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McNamara papers

(Vol 1)

Anglo American Conference on Africa,  
May 27-31 1971

Folder 11

 **Archives**

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Anglo-American Conference on Africa, May 27-29, 1971 - Correspondence 01

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## INTRODUCTION

You are all familiar with the conditions which distinguish the development of Africa from that of other areas of the world:

a. It is a continent fragmented into 40 countries, many facing further fragmentation into numerous groupings.

b. Its GDP averages less than \$100 per capita per annum -- lower than that of any other area, excepting only South Asia.

c. Its growth in annual economic per capita, from 1960 to 1967, averaged 0.9%, less than that for any other area of the world.

d. Its share of the aid from the developed countries, during the same period, declined from 35% to 23%.

In all these respects Africa differs from other developing areas.

But my thesis tonight is that the similarities between the development problems of Africa and those of other areas are much greater than the differences.

In Africa, as elsewhere in the developing world, there has been a basic ecological shift: the death rate has suddenly turned downward, and a corresponding adjustment in the birth rate is not automatic and to date has not been significant. This is the overriding fact which is affecting the lives of the majority of the people in Africa, as well as elsewhere in the developing world. Its consequences are not fully understood. I should like to explore them with you tonight, commenting first on the population problem itself and then on the related problems of nutrition, education and employment.

## NOTES ON POPULATION

The nature of the population problem is clear:

1. Population increase is simply the excess of births over deaths. For most of history the two have been in equilibrium. Only in the last century have they become seriously imbalanced.

2. The serious imbalance in these factors today in the developing countries is the result of political, social, and economic changes which began in Europe and North America in the late 18th and 19th centuries.

3. But the growth in the population of Europe and North America in those centuries came slowly because the decline in the death rate occurred very gradually and in many cases it followed the growth of production. The slow decline in death rates provided Europe and North America a period of approximately 70 years in which to reduce birth rates from the very high levels (40 per 1000) of the pre-industrial revolution period to the lower levels (17 per 1000) common today.

4. The situation today in Africa and in many other developing countries is entirely different:

a. Until recently the pattern in such countries was very much the same as that in the developed countries prior to the industrial revolution: high birth rates; high death rates; a narrow spread between the two rates and as a result slow population growth.

b. But in the last decade or two the death rate in Africa and in other developing countries has declined precipitously as a result of imported medicine. The gap between their birth rates and death rates is much wider than in the developed countries in the 19th century and their populations are growing at much higher rates than were ever faced by today's developed countries (growth rates in Europe were rarely in excess of 1% vs. an average of 2.6% today in Africa -- 8 African countries:

Algeria, Libya, Morocco, Sudan, Tunisia, Kenya, Zambia, Swaziland, have growth rates in excess of 3% and death rates in all African countries will continue to decline.

5. The results of the sudden imbalance in birth and death rates are clear:

a. It required sixteen hundred years to double the world population of 250 million as it stood in the first century A.D. Today the 3.5 billion people in the world will approximately double by the end of the century and the world's population will then be increasing at the rate of an additional billion every eight years.

b. In the absence of population planning there will be a gradual reduction in the birth rate.

c. But after that rate is reduced to the point where each couple only reproduces itself, the population will continue to grow for an additional 65 or 70 years and the ultimate stabilized level will be far greater than at the time the two-per-couple rate is achieved. If, for instance, by the year 2000, the developed countries were to reach the point at which couples only replace themselves, and the developing countries were to reach that point by the year 2050 -- and both these achievements appear unlikely -- the world's present population of 3.5 billion would not become stationary before the end of the next century, and would then stand at fifteen billion.

Under the best of circumstances, both Africa and the rest of the world are going to have to cope with larger numbers of people. We must learn to live in a world where the population of each of the major developing areas, Africa included, will be at least three times the level of today -- on that subject I'll have more to say in a moment.

The objective of a population planning program must be to avoid an expansion to 4 or 5 times today's level -- i.e., to advance the date at which the world's couples only replace themselves. By this action we would gain a few decades on what would occur to fertility in the absence of population planning. The achievement of this goal would mean a world population totalling several billion -- perhaps on the order of 6 billion -- less than would otherwise be the case.

How far have we advanced in such a program: the answer is not far in any area, and least of all in Africa.

The first step in such a population planning program must be a political decision to support the effort. Here the progress is greater than many realize. In the last decade there has been a dramatic increase in political support for population planning.

In 1960, only three countries had population planning policies, only one government was actually offering assistance, and no international development agency was working in the field of family planning.

In 1970, 22 countries in Asia, Africa, and Latin America -- countries representing 70% of the population of those continents -- have official population programs. More than a dozen other countries, representing a further 10% of the population, provide some assistance to family planning, though they as yet have no officially formulated policy. And among the international agencies, the UN Population Division, UNDP, Unesco, WHO, FAO, ILO, UNICEF, OECD, and the World Bank have all stated a willingness to participate in population planning activities.

There are geographical differences (in Asia, some 87% of the people live in countries with "favorable family planning policies," while in Latin America and Africa the figure is only 20%), but political acceptance of family planning programs is widespread and growing. Even where the political support is currently more apparent than real, it is becoming stronger with each passing year.

But despite the substantial shift in political support for population planning programs, they have achieved very little. With the exception of Singapore and Hong Kong, which are special cases, in only two developing countries (neither of which is in Africa) is there clear evidence that the rate of population growth has been significantly reduced by family planning programs.

There are two major reasons for the failure to date.

The techniques of contraception must be adequate, appropriate, and available. They are not. The means we currently have at hand are much better than those of a decade ago, but are still imperfect. They can be used to accomplish much more than has been already achieved, but concurrently a massive program to improve them must be initiated. Our knowledge in this field is so incomplete that though we know that certain techniques do work, we still do not completely understand how or why they work. The fact is that compared to what we need to know, our knowledge remains elementary, even primitive.

The clear consequence of this is that there must be a greatly expanded research effort in basic reproductive biology. At present, I know of only seven locations in the world in which as many as five full-time senior researchers are working in this field. Some \$275 million a year is spent on cancer research. But less than \$50 million a year is spent on reproductive biology research, and this includes all the funds allocated, worldwide, by public and private institutions alike. The estimate is that an optimal program of research and development in this field would require \$150 million a year for a decade. That is an insignificant price to pay in the face of a problem that -- if left unsolved -- will in the end exact social and economic costs beyond calculation. The US has moved recently to increase its financial support of reproductive biological research, and foreign centers are expanding theirs as well, but the effort remains far from optimum and, very likely, must be carried on for a far longer period than is generally recognized.



Most importantly, a population planning program, as is true of a program to expand agricultural production, eliminate illiteracy, or reduce poverty, requires a strong administrative organization and a comprehensive data analysis and evaluation service. With but two or three exceptions (none in Africa), none of the developing countries has established adequate support in either of these areas. I know, for example, of only one location in the world where as many as three senior researchers are working full-time on the evaluation aspects of population planning. A number of governments have made a start at strengthening the organizational structure of family planning, but progress is thwarted by bureaucratic difficulties, lack of technical assistance, and inadequate financial support. It is to these areas that the international institutions, the bi-lateral aid donors, and the nations concerned must direct their attention and expand their efforts. Every decade of delay in reaching replacement increases the final size of Africa's population by about 20%.

After two or three decades of sharply expanded effort and greatly increased effectiveness, we may be able to confidently predict that the goal of holding Africa's population approximately 40% below, and the world population some 5 or 6 billion below what it might otherwise be is attainable. But even in such circumstances as I mentioned earlier, we must face an ultimate population at least 3 times the present level and therefore we cannot longer postpone action to deal more effectively with the effects of rapid population growth, particularly in the areas of nutrition, education, and employment.

NOTES ON MALNUTRITION a/

Much of what is known about nutritional deficiencies and their influence on human growth has been discovered in the past five years. Even now the extent of these deficiencies in developing countries and the degree to which they seriously limit economic and social development is only beginning to become apparent. And we have hardly even begun to develop plans to deal with the problem.

The argument I shall make is that malnutrition is widespread, particularly in Africa, is a major cause of high infant mortality, stunts the mental and physical growth of a high percentage of those who survive, severely limits their productivity as adults, and is therefore a major barrier to human advance. And yet, despite the evidence that with a relatively small expenditure of resources major gains can be achieved, there has been almost no concerted attack on the problem.

The number of childhood deaths is enormous in the poorer countries: malnourishment severely lowers immunity to infection, and tens of millions of children succumb each year to preventable fatalities simply because they have no reserves of resistance. The FAO states that "malnutrition is the biggest single contributor to child mortality in the developing countries." And that contention is borne out by studies which show malnutrition to be either the primary cause, or a major contributing factor, in 50 to 75% of the deaths of one- to four-year-olds.

How great is child mortality?

- . In the UAR, the rate for children between the ages of 1 and 2 is 107 times higher than in Sweden. That ratio is not untypical of other developing countries.

Clearly, the first result of widespread malnutrition is high infant mortality. But not all malnourished children die. A high percentage of those who live --

a/ I am indebted to Professor Nevin Scrimshaw, Chairman of MIT's Department of Nutrition and also Chairman of the FAO/WHO/UNICEF Protein Advisory Group and to Mr. Alan Berg, Senior Fellow, The Brookings Institution, for many of the points in this section.

and the FAO and WHO estimate that as many as two-thirds of all surviving children in the less developed countries are malnourished -- suffer a gross deprivation of the opportunity to realize their full human potential. The percentage of malnourished children in Africa is thought to be higher than the average -- perhaps as high as 80% -- because cassava root, one of the basic African foods, is so much lower in protein content than wheat or rice. The nutritional deprivation often begins before the child is born. In the last three months of pregnancy, and the first four years after birth, a child's brain reaches 90% of its structural development. During that critical period, a deficit of protein can impair the brain's growth. Autopsies have revealed that children who die of nutrition-related diseases have less than half the brain cells of adequately nourished children in the same age group.

Mental retardation -- which more and more scientists are concluding is probably irreversible -- is the direct effect of protein deficiency in children. This means that a child begins school with a handicap that is certain to reduce, if not wholly rob, the very benefits the school exists to give him.

But malnutrition attacks not only the mind but the body as well. Protein deficiency seriously stunts growth. The Director of the National Institute of Nutrition in India reports that 80% of the nation's children suffer from "malnutrition dwarfism." Low income populations almost universally have a smaller body size. The FAO estimates that more than 300 million children from these groups suffer "grossly retarded physical growth."

Further, whatever size and mental ability an adult may ultimately attain, he must take in energy in order to exert energy. Malnutrition reduces that energy intake, and thus his energy output is diminished.

The effect of malnutrition on productivity is clearly adverse and wasteful. Workers who are easily fatigued and have low resistance to chronic illness are

grossly inefficient. More serious still, their impaired mental capacity reduces their ability to perform technical tasks well.

Malnutrition in Africa affects the majority of its people. Seriously debilitating malnutrition is so extensive in some countries that it may well be leading to substandard populations.

And yet there is reason to believe that to meet the basic nutritional deficiencies will not entail unacceptable costs. It has been estimated that at a cost of no more than \$8 per child per year, and probably for less than half that amount, one could make up the deficiencies of a diet that now deprive the child of one-fourth of his protein need and one-third of his caloric need. There are many promising possibilities for increasing the nutritional value of food through low-cost agricultural and industrial solutions:

- . Crop shifts -- through appropriate pricing policies -- from low protein roots and cereals to high protein pulses.
- . The development and introduction of higher nutritive strains of conventional cereals, such as the new high lysine corn which triples protein value.
- . The fortification of existing basic food stuffs, such as the protein fortification of wheat flour, and the iron fortification of salt.
- . The development and distribution of wholly new low-cost processed foods, using available oilseed protein. (India, for example, is now successfully producing 100 million pounds a year of a special children's cereal food, mixed with soybean, which contains all the calories, protein, vitamins and minerals deficient in their traditional diet.)
- . The development of food distribution programs designed to reach the pre-school child.

The central conclusion I wish to propose to you is that, like the population problem, the nutrition problem in Africa represents less a need for new and immense amounts of scarce development capital, than a need for realistic understanding of

the situation; full acceptance of the responsibility to set targets and to design practical programs to meet them; an increase in managerial and administrative efficiency; and prompt and energetic action to get on with the task. Further, it is clear that the population problem and the nutrition problem, in Africa as elsewhere, are closely intertwined. In the end, better nutrition will have a beneficial effect on reducing fertility, despite the short-run elimination of high infant mortality. For what parents really want -- what they deserve and what, with assistance, they can really achieve -- is not huge families of sick, deprived and often non-surviving children, but more compact, healthy and happy families of children who can better reach their full human potential.

A second area showing the effects of rapid population growth is the field of education. I turn to that now.

## NOTES ON EDUCATION

Population explosions pose problems to educational systems in any nation, but the low per capita incomes in the African nations and the extremely high cost of education in relation to those incomes makes attempts at even keeping the rate of growth of enrollments commensurate with population growth rates (much less reducing the percentage of unschooled children in forthcoming age groups) prohibitively expensive in many cases. Education becomes even more burdensome because of the distribution by age of population in African countries -- i.e., there is a high ratio of children of school age per working adult. For example, the dependency ratio (under 14 and over 65 as a percentage of 15 through 64) was 100% in both Ghana and Kenya in 1965, up, since 1950, from 68% in Ghana and 77% in Kenya.

School enrollments at all levels and among almost all the developing countries, but particularly in Africa, have exploded during the last decade and a half. For the period 1960-66, enrollment in LDCs as a whole rose 42% at the primary level; 80% at the secondary; and 93% in the colleges and universities.<sup>a/</sup>

The problems of education in the LDCs are so complex that many of the scarce resources devoted to the field are in fact being wasted. For example:

- . Dropout and repeater rates are high. In many countries of Africa the dropout rate during the six years of primary school is over 70%. In the Ivory Coast it requires an average of 16.5 man-years of schooling to produce one graduate of the 6-year primary cycle; in Ethiopia the comparable figures are 14 years.
- . Among those who graduate, an increasing number are unable to find employment.
- . Many graduates who do find employment are in jobs which do not actually require the relatively costly education they have received.

<sup>a/</sup> The population growth was so rapid that even with the explosion in enrollments, enrollment rates in many parts of the world remained low: 40% for Africa's primary age children compared to 75% for Latin America and 55% for Asia; 15% for Africa's secondary age children vs. 35% for Latin America and 30% for Asia.

These are the results of educational systems which are simply not geared to the needs or aspirations of the communities they are meant to serve. Antiquated systems of education are preserved because of their traditional prestige; rarely is attention given to modern science, useful technology or practical agriculture.

Such schools tend to prepare students for the educational ladder itself, rather than for the life they are likely to lead. The educational system is simply not relevant to the urgent needs of the society.

President Nyerere of Tanzania has pointed out, "Although only about 13% of our primary school children will get a place in secondary school, the basis of our primary school education is the preparation of pupils for secondary schools... The same process operates again at the next highest level, when entrance to the university is the question at issue."

At the secondary level, for 50 countries studied, many of which were in Africa, only 11% of the students were studying vocational courses, and at the college or university level only 21% were enrolled in scientific and technical courses. Curricula have been derived largely from European practice of an earlier era. Both the former colonies and the historically independent developing countries have inherited or adopted educational systems designed for an elite (I had never heard the term "Cambridge Examination" until I visited the schools of East Africa.)

A substantial portion of the students in these schools are being mis-educated, resulting in a growing unemployment of the educated. But very few political leaders have stopped to ask as Nyerere has done: "What kind of society do we wish to create? What can we realistically expect to achieve with our limited resources? How can we fashion our education system so as to maximize its contribution to these ends? Whom shall we educate, for what and how?"

A reorientation of the education and training systems, with greater emphasis on vocational education and on non-formal training for agriculture and industry is clearly required.

But the problem of high unemployment cannot be solved by reforms of the educational system alone. I turn to that subject next.



NOTES ON UNEMPLOYMENT a/

The unacceptably high, but still growing level of unemployment, is a further consequence of the rapid growth in population b/.

H. W. Singer of Sussex University, Gunnar Myrdal, and others have pointed out that it is difficult to measure unemployment in the developing countries in terms which make it comparable with unemployment in richer countries. But I believe most economists would agree that in Africa as well as in other developing countries:

a. unemployment is extremely serious;

b. it is much more serious in the developing countries than in the richer countries.

c. on reasonable definitions unemployment is of the order of magnitude of 25-30% in many developing countries and 20-25% on the average;

d. it is serious both in its rural and urban manifestations -- e.g., open urban unemployment, alone, is close to 14% in Ghana;

e. unemployment has become increasingly serious in the last 10-20 years;

f. on present indicators it is bound to increase further.

Professor Singer emphasizes that there is a disequilibrium in the incidence of unemployment in the rich and poor countries; say 3-5% in the rich countries and 20-30% in the poor countries. It is his thesis that present relations between rich and poor countries contribute to that disequilibrium. I shall refer to that point again later.

a/ I am indebted to H. W. Singer for many of the points in this section.

b/ An increasingly effective population planning program will have no effect on employment in the short run for changes in population growth affect labor force growth with a 15-year time lag.

Between 1970 and 1980, the labor force in the developing countries will increase by approximately 170 million a/. During the same period, it is estimated that the number of jobs, not affected by underemployment, could rise by only one-half that amount.

Although smaller in total magnitude, the general situation in Africa is much the same. The male labor force will increase by 50% between 1965 and 1985 and perhaps double by 2000; 70 to 90% of this increase will occur in the rural areas. The rate of increase of the labor force will be particularly high in both North and West Africa and in certain states in East Africa. The Planning Minister in Kenya stated that unemployment was the most serious problem facing his nation and was getting worse -- he forecast that in Nairobi, for example, where 60,000 or 30% of the current labor force is unemployed, the 1970 population will double by 1980 and the number of squatters, now also 60,000, will be 175,000 in 1980 and 1,000,000 in 2000.

Reduction in unemployment therefore must become a major policy objective in all developing countries and for the international community as a whole. To move towards such an objective, we must:

- a. clarify the concepts and extend the measurements of employment, unemployment, and underemployment;
- b. determine the relationships between economic growth and employment -- are they competitive or supporting;
- c. establish specific employment objectives;
- d. measure progress in achieving these.

a/ Level of unemployment (in millions and percent)

	1970	1980	1970	1980
Fully employed	504	592	75.3%	70.5%
Underemployed	130	200	19.4 ]	23.8 ]
Employed	634	792	94.7% ] 24.7%	94.3% ] 29.5%
Unemployed	36	48	5.3 ]	5.7 ]
Total Labor Force	670	840	100.0%	100.0%

Most importantly, the effects on employment of all aspects of economic policy must be determined (tax policy, interest structure, wage rates, investment policy, etc.). For example, a major barrier to reducing unemployment in many African countries is the relatively low price of capital. There is considerable evidence that capital costs are heavily subsidized in the form of overvalued currencies; preferential tariffs for capital equipment; unrealistically low levels of interest on loans for the purchase of capital equipment; special incentives for investment in capital equipment; discrimination in the granting of credit to large- as opposed to small-scale enterprises. And at the same time labor costs are kept artificially high, drawing people off the land into unemployment in the cities.

But the developing countries cannot solve the problem of unemployment by themselves. An essential action by the developed countries is a modification of their trade policy. Professor Singer has calculated that:

a. If the share of the developing countries in world trade had been kept up since 1955, employment in those countries would have been about 10% higher than now (17-1/2% unemployment vs. 25%).

b. If such a share could be projected into the future, unemployment in the developing countries need not rise -- i.e., in the next decade some 40 million additional jobs would be created.

If the developing countries existing share of trade is not to fall further, their exports must grow at approximately 7% per year. Because exports of primary products (approximately 80% of LDC exports, excluding fuels), are expected to grow at rates of only 3% to 4% per year, manufactured exports must grow at rates approximating 12 to 15% per year, i.e., from about \$7 billion in 1970 to approximately \$28 billion in 1980.

Manufactured exports of developing countries grew by 12 to 15% per annum in the 1960s, but a continuation of that growth will be much more difficult in the 1970s.

If such an expansion is to be achieved, the developing countries must:

- a. overcome the cost penalties to their exports due to overvalued exchange rates, high domestic tariffs, and taxes on the imports used in export production;
- b. develop measures of export promotion;
- c. apply sounder financial policies (credit policies which do not discriminate in favor of import replacement; price stability; a vigorous competitive banking system); and
- d. encourage economic integration -- this is particularly important in Africa.

And the developed countries in turn must provide the necessary markets by removing discriminatory tariffs and non-tariff barriers. By reducing tariffs, the UNCTAD proposal to grant preferential treatment to the exports of developing countries may expand their trade by as much as \$1 billion per year (of which approximately \$400 million would be represented by imports into the United States and \$400 million into the Common Market). But that is only a small part of the expansion required.

A 12 to 15% rate of growth in developing country manufactured exports would over the decade nearly quadruple their trade in these products. However, the total volume would continue to remain but a small part (approximately 5%) of the total manufactured imports of the advanced countries. Although the advanced countries would benefit by shifting to a more perfect application of the principle of comparative advantage, there would be heavy penalties to certain sectors of their economy<sup>a/</sup>, and these will be strongly resisted by the individuals and firms affected. Rear

<sup>a/</sup> Hal B. Lory of the National Bureau of Economic Research in New York has found that in relation to existing skills the following industries are particularly labor-intensive: apparel; leather products; wood products; textile mill products; furniture; rubber products. Trade concessions on these would have particularly strong impact on employment in the LDCs. If the LDCs can provide the skills, a number of other labor-intensive industries could be added: fabricated metal products; printing; machinery, both electrical and non-electrical. The richer countries would be left with industrial products which are both skill- and capital-intensive.

guard actions by the politically powerful labor-intensive "sick" industries in the advanced countries should be expected to become more and more bitter. There is only one way by which this pressure will be overcome and that is by the introduction of equitable adjustment policies and procedures -- no nation, that I am aware of, has such policies today.

## SUMMARY

In summary, in Africa as in other parts of the developing world, the present levels of population growth, malnutrition, illiteracy, and unemployment feed on each other.

Prime Minister Pearson was right when he said, "No other phenomenon casts a darker shadow over the prospects for international development than the staggering growth of population... It is clear that there can be no serious social and economic planning unless the ominous implications of uncontrolled population growth are understood and acted upon."

The long-run solution to the problem requires a reduction in the rate of population growth. But under the best of circumstances such a program will require two or three decades to become effective and even then cannot be expected to hold the world's population a century or so from now much below three times its present level.

Therefore, while devoting increased resources to that objective in the years ahead, we must attack more directly and more effectively in Africa just as in other developing areas, the conditions population growth has accentuated: malnutrition, illiteracy, and unemployment.

## OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

FROM: William Clark *me*

SUBJECT: Our African Trips

DATE: May 24, 1971

Since you are speaking to an Anglo-American group of Africanists this week I am putting down some thoughts which might form the basis of your remarks. I feel sure that this group (which I have attended in the past) would be more interested in your views on Africa than on development in general.

1. There are very few general truths about Africa, but in general one can say it is the most backward part of the Third World, least advanced from colonial dependency.
2. This results in an extreme touchiness about sovereignty in most of them (e.g. Algeria, Nigeria) and a strong suspicion that economic advice is for the benefit of the metropolitan country rather than the ex-colony. (Exceptions are some of the most backward French ex-colonies e.g. Chad, Gabon, which really remain colonies with their economies run by France still).
3. In the attempt to free themselves from metropolitan control many African countries have bought a very great deal of economic snake bite oil from quacks unconnected with the imperialists (Britain, France, U.S.). The experience of Nkrumah's Ghana, Guinea and even Tanzania has not been happy with these nostrums.
4. Almost all African countries face very difficult economic problems (even potentially rich countries such as Nigeria and Zambia) and have above all a terrible shortage of skilled, trained experts below the ministerial level. Somehow if our aid is to carry ordinary Africans forward (and not just a coastal elite) we must get them to use the limited resources at their disposal to the very best advantage (it is above all the continent that cannot afford waste). But this means acquiring knowledge ourselves (we at the Bank could do with much more knowledge about how to transform a fairly prosperous colonial economy into a more egalitarian and world or regional oriented economy). And it means above all applying it to each country's circumstances. The greatest difficulty here is to gain their trust.
5. Let us face it none of us is trusted in to-day's Africa. We are thought to be interested in advancing our own trade or policies (e.g. Ghana's experience with British supplier's credits, which the Government through E.C.G.D. made official; or Uganda's experience with A.I.D. where all contracts had to be submitted to the "small businesses committee" (check) imposed on A.I.D. by Congress; or the German habit of cutting off aid whenever a country recognised East Germany; or again Guinea's experience with Russian aid which was so bad that they expelled the Russians, just as they have now expelled the West Germans.
6. This distrust of "strings" is greatly strengthened by the intense African nationalism which comes from newly acquired independence. The

President has seen

climatic example is the African Development Bank which was so determined to be independent that it refused to accept foundation subscriptions from any non-African Government; since this also excluded the Republic of South Africa the Bank has had virtually no working capital.

7. Bank policy must be to accept the fact of this suspicion as an obstacle to be overcome. We plan to invest a large amount (some figures) over the next few years, and we plan to invest only in sound projects which will benefit the economic, social (and political) growth of the countries concerned. Probably our greatest difficulty will be persuading the recipients that all our economic reports, appraisal missions, supervisory groups and detailed loan contracts are in their interest, to ensure full use without waste, and are not just mean attempts to secure our "profits" or repayment.

8. How do we overcome this difficulty?

(i) We need to retain very close consultation with the main bilateral donors; but not seem to be their United Front.

(ii) Therefore we need to improve our relations with our African members. This means better communications via (a) Executive Directors - confidentially note the difference between the Francophones' Kochman and the Anglophones' nonentities. (b) Bank representatives: our good relations with UNDP Resident Representatives; But our need to have Bank representatives where requested (e.g. Ghana) with a quite large part of their job being to explain the Bank's policies and decisions.

\* \* \* \* \*

[ There is more to follow on how in detail we should act.]



To Robert McNamara  
From Vernon McKay

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SEVENTH ANGLO-AMERICAN CONFERENCE ON AFRICA  
Jackson Hole, Wyoming  
May 28-June 1, 1971

LIST OF PARTICIPANTS

AMERICAN Participants

- \* Sen. Gale McGee (D-Wyoming) Chairman  
David Anderson - The Ford Foundation  
Rep. John Brademas (D-Ind.)  
Rep. Herbert Burke (R-Florida)  
Rep. John Conyers (D-Mich.)
- \* Rep. Edward Derwinski (R-Ill.)  
Rep. Charles Diggs (D-Mich.)  
Rep. Donald Fraser (D-Minn.)
- \* J. Wayne Fredericks - The Ford Foundation
- \* Rep. James Harvey (R-Mich.)
- \* Robert S. McNamara - World Bank  
Frederic A. Mosher - The Carnegie Corporation
- \* Sen. Frank Moss (D-Utah)
- \* David Newsom - Department of State  
Rep. Jerry Pettis (R-Calif.)  
Rep. Ogden Reid (R-N.Y.)
- \* Hans Ries - Continental Ore Corporation
- \* Rep. Louis Stokes (D-Ohio)  
Maurice Tempelsman - Leon Tempelsman & Son, Inc.  
Rep. Charles Whalen (R-Ohio)
- \* Dean Francis O. Wilcox - SAIS
- \* Charles Yost - Former U.S. Representative  
to the United Nations

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- \* Maurice Foley - Labour M.P. Chairman
- \* George Cunningham - Labour M.P.  
Dennis Grennan - Ariel Foundation
- \* Bernard Hayhoe - Ariel Foundation  
Miles Hudson - Conservative Research  
Department  
Geoffrey Johnson-Smith - Conservative M.P.  
Peter Lothian - Conservative M.P.  
Alex Lyon - Labour M.P.
- \* Dickson Mabon - Labour M.P.  
Malcolm MacDonald - Former Spec.  
Representative in Africa
- \* John Mackintosh - Labour M.P.
- \* Robert MacLennan - Labour M.P.  
Geoffrey Martin - Ariel Foundation
- \* Nicholas Scott - Conservative M.P.  
George Sinclair - Conservative M.P.

Staff

- \* Vernon McKay, Director  
Robert Lystad, Rapporteur  
Maryllis Bartlett, Secretary

\* Accompanied by wife

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COMMUNICATIONS  
DIVISION  
JUN 11 1971

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To: Robert H. Williams  
From: Vernon McKay

School of Advanced International Studies  
The Johns Hopkins University  
1740 Massachusetts Avenue, N.W., Washington, D. C.

SEVENTH ANGLICAN-AMERICAN CONFERENCE ON AFRICA  
Jackson Hole, Wyoming  
May 28-June 1, 1971

LIST OF PARTICIPANTS

AMERICAN PARTICIPANTS

- \* Sen. Gale McGee (D-Wyoming) Chairman
- David Anderson - The Ford Foundation
- Rep. John Brademas (D-Ind.)
- Rep. Herbert Burke (R-Florida)
- Rep. John Conyers (D-Mich.)
- \* Rep. Edward Derwinski (R-Ill.)
- Rep. Charles Diggs (D-Mich.)
- Rep. Donald Fraser (D-Minn.)
- \* J. Wayne Fredericks - The Ford Foundation
- \* Rep. James Harvey (R-Mich.)
- \* Robert S. McNamara - World Bank
- Frederic A. Mosher - The Carnegie Corporation
- \* Sen. Frank Moss (D-Utah)
- \* David Newson - Department of State
- Rep. Jerry Pettis (R-Calif.)
- Rep. Ogden Reid (R-N.Y.)
- \* Hans Riss - Continental Ore Corporation
- \* Rep. Louis Stokes (D-Ohio)
- Maurice Tempelman - Leon Tempelman & Son, Inc.
- Rep. Charles Whalen (R-Ohio)
- \* Dean Francis O. Wilcox - SAIS
- \* Charles Yost - Former U.S. Representative to the United Nations

BRITISH PARTICIPANTS

- \* Maurice Foley - Labour M.P. Chairman
- \* George Cunningham - Labour M.P.
- Dennis Grennan - Arkel Foundation
- \* Bernard Hayhoe - Arkel Foundation
- Miles Hudson - Conservative Research Department
- Geoffrey Johnson-Smith - Conservative M.P.
- Peter Lofshan - Conservative M.P.
- Alex Lyon - Labour M.P.
- \* Dickson Mabon - Labour M.P.
- Malcolm MacDonald - Former Spec. Representative in Africa
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- \* Robert MacLennan - Labour M.P.
- Geoffrey Martin - Arkel Foundation
- \* Nicholas Scott - Conservative M.P.
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Staff

- \* Vernon McKay, Director
- Robert Lystad, Rapporteur
- Marilyn Bartlett, Secretary

SECTION  
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\* Accompanied by wife

## United States Senate

WASHINGTON, D.C. 20510

January 27, 1971

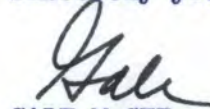
Dear Mr. <sup>Bob:</sup> McNamara

As Chairman of this year's Anglo-American Conference on Africa, it is my pleasure to join with the Conference Coordinator, Professor Vernon McKay, in inviting you to be with us at Teton Village in Jackson Hole, Wyoming for the discussions scheduled to be held on May 27 through 31.

Knowing of your keen interest in and understanding of the purposes for which the Conference has been established, I feel sure you will benefit from the exchange of ideas and the frank discussion which a closed meeting of the invited participants will present.

Additionally, you--and hopefully your wife--will have the opportunity to enjoy the beauty of Wyoming and the grandeur of the Tetons as we meet at the foot of these magnificent peaks. I urge you to be with us for these discussions on Africa while you enjoy the wonders of Wyoming.

Sincerely yours



GALE McGEE  
United States Senator

s

P. S. I am pleased we had the opportunity to discuss this briefly by telephone last evening.

G. W. M.

The Honorable Robert S. McNamara, President  
International Bank for Reconstruction and  
Development  
1818 H Street, N. W.  
Washington, D. C. 20433

United States Senate

WASHINGTON, D.C. 20510

January 27, 1971

*Handwritten initials*

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Sincerely yours

*Handwritten signature of Gale McGee*

GALE MCGEE  
United States Senator

2

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The Honorable Robert S. McNamara, President  
International Bank for Reconstruction and  
Development

1818 H Street, N. W.  
Washington, D. C.  
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*SCHOOL OF ADVANCED INTERNATIONAL STUDIES*

*THE JOHNS HOPKINS UNIVERSITY*

1740 MASSACHUSETTS AVENUE, N. W. WASHINGTON, D. C. 20036

January 25, 1971



Honorable Robert S. McNamara  
President  
International Bank for Reconstruction & Development  
1818 - H Street, N.W.  
Washington, D. C.

Dear Mr. McNamara:

It is my pleasure, on behalf of the School of Advanced International Studies of The Johns Hopkins University, to invite you to participate in an Anglo-American Conference on Africa. We are meeting on May 27-31, 1971, at Teton Village in Jackson Hole, Wyoming under the chairmanship of Senator Gale McGee. There will be about 30 participants from the Congress, the British Parliament, government agencies and non-governmental groups. In order to ensure full and frank discussion, the Conference is open only to these participants. Senator McGee will be in touch with you shortly.

The purpose of this conference is (1) to stimulate a broader and deeper interest in and knowledge of the kinds of African problems likely to confront the United States and the United Kingdom in the years ahead, and (2) to foster a better mutual understanding of British and American interests and of the possibilities for constructive cooperation in helping the new states of Africa. In addition to this meeting with the British, the American members of the group hold monthly luncheon meetings on the Hill during the year with African leaders and with specialists on particular African problems.

These meetings are part of the School's educational program on Africa and are financed jointly by the Ford Foundation and the Carnegie Corporation. We will pay your round-trip economy air fare and all of your other expenses. Wives are also invited and we will pay their hotel expenses, but each participant will have to pay his wife's air fare.

Wayne Fredericks has already spoken to you about this conference. We both hope you can be with us the whole time but, if that is not possible, we would like you to come for part of the time anyway. The development items on the agenda are now tentatively scheduled for Thursday and Friday, May 27-28, but we could change these dates. Ideally speaking, it would

President has seen

Honorable Robert S. McNamara

-2-

January 25, 1971

be great if you could introduce the development items with some informal remarks to stimulate discussion at our first meeting on Thursday, May 27. We fly to Jackson Hole from Friendship Airport on Thursday morning.

Sincerely yours,

*Vernon McKay*

Vernon McKay  
Professor of African Studies

P. S. I will be glad to come over and discuss the development part of the agenda with you if you'd like. Phone 232-1015.