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# DECLASSIFIED WBG Archives

Archives

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Brandt Commission - Correspondence 07

Folder No. 7 Folder 7

RETURN TO	ARCHIVES IN MC C3-120	
ISN # 1093	85 ACC# A1995-250	6
BOX #	1	
LOCATION	M-101-2-01	

815/7/15 MINISTRY OF FOREIGN AFFAIRS THE HAGUE DGIS/SA - 133807 The Hague, May 29 1977 Dear Robert, I am sending herewith copy of a letter which I have addressed to a number of government ministers in developing and developed countries mentioned in the annex about the Commission on development cooperation to be set up under the chairmanship of Willy Brandt. The letter calls for support for the Commission and confirms that such support is being given by the Dutch Government. Copy of the letter has been addressed to a number of others, mentioned in the annex, for their information and support. your sincerely

I look forward to the inauguration of the Commission which I shall lend every further support.

Minister for Development Cooperation

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

./.

# MINISTRY OF FOREIGN AFFAIRS

THE HAGUE

The Hague, May 27,1977 DGIS/SA-133807

In the confident hope that the CIEC will soon be concluded in a mutually satisfactory manner and with an agreement to move ahead in the dialogue, I take the liberty of writing to you on follow-up action to maintain and strengthen the political impetus for further North-South cooperation which CIEC will hopefully create.

In his address to the World Affairs Council in Boston (January 1977)
Mr. Robert S. McNamara, President of the World Bank, suggested
launching a high-level, but deliberately unofficial commission to
identify and prepare concrete proposals to accelerate social and
economic progress in the developing countries which would command
both public and legislative support in rich and poor countries
alike. This commission, of which Mr. Willy Brandt the former Chancellor of the Federal Republic of Germany has already accepted the
chairmanship, would consist of a group of private persons, internationally recognized as eminent political and economic leaders,
drawn equally from developed an developing countries. The composition has yet to be determined.

The Commission should be established after the conclusion of the Paris Conference on International Economic Cooperation (CIEC) and is expected to complete its work within 12 to 15 months.

It is the opinion of the Netherlands Government that in order to succeed in the arduous task of reshaping and restructuring the existing international order, there should be agreement on the substance of a new international economic order and more equitable structure of international economic relationships and the firm political will on both sides to implement the necessary policies in our common interest.

I am convinced that the proposed Commission can play a very important role in fostering the political will to carry forward the necessary policies already agreed upon in principle in the UN, UNCTAD, CIEC and elsewhere as well as those to be agreed upon.

The political stature and the balanced composition of the Commission as envisaged could have a decisive impact on political leaders and public opinion in particular in those countries that up till now are more or less hesitant to recognize the common interests of both developed and developing countries in accelerating the economic and social progress and the satisfaction of basic human needs of the Third World. Not replacing existing institutions and fora and in no way preempting the role of Governments, but indeed by feeding and fostering the ongoing process of negotiations, the Commission could greatly contribute to the establishment of more just and equitable relations between rich and poor countries.

It is on the basis of these considerations that I appeal for your support with regard to the proposed establishment of the Commission. As far as the Netherlands are concerned I have already pledged to Mr. McNamara and Mr. Brandt that we are prepared to contribute in a substantial manner to the financing of the Commission and its activities. I am sending a copy of the letter to Mr. Brandt.

J.P. Pronk Minister for Development Cooperation Adressees:

Annex to the letter of Minister Pronk of May 29, 1972

His Excellency Mr. Thorvald Stoltenberg State Secretary Oslo

His Excellency
Mr. Ola Ullsten
Minister for International
Development Cooperation
Stockholm

Her Excellency Mrs. Lise Østergaard Minister without Portfolio Ministry of Foreign Affairs Copenhagen

His Excellency
Mr. Paavo Väyrynen
Minister for Foreign Affairs and
Foreign Trade
Helsinki

His Excellency Dr. Ernst Eugen Veselski State Secretary Vienna

His Excellency R. van Elslande Minister of Foreign Affairs Brussels

The Right Honourable
Mrs. Judith Hart M.P.
Minister for Overseas Development
of the United Kingdom of
Great Britain and Northern Ireland
London

His Excellency
President M.J.K. Nyerere
Dar es Salaam

His Excellency President K.D. Kaunda Lusaka His Excellency Dr. A. Vratusa Vice-President of the Federal Executive Council of the SFR of Jugoslavia Beograd

His Excellency Mr. Abdelaziz Bouteflika Minister of Foreign Affairs Algiers

His Excellency
Dr. Manuel Perez-Guerrero
Minister of State for International
Economic Affairs
Caracas

His Excellency Mr. Santiago Roel Minister of Foreign Affairs Mexico

His Excellency Mr. Atal Bihari Vajpayee Minister of External Affairs New Delhi

His Excellency Mr. Aziz Ahmed Minister of Foreign Affairs Islamabad

The Honourable
Mr. Donald Campbell Jamieson
Secretary of State for External
Affairs
Ottawa

His excellency Mr. Bunroku Yoshino Vice-minister for Foreign Affairs Tokio

His Excellency Dr. Adam Malik Minister of Foreign Affairs Jakarta Her Excellency Mrs. Sirimavo Bandaranaike Minister for Foreign Affairs Colombo

His Excellency Mr. Mansour Khalid Minister for Foreign Affairs Khartoum

His Excellency Dr. Munyua Waiyaki Minister of Foreign Affairs Nairobi Copies adressed to:

H.E. Mr. Kurt Waldheim Secretary-General of the United Nations New York

His Excellency
Mr. Gamani Corea
Secretary-General of
UNCTAD
Geneva

His Excellency Mr. E. van Lennep Secretary-General of OECD Paris

His Excellency Mr. Shridat S. Ramphal Secretary-General of Common Wealth Secretariat London

The Honourable Mr. Michael Manley Prime Minister Kingston

His Excellency Mr. A. Jamal Minister of Communications and Transport Dar es Salaam

The Honourable Mr. Abdul-Latif Al Hamad Director-General of the Kuwait Fund for Arab Economic Development Kuwait

His Excellency Mr. Fred Wills Minister of Foreign Affairs Georgetown

815/7/14

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL FINANCE CORPORATION

OFFICE OF THE PRESIDENT

5/13/77

WBG 815/7 PACHIVES

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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.

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 intergovernmental 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. 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,

1210

Robert S. McNamara

815 /7/13

# 1. Executive Secretary.

# The preferred choices are:



Sir Kenneth Berrill	U.K.
David Bell	U.S.
Al Fishlow	U.S.
Andrew Shonfield	U.K.
Ray Vernon	U.S.

# Fallback choices.

Isaiah Frank	U.S.
Les Gordon	U.S.
G.K. Helleiner	Canadian

# Third World possible deputies.

Lal Jayawardene	Sri Lanka
Rodrigo Botero	Colombia

#### 2. Secretariat and Location

Most of the names on the lists for Executive Secretary should at least be considered for the Secretariat.

Further names to put before the Executive Secretary when appointed:

Robert Cassen
Ferdinand van Dam
David Morawetz
T.N. Srinavasan
Michael Faber
Arthur Hazlewood
Goran Ohlin
Carlos Diaz
Just Faldan
D.C. Rao
Shankar Acharya

(U.K.)
(Dutch)
(Australian)
(Indian - IBRD)
(U.K.)
(U.K.)
(Swedish - Pearson)
(Cuban/U.S. - Pearson)
(Norwegian)
(Indian - IBRD)
(Indian - IBRD)

Sedgwirk?

We should also consult with friends at Development Institutes for the names of bright young but less well known candidates (e.g. OECD Development Centre; O.D.I., Unctad, Deutsche Stiftung etc.). We also need to get hold of the best LDC experts preferably with practical governmental experience, rather than U.N. negotiating experience.

Location. There is a preference for Europe, either Geneva or London. Presumably Washington or Cambridge (U.S.) should not be ruled out if the Executive Secretary were to be an American.

In any case we need to create a technical link between the Secretariat and IBRD/IMF information core.

# 3. Commissioners

Attached are the lists of possibles for Commissioners.

The problems for discussion are:

- (i) How to strengthen the development expertise amongst the Commissioners, e.g. if Arthur Lewis were unavailable who could replace him.
- (ii) How to strengthen the Third World team.
- (iii) If Kissinger is not available which American? Ditto in U.K. if Heath not available.

### COMMISSIONER CANDIDATES -- DEVELOPED COUNTRIES

Australia

Sir John Crawford

Belgium

Jean Rey

Canada

Mitchell Sharp Maurice Strong John N. Turner

Denmark

Poul Nyboe Andersen Kresten Helveg Petersen

France

Pierre-Paul Schweitzer Francois Bloch-Laine Claude Cheysson Olivier Giscard d'Estaing Pierre Moussa

Italy

Giovanni Agnelli Guido Carli

Japan

Sauburo Okita Yusuke Kashiwagi Kiichi Miyazawa Netherlands

Jelle Sijlstra Edmund Wellenstein

Sweden

Olof Palme

United Kingdom

Edward Heath Harold Wilson Barbara Ward Edward Boyle

United States

Henry Kissinger Robert Roosa George Schultz A.S. Clausen Father Hesburgh William Scranton Walter Heller David Bell

# COMMISSIONER CANDIDATES -- DEVELOPING COUNTRIES

Brazil

Roberto Campos

Delfim Netto

Caribbean

Sir Arthur Lewis

Chile

President A. Frei

Colombia

Rodrigo Botero Montoya Carlos Lleras Restrepo

Ghana

Alex Kwapong

Guyana

Sir Shridath S. Ramphal

India

L.K. Jha

C. Subramaniam

Indonesia

Soedjatmoko

Ivory Coast

Mohamed Diawara

Kenya

Moy Kibaki

Kuwait

Abdlatif Y. Al-Hamad

Mexico

Ernesto Fernadez Hurtado

Victor Urquidi

Nigeria

Allison Ayida

Tanzania

Amir H. Jamal

Thailand

Puey Ungphakorn

Uruguay

Enrique Iglesias

Venezuela

Antonio Mayobre

Yugoslavia

Janko Smole

#### DRAFT ANNOUNCEMENT

Herr Willy Brandt has accepted the Chairmanship of an

International Commission on Development. In the light of the

outcome of the recent North/South dialogue in Paris, he is now

proceeding to establish this Commission. built for the results of the first of the f

The "Brandt Commission" will consist of a group of private persons, approximately 12 in number, drawn equally from the developed and developing countries, under the chairmanship of Willy Brandt.

The members of the Commission will be selected by the Chairman. They will be persons internationally recognized as eminent political and economic leaders, and as open-minded and free from government instruction.

It will be the task of the Commission, under its Chairman, to formulate recommendations for action by developed and developing country governments which would lead to an acceleration of social and economic progress in the developing countries, and which would find broad political support among the public and in the legislatures of both the developed and developing countries. The Commission will be an independent body, and its members, as a group, will have sole and complete responsibility for their recommendations.

The structure and machinery of the Commission will be both simple and flexible. There will be a full-time, international Secretariat of highly-qualified development economists, headed by an Executive Secretary. The Executive Secretary will be chosen by, and

be responsible to, the Chairman of the Commission.

The program of work of the Commission will be determined by the Chairman and members of the Commission, in consultation with the Executive Secretary. The Commission will meet at such times and places, and for such periods, as the Chairman determines. The work of the Commission is expected to be completed within 12 to 18 months from the date when the Commission formally begins operations, and the Commission's recommendation will be embodied in a published report.

The costs of the Commission have been guaranteed by a consortium of Governments and Institutions including the Governments of the Netherlands, Norway, United Kingdom ..... the International Development Research Center (Headquarters in Ottawa), the German Marshall Fund (Headquarters in Washington)

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ORGANIZATIONAL AND FINANCIAL STRUCTURE OF THE BRANDT COMMISSION

The Commission on Development (the "Brandt Commission") will consist of a group of private persons, approximately 12 in number, drawn was equally from the developed and developing countries, under the chairman ship of Willy Brandt.

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to be completed within 12 to 18 months from the date when the Commission formally begins operations, and the Commission's recommendation will be embodied in a published report.

The projected staffing, administrative and operational requirements of the Commission (including compensation, travel expenses, publications and translation costs, etc.) are estimated at \$2 million - \$2.5 million. These will be met out of a Trust Fund, comprised of voluntary contributions by governments, international public and private institutions and public and private national organizations. All contributions received will be deposited in a bank account in the name of the Trust Fund, which will be established and administered by the Chairman and used only for the purposes of the Commission. The Chairman shall have authority to enter into commitments and to draw against the Trust Fund. The Chairman shall render an accounting of contributions to, receipts of and disbursements from the Fund to all donors at the close of the Commission's work.

To assist in meeting the cost of carrying out the work of the

Commission as described above, the Government of agrees to

make a total contribution to the Trust Fund of U.S. \$ equivalent.

Payment of the Government's contribution shall be made, in proportion to

the payment of other contributors, at such times as the Chairman of the Commission shall designate. Any funds remaining in the Trust Fund, upon completion of the work of the Commission, shall be returned to the donors in proportion to their contributions.

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815/7/12

April 29, 1977



His Excellency
Willy Brandt
President
Sozialdemokratische Partei Deutschlands
Ollenhauerstrasse 1
5300 Bonn
Federal Republic of Germany

Dear Herr Brandt:

I am sending you the full text of a speech I gave last night on population which I hope will interest you as much in reading as it did me in preparing it. This is one of the biggest problems your Commission will have to face, and I hope that we can be helpful in suggesting persons (perhaps for the Secretariat) who can cope with the intricacies of the subject.

I understand that Sir Kenneth Berrill will not be available as Executive Secretary. I have been inquiring about alternatives for this key post, and can tell you that I have received very favorable reports on Andrew Shonfield, who is about to change from directing the Royal Institute of International Affairs in London to being a Professor at the European University at Florence. There is one new name to add to the list, an American, Ray Vernon. He is currently Professor of International Business Management at Harvard, and in the past has been intimately involved with the Harvard Advisory Group which has been instrumental in devising and managing development plans for such countries as Pakistan and Ghana. He has an excellent academic and practical knowledge of development, and is a good team manager.

I have had a talk with Jan Pronk this week while he was in Washington, and he has told me of his conversation with you. He stressed particularly the need to ensure Third World Support for the Commission, with which I am in full agreement. However, I would hesitate to suggest making the terms of reference more specific or more adapted to the terminology of the New International Economic Order (or for that matter to the terminology of Market Economy). It seems to me that the Commission would not want to appear to prejudge the issue of the means by which social and economic progress is to be accelerated in the developing countries. Indeed I believe the greatest contribution of your Commission will be to find a development policy that can obtain the genuine support of both the industrialized donors and the developing recipients.

But I do agree that gaining the support of the Third World (and of the major industrialized countries) is very important. I hope you may find it possible to consult with Perez Guerrero and Gamani Corea as well as van Lennep and perhaps Cheysson and Haferkamp at the E.E.C. Their suggestions on names for the Commissioners and the Secretariat could be very useful, but I am sure you will wish to retain the choice in your own hands.

With best wishes.

Sincerely,

Son McNamara

Enclosure

WDClark: RMcN:mss



MINISTERIE VAN BUITENLANDSE ZAKEN

DE MINISTER VOOR ONTWIKKELINGSSAMENWERKING

WBG SISA

The Hague, 22nd April 1977

Dear Bob,

Thank you very much for your kind letter of April 6. Let me assure you that it was my pleasure and privilege to see you on the 4th in Amsterdam.

I wish to confirm our understanding on the organisation and financing of the "Brandt Commission" as set out in your letter, subject however to some considerations, which I discussed with Willie Brandt on April 17 in Amsterdam and which I expressed to you on earlier occasions.

So far as the financing of the Commission is concerned, I confirm herewith that the Netherlands Government is prepared to pay 50% of the cost of the Commission, and would indeed, on the understanding that the matter would be held in confidence, be ready to guarantee the availability of funds sufficient to finance the entire cost, if necessary.

I shall shortly write to a number of friendly governments, in order to seek both the political and financial support for the Brandt Commission.

Coming back to the terms of reference of the Commission I would just wish to repeat that, in my view, it is essential that the developing countries will recognize in the terms of reference some of the basic elements of their economic and political aspirations, as embodied in the resolutions of the 6th and 7th Special Session of the General Assembly of the United Nations.

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Even though the proposal for the Brandt Commission has gradually gained support among leaders of the Third World, I still observe a great deal of distrust, as recently as during my visit to Belgrade last week in the discussions with Deputy Prime Minister Vratuša. I have, I believe, convinced him of the vital importance of the Brandt Commission but he declined to include a reference to it in our joint communiqué, as being premature pending the outcome of the CIEC. I believe that we must make it clear in the terms of reference in the Commission that one of its points of departure is the Third World's basic stand on development contained in the above mentioned resolutions and that one of its purposes must be implementation of these resolutions.

Willie Brandt said that he understood my point of view and I hope that it will be possible in the next few weeks to agree on language, which would meet the views of the developing countries and at the same time would not antagonize political and opinion leaders in the industrialized world.

I also stressed to Willie Brandt that we must duly and fully consult the principal leaders of the Third World both on the terms of reference and on the composition of the Commission. He agreed with me on that point and we also agreed that he and I would approach shortly a number of those leaders. I also suggested to him that he would get in touch with Gamani Corea and in particular with the President of Algeria Boumedienne personally in order to convince them of the importance of the Commission.

I understood from Willie Brandt that the British are not willing to make Sir Kenneth Barrill available as head of the secretariat. We must urgently look for other suitable persons and I wonder whether you would not be willing to make the Mahbub Ul Haq available.

Willie Brandt informed me on the manner in which, through the secretariat of the Commission, he would wish to get the Eastern European countries involved in the activities of the Commission. I fully agree with him on that point.

We did not discuss at length or in detail the persons to be invited as members of the Commission. I was, however, delighted to learn that Henry Kissinger, in all probability, accepts membership. I suggested to Willie Brandt, that he may consider as members of the Commission the former Japanese Foreign Minister Miyazawa and the former Minister

of Finance of India, Subramaniam.

I confirmed to Willie Brandt my
Government's readiness to finance half of the cost
and to guarantee the full amount. He felt that it
would perhaps be better, in order to preserve his
own independence, if the Federal Government of
Germany would not as such contribute to the financing.
He saw, however, possibilities for financing from
private German sources. I stated, that, apart from
the bi-lateral approaches to a number of Governments,
I would use the occasion of the Development Committee
for promoting amongst its members the idea of the
Brandt Commission.

As to timing, we felt that the invitations for membership should be sent out at the latest in June, in order to have a first meeting of the Commission in September.

I hope to see you next week for a moment in Washington to discuss the matter further.

With warm regards,

Jan P. Pronk

WORLD BANK / INTERNATIONAL FINANCE CORPORATION OFFICE MEMORANDUM TO Mr. Robert S. McNamara William Clark SUBJECT: Membership of the Brandt Commission I have some anxieties about the way the membership of the Commission is shaping up: The North is almost too distinguished politically, too last generation and out of office, too weak in development expertise. It is in danger of being too radical for the U.S. etc., too old fashioned for the new protagonists of development (e.g. Judith and Jan). The South is too weak to give the organised Third World the feeling that it is fielding its best team. This could give the Southern militants the chance to denounce the Commission ab initio which would greatly weaken its final impact. The only real development expert is Arthur Lewis and he lacks new ideas and flexibility. There is a real danger of the whole Commission being labelled "Yesterday's Men". How do we remedy this? Let me be clear it is not by putting in young militants from Third World Forum, nor devotees of the N.I.E.O. But we do need to keep the moderates (from Pronk to Botero) on our side, and this means showing open mindedness to the Third World's case for its strategies. 3. In terms of Commissioners I feel we should try to get Maurice Strong on board. He is innovative, has a very good reputation with the organised Third World, but is clearly open-minded.

Also I would hope we could get Ramphal, the Commonwealth Secretary-General as a Commissioner. He is young and has influence on and the trust of the whole developing Commonwealth, without forfeiting the particular regard of Canada and most of the old Commonwealth. In some ways he might be a better choice than Amir Jamal for holding Commonwealth Africa (they are both Indian racially).

If Pronk is by any chance out of Government (less likely than it used to be) would he not be a good Commissioner - for instance instead of Palme?

4. In the Secretariat I believe we could be quite bold in using Third Worlders well known and trusted in their own community.

If they are not idealogues it does not matter if they are "difficult"; the task of persuading them to accept a development strategy acceptable to major donors is only a microcosm of the task in the real world. Persons with a considerable reputation are:

Angus McIntyre. Secretary-General of Caricom and Secretary of the Commonwealth Committee on Development. (Trinidadian)

AllisonAyida, Permanent Secretary Ministry of Finance, Nigeria (just retired, age 46)

Rodrigo Botero, if he would serve on the Secretariat, perhaps as Deputy Executive Secretary.

Philip Ndegwa, ex-Permanent Secretary, Ministry of Finance Kenya, now with UNEP.

All of this depends on a good solid Executive Secretary who could manage such people.

WDClark:sf

WORLD BANK / INTERNATIONAL FINANCE CORPORATION OFFICE MEMORANDUM TO: Mr. Robert S. McNamara DATE: April 18, 1977 William Clark/ SUBJECT: Payments towards Brandt As soon as we hear from Pronk we should consider actually setting up the Trust Fund, though it will presumably not open its doors till Brandt establishes the Commission. I would hope this would be planned in advance for the first week of June. The location of the Fund should be either Bonn, or the site of the Secretariat. As we begin to solicit funds we should consider how we deal 7,8 with Governments not on our list, e.g. France, the U.S., or even other OPEC countries. Should we not unofficially let them know that the lists are open if they wish to subscribe? Could this be done discreetly at Development Committee time? By you, or by others who are subscribing? WDClark:sf

# OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: April 15, 1977

FROM: William Clark NOL.

SUBJECT: Potential Subscribers to the Brandt Commission

1. Guarantor of last resort - Netherlands.

Status: letter of request sent by R. McNamara from Paris on April 7 confirming conversation with Pronk of April 4. Await reply. (Van Gorkom will be staying with me on April 24).

2. Norway. To be approached by Pronk.

Status: Believed to have agreed to subscribe but sum not known or decided.

U.K. Judith Hart to be approached by Pronk and R. McNamara (April 19).
 Suggested sum \$250,000 or £150,000.

4. Swedes. Approach by Pronk.

4,5

5. Belgium. Approach by Pronk. (R. McNamara or WDC might speak to de Groote).

6. Austria. Approach by Pronk. (Brandt has mentioned this to Kreiske).

7. Canada. (I.D.R.C.) Approach made to Hopper by R. McNamara.

Reply expected April 15, or early May. Sum expected \$500,000 of which \$100,000 is already provisionally available.

8. E.E.C.

Discussed informally by R. McNamara at Brussels with Haferkamp etc. on April 4. Further approach should be made by R. McNamara to Cheysson at time of Development Committee meeting. Sum suggested: 500,000 U.A. (or roughly same sum as IBRD would appropriate). 9. Germany.

Approach by R. McNamara.

Status: Bahr at breakfast February 22 said he assumed Germany would <u>not</u> be a subscriber; but I think the German Government attitude has changed since then, e.g. Minister Schlei's loan of Fischer to Brandt, and Moltrecht's obviously favourable interest in the Commission. Again this could be raised informally with Moltrecht at time of Development Committee. He might prefer to pick up some expenses in Bonn (e.g. Fischer's salary etc.) or he might be a regular subscriber of \$250,000. In Pearson's case Canada (CIDA) bore virtually all his Ottawa expenses.

10. Kuwait.

Approach by R. McNamara

Status: Abdlatif spoke to Sir R. King suggesting he might subscribe if we wanted. King told him there was interest.
R. McNamara might raise this at time of Development Committee with Kuwait. Suggest sum of \$250,000.

11. German Marshall Fund.

Maina

Status: a letter has been sent to Brandt saying that \$100,000 will be available as soon as a legal entity exists.

TELEX

WBG 815/7

INTERNATIONAL DEVELOPMENT RESEARCH CENTER
OTTAWA, CANADA

MR. DAVID HOPPER, PRESIDENT AAA REPEATED BELOW IS THE STATEMENT I READ TO YOU OVER THE TELEPHONE RELATING TO THE ORGANIZATIONAL AND FINANCIAL STRUCTURE OF THE BRANDT COMMISSION QUOTE BBB THE COMMISSION ON DEVELOPMENT (THE QUOTE BRANDT CORMISSION UNQUOTE) WILL CONSIST OF A GROUP OF PRIVATE PERSONS, APPROXIMATELY 12 IN NUMBER, DRAWN EQUALLY FROM THE DEVELOPED AND DEVELOPING COUNTRIES, UNDER THE CHAIRMANSHIP OF WILLY BRANDT CCC THE MEMBERS OF THE COMMISSION WILL BE SELECTED BY THE CHAIRMAN. THEY WILL BE PERSONS INTERNATIONALLY RECOGNIZED AS EMINENT POLITICAL AND ECONOMIC LEADERS, AND AS OPENMINDED AND FREE FROM GOVERNMENT INSTRUCTION. DDD IT WILL BE THE TASK OF THE COMMISSION, UNDER ITS CHAIRMAN, TO FORMULATE RECOMMENDATIONS FOR ACTION BY DEVELOPED AND DEVELOPING COUNTRY GOVERNMENTS WHICH WOULD LEAD TO AN ACCELERATION OF SOCIAL AND ECONOMIC PROGRESS IN THE DEVELOPING COUNTRIES, AND WHICH WOULD FIND BROAD POLITICAL SUPPORT AMONG THE PUBLIC AND IN THE LEGISLATURES OF SOTH THE DEVELOPED AND DEVELOPING COUNTRIES. THE COMMISSION WILL BE AN INDEPENDENT BODY, AND ITS MEMBERS, AS A GROUP, WILL HAVE SOLE AND COMPLETE RESPONSIBILITY FOR THEIR RECOMMENDATIONS. EEE THE STRUCTURE AND 10

ROBERT S. McNAMARA: DEE S. More

ROBERT S. MCNAMARA

PRESIDENT

MACHINERY OF THE CORRISSION WILL BE BOTH SIMPLE AND FLEXIBLE. THERE WILL BE A FULL TIME, INTERNATIONAL SECRETARIAT OF HIGHLY QUALIFIED DEVELOPMENT ECONOMISTS, HEADED BY AN EXECUTIVE SECRETARY. THE EXECUTIVE SECRETARY WILL BE CHOSEN BY, AND BE RESPONSIBLE TO, THE CHAIRMAN OF THE COMMISSION. FFF THE PROGRAM OF WORK OF THE COMMISSION WILL BE DETERMINED BY THE CHAIRMAN AND MEMBERS OF THE COMMISSION, IN CONSULTATION WITH THE EXECUTIVE SECRETARY. THE COMMISSION WILL MEET AT SUCH TIMES AND PLACES, AND FOR SUCH PERIODS, AS THE CHAIRMAN DETERMINES. THE WORK OF THE COMMISSION IS EXPECTED TO BE COMPLETED WITHIN 12 TO 18 MONTHS FROM THE DATE WHEN THE COMMISSION FORMALLY BEGINS OPERATIONS, AND THE COMMISSION'S RECOMMENDATION WILL BE EMBODIED IN A PUBLISHED REPORT.GGG THE PROJECTED STAFFING, ADMINISTRATIVE AND OPERATIONAL REQUIREMENTS OF THE COMMISSION (INCLUDING COMPENSATION, TRAVEL EXPENSES, PUBLICATIONS AND TRANSLATION COSTS, ETC.) ARE ESTIMATED AT DOLLARS 2 MILLION TO DOLLARS 2.5 MILLION. THESE WILL BE MET OUT OF A TRUST FUND, COMPRISED OF VOLUNTARY CONTRIBUTIONS BY GOVERNMENTS, INTERNATIONAL PUBLIC AND PRIVATE INSTITUTIONS AND PUBLIC AND PRIVATE NATIONAL ORGANIZATIONS. ALL CONTRIBUTIONS RECEIVED WILL BE DEPOSITED IN A BANK ACCOUNT IN THE NAME OF THE TRUST FUND, WHICH WILL BE 10

ESTABLISHED AND ADMINISTERED BY THE CHAIRMAN AND USED ONLY FOR THE PURPOSES OF THE COMMISSION. THE CHAIRMAN SHALL HAVE AUTHORITY TO ENTER INTO COMMITMENTS AND TO DRAW AGAINST THE TRUST FUND. THE CHAIRMAN SHALL RENDER AN ACCOUNTING OF CONTRIBUTIONS TO, RECEIPTS OF AND DISBURSEMENTS FROM THE FUND TO ALL DONORS AT THE CLOSE OF THE COMMISSION'S WORK. WHE TO ASSIST IN MEETING THE COST OF CARRYING OUT THE WORK OF THE COMMISSION AS DESCRIBED ABOVE, THE (BLANK SPACE) AGREES TO MAKE A TOTAL CONTRIBUTION TO THE TRUST FUND OF U.S. DOLLARS (BLANK SPACE) EQUIVALENT. PAYMENT OF THE (BLANK SPACE) CONTRIBUTION SHALL BE WADE, IN PROPORTION TO THE PAYMENT OF OTHER CONTRIBUTORS, AT SUCH TIMES AS THE CHAIRMAN OF THE COMMISSION SHALL DESIGNATE. ANY FUNDS REMAINING IN THE TRUST FUND, UPON COMPLETION OF THE WORK OF THE COMMISSION, SHALL BE RETURNED TO THE DONORS IN PROPORTION TO THEIR CONTRIBUTIONS UNQUOTE III I AM HAPPY YOU FEEL THE PROJECT IS MOVING ALONG WELL AND I AM EVEN MORE PLEASED TO KNOW THAT YOU WILL TRY TO BE BACK WITH THE FIVE HUNDRED THOUSAND COMNITMENT BY APRIL 15 AND IF NOT BY THAT DATE THEN EARLY IN NAY. WITH BEST WISHES, ROBERT S. MCNAMARA INTBAFRAD

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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT ASSOCIATION

INTERNATIONAL FINANCE CORPORATION

WBG 815/7

OFFICE OF THE PRESIDENT HP/m-4/7/77 are is deport would be confitable this Fol の 化方程 五十十 by 41,5 + 1-12tic.

European Office: 66, avenue d'Iéna, 75116 Paris—France • Telephone—723.54.21 • Cable Address—INTBAI The World Bank / Memorandum of conversation between Herr Brandt and Mr. McNamara. Bonn. April 6. There was a general discussion of the names of possible Commissioners, though Herr Brandt made it clear that he had invited no-one so far, and would not invite anyone till the pattern of likely acceptances was clear. It was agreed that political and geographic balance was essential. 2. Mr. McNamara reported on finance. He said that in a short time he hoped he would get guarantees of the whole amount likely to be necessary. There would remain the task of obtaining subscriptions from a wide selection of donors. Herr Brandt reported that he was taking steps to find a suitable Executive Secretary General, but had not yet succeeded. Mr. McNamara promised to do some further investigation of possible candidates for the top two posts in the Secretariat. As to timing it was agreed that the best moment to announce the Commission would be early June after the CIEC meeting. William D. Clark April 7, 1977 Headquarters: Washington, D.C., U.S.A.

Louns 4/6/17?



# Confidential Notes on Brandt/McNamara Conversation

- 1. Willy Brandt had spoken to Jim Callaghan about Sir Kenneth Berrill as Executive Secretary. The Prime Minister had said he could not second him but he might get him to work part time. R. McNamara said O.K. if we could get something like half his time; then we must get a very good number two possibly from the Third World. He would look into other possibilities. (Botero was mentioned).
- 2. Willy Brandt said that London rather than Geneva might be a better H.Q. if Berrill was taking part. (Later Bahr said he thought the political reasons for Geneva were considerable).
- 3. Willy Brandt raised the matter of the importance of getting not only a good technical draftsman but a good "journalistic" writer. I mentioned Barbara Ward and the idea was warmly received.
- 4. Kissinger had been quite favourable to being a member, said Willy Brandt; R. McNamara applauded.
- 5. In Canada the names of Mitchell Sharp, John Turner and Maurice Strong were all considered, but Willy Brandt added the name of Joe Morris, a Trade Union leader who might balance someone like Agnelli, an industrialist. No decisions, except that Willy Brandt favoured having one Canadian.
- 6. Willy Brandt said Bahr spoke of Inowye for Japan;
  R. McNamara said he thought Kashiwaga might be better. (No mention of Okita).
  - 7. Europe: Willy Brandt said that Heath and Palme would make a well balanced pair. R. McNamara especially backed Heath as someone interested in development since Unctad I. Questions about the electoral chances in U.K. What other Conservatives did we have?
  - 8. R. McNamara said that someone in Brussels (Cheysson?)
    had recommended Pierre Mendes France; Willy Brandt said he had
    just met him recently and admired him. He was old but alert. Question
    if there should be three Europeans; but could one have no Frenchman?

WDClark:sf

There was also discussion on the possible LDC representatives. At the moment the first choices were:

Frei

Chile

Arthur Lewis

Caribbean

L.K. Jha

India

Amir Jamal

Tanzania

Abdlatif Al-Hamad

Kuwait

Possibles:

R. Botero

Colombia

Mohamed Diawara

Ivory Coast.

The President April 6, 1977 His Excellency Dr. Jan P. Pronk, Minister for Development

Cooperation, Lange Houtstreat 36. The Hague, Netherlands.

Dear Jan,

First let me thank you for giving up your time on Monday evening and for entertaining me so well. I will not soon forget Amsterdam on a spring night under a full moon.

I would like in this letter to summarize what I understand to be our approach to the organization and financing of the "brandt Commission", if it is established, as we both hope, after the C.I.E.C. meeting in Paris in May.

The Commission on Development (the "Brandt Commission") will consist of a group of private persons, approximately 12 in number, drawn equally from the developed and developing countries, under the chairmanship of Willy Brandt.

The members of the Commission will be selected by the Chairman. They will be persons internationally recognized as eminent political and economic leaders, and as open-minded and free from government instruction.

It will be the task of the Commission, under its Chairman, to formulate recommendations for action by developed and developing country governments which would lead to an acceleration of social and economic progress in the developing countries, and which would find broad political support among the public and in the legislatures of both the developed and developing countries. The Commission will be an independent body, and its members, as a group, will have sole and complete responsibility for their recommendations.

The structure and machinery of the Commission will be both simple and flexible. There will be a full-time, international Secretariat of highly-qualified development economists, headed by an Executive Secretary. The Executive Secretary will be chosen by, and be responsible to, the Chairman of the Commission.

The program of work of the Commission will be determined by the Chairman and members of the Commission, in consultation with the Executive Secretary. The Commission will meet at such times and places, and for such periods, as the Chairman determines. The work of the Commission is expected to be completed within 12 to 18 months from the date when the Commission formally begins operations, and the Commission's recommendation will be embodied in a published report.

The projected staffing, administrative and operational requirements of the Commission (including compensation, travel expenses, publications and translation costs, etc.) are estimated at \$2 million - \$2.5 million. These will be met out of a Trust Fund, comprised of voluntary contributions by governments, international public and private institutions and public and private national organizations. All contributions received will be deposited in a bank account in the name of the Trust Fund, which will be established and administered by the Chairman and used only for the purposes of the Commission. The Chairman shall have authority to enter into commitments and to draw against the Trust Fund. The Chairman shall render an accounting of contributions to, receipts of and disbursements from the Fund to all donors at the close of the Commission's work.

We further discussed the practicalities of setting up the Trust Fund so as to ensure the maximum participation of sponsors and the minimum interference with the independence of the Commission. I asked you if your Government could act as guaranter of last resort, and very generously you said that:

- a. Your Government would be prepared to bear 50% of the cost of the Commission.
- b. On the understanding that the matter would be held in confidence, your Government would guarantee the availability of funds sufficient to finance the entire cost, if necessary.

His Excellency Dr. Jan P. Pronk - 3 -April 6, 1977 You and I would, of course, use our best endeavours to obtain contributions from several suitable sources; this should finally permit your contribution to be reduced to one half of the total. I would be grateful for your confirmation of the financing arrangements referred to in the paragraph above. Again let me thank you for your generous cooperation in this as in so many other efforts to improve the world development effort. Sincerely, Robert S. McNamara cc: for Mr. McNamara's Office (2) WD Clark : RS McNamara : gb

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