Your Excellency,

I write to acknowledge your letter of May 27, 1977, addressed to the then Foreign Minister, concerning Mr. McNamara's proposal to create an unofficial commission of eminent persons who would formulate concrete proposals to accelerate social and economic progress in the developing countries. We had carefully studied the text of Mr. McNamara's speech of last January and have read with attention your letter commending the proposal. I apologize for the delay in replying to it but we thought it best to await the results of the Paris Conference on International Economic Co-operation before stating our views on the proposal.

2. We fully share your view that there should be agreement on the substance of a new international economic order and a more equitable structure of international economic relations. The nature and extent of the changes which are needed to reshape and restructure the existing international order have been the subject of long debate in the General Assembly, in UNCTAD and other international forums. The views of the developing countries on the matter are set out in the declaration adopted in Manila in Feb. 1975 by the Group of 77. Discussions at the 7th Special Session of the General Assembly succeeded in reaching a consensus -- to which Your Excellency's personal contribution was of great importance -- between developed and developing countries to enter into serious negotiations on a limited number of urgent problems, with a view to finding acceptable and effective solutions to them.
3. The disappointment felt by the developing countries at the meagre progress made so far in this direction is reflected in the communique issued at the conclusion of the Paris Conference. Not only has there been no progress on the specific and urgent problems of indebtedness, access to markets and transfer of resources but the very concept of a new international economic order still eludes agreement. The developing countries consider that the obstacle in the way of agreement and of appropriate action lies in the lack of political will in the developed countries. Previous experience does not encourage the hope that a commission of private individuals however eminent their personal stature and professional qualifications, is best suited to generate the political impetus for the required changes in the policies of the major developed countries. It may happen, on the contrary, that inspired by the desire to reconcile the essential with the politically practicable, the commission may confine itself to recommendations which, alleviating some of the more urgent problems, would leave untouched the basic and self-prepetuating inequity of the existing systems and structures. Such an approach cannot bring about lasting solutions nor promote the wider objective of establishing a new economic order based on the legitimate interests of both developed and developing countries.

4. Pakistan shares the view of the developing countries that negotiations between the developing and industrialized countries should be continued on a governmental level and within the framework of the United Nations. The resumed 31st Session of the U.N. General Assembly, which meets in next September, will provide the occasion for assessing the current situation and determining how best the negotiations between two sides
should be conducted. We are not clear in what way the commission, established on the lines proposed, would help to feed and foster the on-going process of negotiations. Pakistan fears that it may deflect the negotiations from the goals set in the Special Session of the General Assembly and other international forums. We feel, at any rate, that it would be best to await the outcome of the resumed 31st Session and other related meetings before considering the establishment of a commission of the kind proposed.

5. We continue to look to Your Excellency's endeavours to ensure that the next stage of the North-South dialogue is resumed in a purposeful spirit. Any initiative taken to this end would be meaningful if it has the full support of both sides. I can assure you that Pakistan will continue to pursue policies and support efforts designed to promote economic justice for the Third World and advance the goal of international economic co-operation.

Yours sincerely,

( Agha Shahi )

His Excellency Mr. J. P. Pronk,
Minister for Development Co-operation,
Ministry of Foreign Affairs,
The Hague.
Herewith the list of twenty-two UN delegations which in my opinion should, in whole or in part, be the basis for Mr Brandt's selection of leaders to see at the beginning of the General Assembly:

Algeria: major influence in "77" and non-aligned, especially at the UN;

Argentina: carries much more weight at UN in councils of "77" than one might expect; most vocal watchdog of anything it suspects may be usurpation of policy-making prerogatives of governments;

Brazil: influence in UN much tied to personalities of top delegates. Less strong now than two years ago, but delegation to Assembly is usually impressive;

Canada: important voice closely associated in many major issues with "like-minded", i.e. Nordics plus Netherlands;

France: obvious importance including having ear of francophone Africa;

Germany, Federal Republic: some "77" delegations would take note of any apparent lack of enthusiasm for Commission headed by Brandt and might draw negative conclusions;

India: major voice in "77"; support obviously much needed;

Iran: Amouzegar exercised great personal influence in 7th Special Session; his personal support is important;

Ivory Coast: the most balanced voice of the francophone sub-Saharan countries;

Jamaica: will succeed Pakistan as co-ordinator of the "77" this fall. Ambassador Mills is also in line to be President of ECOSOC in 1978;

Kenya: carries weight in OAU; articulate spokesmen in UN;

Mexico: key Latin American delegation; any opposition from activist Mexico could be contagious;

Netherlands: the Commission's strongest supporter, as we all know. Could encourage the other Europeans;
Nigeria: heavy-weight radical African voice. Ambassador Harriman has great prestige amongst UN African delegations;

Pakistan: will still have strong residual influence after giving up co-ordination of "77";

Philippines: activist delegation not always as influential in "77" as it thinks, but nonetheless capable of influencing other "77" delegations on issues on which it feels strongly;

Sudan: very active at present while Foreign Minister Mansour Khalid is campaigning hard for creation of post of UN Director-General for International Economic Co-operation, with himself in mind as first incumbent;

Sweden: a little less activist since the change of government, but still much listened to;

U.K: strong support from U.K. could help win other Commonwealth countries;

U.S: any too vociferous support from this quarter could be counter-productive; a friendly "nihil obstat" plus some encouraging words to African delegations from Andy Young could be very useful;

Venezuela: P-G's attitude is taken carefully into account by most if not all of the "77";

Yugoslavia: very influential activist within the "77". Open approval of Commission's establishment would be very helpful.

Our friend Cabrić of the Yugoslav delegation has told me that "certain Geneva-based people" are spreading the rumour around that Mr McNamara no longer has any interest in the Brandt Commission and is even against it now. He is quite likely referring to UNCTAD. I have told him that Mr McNamara still stands behind his original initiative, but the ball is now squarely in Brandt's court. We will give all appropriate assistance but will certainly not create a situation in which it might appear that the Bank was seeking to control the Commission.

Van Hoek of ESA has been poor-mouthing the Commission here, and when he did it again at an inter-agency meeting last week I intervened to set him straight.

Some US delegates, including their no.2 on the ECOSOC delegation, have told me they feel a Brandt/Andy Young meeting in New York might be mutually helpful.

cc: Mrs Boskey
21st July, 1977

Mr. J. P. Pronk,
Minister for Development Cooperation,
Ministry of Foreign Affairs,
The Hague,
The Netherlands

Dear Mr. Pronk,

I have just realised that while I have been travelling extensively within Tanzania your letter of 27th May has remained unanswered. I do apologize for this.

We in Tanzania did indicate to Mr. McNamara our support for the idea of an unofficial Commission to identify and prepare concrete proposals to accelerate social and economic progress in developing countries. Further, I am happy with the idea of Mr. Willy Brandt being the Chairman of this Commission. Within our capacity we in Tanzania will give it our full cooperation and support.

I am sending a copy of this letter to Mr. McNamara; perhaps you would indicate our support to Mr. Brandt.

With very good wishes.

Yours sincerely,

Julius K. Nyerere

CC: Mr. Clark
Dear Mr. McNamara,

At the beginning of the summer recess period, I would like to thank you once again for all your kind efforts in helping to promote the establishment of the independent Commission on International Cooperation which you suggested in your Boston speech on January 14, 1977. As you know, I made it clear at that time that such a Commission could not interfere with the ongoing talks in Paris and that it, therefore, could only start its work upon the conclusion of this North-South Conference.

Since CIEC ended, I have been speeding up the preparation for the possible set-up of this private body, and I had hoped to get some explicit soundings from both developed and developing countries as to how such a Commission could contribute to help finding practical, realistic solutions for some of the major problems. Though there has been some support in recent weeks, I also got the impression that many political leaders - at this stage immediately after the end of CIEC - are still in the process of considering how this dialogue can best be continued in the future.
June 18, 1977

Mr. Robert J. Monkat
President
World Bank
1818 H Street, N.W.
Washington, D.C. 20433, USA

Dear Mr. Monkat,

At the beginning of the summer recess period, I would like to thank you once again for all your kind efforts in behalf of the establishment of the Independent Commission on International Cooperation which you suggested in your Boston lecture on January 15, 1977. As you know, I made it clear at that time that such a Commission could not be an organization within the narrow terms of the term "Commission" but that the work of the Commission was to be the work of the Conference of the North-South Conference.

Since the end of the recess period, I have been observing the progress of the per

The Commission is now taking the necessary steps to bring about the changes in policy and practice which are essential for the development of the international cooperation system, and I have been encouraged by the progress of the work of the Commission.

I am also grateful for the opportunity to meet some experts and to have the chance to discuss with them the problems of international cooperation.

I am confident that the Commission will continue to work on the problems of international cooperation and that it will make a positive contribution to the development of the system.

Yours sincerely,

[Signature]

Chief of Staff
My feeling is that the next UN General Assembly in September would provide a good occasion to discuss this matter further. I, therefore, hope that it will then in fact be possible to acquire additional support for the Commission so that it has a sufficient political basis to get launched.

With best wishes,

yours sincerely,
The Honorable Robert McNamara  
President  
The World Bank  
1818 H Street, N.W.  
Washington, D.C.

Dear Bob:

Enclosed is a copy of the missing telegram addressed to you by Manouchehr Ganji and Harlan Cleveland, co-chairmen of the recent workshop in Iran on the "New International Economic Order."

I am also sending along a copy of the list of participants in the workshop.

At his request we have given copies of these papers to Shep Stone who, I expect, will be referring to them in his next conversation with Willy Brandt.

Best regards.

Sincerely,

Charles W. Yost

Enclosures
Dear Mr. McManus,

Enclosed is a copy of an article on "New International Economic Order" in "The New York Times" by Robert McNamara. The article mentions the need for international cooperation in various economic sectors.

I am sending along a copy of the article for your perusal.

At the request of Mr. McNamara, I expect to forward to him the next conference report with Mr. Brandt.

Best regards,

Sincerely,

[Signature]

Enclosures

INCOMING MAIL UNIT
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RECEIVED
CABLE TO:
Robert McNamara
President
World Bank
Washington, D.C.

The workshop "Getting On With The New International Economic Order" sponsored by the Aspen Institute for Humanistic Studies and hosted by Iran took place at Gajereh this week. Experts and officials from both developing and industrial countries felt strongly that a fresh effort is needed to give substance to the creation of a new international economic order to meet the basic human needs of all individuals throughout the world. Your proposal for a special high-level Commission of persons with international standings from both developing and developed nations was one of the next steps workshop participants felt should be pushed in order to review the whole issue from a more international perspective so that practical proposals can be arrived at. Hope you will persevere in getting such a Commission set up. Regards.

Manouchehr Ganji - Harlan Cleveland
Co-Chairmen
Aspen-Gajereh Workshop on
"Getting On With The New International Economic Order"
ASPEN INSTITUTE/GAJEREH WORKSHOP
June 12-15, 1977

IRANIAN PARTICIPANTS

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Country Economist
World Bank
Washington, D.C.

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Chairman of the Board of Directors
and Director General of Trade and
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Professor of Rural Sociology
and Deputy Minister of Farm
Cooperatives and Rural Development

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Parvin AMINI
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Plan and Budget Organization

Hassan Ali MEHRAN
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Central Bank of Iran

Cyrus ELAHI
Professor of Political Science
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Deputy Chairman and Managing
Director of International Affairs
The National Iranian Oil Company

Hashem PESARAN
Director of Economic Research
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Moshen FARDI
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Plan and Budget Organization

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Administration and Finance

Mansoor FARSAD
Director of the Bureau of
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Plan and Budget Organization

Firouz VAKIL
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Fereydoun FESHARAKI
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Andre van Dam
"El Remanso"
Arenales 1034
Martinez
Buenos Aires, Argentina
Dear Jan:

Thank you so much for your letter of July 8, enclosing some responses to your appeal for support of the Brandt Commission.

I find them quite encouraging and I hope you will also pass them on to Willy Brandt.

Frankly I was disappointed that we did not succeed in getting an announcement from Brandt this week, but I understand his political judgments on what is possible. I think it is going to be difficult to get real expressions of support from the U.N. in September, which is what Brandt now plans. But I think you and I and our colleagues should try to ensure that his visit to New York does bear fruit, so that a formal announcement can be made before the Bank's Annual Meeting which begins on September 25.

I am not planning to be in Europe in the immediate future, and I gather Brandt is now on holiday in Norway, so I do not foresee a meeting at present. I would always be glad to speak to you on the telephone at any time you wish to call me – and I shall be here in the office for the next few weeks.

Let me say how grateful I am to you for your unflinching support in this venture. I wish there were more with your vision and boldness.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
Mr. J.P. Pronk
Minister for Development Cooperation
Ministry of Foreign Affairs
The Hague, Netherlands
Fritz Fischer and I spoke to Mr. McNamara about the possibility of Gorhan Ohlin continuing on the Bank payroll till late September working on the Brandt Commission background.

Fischer suggested that Ohlin would prepare by mid-August:

- a summary (20-30 pages) on possible items for the report together with a brief description of the possible contents. (This summary will contain more items than are finally chosen.)

- Terms of Reference

- Prospectus Paper (of 2-3 pages) particularly for the U.N. gathering.

Ohlin would also begin the search for staff suitable for the exercise, though firm appointments could only come later.

McNamara replied that he was quite prepared to keep Ohlin on the Bank payroll on the understanding that if Brandt offered him the Executive Secretaryship in September he would undertake the task.
Dear Bob,

As you will certainly remember I sent a letter urging political and financial support for the Brandt Commission to a number of government ministers in both developing and developed countries. Enclosed you will find copies of the first reactions on this letter.

I also enclose for your information the text of my intervention during the OECD Ministerial Meeting of June 23rd in which I made a plea for full support of the OECD countries for the Brandt Commission.

Today, van Gorkom reported to me on his discussions with William Clark in Paris on July 7. I understand that you will shortly let me have the draft for a first public announcement on the appointment of the executive secretary of the Commission. On the basis of reactions received so far, I think that we should move ahead in the manner suggested. I should like, however, to consult further with you and Willy Brandt in the next few weeks and I suggest that, either we meet somewhere, or that we telephone each other.

Sincerely yours,

(J.P. Pronk)
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.
Correspondents / Participants
To: Mr. Willy Brandt
From: Goran Ohlin

Subject / Title
Brandt Commission - Membership, Terms of Reference, Personal Terms, and Task of the Commission

Exception No(s).

Reason for Removal
Personal Information.

Additional Comments
The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information. This Policy can be found on the World Bank Access to Information website.

Withdrawn by
Meredith Gramann
Date
Nov 30, 2012
Copenhagen, July 4, 1977.

Lise Østergaard

Dear Mr. Pronk,

Thank you very much for your letter dated May 27, 1977 – DGIS/SA-133807 – concerning the suggestion of Mr. Robert S. McNamara, President of the World Bank, to launch a high-level, unofficial commission on development problems, headed by the former Chancellor of the Federal Republic of Germany, Mr. Willy Brandt.

I agree with you that the proposed commission could have an impact on political leaders and public opinion and thus contribute to fostering the political will to carry forward the necessary policies to improve the international economic order. This seems to be even more important since the outcome of CIEC has hardly lead to the strengthening of the political impetus for further North-South cooperation that we had hoped for.

Consequently, we would regard the establishment of the commission favourably and we are prepared to support it in its activities.

As to the financing of the commission we would anticipate that the World Bank would contribute substantially, partly because its president has taken the initiative and partly because the Bank financed in full the important work of the Pearson Commission which in many respects worked along the same lines as those foreseen for the "Brandt Commission". As to national contributions we shall consider a request from the commission in a positive spirit.

Yours sincerely,

Lise Østergaard
Minister of State
Ministry of Foreign Affairs

H.E. J.P. Pronk,
Minister for Development Cooperation,
Ministry of Foreign Affairs,
The Hague.
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Withdrawn by: Meredith Gramann
Date: Nov 30, 2012
I was pleased to receive your letter of May 27, 1977, referring to the suggestion made by Mr. McNamara regarding the establishment of a high level but unofficial commission of eminent persons which will be entrusted to identify and prepare concrete recommendations to accelerate social and economic progress in the developing countries.

I am sure that the suggestion of such an internationally prominent person like Mr. McNamara, has already been given the appropriate attention by many governments. A preliminary discussion among the developing countries concerning this suggestion has also taken place at the meeting of the Group of 77 in New York as well as the Group of 19 of the Paris Conference early in 1977. At that time the consensus was that the moment for establishing such a commission was not yet opportune, and that it still needed further in depth studies as to the nature and scope of work of the proposed commission.

I believe that the establishment of such a high level commission composed of prominent political and economic leaders drawn from various parts of the world would reflect a recognition that in the era of interdependence, no nation can achieve its objectives or solve its problem alone, and that it is necessary to work together with other countries, developed and developing alike.

The Indonesian Government is of the opinion that the commission could serve a useful purpose and that by publicizing their findings it could convince public, political as well as
governments' opinion as to the need to implement the establishment of a new, just and equitable international economic order. Furthermore the commission could make recommendations to generate a more dynamic understanding and meaningful political willingness to realize fundamental structural reforms in international economic relations, through which persistent inequalities and prevailing discrepancies between the developed and the developing countries could be eliminated.

Although, in this regard, it may be unrealistic to expect a major breakthrough on the entire spectrum of problems of the developing countries at an early date, it is still necessary to ensure that the thrust for fundamental changes in international economic relations should not be offset by piecemeal measures or undue emphasis on selected priorities, which intentionally have to be tackled in a more comprehensive manner. The recently concluded CIEC has clearly indicated that although some progress have been made to meet certain proposals of the developing countries, most of the interrelated proposals for structural changes in the international economic system and certain of the proposals for urgent actions on pressing problems have not been agreed upon.

If the proposed commission would fail to inject an increasing dynamism to influence the attitude of governments to accelerate the process for a change, then it would not have achieved its primary objective, and the interests of developing countries would still be jeopardized. Such an inducement is all the more necessary after the conclusion of CIEC, since consideration of the outstanding problems still have to be continued in other fora.

With the above understanding of the goals and objectives of the high level commission of eminent persons, I would be happy to comply with your appeal to support the establishment of the proposed commission.

Yours truly,

ADAM MALIK
Minister for Foreign Affairs
In your letter of 27 May you asked for my political support for the high level unofficial Commission proposed by Bob McNamara in his Boston speech in January, and for financial help towards its work. I am sorry we had no chance to speak about this in Luxembourg last week.

You know my keen interest in any proposal which will enhance the concern of political leaders and of public opinion generally for the problems of the developing world, since I believe that development education, in its widest sense, is the key to securing support on a sufficient scale for the changes we both think necessary. I am not sure, however, just how Mr McNamara sees the idea of this Commission as fitting in with other work, formal and informal, that has to be done internationally both on the broad and on the sectoral issues, some of which could well stand fairly deep scrutiny. Nor is it clear how the developing countries will respond to any proposal in the aftermath of the outcome of the CIEC. I saw some earlier indications that they viewed the idea with uncertainty and caution.

From my point of view I should like to be reasonably sure that the Brandt Commission would have a realistic chance of influencing attitudes among both developing and developed countries, that it has a definite task which would not easily be claimed by some existing body, and that its terms of reference are sufficiently well defined to achieve these aims. If, as I hope, these conditions are fulfilled when any proposal formally comes before us then I certainly do not rule out the possibility of some financial contribution.
Statement (as delivered) by Mr. J.P. Pronk, Minister for Development Co-operation of the Netherlands on agenda item 2: International Economic Relations with Special Reference to the Developing Countries.

Our Norwegian colleague, Mr. Frydenlund, has raised the question of where and how the North-South Development dialogue should take place from now onwards. In my view it is important to make full use of the existing worldwide fora within the UN. Within the UN development system especially and its specialised agencies. If we are able to restructure this system—and I would like to make a plea for support for such a restructuring effort—we have an excellent forum combining the advantage of having all countries as members including the Eastern European countries and the possible advantage of negotiating procedures within restricted groups.
Mr. J.P. Pronk,
Minister for Development Co-operation,
Ministry of Foreign Affairs,
The Hague,
NETHERLANDS

Dear Minister,

Many thanks for your letter dated May 26, 1977, to the Minister of Foreign Affairs on the subject of the proposed Commission on Development Co-operation to be set up under the chairmanship of the former Chancellor of the Federal Republic of Germany, Mr. Willy Brandt.

I have the honour to advise that the Government of Guyana supports the establishment of the Commission.

Yours sincerely,

H.D. Hoyte
Minister of Economic Development
of countries, procedures which might also be intriduced within the United Nations.

In the UN we have to prepare the strategy for the next Development Decade. I would like to make a plea for a strategy covering the remaining last two decades of this century. The development strategy should be of a different nature from the present strategy for DD2 in a few respects. Firstly, in my view it should be much more oriented towards the provision of basic needs in developing countries. I very much welcome what has been said in that respect by Minister Vance. Secondly, in my view, it should not only be oriented towards the development of the third world but towards the development of the world as a whole including the development of industrialised countries is especially important because for the next two decades we should not emphasise too much the distinction between development co-operation on the one hand and the management of the world economy on the other, we shouldn't artificially separate our interests from those of developing countries especially also because of our development such as has been pointed out by Minister Genscher is very much dependent also on economic growth in the third world. Thirdly, it should be no longer directed towards the utilisation of global instruments, instruments which should be utilised should be diversified and complementary because there are so many economic differences between countries also within
the third world. Fourthly, it should be more ambitious than the strategy hitherto and also more ambitious than the results of CIEC. We can, as this has been pointed out very eloquently by our Danish colleague, no longer afford to frustrate expectations of developing countries by not implementing promises which have been made. And we should be very serious about the implementation of the promises of CIEC. Fifthly, last but not least, it should also take into account the necessary changes in the production structure of the countries themselves including OECD countries. Minister Genscher has said very clearly that there is a relation between changes in international trade policies and the restructuring of our own production structure including active adjustment policies and I would like also to underline that.

Many of us have pointed out that the OECD might fulfil the role in this respect. I agree with that. Not resorting to block positions I think that anyway OECD might at appropriate levels discuss the content of the development strategy benefiting developing countries and our own industrialised countries for the remaining two decades of this century.

For my last remark, Mr. Chairman, I would like to ask for the attention of my colleagues for initiative which has been made by Mr. McNamara of the World Bank, who together with some others has created or inspired the creation of a committee under the Chairmanship of the former German Chancellor, Willy Brandt and including some
eminent politicians both from developing and developed countries in order to stimulate the development - the coming into being of the development strategy for the next decade or two decades, I would like to make a plea for full support of the OECD countries for the Brandt Commission.
6/20/77 - For dispatch through the German ED's office.
Dear Herr Brandt:

I am glad we had a chance to talk on the telephone when I was in Europe, and I am pleased to hear that your preparations for the establishment of the Commission continue to go well.

I have just received the detailed communiqué of the Commonwealth Conference and it seems to me that, like the CIEC, it leaves an open path for you to follow.

All these conferences have been looking for a way to reconcile the North/South differences and to accelerate the development of the poorer countries. As you may have heard, at the Lancaster House Summit there was a proposal that the World Bank undertake an analysis of development strategies and problems. We have accepted this assignment, and I have sent to the Board a memorandum outlining our proposed course of action.

One or two of my colleagues have asked what is the relationship of this study to the projected Brandt Commission and I have replied in a further memorandum. I enclose both these papers for your information, so that you may know how we are thinking of these issues.

Personally, I very much hope that these proposed Bank studies would be of considerable value to your Commission, and they would, of course, be made available to your Secretariat at all stages.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

Enclosures: 1. 6/3/77 Memo to EDs (R77-165) 2. 6/16/77 Brandt Cmssn & Study of Dev. Issues

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

cc: Mr. Clark
WDClark/RSMcNamara:bmm
FROM: The President

MEMORANDUM TO THE EXECUTIVE DIRECTORS

June 3, 1977

Recently there has been much discussion about the need to undertake a comprehensive analysis of major development issues in order to promote a better understanding of them. This would enable both policy makers and the general public to see the interaction of developed and developing economies and thus strengthen the political ability to deal effectively with development problems. Interest in developing a clearer understanding of development strategy and prospects also reflects concern with the growth of new development institutions in recent years, the increasing complexity of development problems, and the consequent need for coordination of policy actions.

At the last meeting of the Development Committee, a number of members suggested topics for future discussion which relate to a more coordinated approach to development problems. In his Summary, the Chairman of the Development Committee referred to these suggestions and, in subsequent conversations with me, he stated his hope that the Bank would undertake an analysis which would focus not only on the required expansion of trade, and on the needs and availabilities of development finance, but would encompass, as well, action programs in important sectors for which the developing countries themselves would bear important responsibilities. If the Bank could undertake such work, the Chairman indicated that, in his view, the completed study would be a suitable document for discussion at a future meeting of the Development Committee.

At the recent Summit Meeting there was also a discussion of this subject. President Carter proposed that the World Bank undertake an analysis of development strategies and development problems -- he has referred to this as the preparation of "A World Development Program." Without discussing exactly what such a study should cover, the Heads of State agreed that it should be initiated. The Summit Communiqué refers to the need for an assessment of the actions of developed and developing countries in relation to each other and to the larger goals -- an assessment in which many members of the Bank have expressed an interest.

After discussions with the IMF management, we have prepared a very preliminary outline, which is attached, of what a first attempt might consist of. We have agreed that work on this would be done in the Bank, in close consultation with the IMF in those areas of their interest. We would also consult with other interested parties.

It is important that the work be started soon. The complexity of the development process is such that it will take many years to arrive at a suitable format for a broad, integrated approach to the problem and for the accumulation of appropriate data. The lack of well defined strategies against which progress in development can be assessed regularly, and which would be the basis for prompt remedial actions is a serious handicap to formulating appropriate long-term policies in developed and developing countries alike to deal with pressing development problems.
The initial audience for such a document would be the Board of the World Bank, although we would hope that after discussion there, such a paper could be forwarded to the Development Committee for a further consideration at the political level. If work were to commence in June of this year, it might be possible to present a draft report to the Board by July 1978. This would allow for discussion in the Board in time for consideration by the Development Committee at the 1978 Annual Meeting.

It is important to recognize that we are a long way from being able to develop a series of sectoral action programs which fit into a consistent whole. The process of providing an overview of the financial and policy requirements for development is exceedingly complex since development involves the basic social and economic policies of industrialized and developing countries with a wide range of capacities and objectives. The first effort at such a paper will therefore necessarily be imperfect. Nonetheless, we agree with those who have expressed concern about the absence of a general framework and with those at the Summit Conference who stressed the importance of assessing actions of both the developed and the developing countries in the context of an overall framework. If we start the process now, it will be possible to build on the first product and make gradual improvements in the years to come. We believe, therefore, work on such a project should begin immediately.

I propose to send a copy of this paper to the Chairman of the Development Committee.
OUTLINE OF AN APPROACH TO AN "ASSESSMENT OF DEVELOPMENT PROGRESS AND PROSPECTS"

Objective: The purpose of the study would be to:

(a) develop a framework which will assist both developing and developed countries to see their respective roles in the development process;

(b) establish a basis for reviewing progress in future years.

Such a study, revised annually or biennially, would be available for discussion by national governments and in appropriate international forums.

Principal Elements: The study would seek to define the domestic savings, foreign exchange earnings, and structural adjustments required in developing countries, and the external capital flows associated with achieving a range of alternative development objectives within, say, five or ten years. Underlying such an analysis must be assumptions about overall, aggregate growth rates in developing and developed countries, to assure consistency among development objectives, to derive internal and external capital requirements, and to assure that trade and capital flows are broadly consistent with the development objectives. The emphasis would be on the internal and external policies necessary to meet the development targets.

An Approach to the First Report: The first edition of the study could outline action programs in some of the principal areas of concern. The action programs would differentiate between different categories of developing countries to the extent feasible. Subjects which could perhaps be covered in a first attempt include:

Food Production: Definition of principal deficit areas; prospects for growth with present policies; policies needed to accelerate growth in different types of countries; policies needed to increase effective demand of specific target groups.

Population: Identification of population dynamics and impact on such areas as health, literacy, employment; areas of serious overpopulation pressures; areas with highest rates of growth; present programs and policies; targeted reductions to Net Reproduction Rate of 1; policy packages associated with such targets; implications for development planning.

Rural Poverty: Profiles of rural poverty in different types of LDCs; objectives to reduce specific aspects of rural poverty with particular emphasis on programs to raise the productivity of the small farmers; actions affecting literacy, water supply, electrification and health facilities.

Urban Poverty: Profiles of poverty in different types of cities in LDC groups; known and experimental tools to improve standards of life and productivity; objectives in terms of services (shelter, water, health, etc.) and numbers covered; policy implications and resource allocations.
Export Development and Industrial Growth: Export patterns and performance by groups of LDCs. Growth rates by types of commodities; growing importance of manufactured good exports; investments and technology requirements for accelerated industrial growth and export expansion; associated domestic policy changes; market impact in importing countries of targeted expansion. An effort would be made to spell out the short-run and long-term effects of specified trade liberalization measures on both developed and developing countries.

Energy and Mineral Development: Scope for development of energy and mineral exploration in developing countries; the importance of this to trade balances and to capital and technical assistance requirements; the volume and type of capital likely to be available under present policies and the nature of policy changes to increase the flow from non-official sources.

Capital Flows: Estimates of capital flows from both public and private sources, by groups of developing countries; the impact of such flows on the debt structure and debt-servicing capacity of the developing countries and on the capital markets of the developed nations.
June 13, 1977

Mr. J.P. Pronk
Minister for Development
Cooperation
The Hague,
The Netherlands

Dear Mr. Pronk,

Thanking for your letter dated May 27, 1977, I wish to convey to you my basic agreement on the principle of setting up the proposed unofficial commission, consisted of a group of persons in private capacity both from developed and developing countries.

I am firmly convinced that such commission can, as you stated in your letter, play an important role in maintaining and fostering the atmosphere of "the North-South dialogue", which has been promoted very much through CIEC meetings just concluded.

It is my personal opinion that such commission will better function with smaller number of participants; one good example may be the type of the Tidewater Meeting. I shall be most willing to make recommendations, if necessary, as to possible participants from my country.

Sincerely yours,

Bunroku Yoshino
Deputy Minister for Foreign Affairs
Oslo, June 8, 1977.

Dear Jen,

Thank you for your letter of 27th May regarding "the Brandt Commission".

I fully subscribe to the description you have given in your letter of the role and of the possibilities of the said Commission and I can confirm that we are prepared to support it both politically and financially.

In order to dispel any misunderstanding that may have existed let me underline that ever since we were fully informed of the Commission's true role and purpose, our attitude has been one of support. Our hesitancy at the outset was based on lack of adequate information about the whole project (we first read about the Commission in the papers).

But again to conclude—we are fully prepared to give our support to the Commission and we look forward to having continued close contact with you both in this matter and as regards the other requests for support which have come subsequent to the pledges we both made in the Second Committee of the UN General Assembly last year.

I am sending a copy of this letter to Willy Brandt.

Your sincerely,

[Signature]

Thorvald Stoltenberg

His Excellency
Mr. J.P. Pronk,
Minister for Development Cooperation,
Ministry of Foreign Affairs,
The Hague.
June 2, 1977.

Mr. J.P. Pronk
Minister for Development Cooperation
Ministry of Foreign Affairs
The Hague
Netherlands.

Dear Mr. Pronk:

I wish to thank you for your letter of May 26, 1977 concerning the Commission on Development Cooperation (Brandt Commission).

We very much appreciate the support given by the Dutch Government to this initiative and I am sure the Kuwait Government will give due consideration to the matter when submitted to it.

With my best personal regards,

Yours sincerely,

MINI. UAN ITNANDE ZAKEN if Y. Al-Hamad
Director General

Nuwwair B. Al-Hamad
Director General