was a notorious Goonda!).

Although at first he was friendly with the Princes, one of his personal candidates for Parliament was defeated by the local Princely family and he is stated to have vowed vengeance.

The most effective way to hit them would be to remove their Privy Purses and leave them virtually paupers in their palaces without the means even of paying pensions to their aged retainers or allowances to mothers and widows in the family. It is a horrible form of vengeance and I can tell you privately that I wrote at once to the Prime Minister, Indira Gandhi, and told her what I thought of Chavan's proposal and how it would have made her father turn in his grave.

I believe that she and Morarji Desai have been struggling unsuccessfully against Chavan. At all events it now appears that he intends to rush this through the next Session of Parliament which begins next week. By an unholy alliance between the Congress Party and the extreme Left, including crypto-communists, they think they can just obtain the necessary two-thirds majority to change the Constitution.

I am told that the only thing they fear is spoiling their international image by breaking the Constitution to enable them to evade financial obligations freely entered into.

I was told that they fear American reaction and had thought of writing to my old friend Dean Rusk, but it now appears that Chavan has chosen this exact period of post elections to weaken the possibility of effective American intervention; so instead of writing to Dean I thought you would not mind my writing to you

because pressure from the International Bank would obviously be much more effective at this time.

I am sure you know Morarji Desai, who is not only Finance Minister but also Deputy Prime Minister, well. He has spoken out strongly against this move in the past but appears to have been somewhat crushed by Chavan, but if you were able to write even a private letter to him to stiffen him, pointing out the possible effect on India's financial integrity, it might tip the scale.

Perhaps I could just end by giving you the figures involved so far as I know them. The agreement was made that 279 Princes should continue to be paid their Privy Purses in return for the complete surrender of sovereignty. The sum involved in 1951 was $5\frac{1}{2}$ crores of Rupees, which at 13 to £ worked out at roughly $\text{£}4\frac{1}{4}$ M. (ie, as the \$ was then 2.80 to £, this represented just under \$12 M.)

As the original Rulers died the sums to be given to their heirs were automatically reduced and today I am told the sum involved is only $4\frac{1}{2}$ crores which at 18 to £, represents $\text{£}2\frac{1}{2}$ M or \$6 M.

In the natural period of reduction I was told yesterday that this should come down within the next 10 years to $3\frac{3}{4}$ crores - just over £2 M or just under \$5 M.

In the light of India's overall budget, the sum is infinitesimal compared with the vast financial advantages which accrued to India from the absorption of the ~~7~~ states.

I am writing to you in a purely personal capacity as one who has been so closely concerned in this problem and do hope that you will feel it possible to write a line to Morarji Desai; but please do not quote me because the pressure I have already exerted personally is well known and if it were thought that you were acting only at my request this would be counter-productive. Please do help.

Mr. Robert McNamara, President of the World Bank

CHRON.
488/115

January 4, 1969

Dear Ted:

This is a very tardy reply to your letter of November 13 inviting me to deliver an address to the special convocation scheduled for May 1 to dedicate the Hayes-Healy Center. The delay was caused by the necessity to reschedule certain foreign visits which I had previously planned.

Although I must attend meetings in Italy on April 29 and 30, I believe it should be possible for me to be in South Bend on May 1. Therefore, I accept your invitation to speak to the convocation, and I should be most pleased and honored to receive from the University an honorary degree.

With all best wishes to you for the New Year.

Sincerely,

RS/Mc

Robert S. McNamara

Rev. Theodore M. Hesburgh, C.S.C.
President
University of Notre Dame
Notre Dame, Indiana 46556

OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: December 27, 1968

FROM: William Clark

SUBJECT: Notre Dame University

rationally/ Notre Dame is one of the best Catholic Universities but is not really in the first rank. Its Midwest location does rather recommend it, if you have a message at this time (May 1) which you want to get across to the American people, in contrast to the more international audience of East or West coasts.

The message that business skills are needed not only in America, but to help other countries to transform their economies would be suitable.

I do not rate this as a 'must'.

WDCClark:sf

University of Notre Dame
Notre Dame, Indiana
Office of the President

November 13, 1968

1-1-40 T. M. Clark
I have struggled with
this for a month - May
I have your advice
1/1. J. L. New
[1-1-40 called Ted part of
country]

Mr. Robert S. McNamara
2412 Tracy Place, N. W.
Washington, D. C.

Dear Mr. McNamara:

On May 1, 1969, the University of Notre Dame will proudly dedicate a new graduate business and public administration facility, the Hayes-Healy Center. The Center is the home of the new division of our College of Business Administration, marking the year of the graduation of our first M.B.A. class at Notre Dame.

A special convocation has been scheduled for 2:30 p.m. on May 1 to complete a day of dedication. The University would be most honored to have you deliver the address on this special occasion and to confer upon you its honorary degree of Doctor of Laws.

Because of your pre-eminence in the fields of government, education, business, and public service, you were the unanimous choice of a special Dedication Committee of the faculty of our College of Business Administration. We all concur in their judgment, and would indeed be delighted to welcome you to our campus and to make you an honorary alumnus of Notre Dame. I am sure, too, that your remarks would be a great source of inspiration for all of our faculty, students, and guests.

I shall look forward to hearing from you and, in the meantime, send all best wishes from here.

Very cordially yours,

Theodore M. Hesburgh, C.S.C.

(Rev.) Theodore M. Hesburgh, C.S.C.
President

Chron
488/1/4

January 4, 1969

Dear Gene:

Thank you for a most thoughtful and provocative letter. The answers to the questions you raise on page 3 are not clear to me. Let's discuss them together the next time you come to Washington.

Sincerely,

Robert S. McNamara

Dr. Eugene G. Fubini
Old Orchard Road
Armonk, New York 10504

488/1/3

January 3, 1969

Dear Mr. Brockway:

I consider it an extreme privilege to now possess a specially bound copy of THIRTEEN DAYS and am deeply grateful to you for your kindness in sending it to me.

Sincerely,

Robert S. McNamara

Mr. George P. Brockway
President
W.W. Norton & Company, Inc.
55 Fifth Avenue
New York, New York 10003

Personal file

488/1/2

January 3, 1969

Dr. T. N. Cline
Photair, Inc.
999 Sixth Street
Traverse City, Mich. 49684

Dear Dr. Cline:

Mrs. McNamara and I are most grateful to you for the photo of the Old Mission Peninsula. It brought back many pleasant memories of our years there.

Thank you for your kindness in sending the photo, and for your more than generous comments about my service in the Defense Department.

Sincerely,

Robert S. McNamara

Received file

488 / 1 / 1

January 3, 1969

Dear Mrs. Hollister:

I very much regret that it will not be possible for me to see you on either January 16 or 17 as I will be out of the city at that time.

Sincerely,

Robert S. McNamara

Mrs. Dickerman Hollister
"Hollister House"
Steamboat Road
Greenwich, Conn. 06830