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Brandt Commission - Correspondence 10

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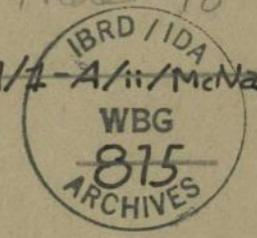
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Folder No. 9

Folder 10

74/1-A/ii/McNamara



Boards of Governors  
1977 Annual Meetings  
Washington, D.C.

The World Bank  
International Monetary Fund

MEMORANDUM

TO: Mr. William Clark  
FROM: Julian Grenfell and Mahmud Burney  
SUBJECT: The Brandt Commission - Latest Views of the 77 in New York

September 25, 1977



In the last two to three weeks there has been a noticeable change - positive - in New York about the Brandt Commission. This is particularly true of the Ambassadors from key developing countries, whom Mr. Brandt is likely to see in New York on September 27 and 28. Several factors have contributed to the change: continued exchange of views with Ambassadors and their deputies; availability of the prospectus; visit of Fritz Fischer; Mr. Brandt's letter to various heads of states, and the failure of the industrialized and the developing countries to reach agreement on the assessment of CIEC at the resumed session of the General Assembly early last week.

We are reasonably sure that no one amongst those that are scheduled to meet Mr. Brandt will oppose the Commission outright. A certain amount of suspicion still remains, but the burden of queries will deal with such issues as the need for a balance between the structural changes and immediate aid requirements in the scope of work of the Commission, and the membership of the Commission and of the secretariat. This should confirm that most of the Ambassadors have accepted the idea of the Commission, and their main interest was in the mechanics of its workings.

In canvassing Ambassadors of the 77 and their deputies, we found that the following were inclined to support it provided that Mr. Brandt takes into account their concerns about the composition, terms of reference and staffing of the Secretariat: Jamaica; Pakistan; India; Indonesia; Philippines; Sri Lanka; Iran; Yugoslavia; Ghana; Tanzania; Sudan; Kenya; Ivory Coast; Egypt; Peru; Venezuela.

/2..

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There are few (notably Nigeria, Kuwait and Argentina) who are openly skeptical. There may be others of similar or even more negative views amongst those whom we have not canvassed. We are, however, of the opinion that Mr. Brandt will get a generally favorable reaction from the key membership of the 77.

cc: Mrs. Boskey  
Mr. Grenfell  
Mr. Burney

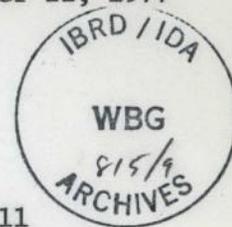
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8/15/9/9

## OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: September 22, 1977

FROM: William Clark *mc*SUBJECT: Brandt and Your Meeting with him, Monday, 12.30 p.m.

The arrangements for Brandt's visit to U.N., New York are being very competently handled by Julian Grenfell and Burney. I will give you full details on Monday morning that you can glance at on the platform before your meeting with Brandt (but after your own speech).

*Tuesday*  
At a *morning* meeting (in the Dutch office) of a dozen G77 Ambassadors, we have ensured early vocal support from Yugoslavia (this year's President of the G.A.), Sri Lanka (last year's P.G.A.) and Tanzania.

He is seeing individually a lot of Ambassadors and/or Foreign Ministers of U.K., France, Canada - briefed on Joe Morris - Yugoslavia, and Andy Young of U.S.).

I do not doubt that there will be some queries and questions raised e.g. why should negotiations go on outside the U.N.? What mandate has Brandt compared to Governments and inter-governmental groups?

In talking to Brandt on Monday after the Meeting I hope you could stress:

(i) The general mood of support you have felt from the Third World. (e.g. Ramphal and even Gamani as well as Nyerere and others you have seen personally). The exceptions not surprisingly are those who either do not want a settlement between rich and poor, or those who want a settlement only on their terms and in their forum at their time. We cannot wait for ever, nor for unanimity, so hope we can go forward this week. Further delay to gain possibly more support from G77 would probably be fatal because this U.N.G.A. is likely to become entangled in a perpetual and futile dialogue, to which they will seek to give a monopoly of "negotiation".

(ii) The Commission is not a negotiation; it is an exploration of the political areas of agreement. Negotiation of detail must remain with Governments; but if they start with detail and without a clear path ahead they will inevitably bog down as completely as Paris/CIEC.

(iii) Commissioners. The need is for balance, and no dogmatists. Advise not to announce any commissioners till you can announce all.

September 16, 1977  
Goran Ohlin

815/9/18  
1075  
File with  
Branth  
papers  
E. Nord



## THE REPORT OF THE COMMISSION

The following is a sketch of a final report. A fuller outline along such lines might be submitted to the Commissioners at the first meeting and serve as a guide to the organization of the work program both of the Commission and the Secretariat. On the other hand it is possible that Commissioners would become resentful if they think this is an attempt to anticipate their own deliberations. In that case, they should perhaps be presented with a less structured list of issues. An outline of the report as well as a work program could then be prepared after the first meeting, drawing on the discussion and the views presented at that occasion.

The objectives I have had in mind in formulating the following suggestions have been:

(1) To break away from the jargon of the present international aid system which only too often serves to obscure the situation, e.g. by its dichotomy between developed and developing countries. I should like the background chapters to be written in the style of a historian or a very good journalist writing for a popular audience about the changes in the world system that have taken place in the last few decades and led up to the present situation. This would, among other things, mean talking less about "developing countries," except when they act as a block, and more about continents, regions, and individual countries.

(2) In line with this, there would be considerable emphasis on the heterogeneity and diversity of Third World countries, on the graduation of some of them into a situation where they need no aid

and may become capital exporters to poorer countries while remaining capital importers from richer ones, and on the remaining problems of economic stagnation and political paralysis in other countries.

(3) The focus is on the 1980s, for two reasons. In the first place it makes good sense to focus on the long or medium term, if the Commission wishes to point to trends that require basic changes in orientation and attitudes. Secondly, one might hope to mitigate some of the opposition in official circles by emphasizing that one is not talking about present negotiations--as we have been at pains to make clear--but about a future that lies beyond current claims and deadlocked controversies.

(4) I have come to the conclusion that we absolutely cannot avoid the issue of the New International Economic Order. In my view, the Commission must seize the bull by the horns and try to suggest that its interpretation of that order is a valid and respectable one. It will not be easy, but it is simplified by making the analysis a long-term one, because so far the aggressive statements on this subject have on the whole contained only demands for immediate changes.

(5) In the perspective of the 1980s, trade problems seem bigger than ever, and that is where the worst problems will arise, because it will be difficult for the Commission or its staff to produce a magic recipe to help governments in rich countries to cope with problems of industrial contraction and structural unemployment.

(6) Aid will be concentrated to Africa and the subcontinent, <sup>hdc</sup> apart from the multilateral component which is locked in a rigid pattern that should be looked into. I see little purpose in formulating yet another "aid target." In the past they may have

swayed a few countries (Canada, Holland, the Scandinavians), but they have obviously not influenced any of the major powers at all. In spite of the great influence of U.S. and French civil servants in formulating such targets, the contributions from these countries have declined ever since the target setting began in the early 1960s. I think it might not be out of place for the Commission to have a discussion of the uses of targetry which so often honoured only in the breach.

(7) The world has changed profoundly in the 1970s and this must be reflected in the report. The concern about exhaustible resources, about energy, about environment and the global biosphere have added new and complicating elements to all forecasts, plans, and hopes. So far, there has been a separation between those concerned primarily with economic growth, who have not worried about those things, and the alarmists who have often been taken to be some lunatic fringe. They should not, however, be dismissed out of hand. The recent Leontief report to the U.N. is actually fairly reassuring on this point. The Commission should go into the matter quite seriously, which would make its report the first one to combine an awareness of the resource problem with a concern for the alleviation of poverty. It would also mean that the secretariat would have to contract the services, at least for some time, of some pretty good people with a competence in the resource field, including of course energy.

(8) It is, I think, extremely important, that the Commission takes advantage of its private and independent character and does not refrain from comment on subjects which official delegates would be unable to touch. A particular sensitive subject is the political

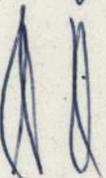
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situation in a number of developing countries. In some countries, "human rights" are repressed by right or left, in many the political system is not strong enough to deliver what is expected from it. It is out of the question for the Commission to deliver any high-handed criticism in this respect--and I must confess I am rather tired of the simple-minded search for goodies and baddies--but I do think it would be salutary to include some reflections on the difficulties of building a workable political system. One might run into trouble with Third World Commissioners, but that would have to be argued out--and I remember your readiness to have minority views. It is obviously true that this is a major problem, and I think it is important to have it reflected in the report, mostly because I think truthfulness adds to persuasiveness.

(9) In line with this I would also like to have the Commission raise the subject of armaments. That too is a tricky subject. It may be that the Commission cannot get beyond a regret that the major powers arm their friends with the latest weaponry and use them as a testing ground, but this is one of the big issues, and I cannot see how the Commission can avoid it without a rather artificial limitation of its mandate.

(10) Perhaps the most important question is why a decade of negotiations in the present international systems has produced so little. At least that is the way many of my friends in the developing countries see the problem. The question is sensitive because the present system of international organizations and forums for negotiations has created very powerful vested interests. Here too I see a great opportunity for a small Commission of serious men to speak the truth, which would be welcome by many and strengthen their

hand. What I have called the "framework of negotiation" has become an obstruction to progress, and this Commission is one of the bodies in which the matter can be raised.

*yes  
time*  


So much by way of explanation. Here follows the outline I suggest in the light of what I have said earlier:

#### CHAPTER 1: BACKGROUND

Emergence of Third World, decolonization.

Political problems, experience of Latin America, weakness.

The aid system, the U.N., UNCTAD. *Better words*

Growing divergence, OPEC, world recession.

CIEC frustration.

Real and imaginary interests, national and particular.

#### CHAPTER 2: PROSPECTS FOR THE EIGHTIES

Continued but slower growth in rich countries.

Rapid growth in East Asia, Latin America. Graduation of the most successful.

Persistent poverty and stagnation in Africa, South Asia.

Problems raised by absorption of rapidly growing exports.

Resource scarcity, energy and environmental concerns.

Prospects for population.

### CHAPTER 3: RESTRUCTURING THE WORLD ECONOMY

An increasing number of countries able to use their comparative advantage in exporting manufactures.

Commercial policies in industrialized world. Likelihood of new protectionist pressures.

Adjustment policies, capacity of absorption of imports.

Trade among developing countries.

Commodity policies and problems.

MNCs in world trade.

### CHAPTER 4: THE FUTURE OF INTERNATIONAL DEVELOPMENT AID

Declining trend likely to continue.

Some countries are becoming independent of aid, but not likely to result in shift to poorer countries in the case of bilateral aid, although multilateral aid will probably be so shifted.

The political foundations of development aid.

### CHAPTER 5: INTERNATIONAL FINANCE

Aid, debt, direct investment.

The success of borrowing from private sources.

Debt problems. Moratoria and forgiveness as aid forms.

The monetary system and the IMF.

### CHAPTER 6: POPULATION GROWTH

Some fertility decline likely in coming decade, though not in all countries.

Planning problems: employment creation, basic social services.

## CHAPTER 7: ARE GLOBAL RESOURCES ADEQUATE?

The concern about non-renewable resources?

Survey of supply situation.

Demand conditions, including sensitivity to price and incomes.

Environment problems, erosion, desertification, etc.

## CHAPTER 8: ARMAMENTS AND THE THIRD WORLD

Unsettled political conditions.

Magnitude of armaments expenditure in relation to available resources.

Proposals to restrict arms shipments.

## CHAPTER 9: THE FRAMEWORK OF NEGOTIATION

Unwieldiness of present international system.

Interest articulation.

Alternatives to the North/South constellation.

The place of bilateralism and multilateralism.

The U.N. problem.

Third World regionalism.

## CHAPTER 10: A NEW INTERNATIONAL SYSTEM

Joint interest in containing conflicts and exploiting common benefits.

New international economic order through reform, not overthrow.

815/9/7



WILLY BRANDT  
ERICH-OLLENHAUER-HAUS  
Erich-OLLENHAUER STRATT  
5300 BONN  
GERMANY

797-0570  
TELEX 0886306

THANK YOU VERY MUCH FOR YOUR LETTER AND THE VERY WELCOME  
ACCOMPANYING ANNOUNCEMENT THAT YOU ARE ESTABLISHING THE COMMISSION.

I CAN ASSURE YOU OF THE FULL SUPPORT AND COOPERATION OF THE  
WORLD BANK AND OF MYSELF AND MY SENIOR ASSOCIATES PERSONALLY. WE  
WILL ENDEAVOUR TO PROVIDE YOU WITH ANY RESEARCH AND INFORMATION  
THAT IS RELEVANT TO YOUR TASK AS YOU SEE IT. AND WE EAGERLY AWAIT  
THE OUTCOME OF YOUR DELIBERATIONS, WHICH COULD STRENGTHEN WORLD  
PEACE AND MAKE A BETTER WORLD FOR OURSELVES AND OUR CHILDREN.

I SHALL SAY A FEW WORDS OF WELCOME TO THE COMMISSION IN MY  
CLOSING REMARKS TO THE ANNUAL MEETING TOMORROW. BUT MAY I SEND  
YOU MY PERSONAL WARM THANKS FOR UNDERTAKING THIS MOST IMPORTANT AND  
DIFFICULT TASK IN WHICH I HAVE FULL CONFIDENCE THAT YOU WILL SUCCEED.

REGARDS

ROBERT S. MCNAMARA

*15/ R McN*

WDClark:sf

Mr. William Clark

Mr. William Clark

External Relations

875/9/6  
New York, September 28, 1977

Announcement  
on the  
Creation of an  
Independent Commission on International Development Issues



After consulting with representatives of developing and developed countries, Mr. Willy Brandt has decided to launch an independent commission on international development issues. A proposal to this effect was made at the beginning of this year by Mr. Robert McNamara, President of the World Bank.

The Commission will consist of about 15 eminent persons drawn from developing and developed countries. The Commissioners, who will not be acting under government instructions, will be appointed by the Chairman during the next four weeks.

The Commission will have the task of identifying those ways of restructuring international relations that would command the widest possible support.

In the pursuit of this task, the Commission will not intervene in any ongoing intergovernmental negotiations but would endeavor to supplement the efforts of governments and international organizations to arrive at equitable solutions. Within this framework, the Commission will take into particular account the urgent need to solve the problems of absolute poverty.

The first meeting of the Commission will be held in December 1977 in the Federal Republic of Germany. On that occasion, the members would have to agree on the precise terms of reference.

The Commission will be supported by an international secretariat of experts from both developed and developing countries.

In order to ensure its complete independence, the operating costs of the Commission will be met by untied contributions. The Netherlands Government has been the first to pledge substantial support on these terms.

Once established, the Commission plans to publish its findings within about eighteen months. The report will be sent to the Secretary-General of the United Nations and would, at the same time, be made available to governments, international organizations, and the general public.

This decision of Mr. Brandt has been communicated to the Secretary-General of the United Nations and the President of the World Bank.

MEMORANDUM FOR THE RECORD

Meeting with Mr. Willy Brandt, September 26, 1977

Present: Messrs. Brandt, Fischer, Janssen, McNamara, WClark



Mr. Brandt said that, unless he would meet rigid opposition in New York, he was now determined to go ahead with the Commission and that he would (i) send letters to Messrs. Waldheim and McNamara to this effect, (ii) announce the establishment of the Commission in New York on Wednesday, September 28, 1977, (iii) choose the members of the Commission before the end of October, (iv) convene a first meeting on December 9, 1977, in Schloss Gymnich (Germany) and (v) seek partial financing of the Commission from the Volkswagen Foundation. He mentioned that he had received a letter of strong support from Chancellor Schmidt and that the Swiss Government had offered to provide the necessary facilities for the work of the Commission.

Messrs. Brandt, McNamara and Clark then discussed names of potential Commission members. Mr. Brandt said that (i) Mr. Al-Hamad was ready to participate but wanted to see the other names before making a final decision, (ii) Prime Minister Callaghan supported a participation of Mr. Heath, (iii) Messrs. Palme and Mendes-France were willing to join the Commission (iv) he had written to President Carter regarding the participation of Mr. Henry Kissinger but that a number of people had argued against it. Mr. McNamara agreed that a large number of people would oppose a Kissinger participation because they consider him conservative and anti-liberal but that he (Mr. McNamara) would nevertheless strongly favor asking Mr. Kissinger because of his enormous insight. Mr. Brandt further mentioned Messrs. Maurice Strong and John Turner as the Canadian candidates which were both endorsed by Mr. McNamara, the former on substance grounds and the latter for his political clout. There was agreement on Messrs. L.K. Jha and Adam Malik representing Asian LDCs and on Mr. Jamal for Tanzania. Mr. Brandt accepted Mr. McNamara's offer to ask President Nyerere for releasing Mr. Jamal. Mr. Brandt felt that the Commission needed a real black African but the meeting could not identify and agree on a strong candidate. Further, Mr. Brandt is determined to ask Mr. Eduardo Frei (as he emphasized, not only for Committee reasons) and Mr. Ramphal to represent Latin America. There was agreement not to ask Mr. Echeverria. Mr. Brandt put forward Messrs. Kashiwaga or Okita as the Japanese representative. Mr. McNamara suggested to approach Mr. Kashiwaga for his advice. Finally, the meeting discussed the participation of a "liberal lady from the U.S.," without identifying names. There was agreement that Senator Hubert Humphrey would be an excellent member and should be asked.

In concluding, Mr. McNamara stated how delighted he was that Mr. Brandt had accepted this difficult task and how badly needed this initiative was at this point in view of the lack of agreement of the UN General Assembly on the results of CIEC and the depressed mood of the G-77.

CKW  
September 30, 1977

The World Bank



Summary:

The Swiss Bundesrat would be happy to welcome Mr. Brandt's proposed commission in Geneva.

They would supply the space shown to Mr. Fischer, and absorb operating expenses.

Employees of the commission would be accorded diplomatic courtesies.

DER VORSTEHER  
des EVD

815/19/14  
Bern, den 15. September 1977

Herrn Bundeskanzler a.D.  
Willy Brandt  
Ollenhauerstrasse 1

B o n n



Sehr geehrter Herr Bundeskanzler,

Wie Sie wissen, haben sich meine Mitarbeiter mit Ihrem Privatsekretär, Herrn Dr. F. Fischer, in Verbindung gesetzt, um abzuklären, ob die von Herrn McNamara angeregte Kommission über die internationale Entwicklungszusammenarbeit, für deren Präsidium Sie angefragt wurden, unter Umständen in Genf ihren Sitz haben könnte.

Ich habe die Freude, Ihnen mitteilen zu können, dass der schweizerische Bundesrat an seiner gestrigen Sitzung beschlossen hat, dieser Kommission, falls sie gegründet wird, die nötigen Räumlichkeiten in Genf zur Verfügung zu stellen, sofern sie sich entschliessen sollte, sich dort niederzulassen.

Die schweizerische Eidgenossenschaft wäre bereit, die von Ihrem Mitarbeiter, Herrn Dr. F. Fischer, besichtigten Räumlichkeiten an der Rue Moillebeau ab 1. Oktober 1977 für die vorgesehene Arbeitsdauer der Kommission zur Benützung zu überlassen. Sie würde den Mietzins, die Kosten für die Heizung sowie für die Einrichtung und den Unterhalt der Büros übernehmen. Ferner würden die Räume mit allen nötigen Möbeln, Apparaten (Schreib- und Photokopiermaschinen, Telex, Telefon usw.) und Büromaterialien versehen.

Ich darf Ihnen auch bestätigen, dass die Mitarbeiter der Kommission dieselben Immunitäten und Privilegien wie die Beamten der internationalen Organisationen in Genf genießen würden.

Ich hoffe, dass diese geplanten Vorkehrungen die wichtigen Arbeiten Ihrer Kommission erleichtern könnten.

Im Namen des Bundesrates versichere ich Sie, sehr geehrter Herr Bundeskanzler, meiner vorzüglichen Hochachtung.

sig. Brugger

Kopie an:

Herrn Botschafter O. Exchaquet, Ständige Mission, Genf

Herrn F. Huheim, Direktion für internationale Organisationen, EPD, Bern

Herrn M. Constantin, Finanzverwaltung, EFZD, Bern

HH. Direktor Jolles  
Ja, R, Sa, Ih

## OFFICE MEMORANDUM



DATE: September 12, 1977

TO: Mr. William Clark (through Mrs. Boskey) <sup>813</sup>

FROM: Mahmud Burney <sup>hab3</sup>

SUBJECT: The Brandt Commission

Canada  
with  
Sudan  
Tanzania

While in Geneva (September 5-9) for the Special Session of UNCTAD on the external debt of the developing countries, I talked at some length about the Brandt Commission with a number of delegates (Belgium, Norway, Germany - F.R., Colombia, Iran, Iraq, Algeria, India, Pakistan, Indonesia, Philippines, Nigeria, Sudan, Kenya -- UNCTAD and EC). I did not talk with delegations from The Netherlands, Tanzania, Jamaica, knowing that their governments were in favor of the Commission. Except for Iraq, none were against the Commission; delegates from Belgium, Indonesia, Philippines, and EC were in favor without reservations. Skepticism among some could be attributed to the lack of information. After exchange of views, almost everyone (except Iraq) agreed that "it can't do any harm". Iraq, because of its political orientation and its increasing aloofness from the Bretton Woods institutions especially the Bank, did not think that this initiative can be helpful to the developing countries. It might even work against the themes of the new economic order. Questions raised were more or less on the same lines as those raised by Amb. Akhund in New York (see my memorandum to Mr. Clark of August 24, 1977). The Indonesian Ambassador (Alatas), the Algerian Minister (Kherbi), and Koedderitzseh of EC promised to take up this matter in New York next week with their counterpart and with other delegations. To this can be added the Ghanian Amb. Dadzie who is already in New York and who promised to help, including his willingness to talk to Brandt and/or Fischer.

Gamani Corea expressed considerable concern that we in Washington felt that he was being devil's advocate in this matter. He said that after earlier hesitation he stands by what he told Mr. McNamara: that he would be in favor of any initiative that would support the cause of the developing countries. He added that once the Commission gets going, he and the UNCTAD staff will extend all cooperation to it. He had heard that the Commission's secretariat might be located in Geneva which he said would facilitate such cooperation. He was anxious that this be conveyed to Mr. McNamara especially since it was unlikely that he would be coming to Washington for the Annual Meeting. (He was, therefore, pleased when arrangements could be made for him to meet Mr. McNamara in New York on September 14.)

As far as his open and unconditional support for the commission at this stage is concerned, he has some hesitation personally as well as the head of UNCTAD. As an individual he is intellectually committed to the concept of a just economic order. He is still unsure that the Commission (and its secretariat) would be truly independent, that it will be equally balanced (not only in number but in weight) between those who would seek structural changes as well as more aid, and those who would argue for more aid only. As the head of an institution which does not draw its strength from lending, but rather from promoting global demands

of the developing countries, he may be concerned that the Commission might detract from UNCTAD's mandate. Furthermore, UNCTAD today enjoys less support from the Group of 77, especially from the radicals, partly because the political fight for the common fund culminating in Nairobi last year gave rise to unreasonable expectations to all members of the Group. Since then and during more detailed discussions, these expectations have been deflated. Some countries blame UNCTAD for being unable to prepare and to negotiate, while others feel that they were lead down to the garden path. Also as UNCTAD is beginning to undertake serious professional studies, its radical solutions are being moderated, and this is causing doubts amongst the radicals within the 77 that UNCTAD was no more the trade union it used to be. Some OPEC countries are also unhappy that UNCTAD studies now show increased oil prices as a cause of indebtedness of oil importing developing countries, and UNCTAD's efforts to seek debt write-offs would eventually include OPEC loans. In this period of uncertainty -- when UNCTAD is being questioned even by the 77 -- it is doubly difficult for Gamani Corea to openly support a "western proposal".

Corea and UNCTAD will cooperate with the Commission once it is a going concern. This could be confirmed on September 14. Perhaps more importantly Corea, if encouraged, may explore the possibilities of professional cooperation between the Bank and UNCTAD. This could include studies on certain aspects of debt and trade; at least an understanding on common base figures and definitions, without necessarily reaching identical conclusions. Perhaps the preparation of the World Development Report might provide a basis for such cooperation.

The UNCTAD, although at present in troubled waters, remains an important institution. It is unlikely that UNCTAD will continue its push to become a negotiating forum for commodities, debt, etc. In fact, to regain the support of the developing countries, it may revert to its role as a trade union. The developing countries too may realize that, not having a secretariat of their own, they need to strengthen UNCTAD as a forum to debate economic issues. If Mr. McNamara takes the initiative, or gives a hint for closer cooperation, he will find Corea receptive. Mr. Corea may see longer term institutional benefit (to UNCTAD) even in the Brandt proposal, and may change his passive attitude now.

Tolerating or ignoring UNCTAD might be easy, but it is still an institution with influence -- positive as well as negative.

cc: Mrs. Boskey  
Mr. Chatenay  
Mr. Grenfell

## OFFICE MEMORANDUM

I 2



TO: Mr. Robert S. McNamara

FROM: William Clark *WCL*

SUBJECT: Talks with Brandt

DATE: September 6, 1977

After I had addressed the SPD I lunched with Willy Brandt and spent the afternoon with him. In about three hours of conversation I think we made some progress. As a result:

- (i) Fritz Fischer will come across to New York next weekend and will be in Julian Grenfell's office in the U.N. on Monday morning, 12th September.
- (ii) His mission will be to sound out, and make appointments for Brandt to see, significant country representatives who will be available on Tuesday 20th. This will include suitable visiting ministers, as well as permanent representatives.
- (iii) The Brandt team is anxious to rely on our advice as to whom to see and I hope Julian Grenfell, Mahmud Burney and Mahbub can consult to draw up a list. It must include the leaders of the 77 Akhund and Mills, and should if possible include Andy Young, whom Brandt has met.
- (iv) The object of these meetings in my opinion is for Brandt to fulfill his objective of having consultations with a wide variety of world leaders before he goes ahead with the Commission. He should not expect the protagonists in the new but ancient North-South struggle to be unanimous in approving his Commission, but he should seek to find out where they think a "deliberately unofficial" group can be useful. He could also ask for views on whom the Commission should particularly consult - some of these might be Commissioners but I do not think Brandt should reveal whom he has chosen at this time.
- (v) If all goes smoothly enough Brandt is considering announcing the establishment of the Commission on the 20th or 21st, without naming the Commissioners. The Press Conference might be held jointly with Mr. McNamara.
- (vi) The main danger that I foresee is that Brandt will be discouraged by the coolness of the Third World leaders, and the lukewarmness of the OECD Leaders. While we should aim to get the best response we can from those he sees, I believe our best tactic is to get him to realise that if he goes ahead firmly many who are afraid to support him publicly (because his recommendations may be different from their national line) will be relieved and will certainly not oppose him publicly. To wait in the hope that the 77 Ministerial Meeting in late September will urge Brandt to go ahead

would be folly; both North and South resent the fact that the Commission is necessary because there is an impasse in their official negotiations.

2. I think it would be most valuable if you were to meet with Willy Brandt during this visit to New York to show support, to discuss Commissioner names, and to coordinate the announcement and what is said in the Governors' speech. I also believe we could organise some vocal support for the Commission in the Finance Ministers' speeches at our Annual Meeting, but only if it is firmly established by the time of the meeting. (Query: could we get the Development Committee to welcome the prospect of receiving the Report?)

3. Meanwhile Brandt is writing to several heads of Governments (especially of those countries from whom he is planning to pick a Commissioner, e.g. Carter, Trudeau, Giscard, Callaghan, Desai. I was shown the letters and suggested (I hope successfully) that they should be more positive saying that he was going ahead, asking for suggestions, comment and support, and mentioning the name of the proposed Commissioner. The letter makes it clear that a reply could either come directly or through a representative in New York.

4. In London I saw Ramphal, Secretary General of the Commonwealth, and told him that Brandt would like to see him if possible on his way to Toronto, New York and Barbados (for the Commonwealth Finance Ministers' Meeting). He said he would be glad to meet and they are due to speak on the telephone today (Monday). Ramphal still says this is a time for boldness, and he will urge Brandt to go ahead. I have urged Brandt to consider Ramphal as a Commissioner, especially in view of Amir Jamal's reluctant refusal. (I had a long talk with A.J. in Wiesbaden, he had hoped to accept but he and Julius Nyerere finally agreed that he could not be spared from his urgent task of creating a successor to the East Africa Community communications system).

5. Fritz Fischer has handed me a revised 'Prospectus' and asked for comment. He will use it in his visits next week.

6. Pronk is meeting Brandt on Thursday after his meeting with the "like-minded group". I was unable to get to the Hague on this trip (airport strikes etc.) but have spoken by phone to van Gorkom and hope to again before they go to Bonn.

WDClark:sf

## OFFICE MEMORANDUM

*This is the background  
of my talks with  
Brandt.*

TO: Files

DATE: August 26, 1977

FROM: William Clark *mc.*IISUBJECT: Brandt Commission Progress Report

On Wednesday and Thursday August 24-25 I had long telephone conversations with Fritz Fischer in Bonn, and Van Gorkom in the Hague. The discouraging outcome was as follows:

2. Fischer was very anxious to get a definite invitation from the G77 to Brandt to visit New York for consultation about his Commission. Without this he was really afraid that he would be exposing Brandt to a public rebuff that would have very bad political consequences within the S.P.D. and which would be exploited by the opposition. He could not responsibly advise Brandt to go otherwise, and might advise that the decision on setting up the Commission be postponed at least till after the G77 ministerial meeting, when he hoped that they might welcome the Brandt Commission.

3. In conjunction with Mahmud Burney I got Ambassador Akhund to say that he would welcome a chance to talk to Brandt and suggested the 20th morning before the new General Assembly opened. I telegraphed this to Fischer overnight Wednesday/Thursday.

4. In response Fischer telephoned me and we argued for an hour. The outcome was an agreement (subject to Brandt's review) that Fischer should come across to New York about September 12 to set up the appointments for Brandt's visit (in conjunction with Grenfell and Burney). This would give him a chance to call off the visit if he thought it would be a disaster. I argued strongly that only if Brandt took the lead (and the risk) would he gain support from the amorphous mass of the 77 which would never positively recommend any negotiations outside their chosen arena - inter-governmental confrontations within the U.N. frame. I therefore hoped that Brandt (and indeed Fischer) would approach the New York visit as a consultation about how the Commission could meet the needs of the 77, not as a request for support in launching it.

5. After talking to Grenfell and Burney I am convinced that the Brandt Commission is going to have to proceed under its own steam. Neither the OECD powers nor the G77 are anxious to help it, though they can be influenced to avoid publicly criticising it. What Fischer (with our help) should aim at is to draw the teeth of opposition by telling people just what the Brandt Commission plans to do, but not saying who the Commissioners are going to be. Brandt could then listen to advice on Commissioners, impress those he met with his open-mindedness and dedication, and at the end announce that he was going ahead after consultation - but still before announcing the names.

6. In my first conversation with van Gorkom I gathered that Brandt was going to meet Pronk at a conference (on Chile) in Rotterdam

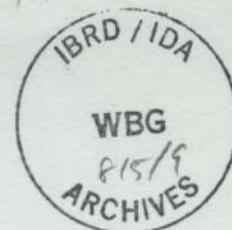
on August 29. I therefore suggested that Pronk might urge Brandt on. But van Gorkom rang again to say that the cabinet forming crisis was at its peak, and Pronk was at its centre and was not sure if he could get to Rotterdam or New York. Since then Van Uyl has given up his attempt. I do not know if Pronk will continue in his post, but there are grave doubts.

WDClark:sf

cc. Mr. Robert S. McNamara  
Mrs Boskey; Mr. Chatenay;  
Mr. Burney; Mr. Grenfell

815/9/1

MINISTRY OF FOREIGN AFFAIRS  
THE HAGUE



MINISTER FOR DEVELOPMENT COOPERATION

DGIS-198903

The Hague, August 3, 1977

Dear Bob,

Thank you very much for your letter of July 15.

I am equally disappointed that the announcement of the launching of the Brandt Commission was after all not made during this month because I fear that by further postponement we may lose the momentum. I agree with you that it will be very difficult to get the necessary expressions of support from discussions which Mr. Brandt wishes to have in New York before or during the first week of the General Assembly. I doubt whether he will find the right people there at the right time, when everybody is probably much more concerned with other, more political, questions. In theory, a better opportunity would be the resumed session of the 31st General Assembly but it is uncertain whether that session will be held at the ministerial level and then again, people will be very busy with more immediate issues. It would, in my view, be better if Mr. Brandt, or perhaps the three of us together, would, say at the end of August, that is around the time the 77 are meeting to prepare for the resumed session, write again to the most influential Third World leaders, explaining the purposes and task of the Brandt Commission and soliciting their support. I shall make this suggestion to Willy Brandt. Nevertheless, if he would decide to go ahead and talk to people in New York, I shall certainly give him every support.

I understand that Mr. Ohlin is in the meantime working on the terms of reference and the composition of the Commission. I hope that it was possible also to engage the services of Lal Jayawardene for the Executive Secretariat of the Commission, so as to ensure from the outset a balanced representation.

As to the substance, we still meet in our discussions with representatives of both developed and developing countries, for instance during ECOSOC, with a great deal of scepticism and, most often, with a lack of knowledge and information about the proposal.

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



I believe, therefore, that it is necessary within the next few weeks to work out in more detail the draft terms of reference, taking into account the results of CIEC and reactions to CIEC of developing countries and to inform broad sections of political leaders in both developed and developing countries again of our intentions.

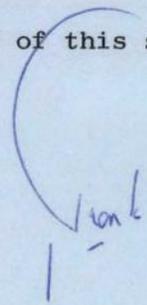
Sofar as the membership is concerned, I do not know exactly where we stand. I heard a great deal of criticism about the possible choice of Eduardo Frey but also about Kissinger. More in general people are afraid that prospective members of the Commission will rather represent the world of yesterday than the world of to-morrow and that some of the members might be those who in their political functions failed to do precisely that which the Brandt Commission will hopefully recommend governments to do now. I recognize that it is in the first place up to Mr. Brandt himself to make the selection but I would hope that it will be possible for the three of us to consult on the matter before final choices are made.

I hope to be in contact with you in the next few weeks.

./.

I enclose a copy of my letter of this same date to Mr. Brandt.

*With kind regards,*

A handwritten signature in blue ink, appearing to read 'Jan P. Pronk', with a large, sweeping loop above the name.

Jan P. Pronk

P.S.

./.

Enclosed some further encouraging reactions which I just received.

MINISTER FOR DEVELOPMENT COOPERATION

DGIS-198902

The Hague, August 3, 1977

Dear Mr. Brandt,

Thank you very much for your kind letter of July 15.

I must confess that I was somewhat disappointed that the proposed announcement of the launching of the private commission under your chairmanship did not take place during the course of July. I fear that by further postponement we may have lost some of the momentum.

As to your intention to go to New York around the 20th of September, I shall, of course, actively support your efforts at that time to round up the necessary endorsements by developing countries and I wish to assure you that the Netherlands delegation in New York will be available, if necessary, to render all practical assistance. I have, however, some doubt as to whether you will find in New York at that time the right people to talk to and whether the time would be well chosen in view of the many other, political, preoccupations in the minds of representatives of developing countries.

I wonder, therefore, if it would not be better to approach again a selected number of key personalities in the Third World with a full exposé of what we have in mind. Perhaps, you and Robert McNamara and myself could do this together, say towards the end of August, i.e. around the time when the 77 will meet at ministerial level to prepare for the resumed session of the General Assembly. Anyhow, I shall be at your disposal to assist wherever I can.

Mr. Willy Brandt,  
Erich-Ollenhauer-Haus,  
Ollenhauerstrasse 1,  
5300 BONN  
Federal Republic of Germany

I am, indeed, looking forward to exchange some further views with you both on the substance of the task to be undertaken by the Commission and with regard to the membership. On both points we have met in the last few weeks, also during ECOSOC, with quite some scepticism from developing and developed countries alike, but also with lack of understanding about the exact purpose of the Commission. I think it is necessary to clear up these lingering doubts as soon as possible on the basis of a clear cut draft mandate and terms of reference which reflect the present concern and aspirations of both developed and developing countries. So far as the membership is concerned I am somewhat out of touch but I believe that we must avoid any impression that the people chosen represent the world of yesterday rather than the world of to-morrow. On this point too I hope to consult with you and Robert McNamara in the near future.

./.

I enclose a copy of my letter of this same date to Mr. McNamara.

Jan P. Pronk

The Embassy of The United Republic of Tanzania

cc: DGIS  
— ALVA  
SA  
S&LII  
VWO

Telephone : THE HAGUE 24 54 12  
Telegrams : TANZANREP HAGUE  
Telex : 32065 TZREP NL



THE HAGUE  
THE NETHERLANDS  
RUYCHROCKLAAN 123

Ref. No. TZH/P.40/28

2nd August, 1977.

H.E. Drs. J.P. Pronk,  
Minister for Development Cooperation,  
Plein 23,  
THE HAGUE.

Your Excellency,

I have great pleasure in enclosing a letter to you from my President, being a reply to your letter of 27th May of this year.

I take this opportunity Your Excellency, to renew the assurances of my highest consideration and esteem.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Mahmud N. Rattansey', written over a horizontal line.

Mahmud N. ~~Rattansey~~  
AMBASSADOR.

Encl.

THE STATE HOUSE,  
DAR ES SALAAM,  
TANZANIA.

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



República de Venezuela  
Oficina del Ministro de Estado  
para Asuntos Económicos Internacionales

M-0413

Caracas, 20 July 1977.

Dear friend,

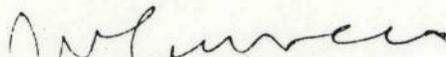
I had hoped to see you while in Europe, but this did not prove possible. However, I thought of you when I read the results of the elections in your country and I rejoiced.

Here in Caracas I found a letter from you regarding the Brandt Commission which, as you recall, I did not support at the beginning since Mr. McNamara had presented it as a substitute for intergovernmental negotiations at the so-called North-South dialogue in Paris. But when the decision was made to the launching of the Commission I could see that this instrument had its usefulness in cleaning-up the atmosphere for a continuing fruitful dialogue. It is obvious that there is a lot to be done in this respect as we could sense it during the Paris Conference.

I am replying to your letter so late that probably the financial question that you raised regarding the Commission is no longer relevant. I understand that Mr. McNamara has sufficient support for it. On the other hand our President is not keen now at having our country appear too prominently in these undertakings. Perhaps you know we gave a contribution a few months ago to the Society of International Development (SID). I remember with pleasure our last meeting on the occasion of its Symposium in Amsterdam.

I hope to see you this summer. I shall be in Salzburg for the International Seminar for Diplomats. I wonder whether you will be there.

Best personal regards

  
Manuel Pérez-Guerrero  
Minister of State

His Excellency  
Dr. J.P. Pronk  
Minister of Foreign Affairs  
The Hague - The Netherlands



विदेश मंत्रालय  
MINISTER OF EXTERNAL AFFAIRS  
INDIA

New Delhi,  
July 1, 1977.

Your Excellency,

Thank you for your letter No. DGIS/SA-133807  
of 27th May 1977.

CIEC has, unfortunately, ended with disappointing results and the bulk of the problems discussed in Paris - acceptance of the ODA target, the staggering burden of debts of developing countries, the Integrated Programme for Commodities and the Common Fund, the restructuring of the international economic relations, etc. - remain largely unresolved. This was not for want of trying either on your side or ours and I would like to take this opportunity to express our sincere appreciation of the consistently progressive and helpful role which the Netherlands Delegation played in the EEC and in the Group of 8 as a whole.

You have referred to Mr. Robert S. McNamara's proposal for the appointment of a high-level, but unofficial, commission to identify and prepare concrete proposals to accelerate economic and social progress in the developing countries. We have great regard for Mr. Willy Brandt and are glad that he has accepted Chairmanship of the Commission. He is a statesman of courage and vision as well as insight into the problems of the developing countries. The Commission is, therefore, most fortunate in having him at its head.

You will agree, however, that before we can take a formal position on this Commission, we shall need to know more about its other members and its exact terms of reference. We shall also have to be sure that the Commission will not be used by some developed countries as an excuse for immobility in various ongoing negotiations

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विदेश मन्त्र. भारत  
MINISTER OF EXTERNAL AFFAIRS  
INDIA

-: 2 :-

in different fora. You have rightly foreseen this problem and made it clear that the Commission would not replace existing institutions and fora, but rather feed and foster the ongoing process of negotiations. Subject to this being carefully spelt out and the composition of the Commission being satisfactorily balanced, we shall be glad to consider extension of support to the Brandt Commission.

With assurances of high regard,

(i.B.) Vajpayee

(A.B. Vajpayee)

H.E. Mr. J.P. Pronk,  
Minister for Development Cooperation,  
Ministry of Foreign Affairs,  
THE HAGUE.