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Sub-Fonds: Records of President Robert S. McNamara

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THE WORLD BANK
Washington, D.C.

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The Weiss Bank Group
Archives



1771347

A1995-256 Other #: 1

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Brandt Commission - Correspondence 06

~~Folder No. 6~~

Folder 6

DECLASSIFIED

WBG Archives

RETURN TO ARCHIVES IN MC C3-120

ISN # 109384 ACC# A1995-256

BOX # 1

LOCATION M-101-2-01

Cable from William Clark (Paris) to Mr. McNamara, March 30, 1977



Because you may wish to consider these matters before you arrive in Europe, I am sending you these notes on my talks with:

- (1) Brandt and his team in Bonn.
- (2) Maurice Strong about the IDRC Meeting.
- (3) Perez-Guerrero about his views on CIEC and Brandt Commission.
- (4) EEC personnel about your visit.

(1) Conversations in Bonn.

Brandt has not been able to do much recently because of crises within the party. But he is determined to move ahead as soon as possible and would welcome a chance to talk to you now, though he would probably not be fully active on the Commission until May.

Brandt has asked a young man in their Aid Ministry called Fritz Fischer to act as his personal assistant on Commission's affairs starting May 1. I have talked to him at length and found him very knowledgeable about the practice of development assistance; he is at present working with Cheysson on the implementation of the Lome Agreement. He is a contemporary and good friend of Rainer Steckhan. He does not see himself as Executive Secretary but does expect to do a lot of the administrative business of the Commission and particularly to liaise between Brandt and the Secretariat, being able to see Brandt at almost any time. Fischer will probably meet us at Dusseldorf Airport and you will make your own judgment. I think his appointment means that we can concentrate on the intellectual capacities of the Executive Secretary more than on his organizational talents.

Egon Bahr seems to have become the great advocate of the Commission and is selling it hard to the Party and the country. He is likely to ask you if you could speak in Germany in September with Brandt at a big rally on relations with the Third World. He also wonders what finance could be found for Fischer's salary in May. I recall that C.I.D. paid personal staff of three.

From my various conversations with German journalists etc., I concluded that the idea of Brandt Commission is beginning to gain popularity in Germany. His office is putting it about that the Commission should concentrate its attention and terms of reference on the flow of resources, how to increase that flow and what adaptation of the world economic system in the future will be necessary to achieve development results. They will not stall existing negotiations in CIEC or UNCTAD nor the NIEO.

I believe it is necessary for us to begin to put down some clear outline of what we think should be chapter headings, even before an Executive Secretary is appointed. This would be desirable so that the selection of Commissioners could be appropriately made, including some scholars with appropriate expertise. I think there has been no progress on this matter yet and not much thinking about likely Commissioners.

(2) Conversations in Bellagio.

I had long conversations with Maurice Strong about the IDRC Meeting which he attended last week in Nairobi.

Strong said that the parts of this meeting dealing with IDRC commitments to the Brandt Commission were very rough. The Third World representatives all spoke against the Commission which they suspected was an attempt by North Americans to subvert the ongoing North-South Dialogue. The Part I representatives thought that it was a wily and impractical idea especially as they were told by Hopper that the whole Commission was to be wound up in eight months. Eventually the compromise idea of a partial sum to be available at once, with more to be available later but on conditions was proposed by Strong and Geoffrey Wilson in order to rescue Hopper. The conditions were generally that the report was not to be written by extremists, right or left, and the Commissioners should be balanced between Part I and Part II. Maurice believes it will not be difficult to get the conditional sums when misconceptions are cleared up. Among these misconceptions is the belief that there is no support for Commission in the Bank and that therefore the Bank will not give any financial support to the Commission.

(3) Conversations with Perez-Guerrero.

We talked for about an hour alone and later met with Strong and Jan Meyer (of Pronk's office) to talk about the Brandt Commission. To sum up P.G.'s views:

(a) He feels he has been generous in his answer to Brandt's letter. He emphasized that he received much more support from his colleagues of the G-19 when he opposed the establishment of the Commission than when he backed Brandt. He said the OPEC countries thought bitter that he was apparently allowing the dialogue to slip out of the hands of Governments into the hands of non-officials. (This was confirmed to me by the Secretary General of OPEC.)

(b) P.G. insists that his G-19 expects to get substantial concessions in May and will then continue to press their case at the resumed session of the United Nations General Assembly probably to be held in June.

(c) P.G. hoped the Brandt Commission will not involve itself on the subjects under negotiation in CIEC and UNCTAD. He wishes it would confine itself to creating political will to follow through on the decisions of these conferences.

(d) P.G. is optimistic about the results of CIEC and is very much on top of the world. He sees this as a proof that the official discussions are not deadlocked as you suggested in Manila. He hopes that he and Gamani Corea and Akhund will be consulted by Brandt about the Commission.

(4) Your meeting with the EEC in Brussels.

I had talks in the last few days with some of the Commissioners who expect to meet you on April 4, and with their staffs. I am left with the impression that they will be very interested to meet you, but for somewhat surprising reasons. They expect to learn more from you about the Carter regime than they did from Mondale. Jenkins is going to meet Carter on April 18 and the whole EEC is deeply concerned about his role in the May Summit. This is their main concern and they are not very interested in Development Assistance (except for Chaysson) but are interested in the political aspects of North-South relations. In particular they are concerned about energy problems, and also in the Euro-Arab dialogue and the monetary problems of the OPEC surpluses.

I suggest that since you will probably have to make some short statements at the beginning of the meeting with the Commission you consider speaking about the extent of interest in the North-South dialogue showing in the recent preparations for the Summit, and saying something about the movement of resources necessary to cope with the OPEC overhang. Questions by you about European trade with Third World might prove quite stimulating.

William Clark

R. Nakamura
815/6/34

THE GERMAN MARSHALL FUND OF THE UNITED STATES
A MEMORIAL TO THE MARSHALL PLAN

11 Dupont Circle, N.W., Washington, D.C. 20036 (202) 797-6430
Cable: GMFUS Telex: 248329 CEIP

March 23, 1977



The Honorable Willy Brandt
SPD
Ollenhauerstrasse 1
53 Bonn, West Germany

Dear Mr. Brandt:

My colleagues at the German Marshall Fund and I were glad to learn about your announcement in Bonn last week of willingness to chair a new international development commission if there is early progress in scheduled official discussions.

It will be difficult for the commission to reach findings and conclusions that advance sound development, but the effort is clearly of great potential importance and you are certainly in as strong a position as anyone on the international scene today to head such an undertaking.

At a trustees' meeting on March 18, 1977, I was authorized to extend a Fund contribution of up to \$100,000 to back the work of the commission if you believe that such limited private support would be acceptable and would add flexibility and reach to the work of the staff that might not be present if only governmental and international organization support were available.* We could proceed whenever legal arrangements to organize the commission had been completed and an understanding reached with yourself and the staff you will select about the uses of the grant. Please let us know your views and advise me who will be your principal assistant on these matters.

I hope that the role suggested in my letter of March 5 for your participation in and informal remarks on the occasion of the Fund's fifth anniversary celebration in Bonn on the afternoon of June 3, 1977, is acceptable.

** Eg - for exploration of second world participation, as you suggested when we saw you in February*

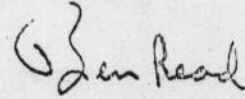
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The Honorable Willy Brandt
March 23, 1977
Page Two

All of us enjoyed and benefited from your talk at Princeton ten days ago. I was delighted to hear your comment about the need for better coordination of domestic policies among western nations.

With highest regards.

Sincerely,

A handwritten signature in cursive script that reads "Ben Read". The signature is written in dark ink and is positioned above the printed name.

Benjamin H. Read

815/6/33

Class of Service: **TELEX**

Date: **MARCH 18, 1977**

Telex No.:

Originators Ext: **2001**

12

10



0 START
HERE

1 TO

PALACIO MIRAFLORES

CITY/
COUNTRY

CARACAS, VENEZUELA

MESSAGE
NO.:

MINISTER FOR INTERNATIONAL ECONOMIC RELATIONS MANUEL PEREZ GUERRERO

4

AAA I AM MOST GRATEFUL FOR YOUR SUPPORT TO THE ESTABLISHMENT OF A

5

COMMISSION UNDER WILLY BRANDT. I REMAIN CONVINCED THAT THIS

6

INITIATIVE WILL MAKE A VERY VALUABLE CONTRIBUTION TO PROMOTING THE

7

INTERESTS OF THE DEVELOPING WORLD AND THAT BOTH OF US WILL FEEL

8

PLEASED WITH THE FINAL OUTCOME OF THIS ENDEAVOR. I SHALL CONTINUE

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TO RELY ON YOUR SUPPORT IN THIS AS IN OTHER MATTERS. BEST REGARDS

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ROBERT S. MCNAMARA INTBAFRAD

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END
OF

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TEXT

NOT TO BE TRANSMITTED

SUBJECT:

DRAFTED BY:

Mahbub Haq

CLEARANCES AND COPY DISTRIBUTION:

AUTHORIZED BY (Name and Signature):

Robert S. McNamara:ms

DEPARTMENT:

President

SECTION BELOW FOR USE OF CABLE SECTION

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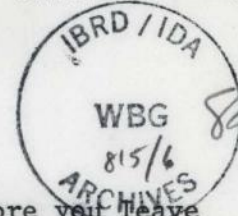
815/6/32
For 12 noon
meeting Friday

OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: March 18, 1977

FROM: William Clark *W.C.*



Shirley to prepare the contract

SUBJECT: Next steps in Fund raising, and making Brandt Commission operational

You will presumably have spoken to Hopper before you leave for Europe. Presumably his money will only be available when some appointments have been made; we need to know informally what his 'conditions of effectiveness' are.

2. Pronk: we need to determine how much he wishes to put up; how he proposes to get other "like minded" countries to contribute, how much, and on what conditions of effectiveness.

3. Other donors:

(i) we may hope for \$100,000 from the German Marshall Fund.

(ii) Dick King reports (today) that Kuwait would like to contribute, according to Abdul Latif. Who should approach him?

4. How are these funds to be organised? There should be a trust fund set up (possibly using the existing Dutch Trust Fund for Development Information) which would pay expenses properly presented by some official appointed by Brandt.

5. The Trust Fund should receive cash or pledges from all donors. We should need \$2 million before we can start, and would be much happier if there were pledges up to \$3 million for contingency use.

6. If we find the donors fairly willing we should consider how much work could start before the 1st of June, e.g.

Brandt could try to find his Executive Secretary.

He could informally sound out Commissioners.

7. The key is to get the Executive Secretary, but the probability is that this will be someone who is not fully up to date on Bank research. Could we not offer to take him into our bosom for a month or so, in which period he could be enormously helped in drawing up the "chapter outlines" for the report.

8. I do not believe Brandt is adamant about Geneva as a base, nor even unalterably opposed to Washington. Therefore the Executive Secretary might be given some lee way to suggest the most efficient base. Supposing Geneva is chosen I still think they should have an office and one or two staff in the Bank simply for liaison. (Incidentally we could reasonably bear some of this cost).

*1. Ask Pronk to be "in charge" of last report
2. Ask can he be recommended if not needed
3. He to deliver like-minded contact after return from Europe*

7/2

9. Finally the question of Bank participation in the financing of the Commission as a whole. The argument against is that the Commission wishes to seem independent, and that our Board will demand a hand in the setting of terms of reference if it is asked to contribute. The argument pro is that the Bank would wish to be associated with such an endeavour as one amongst several contributing a sum that was not overwhelming, say, \$250,000. It is worth considering whether the other I.F.I.s might like to contribute comparable amounts.

WDClark:sf

8/15/6/31



Wagner 3/18/77

Had an open 1 1/2 hr discussion of loan idea -

3rd of members needs guidelines -

auth. 100M + come back in June ^{4/17/77}*

Don't know loan members + staff -

want an objective staff -

want some govt and private

(They state check he had not seen help)

work must be above suspicion or

objectivity

* "The Board will stand advised by him" -

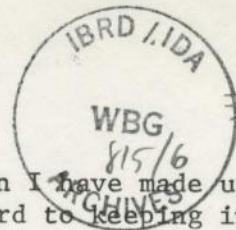
"there are only 3 or 4 key members" -

"This is the group we are going to try to draw from" -

"a list of 40 names from which loan will be chosen" - name for Secretary -

a date from which the loan will be created -

815/6/30



I am sending you herewith the text of the declaration I have made upon receipt of a message from Mr. Brandt. I am looking forward to keeping in touch with you on this matter.

"Mr. Willy Brandt kindly informed me that he has accepted to preside a commission of wise men proposed by Mr. Robert McNamara, President of the World Bank, which will deal with problems of the Third World and its possible solution. Mr. Brandt has assured me that the work of this commission will not interfere with the ongoing negotiations among governments at the North-South dialogue in Paris and that it would instead build upon the results of the CIEC discussions. Therefore I am confident that the commission will serve a useful purpose under the guidance of such an outstanding personality as Brandt who has given clear evidence of his interest in the problems of the Third World as an essential element for the achievement of a just and durable peace."

Sincerely,

Manuel Perez Guerrero

INCOMING CABLE

sd

RCW16 ZCZC YWB699 RML6519 VAZ583 UAA07 MFR177

URWN CK VECA 186

CARACAS MIRAFLORES

186/185 16 1900

March 16 77

1977 MAR 17 AM 10 31

RECORDS AND
COMMUNICATIONS

Distribution:

Mr. McNamara

Mr. Wm. Clark

ETAT

MR ROBERT MCNAMARA

PRESIDENT OF THE WORLD BANK

CABLE WORLDBANK

WASHINGTONDC

M-00230 I AM SENDING YOU HEREWITH THE TEXT OF THE DECLARATION I
HAVE MADE UPON RECEIPT OF A MESAGE FROM MR BRANDT I AM LOOKING
FORWARD TO KEEP IN TOUCH WITH YOU ON THIS MATTER MR WILLY BRANDT

—COL M-00230

~~MFRI77 MR ROBERT P2/50~~

KINDLY INFORMED ME THAT HE HAS ACCEPTED TO PRESIDE A COMMISSION OF WISE MEN PROPOSED BY MR ROBERT MCNAMARA PRESIDENT OF THE WORLD BANK WHICH WILL DEAL WITH PROBLEMS OF THE THIRD WORLD AND ITS POSSIBLE SOLUTION (STOP) MR BRANDT HAS ASSURED ME THAT THE WORK OF THIS COMMISSION

CUL

~~MFRI77 MR ROBERT P3/50~~

WILL NOT INTERFERE WITH THE ONGOING NEGOTIATIONS AMONG GOVERNMENTS AT THE NORTH SOUTH DIALOGUE IN PARIS AND THAT IT WOULD INSTEAD BUILD UPON THE RESULTS OF THE CIEC DISCUSSIONS THEREFORE I AM CONFIDENT THAT THE COMMISSION WILL SERVE

COL CIEC

~~MFRI77 MR ROBERT P3/50~~

A USEFUL PURPOSE UNDER THE GUIDANCE OF SUCH AN OUTSTANDING PERSONALITY AS BRANDT WHO HAS GIVEN CLEAR EVIDENCE OF HIS INTEREST IN THE PROBLEMS OF THE THIRD WORLD AS AN ESSENTIAL ELEMENT FOR THE ACHIEVEMENT OF A JUST AND DURABLE PEACE STOP SINCERELY

MANUEL PEREZ GUERRERO

815/6/29

Class of Service: **TELEX**

Date: **MARCH 15, 1977**

Telex No.:

Originators Ext: **2001**



0 START
HERE
1 TO

SOZIALDEMOKRATISCHE PARTEI DEUTSCHLANDS OLLENHAUERSTRASSE 1

CITY/
COUNTRY

BONN FEDERAL REPUBLIC OF GERMANY

MESSAGE
NO.:

WILLY BRANDT PRESIDENT AAA THANK YOU VERY MUCH FOR YOUR MOST

4

WELCOME TELEGRAM GIVING YOUR STATEMENT TO THE PRESS IN WHICH YOU

5

SAID YOU HAD DECIDED TO MAKE YOURSELF AVAILABLE TO CHAIR THE QUOTE

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BRANDT COMMISSION UNQUOTE. I AM GRATEFUL TO YOU ALSO FOR WRITING

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TO PEREZ GUERRERO. BBB PLEASE LET ME KNOW IF I OR MEMBERS OF MY

8

STAFF CAN BE OF ANY FURTHER ASSISTANCE TO YOU. ROBERT S. MCNAMARA

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INTBAFRAD

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END
OF
TEXT

NOT TO BE TRANSMITTED

SUBJECT:

DRAFTED BY:

WDCLARK/RSMCNAMARA:bmm

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AUTHORIZED BY (Name and Signature):

Robert S. McNamara

W. D. Clark-V.P. Ext. Rel.

DEPARTMENT:

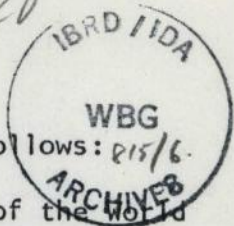
President

SECTION BELOW FOR USE OF CABLE SECTION

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Translation of Cable from Willy Brandt - March 14, 1977

815/6/20



Dear Mr. McNamara:

In answer to questions by journalists today I replied as follows: "Following my discussions with Robert S. McNamara, the President of the World Bank, I have decided to make myself available to be the Chairman of the Commission he proposed to look into development issues. It should be an independent institution with the objective of working out recommendations for more accelerated social and economic progress in the developing countries.

promise to

However, the establishment of such a Commission can only be decided upon if the inter-governmental discussions to be reopened in May in Paris ~~are~~ successful. It should not be an attempt to substitute negotiations between official circles. Rather, it should provide constructive suggestions for the 80s."

Following your suggestions, I have written, today, to Mr. Perez Guerrero, and have, also, informed him of my press statement.

With friendly greetings.

Willy Brandt

Copies sent by McNamara to Hopper and Pronk.

* * * *

Cable from McNamara to Brandt, March 15, 1955

Thank you very much for your most welcome telegram giving your statement to the press in which you said you had decided to make yourself available to chair the "Brandt Commission". I am grateful to you also for writing to Perez Guerrero.

Please let me know if I or members of my staff can be of any further assistance to you.

RMcN

815/6/27



March 8, 1977

Mr. Drake:

I thought you might like to receive a copy of a letter which I have sent today to Herr Brandt, referring to the conversation he and I had yesterday.

R. S. McNamara

RMcN:/bmm



March 8, 1977

Mr. Looijen:

I thought you might like to receive a copy of a letter which I have sent today to Herr Brandt, referring to the conversation he and I had yesterday.

R. S. McNamara



March 8, 1977

Mr. Janssen:

I thought you might like to receive a copy of a letter which I have sent today to Herr Brandt, referring to the conversation he and I had yesterday.

R. S. McNamara

THE WORLD BANK
Washington, D.C. 20433
U.S.A.



Office of the President

March 8, 1977

Dear Herr Brandt:

First of all let me say what a great pleasure it was to talk with you yesterday. I was delighted to find how closely our minds run together on the issues we discussed. It made me more than ever sure that the Commission under your Chairmanship can play an important role in moving forward the world's thought and will on this vital matter of North-South relations.

We agreed that I should draft the sort of announcement that could be made after the CIEC meeting at the end of May. I enclose a first draft.

We also agreed that I should try to firm up the financial basis for the Commission, which would provide the necessary funds without strings.

You will begin to consider names of people who might serve as Executive Secretary and as Commissioners. If I can help in any way in furthering this process, please do not hesitate to call on me.

Finally, I suggested that you might want to write to Perez Guerrero in your own terms, making the points we discussed at lunch. I would be grateful if you would let me know what you say to him so that we can speak with one voice.

Again my thanks for coming to see me, and above all for your interest in undertaking this vital task.

Sincerely,

Robert S. McNamara

His Excellency
Willy Brandt
President
Sozialdemokratische Partei
Deutschlands
Ollenhauerstrasse 1
53000 Bonn, Federal Republic of Germany

File (cf. P.G. 12) +
Prank
12/2/77
James
Zougen
Draft



Announcement of Formation of "Brandt Commission"

The following announcement was made simultaneously today in Bonn, the Hague, and Washington.

Herr Willy Brandt has accepted the Chairmanship of an international Commission to examine politically feasible areas of action which can help accelerate the pace of social and economic advance in the developing nations and which can command public support in rich countries and poor alike.

The Commission will consist of about a dozen eminent persons invited by Herr Brandt equally from the developed and developing countries. Its work will begin in mid-year and it would hope to produce its report in about twelve to eighteen months' time. It will be assisted by an expert international Secretariat.

The costs of the Commission have been guaranteed by a consortium of Governments and Institutions headed by Jan Pronk, Minister for Development Cooperation of the Netherlands, and David Hopper, President of the Canadian International Development Research Center.

3/8/77

Notes for Possible Letter to Perez Guerrero

Now that you are settling the final details of your Ministerial Meeting of the CIEC, I would like to let you know directly how the discussions stand on the matter of my Chairmanship of a Committee on Development. This is particularly timely because I am visiting Washington and have just had talks with Mr. McNamara.

Both of us agreed that there should be no early announcement in view of your feeling that this might adversely influence the Ministerial meeting you are planning for May. Furthermore both of us believe that the Commission should build upon the results of the CIEC discussions, and should in no way attempt to be a substitute for them. So we do not intend to make any public announcement before the end of May.

Your thoughts on this whole matter have been helpful to me so far, and you can, I am sure, do much to help get us off to a good start in this attempt to advance the welfare of the developing countries and accelerate their economic growth. This is an objective which I know we both share, and I shall look forward to further contact as this project progresses.

3/8/77

815 / 6/26

THE WORLD BANK
Washington, D.C. 20433
U.S.A.



Office of the President

March 2, 1977

The Vice President
Washington, D. C.

Dear Mr. Vice President:

As you know, Willy Brandt is coming to this country in the first week of March to lecture at M.I.T. and Princeton.

While in Washington, he will be discussing with me the proposal to set up a Commission on Development under his chairmanship. Since he may speak to you about this, I thought it would be helpful if I set down briefly the rationale for the proposal.

The debates in the past three years in the 6th and 7th Special U.N. General Assemblies, at UNCTAD in Nairobi, and in the CIEC in Paris, have shown very clearly the immense complexity of the development problem, and the great difficulty which the governments of both rich and poor nations are having in finding common ground for agreement on economic programs for the developing countries and on new economic relationships among nations.

This led me to believe that it would be useful to try a supplementary approach, to bring together a group of private and internationally eminent persons, drawn from both the developed and the developing countries, who, being free from detailed governmental instruction, could concentrate their attention on this question of development. They would first survey the nature and magnitude of the problem; the action required to address it; and the costs and benefits to rich and poor of taking such action. In the light of this analysis, they would formulate proposals for action by governments of both developed and developing countries, proposals on which governmental agreement, in the Commission's judgment, would be feasible. By "feasible" I mean those which could and would find broad political support -- public and legislative -- in both rich and poor countries.

Several governments and institutions in the developed world have said they are prepared to finance such a Commission because they believe it would assist in finding a way out of the impasse into which the inter-governmental talks have led. Also, a number of developing countries (Tanzania, India, Peru, for instance, as well as the Secretary General of the Commonwealth) have expressed strong support for this initiative, as has Secretary-General Waldheim. But some of the LDC negotiators in the

CIEC are afraid that the organization of this Commission could interfere with their ongoing negotiations, if it were to occur prior to the May CIEC Ministerial meeting.

For this reason, Mr. Brandt (who is definitely interested in the proposal and in the chairmanship of the Commission) and I have agreed that no announcement of the formation of the group would be made until after May. If Brandt raises this matter with you, I hope you will encourage him to go ahead at the appropriate time. I know he will be deeply concerned to learn your views on this matter, since American support for the concept is vital to its success.

With best wishes,

Sincerely,

Robert S. McNamara

815/6/25

THE WORLD BANK
Washington, D.C. 20433
U.S.A.



Office of the President

March 2, 1977

The Honorable
Cyrus R. Vance
Secretary of State
Washington, D. C.

Dear Cy:

Willy Brandt is coming to this country in the first week of March to lecture at M.I.T. and Princeton.

He is taking the opportunity on March 7 to come down to Washington and will be discussing with me the proposal to set up a Commission on Development under his chairmanship. Since he may speak to you about this, among other things, I thought it would be helpful if I set down briefly the rationale for the proposal.

The debates in the past three years in the 6th and 7th Special U. N. General Assemblies, at UNCTAD in Nairobi, and in the CIEC in Paris, have shown very clearly the immense complexity of the development problem, and the great difficulty which the governments of both rich and poor nations are having in finding common ground for agreement on economic programs for the developing countries and on new economic relationships among nations.

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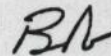
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the Commonwealth) have expressed strong support for this initiative. But some of the LDC negotiators in the CIEC are afraid that the organization of this Commission could interfere with their ongoing negotiations, if it were to occur prior to the May CIEC Ministerial meeting.

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With best wishes,

Sincerely,



Robert S. McNamara

815 / 6/24

WORLD BANK / INTERNATIONAL FINANCE CORPORATION

OFFICE MEMORANDUM



TO: Mr. Robert S. McNamara

DATE: February 1/28, 1977

FROM: William Clark *WCL*

SUBJECT: Alternative next steps on Brandt Commission (II)

If you do not accept the plan of action laid out in the earlier Memo I. There is an alternative laid out in the three numbered memos attached, which I had prepared for our meeting with Egon Bahr last week.

2. I am afraid that it would fail because we haven't got enough leverage to move P.G., secure in the bosom of his G.19. Even if we could force his hand I doubt that the rest of CIEC would follow him. I base this judgment on further talks with Jack Clarke who was present throughout the G.19 meeting in Paris two weeks ago. He is prepared to run messages for us to P.G. but warns of the difficulties.

WDClark:sf

2/28

I



Brandt-McNamara Statement

Brandt and McNamara met today to discuss establishing an unofficial Commission under Mr. Brandt's chairmanship to examine the problems of a global development strategy.

They agreed that initiation of the work of a Commission should await the outcome of the UNCTAD meeting which is now taking place and of the CIEC Ministerial Meeting provisionally scheduled for May. The purpose of the Commission would be to support agreements reached in these on-going negotiations, to stimulate further agreements, and to weave these agreements into the broader context of a full and longer-term development strategy.

If the Brandt/McNamara statement is agreed on March 7th it should be given before publication to Gamani Corea and Perez Guerrero with a strong request that they should say something like this:

I have read the statement by Willy Brandt/Robert McNamara and note with pleasure that they look to the Commission to support agreements reached in our current negotiations, and to build support for further agreements in this field. I believe that in the longer run a Commission chaired by Herr Brandt could contribute very greatly to the solution of world development problems.

III

When the finances are finally agreed the following announcement should be made for the record. Date approximately mid-April.

Draft Announcement of Brandt Acceptance

The following announcement was made simultaneously today in Washington, Bonn and the Hague.

Herr Willy Brandt has accepted the Chairmanship of an international Commission to examine politically feasible areas of action which can command public support in rich countries and poor alike, and which will hasten the development process.

The Commission will consist of about a dozen eminent persons invited by Herr Brandt equally from the developed and developing countries. Its meetings will begin in mid-year and it aims to produce its report in about a year's time. It will be assisted by an expert international Secretariat.

The costs of the Commission have been guaranteed by a consortium of Governments and Institutions headed by Jan Pronk of the Netherlands, and David Hopper of the Canadian I.R.D.C.

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*Include now
World Dev Budget*

WORLD BANK / INTERNATIONAL FINANCE CORPORATION

OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: February 28, 1977

FROM: William Clark *WKC*

SUBJECT: Next Steps on Brandt Commission (I)



At this moment we are planning to meet Brandt on Monday, March 7, with the expectation that he will agree to some public announcement of his chairmanship in the first ten days of May, if we can get Perez Guerrero (and to a lesser extent Gamani) to withdraw their stated opposition.

2. Since we met Bahr the dates of international meetings in May have been changed and more or less settled. They are:

Western Economic Summit, London May ⁷⁻⁸ ~~10-12~~;

Ministerial Meeting, CIEC, Paris, May 25-27.

3. We are going to have real trouble with Canada as well as P.G. if we make a public announcement before May 27. It will be very inconvenient to postpone action till virtually the beginning of June. What way out?

4. I do not think it is feasible to pressure P.G. into a public statement before the Ministerial meeting. He is supported in this negative stand by all the G.19 (except possibly Jamaica, i.e. Jack Clarke) and by Canada.

5. On Monday we could try to get Brandt to agree to this procedure:

A letter to P. G. (from you or better from Willy Brandt) saying that the two of you have consulted together and wish to keep him informed. In view of his request there will be no public announcement till after the Ministerial meeting of CIEC but in the meanwhile W.B. will proceed to prepare the ground ... In this connection he would very much wish to consult with P.G. (and others named?) since one of the main objectives of the Commission will be to support agreements reached in the current negotiations, to stimulate further agreements, and to weave these agreements into the broader context of a full and longer-term development strategy.

6. How to make this trigger the finance and the possibility of recruiting at least an Executive Secretary to begin work before June? We should inform Pronk and Hopper of this letter; I believe Pronk would be prepared to put up his share and urge Norway to join him; Hopper would be meeting with his Board within the week and would be able to give a speedy reply (since he wants to put in his \$500,000 by March 31 anyway). I think it would be favourable.

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7. The pledges would need to amount to \$2m. with the understanding that subsequent donations would be drawn down pari passu. We should perhaps consider establishing a Trust Fund, independent of the Bank and of you. Pronk has done this in the past in relation to the U.N.

8. If we can persuade W.B. to take this course - which puts him in the drivers seat and also in the line of fire - we must offer all possible help in getting acceptance of the Commission by Governments around the world. In this we have a long way to go, for the B.C. is not popular in our Part I nor Part II countries; chiefly because it is not understood. We need to work on the Vance letter basis and provide a good "guidance paper" for all our overseas posts. This could also be used by you at Tidewater April 3, Brussels April 4; A.C.C. April 5. I could also use it if I visited some Commonwealth (or English speaking) countries. Julian could use it at the U.N. - as he is to some extent already using versions of this briefing.

We have a very strong case for this initiative; it needs to be made quietly but personally in a selected number of places in OECD and LDC countries even when Brandt has taken over control of the Commission - that is something we shall owe him.

WDCClark:sf

OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: February 25, 1977

FROM: William Clark *Wm*SUBJECT: Conversation with Commonwealth Secretary General

I had a long conversation with Sonny Ramphal (Sir Shridath Ramphal, Secretary General of the Commonwealth) in New York where he was seeing the Secretary General after a tour of the Caribbean Commonwealth.

He has become a strong supporter of the "Brandt Commission" and found that Waldheim agreed with him that it seemed the only way to get negotiations off the official deadlock and moving to a genuine consensus. Ramphal has said to me in the past that he had hoped the Commonwealth might do exactly this, but found that Government representatives were tied hand and foot.

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He had talked about the Brandt idea to several Prime Ministers on his tour and found them all very interested and favorable when they understood it. Manley in Jamaica he found particularly interested (because his Ambassador Donald Mills had met you and kept him well informed). He would like to give public support and Ramphal suggested that I (or less probably you) might talk it over further. (This would be easy to do and might be useful vis a vis the Caribbean and possibly P.G.; might it be counter productive in U.S.?)

Ramphal added that in all his conversations with LDC Commonwealth he found some support for the Brandt Commission but also suspicion that it might be used to break up the G.77 unity. He urged that we be very careful to appoint Commissioners who would carry weight with the new generation of political and economic activists, otherwise there would be suspicion that it was a Western trap from the beginning which could ruin its impact.

He also spoke about names which I will mention to you in that context. He was enthusiastic about Jamal.

WDC:Clark:sf

8/15/6/21

Mr. McNamara
Mr. Clark

HOUSE OF COMMONS DEBATES

Thursday, February 24, 1977



William -
Trudeau's
answer is of
interest. J. J.

EXTERNAL AFFAIRS

CONFERENCE ON INTERNATIONAL ECONOMIC CO-OPERATION—
REQUEST FOR PROGRESS REPORT

Mr. Douglas Roche (Edmonton-Strathcona): Mr. Speaker, my question is to the Prime Minister with reference to his speech to the United States Congress. In his speech the Prime Minister cited commodity price stabilization, nuclear safeguards and special drawing rights as core issues in the building of peace. May I ask the Prime Minister what steps Canada is taking to advance the north-south conference on international economic co-operation dealing with these precise issues? Can he say what response Canada has made to the widely publicized call by Robert McNamara, President of the World Bank, for more willingness by the industrialized nations to come to grips with these real issues?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the House leader is co-chairman of the Conference of International Economic Co-operation and he has been meeting as recently as during the last fortnight with his co-chairman, Mr. Perez Guerrero of Venezuela. There are some difficulties in the conference but at this time we are hopeful that under the skillful direction of these two gentlemen the conference will make progress. We discussed it in Washington and there is great anxiety on the part of our government, certainly, to show progress in this area. I am sure that at the appropriate time the House leader will want to report on this particular matter.

Insofar as Mr. McNamara's appeal is concerned, we are very sympathetic to it and, of course, we have great respect for the goal he is proposing. However, we have some reservations as to whether we should set up this Brandt Commission, I believe it would be called, before the CIEC conference itself meets. Our reservations are to the effect that it would probably be better to have CIEC pursue its work before the Brandt Commission was set up, which might appear to many at the CIEC conferences as a diversionary tactic. It would not be our view, but there is a tactical matter here to be considered.

EFFORTS TO PUBLICIZE GOVERNMENT'S FIVE-YEAR STRATEGY
FOR INTERNATIONAL DEVELOPMENT CO-OPERATION

Mr. Douglas Roche (Edmonton-Strathcona): I thank the Prime Minister for his informative answer. Again with reference to his speech to the U.S. Congress in which he said, and I quote: "We have failed to mobilize adequately full support of our electorate for the construction of a new world order", may I ask him what steps he is taking to ensure that the government's five-year strategy for international development co-operation, a document published 18 months ago, one which is practically unknown to Canadians, is made better known among the Canadian electorate?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe the hon. member is touching on an important point of communication here. We do our best to make sure that the Canadian people are aware of the policy directions the government is pursuing and we do try get the information out to the people without being suspected of trying to propagandize Liberal government goals. Within that structure we will continue to try to impress upon the Canadian people the necessity of making progress in this area. The House leader on this side is a very active and respected participant in this conference.

Some hon. Members: Hear, hear!

Mr. Trudeau: I am somewhat gunshy, personally, Mr. Speaker, when it comes to selling to the Canadian people the need for a new order.

Some hon. Members: Oh, oh!

* * *

815 / 6 / 19



Minutes of Breakfast Meeting between Egon Bahr and Robert McNamara

Tracy Place - February 22, 1977

It was agreed:

- (i) Herr Brandt to meet Mr. McNamara for lunch at the Bank 1.00 p.m. Monday, March 7.
- (ii) To aim at announcement (of Brandt's acceptance of the chair) between end April and May 10.
- (iii) Perez Guerrero to be contacted by Mr. McNamara and asked to lift his objections. If necessary Gamani Corea to be similarly contacted.
- (iv) Financial arrangements by Canada (I.R.D.C.), Netherlands (Pronk) and 'like-minded' to be handled by McNamara side. Germany should not put up money; the Bank should consider it later and possibly not subscribe, to emphasise independence of Commission. OPEC - probably Saudi Arabia - to be approached only when the package including finance is complete.
- (v) Provisionally agreed that the Commission should be 12 to 14 with equal division of Third World and OECD. (possibly excluding the Chairman).
- (vi) The critical next step is the appointment of Staff Director who will be primarily responsible for selecting staff of world wide experts, and for outlining the chapters of the final report and so establishing the program of work. This should be done prior to the announcement of the Commission's terms of reference, prior to the final selection of the names of Commissioners, and prior to the selection of the staff and advisors.

We should prepare a list of possible staff directors to discuss with Brandt; if possible send early copy to Bahr.
- (vii) Location of Secretariat; no objection to the choice of Geneva.

Record of Conversation Bahr/McNamara

February 22, 1977

1. Egon Bahr said that he had seen a number of people in the new Administration (excluding Treasury) and had found them cautious about the Brandt Commission. He assumed that in common with other Governments, including Germany, they feared they might be pushed further than they wished.

R. McNamara responded that the Carter Administration had really not focussed on this issue yet, and was faced with an early CIEC meeting and no policy at all for it. They would in the end agree to support such a Commission because it would produce ideas from outside, which the Executive could more easily sell to public and Congress.

2. Egon Bahr said he understood and somewhat sympathised with Perez Guerrero's stand. The G.19 had been faced with excuse after excuse by the OECD for putting off decisions, and were very suspicious that this was another. Would it be possible to consider Perez Guerrero for the Commission?

R. McNamara: of course it would be possible, but doubt it would be wise because he is too tied to a certain position adopted by the G.19.

Egon Bahr: but at Nairobi he was one of the moderates who was helpful in easing the 77 along. Anyway he must leave it to us to handle Perez Guerrero (and other objectors) since Brandt was very anxious to avoid any appearance of lobbying for a job. Agreed that the handling of Perez Guerrero should be very low key and quiet.

3. Egon Bahr said that Brandt hoped to see R. McNamara for lunch on March 7. He looked forward to an announcement about April 30-May 10. [N.B. The present plan of the G.19 is to hold the final Ministerial Meeting on May 12-14].

4. Egon Bahr mentioned that it was important to make the Commission seem to be independent of Washington/World Bank. R. McNamara said he had always kept it apart from the Bank, and did not think the Bank should necessarily put any money up for it. It was expected that money would come from the Netherlands, Norway etc., Canada.

5. R. McNamara: the critical appointment is the Executive Secretary and it should be made earliest. One name mentioned was John Lewis. Egon Bahr worried at an American; but we agreed to supply a list of possibles.

6. R. McNamara said there might be four categories of staff:

(i) About a dozen permanent for full 18 months, with special expertises, e.g. population, trade, agriculture, etc.

(ii) A summer group in between the academic years, which might survey the existing research material world wide.

(iii) Advisers, who retained their existing posts but were consulted on a regular basis.

(iv) Specialists.

Egon Bahr said he thought "all the figures are known" and their developments. R. McNamara said that nearly all the figures were available but were not properly developed, i.e. worked out. It would take a first class executive secretary to find all the material and it would take a year to "develop" it.

7. It was fully agreed that (as R. McNamara proposed) the Executive Secretary should be responsible in conjunction with the Chairman for laying out the program of work and for recruiting the staff to do it. This work needed to start as early as possible. (E.B. mentioned one of his former staff who might be on the Secretariat: Herr Oppelt).

8. Commissioners. (Talk of possible Commissioners went on throughout the meeting). Egon Bahr said he thought that it was probably necessary for geographic reasons to have a majority of Third World members. R. McNamara argued against this on grounds it would not influence the OECD governments which were the target. Egon Bahr asked what our view was of the idea of a Third World Co-Chairman such as Nyerere. R. McNamara replied that it would be awkward to have a Third World leader dependent on his electorate as a part of the Commission, since he might be unable publicly to endorse what he realised was a viable compromise. Egon Bahr said Brandt and he agreed with this. [I noted silently that both the 8-4 division

of Commissioners in favour of the Third World, and the idea of Nyerere as Co-Chairman were the first two "minimum conditions for Third World representation" given me by Sartaj Aziz after our meeting two weeks ago. He said he was going back through Bonn/.

9. Individual names.

Egon Bahr said he would like to have some connections with the Pearson Commission and suggested Marjolin for France. R. McNamara said there were many good French names.

In this Pearson connection there was favourable mention of:

Arthur Lewis

Roberto Campos

and Saburo Okita. Egon Bahr said for Japan he thought of Inoue (late head of A.D.B.). R. McNamara mentioned Kashiwaga.

Egon Bahr said he had spoken on the telephone to Kissinger who did not rule out the possibility of his being a Commissioner. Egon Bahr said that President Frei was to be considered as an alternative to Campos.

William Clark warned that the Third World team must contain some names that carried weight with the current generation of Third World development leaders, so that the report could not be repudiated in advance at the U.N. In this connection the name of Jamal from Tanzania was mentioned as just such a personality. Though a Minister he might be acceptable if serving "uninstructed by Government".

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The World Bank

Dosker 2/22/77

connection but was told by Brandt

"He had not yet given me a firm reply
altho he was assuming a firm reply;

"had to speak to Schmidt"



CC: Mr. Janssen
Mr. Drake
Mr. Looijen

Mr. Hopper
Mr. Clark

HIS EXCELLENCY
WILLY BRANDT
PRESIDENT
SOZIALDEMOKRATISCHE PARTEI DEUTSCHLANDS
OLLENHAUERSTRASSE 1
BONN
FEDERAL REPUBLIC OF GERMANY

FEBRUARY 14, 1977

LT
(2001)



I AM LOOKING FORWARD TO SEEING EGON BAHR NEXT WEEK AND FEEL I SHOULD BRING YOU BOTH UP TO DATE ON HOW MATTERS ARE PROCEEDING STOP THERE HAS BEEN A GREAT DEAL OF SUPPORT FOR THE IDEA OF A COMMISSION UNDER YOUR CHAIRMANSHIP BOTH FROM THE THIRD WORLD AND FROM THOSE PEOPLE MOST CONCERNED WITH THE LONGER TERM ASPECTS OF DEVELOPMENT STOP BUT THERE REMAINS THE FEAR OF SOME OF THE NEGOTIATORS IN THE NORTH SOUTH DIALOGUE IN PARIS STOP IN PARTICULAR PEREZ GUERRERO CONTINUES TO PLEAD WITH US NOT TO ESTABLISH THIS COMMISSION UNTIL THE CIEC HAS HELD ITS MINISTERIAL MEETING STOP SINCE BOTH YOU AND I ARE ANXIOUS TO AVOID ANY APPEARANCE OF DAMAGE TO CURRENT NEGOTIATIONS I WOULD PROPOSE THAT IF YOU AGREE WE ACCEPT THIS REQUEST STOP THEN AFTER THE CIEC MINISTERIAL MEETING WHICH IS NOW TENTATIVELY SCHEDULED FOR MAY WE COULD LOOK FOR STRONG SUPPORT FROM BOTH THE CIEC GROUPS STOP BUT I HOPE WE CAN DISCUSS DURING EGON BAHR'S VISIT AND YOURS HOW WE SHOULD PROCEED WITH THE COMMISSION WHEN ITS TIME IS COME STOP I REMAIN CONVINCED THAT THERE IS A REAL AND URGENT NEED FOR JUST THE SORT OF IMAGINATIVE POLICIES IN THIS AREA WHICH I BELIEVE YOUR LEADERSHIP OF SUCH A COMMISSION COULD PRODUCE STOP BEST WISHES

BOB McNAMARA

Robert S. McNamara
President

RMcn:ms

Please copy to:
His Excellency Johannes P. Pronk
Minister for Development Cooperation
Ministry of Foreign Affairs
The Hague, Netherlands