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THE WORLD BANK

Washington, D.C.

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Brandt Commission - Chronofiles,

Feb - June 1977

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Brandt Commission - Chronological Records - February 1977 - June 1977

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OFFICE MEMORANDUM

TO: Mr. William Clark
FROM: Mahmud Burney *hah*
SUBJECT: The Brandt Commission

DATE: March 1, 1977

This note summarizes the views of a number of persons^{1/} I saw in New York (February 24 - 25).

What is the Brandt Commission? Why should it succeed while others have not? Why before CIEC? Why private?

Questions like these are raised even by those who have read the Boston speech, and those who have talked to Bank staff knowledgeable about the Commission. Lack of clarity is contributing to speculation and suspicion. Questions are also asked why are the OECD countries quiet. Many feel that a private commission without support from rich countries, including especially the "like-minded" countries is unlikely to contribute to north-south dialogue. On the other hand strong support from the "big rich" would have raised another set of questions. Some say that even CIEC, which started with considerable political support has all but failed. For the Commission to succeed, it is necessary to clearly define its objectives and to initiate a low-key, selective but systematic lobbying to gain necessary political support.

The most serious criticism of the Boston speech was that it mainly emphasized resource transfer, and not much was said about the need for structural changes. Many fear that the Brandt Commission might start from the beginning, disregarding consensus reached during the past two years or so, in New York, Nairobi, Paris and Geneva. The Commission may well succeed in influencing the rich to give more aid, but that was not a substitute for structural changes, which according to them would, in the long run, make resource flows reliable and less dependent on annual appropriations. Some argue that the Commission might weaken the unity of the 77 which at the moment is based on the Manila Declaration. Corea and P.G. are given a mandate by the 77 to negotiate with the rich and their (particularly P.G's) mandate is likely to come to an end after May. Although many of the 77 have been somewhat disillusioned by P.G's optimism, his leadership, no matter how shaky, will not be officially challenged until CIEC is concluded.

^{1/} Including, Dadzie (Ghana-Geneva), Hashmi (India), Qadruddine (Pakistan), Berg (Norway), Cabric (Yugoslavia), Ahmed (S-G's Office), Cordovez (ESA), Arsenis (UNCTAD-N.Y.) and Talwar (ESA).

I used all the known explanations as to the timing of the Commission, the importance of it being private, the thinking that it should be concerned with global and long-term (10-15-20 years) needs of the LDCs: that it was not to conflict with on-going negotiations; that in fact the greater the achievements at Paris and Geneva, the greater the effectiveness of the Commission - it was supportive of Paris and Geneva of today and tomorrow.

When asked I said that Mr. McNamara was not taking a narrow view of the Commission's work. The Commission was not to concentrate on aid as a supportive effort for the future of the Bank, although we hoped that the development aid would be an important area of coverage. At Manila and in Boston, Mr. McNamara talked about the "compact" which goes beyond conventional development aid. He was not suggesting that the 77 should denounce their "trade union movement," but he was concerned that a great deal of time and energy was being dissipated in skirting around fundamental issues, resulting in the development needs of the LDCs being side-tracked. He agrees with the 77 that an important missing ingredient in current north-south negotiations is the "political will" and a private/influential commission should help in providing it.

Everyone repeated what has been said before; that they consider Mr. McNamara the most staunch and effective champion of the LDCs. Several said that if anyone but Mr. McNamara had floated the idea of the commission at this time there would have been a wholesale condemnation, and the idea would have been buried and forgotten. They said that the idea, inspite of a bumpy start, was alive. The lack of open support from the 77 should not be taken negatively. The Bank should wait until June when the 77, including the negotiators, would most likely turn to Mr. McNamara to pursue this proposal. The Bank should not try to forge ahead now, giving the impression that it was not sensitive to the concerns of the 77. So far the 77 have withheld full support, but a premature start of the Commission would result in open criticism and even opposition. This, they feel, will be damaging to Mr. McNamara's stature and to the Bank's future. I told them that the Commission will not be operational until June, but explained that a great deal of preparatory work was to be done to avoid undue delay after May.

Concluding Remarks

- North-South dialogue is at a stalemate. Although nothing much is expected at Paris, the 77 cannot call it a failure until the last scene is enacted. If Paris fails, and nothing much happens at Geneva, New York will become the main avenue for the 77 to review and revise their strategy. The summit of the industrialized countries would have taken place by then. Whether through

the resumed G.A. session or another special session, the 77 will try to mount another effort to push their demands. They might not be united in this effort - some OPEC and other countries may well advise against confrontation. However, a summit of the 77 is now a possibility - sometime in July/August, to be followed by a special session in September. The severeness of confrontation in New York will depend on the political posture of the Carter Administration in Paris.

- The Brandt Commission should add a positive dimension to international negotiations, and lessen the intensity of confrontation.
- Between now and the start of the Commission's work we should quietly but systematically talk to a number of institutional and governmental officials (including from OPEC, LLDC, middle-income, like-minded and big-rich), to seek a wide-based support. The idea would be particularly appealing to the "moderates" in all groups, at a time when lack of success at current negotiations might be weakening their hands.
- In order to answer various questions raised in connection with the Commission, it is necessary that a brief note is prepared describing the objectives of the Commission. This would be extremely useful, especially to all those concerned with the preparatory phase, in and outside the Bank.

cc: Mrs. Boskey
Mr. Grenfell
Mr. Chatenay

MB:mmcd

Office of the President

March 2, 1977

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

Dear Cy:

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

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

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

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

Several governments and institutions in the developed world have said they are prepared to finance such a Commission because they believe it would assist in finding a way out of the impasse into which the inter-governmental talks have led. Also, a number of developing countries (Tanzania, India, Peru, for instance, as well as the Secretary General of

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

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

With best wishes,

Sincerely,

A handwritten signature in dark ink, appearing to be 'RS' or 'RM', written in a cursive style.

Robert S. McNamara

835/2/176
March 2, 1977

COMMISSIONERS

OTHERS -- NON-LDCs

United Kingdom

1. Edward Heath
2. Harold Wilson
3. Barbara Ward
4. Edward Boyle
5. Jeremy Morse
6. Lord Kaldor

Sweden

7. Olof Palme
8. Michanek

France

9. Pierre-Paul Schweitzer
10. Bloch-Laine
11. Simon Nora
12. Cheysson
13. O. Giscard d'Estaing
14. R. Marjolin
15. Pierre Moussa
16. Delouvrier

Netherlands

17. Jan Tinbergen
18. Jelle Zijlstra
19. van Lennep
20. Boerma

Italy

21. Agnelli
22. Carli
23. Ossola

Belgium

24. Jean Rey

Netherlands, cont'd.

25. Edmund Wellenstein

Australia

26. Sir John Crawford

Luxemburg

27. Albert Dondelinger

Yugoslavia

28. Smole

Denmark

29. Poul Nyboe Andersen
30. Kresten Helveg Petersen

835/2/179

March 2, 1977

OPEC OR ARABS

1. Abdlatif Y. Al-Hamad (Kuwait)
2. Khodadat Farmanfarma'ian (Iran)
3. Abdul Rahman (Egypt)
4. Marei (Egypt)
5. Hoveyda (Iranian Ambassador, UN)
6. Mohamed Yeganeh (Iran)

835/2/180

February 15, 1977

USA AND CANADA

USA

Henry Kissinger

Robert Roosa

Hubert Humphrey

George Schultz

A. S. Clausen

Ted Hesburgh

William Scranton

Carl Kaysen

Jack Conway

Henry Owen

Chuck Robinson

Russ Train

Len Woodcock

Walter Heller

Stephen Bosworth (N/S, Energy)

Davis Bell

CANADA

Mitchell Sharp

Maurice Strong

John N. Turner

835/2/175

Mr. Robert S. McNamara

March 3, 1977

William Clark

The Brandt Lunch

The main objective is to get Brandt to agree that there should not be an announcement in early May because the CIEC Meeting is likely to be just at that time and both Co-Chairmen would almost certainly refuse to bless a public announcement before that meeting.

2. However we will press him to agree to this procedure:

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

(Incidentally P.G. will be back in Venezuela on Monday 7th to meet McEachan to set the date for CIEC. It is important that we face up to the need to avoid long postponement if CIEC drags on.)

3. We should find out - without pressure - how much Brandt is prepared to do by way of preparation before June. In this connection we should discuss with him:

- (i) Possible Executive Secretaries

- (ii) Possible Commissioners

- (iii) The outline of the report - it is very important that you should let him know clearly what is in your mind. Equally it must be clear that he is in charge but we are willing to give all help - including perhaps very privately a first draft outline of the chapters of the report.

(I gathered from Bahr that they take the Pearson Commission as a model, so you can put a lot of your guidance in the form of lessons learnt from the Pearson experience - including things to avoid. Tactfully one can point out how much work - in decision making- Pearson undertook.)

4. Before the meeting we should decide what names to put forward for Executive Secretary;

What names to put forward for Commissioners. I would recommend that the lists, particularly of Commissioners, not be too short or we may seem to be pressuring.

WDClark:sf

835/2/174

March 4, 1977

Dear Professor Kamrany:

I have been asked to acknowledge receipt and to thank you for your letter of February 15 to Mr. McNamara on the subject of the unofficial Commission mentioned in his speech of January 14 last.

The question of the composition of the Commission and of its secretariat will remain in abeyance for a little while, until the results of intergovernmental negotiations in UNCTAD and in CIEC, between now and June, are known. As you will appreciate, those results will necessarily have a bearing on the commission's agenda and work program.

I have your resume in the Directory of Members of the American Economic Review and will keep it on file for the information of those who will be addressing the questions of the Commission's secretariat and of consultants to the Commission, if there are to be any. Should you wish to add to the resume as I have it, do write and we will ensure that your interest is fully documented.

Yours sincerely,

L. Peter Chatenay
External Relations Adviser
International Relations Department

Professor Nake M. Kamrany
Director, Program in Productivity
and Technology
The University of Southern California
University Park
Los Angeles
California 90007

P.S. Enclosed, copy of the Boston Speech which you requested.

cc: Mr. William Clark w/cc of inc.
Mr. Burmester " " "

LPChatenay:mmh

835/2/173

March 4, 1977

Dear Dr. Tonye-Mboua:

I have been asked to acknowledge receipt and to thank you for your letter to Mr. McNamara dated February 11, 1977. We are grateful for the information you have kindly supplied about AFRICAN DEVELOPMENT SERVICES which we have brought to the attention of interested parties in the World Bank.

As concerns your reference to the unofficial commission suggested by Mr. McNamara with ex-chancellor Willy Brandt as chairman, we take note with thanks of your offer to provide experts to assist the commission. At this time, questions concerning the commission's membership, its secretariat and its procedures are held in abeyance, pending the outcome of intergovernmental negotiations in UNCTAD and CIEC over the next two or three months. As you will appreciate, the results of these negotiations will influence the commission's work significantly.

May we therefore keep your documentation on file until the moment when decisions are made concerning the technical support of the commission. We will be back in touch with you at that time.

Yours sincerely,

L. Peter Chatenay
External Relations Adviser
International Relations Department

Dr. Nathanael Tonye-Mboua
B.P. 1532
Douala
Cameroon

cc: Mr. William Clark, Mr. Chauffournier
Mr. Palein

LPChatenay:mmh

The Pound House
Lodsworth NE Pelworth

135/2/173

March 4 '77

Dear William,

Thanks so much for letting
me know that Carter's team has
absorbed a Bank man. This is
good news for enthusiasm is no
substitute for the right kind of
piping!

The S.I.D. is to have its
first Council meeting in Rome
about April 16th & since I have
to see my Vatican chums, I am
trying to persuade the Doctors
to let me do a short flight. Now

Do you think it would be
helpful, in light of the Corea-
Perez-Guerrero Union Jurisdiction
fight, for the Third Worlders in
SID to demand a revival of
the ^{Commission} idea? The truth about the
"New Economic Order" is that
it is becoming a very old Economic
order, full of old ideas & prejudices,
whereas, with conservation, new
energy income technologies, the
unloosening of Eco-Development,
a whole host of new ideas are
coming up which do not entail

Handing on all manual (i.e.
 dirty) jobs to the poor
 while the rich automate &
 computerize themselves into
 universal unemployment! A
 Commission, well served by
 lively open minds, could float the
 new ideas on which could
 be based not a dreary
 last phase of colonialism scrap
 but a new picture of species
 man surviving in a destructible
 habitat.

Let me know what Bob
 thinks. You couldn't "observe"

the SID meeting I suppose
in your personal capacity
with a splendid ODI
as school tie ??

Best Love

Barbara

INTBAFRA WASH DC

MAR 8 1977

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INCOMING TELEX from Paris

835/2/172
Distribution

mc

Mr Mc Namare

Mr. Morris

~~Mr. Wm. Clark~~

REUR 408. YESTERDAY'S LATE EVENING NEWS SHOW OF ARD, THE FIRST CHANNEL OF GERMAN TV, HAD A SHORT ITEM READ BY THE ANCHOR MAN AS FOLLOWS:

QUOTE SOCIAL DEMOCRATIC PARTY CHAIRMAN WILLY BRANDT TODAY HAD A CONVERSATION WITH WORLD BANK PRESIDENT MCNAMARA ABOUT POSSIBILITIES TO ESTABLISH AN INDEPENDENT COMMISSION FOR DEVELOPMENT AID ISSUES. WHETHER BRANDT WILL ACCEPT THE PRESIDENCY OF SUCH AN ORGANIZATION WILL DEPEND ON THE COURSE OF THE NORTH-SOUTH DIALOGUE BETWEEN INDUSTRIAL AND DEVELOPING COUNTRIES IN PARIS. UNQUOTE.

TOMORROW NIGHT ARD WILL SHOW A SHORT FEATURE DEALING WITH BRANDT'S VISIT TO THE UNITED STATES. THE STATEMENT YOU MENTION IN YOUR TELEX MAY OR MAY NOT APPEAR IN THAT PROGRAM. I WILL TRY TO LEARN ITS CONTENTS AND KEEP YOU POSTED. IN THE MEANTIME YOU MAY WISH TO CONSIDER CALLING GUENTER MUEGGENBURG, THE WASHINGTON CORRESPONDENT OF ARD, TO ENQUIRE ABOUT BRANDT'S STATEMENT.

TODAY'S FRANKFURTER ALLGEMEINE ZEITUNG SAYS IN A BRIEF FRONT PAGE ITEM BY CAROLA KAPS THAT BRANDT HAS MADE A DETOUR FROM PRINCETON TO WASHINGTON MAINLY TO DISCUSS WITH WORLD BANK PRESIDENT MCNAMARA THE LATTER'S PROPOSAL OF ESTABLISHING A DEVELOPMENT COMMISSION TO BE CHAIRED BY BRANDT. THE STORY MENTIONS THAT BRANDT WAS ALSO SEEING VANCE ON MONDAY, AND THEN CARTER, MONDALE AND BREZINSKI ON TUESDAY. REGARDS

KOELLE

EGG

INTBAFRA WASH DC

Mr. William Clark

Mr. M. C. ...

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KOELLE

INTBAFRA WASH DC

235/2/171

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

Office of the President

March 8, 1977

Dear Herr Brandt:

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

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

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

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

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

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

Sincerely,

Robert S. McNamara

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

L f' 11

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

They agreed that the establishment of a Commission should await the outcome of the UNCTAD meeting which is now taking place and of the CIEC Ministerial Meeting scheduled for May.

The Commission, whose purpose will be to identify areas of feasible international action aimed at hastening the development process would build on agreement reached in the on-going negotiations, stimulate further agreements and weave these agreements into the broader context of a full and longer-term development strategy.

* * * * *

83512/17

Mr. W D Clark

~~Mr. Morris~~

~~Mr. M~~

Mr. S. K. an

Brandt

Mr. Brandt said on German television, Channel II, yesterday:

In his talks with Mr. McNamara there was agreement that the idea of creating under Mr. Brandt's leadership a new commission of North-South dialogue would have to avoid the impression that it would interfere with the jobs governments would have to do themselves.

His feeling was that one would have to avoid ^{giving} the impression ~~of~~ to developing countries that the idea smacks of patronising on the part of the developed countries.

A final decision could only be made after the results of the ~~meeting~~ Paris Conference to be held in May.

Source: Mr. Weiss, German television, Channel II. He will give us a copy in German of the transcript tomorrow. I have arranged to have it picked up. Mr. Mueggenburg named by Koelle is channel 1 man.

Joe

march 8

835/2/169

MC

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From: Paris

Mr. Morris
Mr. Wm. Clark

Shawn to RMCN

MAR 9 1977

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FOLLOWING MY TELEX NO. 544 OF YESTERDAY RE BRANDT VISIT.

DIE WELT OF TODAY PUBLISHED ON THE INSIDE POLITICAL PAGES A 300-WORD STORY BY THE WASHINGTON CORRESPONDENT OF THE SPRINGER GROUP, KURT LEISSLER, HEADLINED QUOTE BRANDT WANTS A NEUTRAL COMMISSION UNQUOTE.

THE STORY SAYS THAT SOCIAL DEMOCRATIC PARTY CHAIRMAN WILLY BRANDT MET WORLD BANK PRESIDENT MCNAMARA ON MONDAY TO DISCUSS THE PRESIDENCY OF A NEW INTERNATIONAL AID COMMISSION WHICH HAD BEEN OFFERED TO BRANDT BY MCNAMARA EARLIER THIS YEAR. THE STORY SAYS THAT THE COMMISSION WOULD EXPLORE THE POSSIBILITIES OF A LARGE SCALE TRANSFER OF TECHNOLOGY FROM THE INDUSTRIAL TO THE UNDERDEVELOPED COUNTRIES. AFTER HIS TALKS WITH MCNAMARA BRANDT EXPLAINED PRIVATELY THAT HE HAD NOT YET DECIDED TO ACCEPT BUT THAT HE HAD ONLY DISCUSSED THE PURPOSE, THE RESPONSIBILITIES AND THE WORKING CONDITIONS OF THE COMMISSION. THE STORY CONTINUES THAT BRANDT PUT FORTH RATHER STIFF CONDITIONS. ACCORDING TO HIM THE COMMISSION SHOULD BE ABOVE THE INFLUENCE OF NATIONAL GOVERNMENTS AND CONSEQUENTLY SHOULD NOT ACCEPT MEMBERS OF NATIONAL GOVERNMENTS. IF POSSIBLE THE COMMISSION SHOULD NOT BE FINANCED BY THE WORLD BANK IN ORDER NOT TO APPEAR AS AN INSTRUMENT OF THE WORLD BANK IN THE EYES OF THE THIRD WORLD. IN ADDITION, THE COMMISSION SHOULD NOT PLAY AN ACTIVE ROLE IN THE SO-CALLED NORTH-SOUTH CONFERENCE BETWEEN INDUSTRIAL COUNTRIES AND THE THIRD WORLD, THE STORY CONCLUDES. REGARDS

KOELLE

EGG

INTAFRA WASH DC

835/2/168

ADDRESS BY
WILLY BRANDT
CHAIRMAN OF THE SOCIAL DEMOCRATIC
PARTY OF GERMANY
MARCH 9, 1977

Massachusetts Institute of Technology
Bicentennial Lecture Series
WORLD CHANGE AND WORLD SECURITY
(prepared text)
Published in two parts - Part I

"World Change and World Security" -- the title of this lecture series is factual, it sounds almost dry and scientific. The circumstances to which it points are dramatic.

The change which our world is undergoing is no longer limited in scope or going at an easy pace. We live in a period in which radical scientific, political, and social changes penetrate quickly people's minds.

The age of upheaval began many years ago. Most of us in the industrial nations in West and East hardly took any notice at the beginning; we concerned ourselves with other things, flew to the moon, entrenched ourselves behind sophisticated armaments. The globe, in the grip of the two superpowers, seemed to be divided and fairly consolidated. Very few were aware of how much it was seething. There were not many people who realized early enough how much the industrial societies would be pressed by new problems and what was emerging especially in those parts of the world which did not enjoy the privilege of belonging to the club of industrialized nations. Hardly anyone among the leading statesmen of the world had the strength or the vision to prepare his country and all of us in time for the development in those countries which we have come to call the Third World.

By now many have understood that world security is not simply a question of military balance; in addition and even more clearly it is a question of how causes of conflicts can be eliminated by economic equilibrium and the organization of peaceful cooperation. There is no longer only a first, second, third, or fourth world; there is at the same time the one world in which the nations have to remember their mutual dependence, or else they will survive this age not at all or only after disasters.

I am not speaking of apocalyptic last days visions, nor of the imminent end of the world. We know that such tendencies enter the discussion time and again in certain intervals. Mostly they were not beneficial warnings, but signs of a crisis consciousness with which one had not come to terms. I saw in my part of the world that this was the soil on which the weed of totalitarianism flourished.

It is thus not my intention to generate a mood of crisis. I want to speak of what we need: an awareness of our situation; a sense of the reality in which we live today; intensive work to find the answers to the not so new questions pressing us.

Why is it that these not so new urgent questions could be repressed so long? I think: the political systems of the western democracies are not geared for early diagnosis. In their present constitution they are comparatively efficient repair institutions. But their present constitution (in the sense of condition) is not

God-given. We must therefore improve our political systems -- a great task. It includes among other things: capacities for long range analysis, higher demands on the published opinion, political groupings guided by ideas and not only fixated to competition for power.

In this context I start from one premise: we do not live in a short-term exceptional situation which later on might swing back to the normal situation of the allegedly "good old times". It can be predicted that for all foreseeable time mankind will be faced with more problems that can be solved quickly enough. The realistic objective must be to keep this dangerous disparity within the narrowest possible limits.

The drastic changes in all states of the world -- be it industrial states, be it rising, raw materials -- possessing countries of the Third World, or be it the very poor (least developed) nations -- will not be without repercussions on the network of international relations linking all of them together.

The network, to continue this metaphor, at present shows dangerous strains in more than one place. Countries where the development advances too slowly or hardly at all can no longer put up with the fact that the disparity between them and the rich nations of the Northern hemisphere continues to grow -- and who should be surprised at that! They demand new, more just principles of order for the world economy. Our countries will not be allowed to evade this, even if they cannot bring themselves to like some of the proposed models. Justice demands--and if we do not want to listen to justice, reason will tell us: there will never be a lasting and secure coexistence of affluence and misery.

The relatively rich nations will have to make up their minds in good time to make material concessions. History demonstrates that it never made sense to try and hold overdue bastions with a last great summoning of strength.

Why should we want to play the role of unyielding bosses of past generations once again? Let me make this comparison: at that time too, and in some places even today, it has been tried to deny the rising working class its rights. It was of no avail. On the contrary, it can be said: Without the increase in mass incomes and the progress made in social policy, capitalism presumably would not have remained viable.

In the relationship between North and South we shall perhaps be able to prevent over-reactions by joint intelligent action: the discrimination of the have-nots is not to be replaced by the denouncement of the haves. When we speak of justice in the context of the world economy, this means on the one hand: the transfer of resources to the Third World must be increased and systematized. But it means likewise: panaceas which would endanger the economic cycle in the industrialized world are of no use to anybody. We need reason on all sides.

Let me add at this point: the industrial states under communist rule, too, bear responsibility for what happens in the world; they cannot free themselves from it in the long run; we must point out to them that they would be well-advised to prepare themselves for international discussions on raw materials, trade and development aid.

You will perhaps remember that in Boston early this year the president of the World Bank made the suggestion to have aspects of the North-South issue examined by an independent group. My name was mentioned in this context, and I have since had a number of discussions, two days ago also with Mr. McNamara in Washington. Regardless of how much time I shall be able to devote to such a task until the end of 1978, I want to say here and now:

The proposed independent commission will not be able to relieve the governments of any of the problems which are being negotiated at present. Especially the North-South dialogue which is to be resumed in Paris this spring has to make progress if more far-reaching considerations are not to remain pending. Besides, it cannot be a matter of "meditation", as one should read in the press here and there, but rather of working out essentials for the eighties in so far following the traditions of what was written down under the responsibility of Lester Pearson.

The smouldering North-South conflict is certainly not the only world-economic source of danger from which world-political calamity may arise. High balance of payment deficits and an international monetary system which has come out of order, inflation and unemployment, shortage of energy and costly strains on the environment--these and others are characteristics of our difficult reality.

A thinker of the standing of Carl Friedrich von Weizsacker believes it an open question as to how far the superpowers could keep up their intention to prevent war when faced with the political unrest that would be linked--inevitably, as he wrote--with a long-term stagnation or shrinking of the world market.

At any rate, we see every day how many of the international and internal economic problems derive from the disorder of the world economy. We have a direct and far-reaching, national and international interest in our governments coming together to make important joint efforts, and we must insist on it. None of the great problems facing us today will improve by being shelved. What we need is conscious, purposeful, future-oriented action.

I think therefore that the governments of the leading nations in world trade--when they meet at a "summit" this spring--should envisage adequate international demand especially for capital goods in order to bring about a general rise in employment. Unemployment will not disappear if we rely only on the much invoked self-healing forces. World trade may be threatened again if we have to allow the return of laboriously reduced trade barriers. Energy policy--including a more intelligent management of resources--greatly requires national planning and international cooperation.

Changed economic conditions strongly suggest that we change our attitude in many respects. When growth is no longer a matter of course or quasi-automatic and has therefore less priority, there is need for more imagination and more conscious, coordinated action.

In my view this is one of the great challenges: to further develop the democratic order in such a way that it neither leaves the field to rival groups, nor makes way for the rule of freedom-stifling--governmental or non-governmental--bureaucracies.

This is not the right place to scrutinize the functioning of the democratic institutions. Nor is this the right time to give way to a diffuse civilization anxiety. I do not feel like fleeing from reality.

I believe that we are forced to review, within our societies as well as in the relationship between nations, claims which had arisen from the idea of automatic growth. Individual interests must be integrated more firmly into an overall social solidarity. There must be greater awareness of the fact that the freedom of the individual and the freedom of all depend on each other. Above all, the impression must not prevail that the problems of the future could not be coped with, that the forces of progress had given up. The order of freedom will continue to exist only if we succeed in establishing new confidence in and through this order. Great demands will be made on the capability of innovation, on our moral strength, and on the consciousness of man. In everyday political life this must result in the realization that important government decisions are to be taken in close coordination with the citizens concerned or interested. In economic and social policy there is the need for the closest possible cooperation between the state, the employers, and the trade unions. I do not want to publicize German models, but along the lines of what we call co-determination there is the chance of equilibrium and overall responsibility.

The tasks are too great to be coped with by one individual nation; in saying this I do not exclude America. We stand a good chance only if we extend our knowledge and our capacities by even closer international cooperation.

It is not sufficient to discuss whether it would be politically desirable to reduce to a reasonable level the thinking in terms of national sovereignty and to develop new forms of frontier-crossing cooperation: the pressure of circumstances, correctly understood, leaves us no other choice.

(Part II to be published in the next edition)

OUTGOING WIRE

835/2/167

TO: MR. DAVID HOPPER

DATE: MARCH 9, 1977

IDR CENTER

CLASS OF
SERVICE:

TELEX (EXT. 2001)

TELEX NUMBER 22048

COUNTRY: NAIROBI (NORFOLK)
KENYA

→ WDC

TEXT:
Cable No.:

BRANDT AND I MET ON MONDAY TO DISCUSS THE BRANDT COMMISSION. THE
SUBSTANCE OF OUR CONVERSATION IS CONTAINED IN THE FOLLOWING LETTER WHICH
I SENT TO HIM TODAY.

QUOTE. DEAR HERR BRANDT.

FIRST OF ALL LET ME SAY WHAT A GREAT PLEASURE IT WAS TO TALK WITH YOU
YESTERDAY. I WAS DELIGHTED TO FIND HOW CLOSELY OUR MINDS RUN TOGETHER ON
THE ISSUES WE DISCUSSED. IT MADE ME MORE THAN EVER SURE THAT THE COMMISSION
UNDER YOUR CHAIRMANSHIP CAN PLAY AN IMPORTANT ROLE IN MOVING FORWARD THE
WORLD'S THOUGHT AND WILL ON THIS VITAL MATTER OF NORTH-SOUTH RELATIONS.

WE AGREED THAT I SHOULD DRAFT THE SORT OF ANNOUNCEMENT THAT COULD BE
MADE AFTER THE CIEC MEETING AT THE END OF MAY. I ENCLOSE A FIRST DRAFT.

WE ALSO AGREED THAT I SHOULD TRY TO FIRM UP THE FINANCIAL BASIS FOR
THE COMMISSION, WHICH WOULD PROVIDE THE NECESSARY FUNDS WITHOUT STRINGS.

YOU WILL BEGIN TO CONSIDER NAMES OF PEOPLE WHO MIGHT SERVE AS EXECUTIVE
SECRETARY AND AS COMMISSIONERS. IF I CAN HELP IN ANY WAY IN FURTHERING
THIS PROCESS, PLEASE DO NOT HESITATE TO CALL ON ME.

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME

Robert S. McNamara

DEPT.

President

SIGNATURE

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE:

RMcN:bmm

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

CLEARANCES AND COPY DISTRIBUTION:

For Use By Communications Section

Checked for Dispatch:

OUTGOING WIRE

TO: MR. DAVID HOPPER

- 2 -

DATE: MARCH 9, 1977

CLASS OF
SERVICE:

COUNTRY:

TEXT: FINALLY, I SUGGESTED THAT YOU MIGHT WANT TO WRITE TO PEREZ GUERRERO IN
Cable No.: YOUR OWN TERMS, MAKING THE POINTS WE DISCUSSED AT LUNCH. I ~~WXXMX~~ WOULD BE
GRATEFUL IF YOU WOULD LET ME KNOW WHAT YOU SAY TO HIM SO THAT WE CAN SPEAK
WITH ONE VOICE.

AGAIN MY THANKS FOR COMING TO SEE ME, AND ABOVE ALL FOR YOUR INTEREST
IN UNDERTAKING THIS VITAL TASK. STIGNED ROBERT S MCNAMARA UNQUOTE

THE FIRST DRAFT OF THE ANNOUNCEMENT FOLLOWS:

QUOTE ANNOUNCEMENT OF FORMATION OF QUOTE BRANDT COMMISSION UNQUOTE
THE FOLLOWING ANNOUNCEMENT WAS MADE SIMULTANEOUSLY TODAY IN BONN,
THE HAGUE, AND WASHINGTON.

HERR WILLY BRANDT HAS ACCEPTED THE CHAIRMANSHIP OF AN INTERNATIONAL
COMMISSION TO EXAMINE POLITICALLY FEASIBLE AREAS OF ACTION WHICH CAN HELP
ACCELERATE THE PACE OF SOCIAL AND ECONOMIC ADVANCE IN THE DEVELOPING NATIONS
AND WHICH CAN COMMAND PUBLIC SUPPORT IN RICH COUNTRIES AND POOR ALIKE.

THE COMMISSION WILL CONSIST OF ABOUT A DOZEN EMINENT PERSONS INVITED
BY HERR BRANDT EQUALLY FROM THE DEVELOPED AND DEVELOPING COUNTRIES. ITS
WORK WILL BEGIN IN MID-YEAR AND IT WOULD HOPE TO PRODUCE ITS REPORT IN ABOUT

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME

DEPT.

SIGNATURE

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE:

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ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

Checked for Dispatch:

OUTGOING WIRE

TO: MR. DAVID HOPPER

- 3 -

DATE: MARCH 9, 1977

CLASS OF
SERVICE:

COUNTRY:

TEXT: TWELVE TO EIGHTEEN MONTHS' TIME. IT WILL BE ASSISTED BY AN EXPERT
Cable No.: INTERNATIONAL SECRETARIAT.

THE COSTS OF THE COMMISSION HAVE BEEN GUARANTEED BY A CONSORTIUM OF
GOVERNMENTS AND INSTITUTIONS HEADED BY JAN PRONK, MINISTER FOR DEVELOPMENT
COOPERATION OF THE NETHERLANDS, AND DAVID HOPPER, PRESIDENT OF THE CANADIAN
INTERNATIONAL DEVELOPMENT RESEARCH CENTER, UNQUOTE WITH BEST WISHES

ROBERT S. MCNAMARA
ENTBAFRAD

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME Robert S. McNamara

DEPT. President

SIGNATURE
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE: RMcN:bmm

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

CLEARANCES AND COPY DISTRIBUTION:

cc: Wm. Clark-V.P. External Relations

For Use By Communications Section

Checked for Dispatch:

OUTGOING WIRE

1 P.C. / SER
0

TO: JOHANNES P. PRONK
MINISTER FOR DEVELOPMENT COOPERATION

MINISTRY OF FOREIGN AFFAIRS

THE HAGUE
COUNTRY: THE NETHERLANDS

DATE: MARCH 9, 1977

CLASS OF SERVICE: TELEX (EXT 2001)

835 / 2/166

TEXT: BRANDT AND I MET ON MONDAY TO DISCUSS THE BRANDT COMMISSION. THE SUBSTANCE
Cable No.: OF OUR CONVERSATION IS CONTAINED IN THE FOLLOWING LETTER WHICH I SENT TO
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SECRETARY AND AS COMMISSIONERS. IF I CAN HELP IN ANY WAY IN FURTHERING

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME Robert S. McNamara

DEPT. President

SIGNATURE _____
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE: RMcN; bmm

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

CLEARANCES AND COPY DISTRIBUTION:

cc; Mr, Clark-V,P, External Relations

For Use By Communications Section

Checked for Dispatch: _____

OUTGOING WIRE

TO: JOHANNES P. PRONK

- 2 -

DATE: MARCH 9, 1977

CLASS OF
SERVICE:

COUNTRY:

TEXT: THIS PROCESS, PLEASE DO NOT HESITATE TO CALL ON ME.
Cable No.:

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THE COMMISSION WILL CONSIST OF ABOUT A DOZEN EMINENT PERSONS INVITED BY HERR BRANDT EQUALLY FROM THE DEVELOPED AND DEVELOPING COUNTRIES. ITS

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME

DEPT.

SIGNATURE _____
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE:

CLEARANCES AND COPY DISTRIBUTION:

For Use By Communications Section

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

Checked for Dispatch: _____

OUTGOING WIRE

TO: MINISTER PRONK

- 3 -

DATE: MARCH 9, 1977

CLASS OF
SERVICE:

COUNTRY:

TEXT: WORK WILL BEGIN IN MID-YEAR AND IT WOULD HOPE TO PRODUCE ITS REPORT IN
Cable No.: ABOUT TWELVE TO EIGHTEEN MONTHS' TIME. IT WILL BE ASSISTED BY AN EXPERT
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COOPERATION OF THE NETHERLANDS, AND DAVID HOPPER, PRESIDENT OF THE CANADIAN
RESEARCH
INTERNATIONAL DEVELOPMENT ~~RESEARCH~~ CENTER. UNQUOTE WITH BEST WISHES

ROBERT S. MCNAMARA
INTBAFRAD

NOT TO BE TRANSMITTED

AUTHORIZED BY:

NAME Robert S. McNamara

DEPT. President

SIGNATURE _____
(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

REFERENCE: RMCN:bmm

ORIGINAL (File Copy)

(IMPORTANT: See Secretaries Guide for preparing form)

CLEARANCES AND COPY DISTRIBUTION:

cc: Mr. William Clark-V.P. External
Relations

For Use By Communications Section

Checked for Dispatch: _____

835 / 2 / 165

Mr. Robert S. McNamara

March 10, 1977

Ernest Stern, VP, South Asia

Brandt Commission

DECLASSIFIED CONFIDENTIAL
MAY 22 2013
WBG ARCHIVES

During luncheon with the Sri Lanka Ambassador, he told me that he had received a letter from his Finance Minister inquiring about the Brandt Commission and Sri Lanka's possible contribution to it. The envisaged contribution seems to be Lal Jayawardena. I told the Ambassador that I had heard Lal's name mentioned as a possible senior member of the staff. He agreed that this would be a good choice but that the Minister seemed to have him in mind as one of the Commissioners rather than as a member of the staff. I promised to pass this along.

cc: Mr. W. Clark ✓
EStern/lc

38

Dr. Langford

voici la réponse à
Kona-Bielie que
William Clark a approuvé

As to the matter
of the signature of RST,
may I ask for your
comments, if any?

2/5/11

2/2/11
10:00 AM
for the 10

12

R. L. T.

835/2/164

March 10, 1977

Dear Mr. Minister:

Thank you for your letter of February 23, 1977 on the subject of the unofficial commission which I mentioned in my Boston speech of January 14.

I am grateful for your favorable comments about my proposal. I have also taken note of your suggestion for the follow-up to the commission's work to facilitate the political implementation of its conclusions.

For the time being, in agreement with Herr Willy Brandt, we will await the outcome of the UNCTAD meetings and of the coming ministerial session of CIEC before proceeding further. We do not wish even to appear to create problems for the on-going negotiations.

Sincerely,

(Signed) Robert S. McNamara

Robert S. McNamara

His Excellency
Kouam Bedie
Minister of Economy and Finance
Abidjan
Republic of the Ivory Coast

cc: Mr. McNamara's Office (2)

Cleared with & cc'd to the former.

Ch
LPChatenay:mmh
March 7, 1977

835/2/103
Wilhelm Conen
Meisenweg 52.
D 2350 Neumünster
West Germany - Europe

March 11th 1977.

To the
President of the World Bank
Mr. Mac Namara
Washington
United States of America

re. : Willy Brandt

Mister President !

If a "small man" makes a big mistake, the World will not take any notice of the happening.

If you - dear Sir - make a "small mistake", the World could "tremble".

But to take up contact to Mr. Willy Brandt, is not a "big mistake", it is a "huge mistake" !

To put faith in, is OK ! A "check up" is far better.

And Herr Ehmke ! Did you invite that man ? What a nuisance.

You don't seem to know who they are actually !

Yours very truly

Wilhelm Conen

RECEIVED

MAR 18 1977

RECEIVED

RECEIVED

1977 MAR 16 AM 5:58

INCOMING MAIL UNIT

Handwritten signature
10015 10015 10015

Don't you, I seem to know who they are working for ;
and they make ; but you think they are a mistake
to let them in? Is OK ; a "check up" is not better.
"Big mistake" is a "big mistake" ;
but to take up contact to Mr. MULLA MULLA is not a
solid "example".
If you - don't get - make a "small mistake" the world
take any notice of the happening.
If a "small man" makes a big mistake the world will not
wonder anything ;

United States of America
Washington

Mr. Joe Smith

Re : MULLA MULLA

President of the World Bank
to the

Dear Mr. Smith - please
in 5000 Washington
Washington 25
MULLA MULLA

MULLA MULLA 10015

440098 WORLDBANK

+SPD BONN 14/3 1445 HN.=

INCOMING TELEX

RECEIVED

1b

MR.

ROBERT N

DIST. - MR. MCNAMARA
MR. W. CLARK

877 MAR 14 AM 9 56

COMMUNICATIONS
SECTION

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440098 WORLDBANK

+SPD BONN 14/3 1445 HN.=

MR.

ROBERT MCNAMARA

WASHINGTON/USA

SEHR GEEHRTER HERR MCNAMARA,

ICH HABE HEUTE IN BEANTWORTUNG VON JOURNALISTENFRAGEN
WIE FOLGT BEANTWORTET:

"NACH MEINEN GESPRÄCHEN MIT ROBERT S. MCNAMARA, DEM
PRÄSIDENTEN DER WELTBANK, HABE ICH MICH ENTSCHLOSSEN, FÜR
DEN VORSITZ DER VON IHM VORGESCHLAGENEN KOMMISSION FÜR
ENTWICKLUNGSFRAGEN ZUR VERFÜGUNG ZU STEHEN. ES SOLL SICH
UM EINE UNABHÄNGIGE EINRICHTUNG MIT DER AUFGABE HANDELN,
VORSCHLÄGE FÜR RASCHEREN SOZIALEN UND WIRTSCHAFTLICHEN
Fortschritt in den Entwicklungsländern auszuarbeiten.

ÜBER DIE BERUFUNG EINER SOLCHEN KOMMISSION KANN ALLERDINGS
ERST ENTSCIEDEN WERDEN, WENN DIE IM MAI IN PARIS WIEDER
AUFZUNEHMENDEN REGIERUNGSGESPRÄCHE ERFOLGVERSPRECHEND SIND.
ES KANN SICH NICHT DARUM HANDELN, DIE VERHANDLUNGEN AMTLICHER
STELLEN ZU ERSETZEN, SONDERN DARAUF AUFBAUENDE HINWEISE
FÜR DIE ACHTZIGER JAHRE ZU GEBEN."

HERRN PEREZ GUERRERO HABE ICH HEUTE IHREM VORSCHLAG
FOLGEND GESCHRIEBEN UND IHN AUCH VON MEINER PRESSEERKLÄRUNG
INFORMIERT. =

MIT FREUNDLICHEN GRÜESSEN

WILLY BRANDT

ENDE

440098 WORLDBANK

835/2/161

+spd bonn 14/3 1710 hn.=

m. perez guerrero
minister for international
economic questions
torra norte centro simon bolivar

caracas

dear mr. perez guerrero

now that you are settling the final details of your ministerial meeting of the cieci, i would like to let you know directly how the discussions stand on the matter of my chairmanship of a committee on development. this is particularly timely because i have just had talks with mr. mcnamara.

both of us agreed that there should be no early announcement in view of your feeling that this might adversely influence the ministerial meeting you are planning for may. furthermore both of us believe that the commission should build upon the results of the cieci discussions, and should in no way attempt to be a substitute for them.

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

as you know i am not intending to add just another activity to my present work load. but i am convinced that a commission as planned can contribute to bridge the widening gap between north and south provided it receives the full support of leading personalities of the third world.

i attach to this letter what i stated before the press after my arrival from the united states in bonn

"after my talks with mr. robert s. mcnamara,
the president of the world bank, i decided to be at
the disposal for taking over the chairmanship of the
commission for development questions which was proposed by him.

this commission should be an independent institution
charged with the task to elaborate proposals for quicker
social and economic progress in the developing countries.

the composition and realization of such a commission can only
be decided upon if the negotiations on the government level
in paris being scheduled for may this year are aiming at
success. it is not the aim to replace negotiations carried
through by official authorities but to supply advice for the
approaching 80ies."

sincerely,
willy brandt

fire~~~~~

22809 hadva~~~~~

ok???

886306a spd ~~~~~

886306a spd ddsam

835/2/160

Dear Mr. McNamara:

In answer to questions by journalists today I replied as follows:

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

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

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

With friendly greetings.

Willy Brandt

83512/159

FORM NO. 27
(10 76)

WORLD BANK OUTGOING MESSAGE FORM (Telegram, Cable, Telex)
IMPORTANT (PLEASE READ INSTRUCTIONS BELOW BEFORE TYPING FORM.)

Class of Service:

TELEX

Date:

MARCH 15, 1977

Telex No.:

Originators Ext:

2001

12

10

0 START
HERE

1 TO

CITY/
COUNTRY

MESSAGE
NO.:

SOZIALDEMOKRATISCHE PARTEI DEUTSCHLANDS OLLENHAUERSTRASSE 1

BONN FEDERAL REPUBLIC OF GERMANY

WILLY BRANDT PRESIDENT AAA THANK YOU VERY MUCH FOR YOUR MOST WELCOME
TELEGRAM GIVING YOUR STATEMENT TO THE PRESS IN WHICH YOU SAID YOU HAD
DECIDED TO MAKE YOURSELF AVAILABLE TO CHAIR THE QUOTE BRANDT COMMISSION
UNQUOTE. I AM GRATEFUL TO YOU ALSO FOR WRITING TO PEREZ GUERRERO. BBB PLEASE
LET ME KNOW IF I OR MEMBERS OF MY STAFF CAN BE OF ANY FURTHER ASSISTANCE
TO YOU. ROBERT S. MCNAMARA INTBAFRAD

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END
OF
TEXT

NOT TO BE TRANSMITTED

SUBJECT:

DRAFTED BY:

CLEARANCES AND COPY DISTRIBUTION:

AUTHORIZED BY (Name and Signature):

W. C. Clark: V.P.-Ext. Rel.

R. S. McNamara

DEPARTMENT:

President

SECTION BELOW FOR USE OF CABLE SECTION

CHECKED FOR DISPATCH

WORLD BANK / IFC
OUTGOING MESSAGE FORM
(TELEGRAM/CABLE/TELEX)

835/2/158

☒ IBRD
☐ IDA
☐ IFC
☐ ICSID

BOOK OF TWO

TO:

DATE: MARCH 14, 1977

DAVID HOPPER
IDR CENTRE

ORIGINATOR'S EXT.: 2467

COUNTRY:

RECENTRE
NAIROBI

CLASS OF
SERVICE: TELEX

CABLE NO. & TEXT:

KENYA (TELEX 22048)

JOHANNES P. PRONK
MINISTER FOR DEVELOPMENT COOPERATION
MINISTRY OF FOREIGN AFFAIRS
THE HAGUE
NETHERLANDS (TELEX 84431326)

I HAVE RECEIVED THE FOLLOWING CABLE FROM

WILLY BRANDT TODAY:

(Take in attached sheet)

ROBERT S. MCNAMARA

NOT TO BE TRANSMITTED

REFERENCE: WDClark:sf

AUTHORIZED BY (Name):

Mr. William Clark

DRAFTED BY: Mr. Clark

DEPARTMENT: External Relations

CLEARANCES AND COPY DISTRIBUTION:

SIGNATURE (Of individual authorized to approve):

W. Clark

SECTION BELOW FOR USE OF CABLE SECTION

CHECKED FOR DISPATCH:

x2466

INCOMING TELEX

SD

835/2/157

1977 MAR 15 AM 8 35

RECORDS AND
COMMUNICATIONS

00

INTBAFRA WASH DC

MAR 15 1977

IBRD B PARIS

Distribution:

Mr. Wm. Clark

Mr. Merriam

607 WILLIAM CLARK COPY MERRIAM - U R G E N T IMMEDIATE DELIVERY

WILLY BRANDT'S BONN PRESS CONFERENCE OF YESTERDAY MARCH 14
WAS PROBABLY REPORTED ON BY REUTERS ALREADY. TODAY'S FAZ ON
SECOND PAGE CARRIES A DISPATCH BY ITS BONN CORRESPONDENT ON PRESS
CONFERENCE, MOST OF WHICH WAS DEVOTED TO U.S.-GERMAN RELATIONS.

ON PROPOSED INDEPENDENT COMMISSION BRANDT MADE THE FOLLOWING
POINTS:

PRIMO: HE IS AVAILABLE TO SERVE AS CHAIRMAN.

SECUNDO: THE COMMISSION MEMBERS SHOULD BE SELECTED FROM NORTH AND
SOUTH ON A FIFTY-FIFTY BASIS.

TERTIO: THE WORK OF THE COMMISSION MIGHT TAKE BETWEEN TWELVE AND
EIGHTEEN MONTHS.

QUARTO: WHETHER THE COMMISSION WILL ACTUALLY COME INTO BEING
WOULD DEPEND ON FURTHER CIEC DEVELOPMENTS.

FOR MAXIMUM CLARITY FOLLOWING IS THE VERBATIM FAZ PASSAGE:

QUOTE

NACH SEINEM GESPRACH MIT DEM PRAESIDENTEN DER WELTBANK, MCNAMARA HAT SICH BRANDT ENTSCLOSSEN, FUER DEN VORSITZ DER VON JENEM VORGESCHLAGENEN KOMMISSION FUER ENTWICKLUNGSFRAGEN ZUR VERFUEGUNG STEHEN. BRANDT SAGTE, DIESE NORD-SUED KOMMISSION SOLLE EIN UNABHAENGIGES GREMIUM SEIN , DAS VORSCHLAEGE FUER RASCHEREN SOZIALEN UND WIRTSCHAFTLICHEN FORTSCHRITT IN DEN ENTWICKLUNGS- LAENDERN AUSZUARBEITEN HABE. NACH ANSICHT BRANDTS MUESSTE DAS GREMIUM PARITAETISCH MIT MITGLIEDERN VON NORD WIES SUED BESETZT SEIN UND SICH AUF HERVORRAGENDE EXPERTEN STUETZEN KOENNEN. * DIE ARBEIT DER KOMMISSION WERDE WOHL AUF 12 BIS 18 MONATE TERMINIERT SEIN. OB SIE UEBERHAUPT ZUSTANDE KOMMT, MOECHTE DER SPD- VORSITZENDE VOM FORTGANG DES NORD-SUED -DIALOGS DER REGIERUNGEN ABHAENGIG MACHEN, DER IN KUERZE IN PARIS WIEDERAUFGENOMMEN WERDEN SOLL.

UNQUOTE

NOTHING ELSE ON BRANDT'S PRESS CONFERENCE IN EUROPEAN PRESS SO FAR. REGARDS

STUEBER

ACTING DIRECTOR

EG*

INTBAFRA WASH DC

835 / 2 / 156

By Hand

March 15, 1977

Dear Ben,

Here in confidence is a copy of the letter Bob sent to Vance about the Brandt Commission. It may help you with your trustees.

I also enclose a copy of two items in to-day's Press round-up.

Yours sincerely,

William Clark
Vice President External Relations

Mr. B. Reid
German Marshall Fund
11 Dupont Circle, N.W.
Washington D.C.

WDClark:sf

INCOMING TELEX

Mr. Clark fji
sd
835/2/153

MAR 15 1977

IBRD B PARIS

616 MERRIAM

Distributions

Mr. Merriman
Mr. 1st

DER SPIEGEL, DATED MARCH 14, DEVOTES HALF A PAGE TO WILLY BRANDT AND PROPOSED COMMISSION WITH PICTURE OF BRANDT'S WASHINGTON MEETING WITH MR MCNAMARA. WHILE SPIEGEL PIECE SAYS NOTHING NEW IT IS FAVORABLY INCLINED AND IN TYPICAL SPIEGEL FASHION THE TITLE READS QUOTE EIN BISSCHEN FEUER UNTER DEN HINTERN UNQUOTE, FOLLOWING WILLY BRANDT'S REMARK THAT THE COMMISSION HOPEFULLY SHOULD INFLUENCE PUBLIC OPINION SO AS TO LIGHT A FIRE UNDER THE REAR END OF GOVERNMENTS. CLIPPING SENT.
REGARDS

STENBER

EGo

INTBAFRA WASH DC

835/2/154

March 15, 1977

Dear Herr Brandt,

May I add my warm thanks to you for your acceptance of the Chairmanship of what we can now safely call the Brandt Commission - which I am sure will be a historic land mark.

This is just to say that I shall be at Konigswinter from Thursday evening through Saturday night March 24-26, attending the annual Anglo-German conference. If I could be of any help to you or Egon Bahr I should of course be at your disposal. Incidentally Andrew Shonfield will also be at the Conference.

There is one other name of a possible Executive Secretary that Mr. McNamara mentioned to me to-day. That is Henry Owen who is President Carter's co-ordinator for the May Summit Meeting. I enclose a note on him and would add that he has a very good reputation as an internationalist amongst non-Americans like myself.

Yours sincerely,

William Clark
Vice President External Relations

Herr Willy Brandt
President SPD
Ollenhauerstrasse 1
5300 Bonn
Federal Republic of Germany

P.S. I shall be staying at the Hotel Arera, Bonn-Bad Godesberg and the Conference itself is held at the Adam Stegerwald-Haus, D-5330 Konigswinter, telephone (2223) 21006.

HENRY OWEN is Director of Foreign Policy Studies at Brookings.

Before going to Brookings, he served in the Department of State in the Bureau of Economic Affairs, the Bureau of Intelligence and Research, and the Policy Planning Staff. His last position was as Chairman of the Policy Planning Council. He is a graduate of Harvard University.

835 12/153

Grafin Marion Donhoff
Die Zeit
Hamburg 1,
Federal Republic of Germany

March 15, 1977

Dear Marion,

I promised I would send you some notes on our proposal for a Commission on Development chaired by Willy Brandt. Now that he has publicly stated that he will hold himself available for the Chairmanship I can more easily write to you.

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

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

More informally I would say from personal experience in the past few years that inter-governmental negotiations like UNCTAD and the CIEC talks in Paris cannot achieve a consensus about a global strategy for development that has the full support of the rich countries and is at least acceptable to the poor world. Government representatives are instructed to defend their goals against opponents, not to join with the other team in scoring a common goal!

I believe a group of about a dozen eminent persons drawn from

rich and poor countries could agree amongst themselves about a strategy which they believe could be sold to Governments as acceptable (though not ideal to either side). To do so though they will need a really first class secretariat of development experts who can put up option papers to the Commissioners for their political consideration.

When we met here I think we both agreed that the Brandt Commission might be of great significance; after our talks here with Herr Brandt - and his talks with Carter and Vance - I am sure it has immense potential.

I look forward to seeing you at Konigswinter next week.

Yours sincerely,

William Clark

WDClark:sf

027 121752
T/8

HERLEY BOUWENHO
WIAWTHA IN THE HORN OF ABERIC.
SOMVFIN' AMOBT NEVVLIONA WHE DAMMED BECHANE OF LINTA IALEWOT
LNE OOBAN FENDER NIGHI BE VILITBLING 10. NESTHLE BELATER TINTHIN WED
COMT 10 WOODDISHA. IL LHP RYE COMEOT. OOBTHAETHS BEGIFATO
INLOVWED 200NCHES SWID LNEA BEGIFATO ON CARLHO NIGHI WAAE
LNE L LNE OOBAN FENDER WED FELL WODIE HBYRN.

ZZ WXA273 161839 ISA293

: DIALOGUE:

CARACAS, MARCH 16, REUTER -- FORMER WEST GERMAN
CHANCELLOR WILLY BRANDT HAS ASSURED VENEZUELA THAT AN
INTERNATIONAL COMMISSION BEING SET UP TO STUDY THIRD WORLD
PROBLEMS WILL NOT INTERFERE WITH THE NORTH-SOUTH DIALOGUE IN
PARIS, IT WAS ANNOUNCED HERE TODAY.

SENIOR MANUEL PEREZ GUERRERO, VENEZUELA'S MINISTER OF
INTERNATIONAL ECONOMIC AFFAIRS AND ONE OF THE TWO CHAIRMEN
OF THE PARIS CONFERENCE, SAID HERR BRANDT HAD SENT HIM A
TELEGRAM TO THIS EFFECT.

IN A PRESS STATEMENT, SENOR PEREZ GUERRERO QUOTED HERR
BRANDT AS SAYING. "THE COMMISSION WILL TAKE AS ITS BASE THE
RESULTS OF THE (NORTH-SOUTH) DIALOGUE."

THE PARIS TALKS AIMED AT FINDING A SOLUTION TO THIRD
WORLD PROBLEMS, HAVE BECOME STUCK ON THE ISSUE OF PRICES
FOR RAW MATERIALS.

THE INTERNATIONAL COMMISSION, WHICH WILL BE HEADED BY
HERR BRANDT, WILL SEEK WAYS OF ACHIEVING BETTER UNDERSTANDING
BETWEEN THE DEVELOPED AND DEVELOPING COUNTRIES.

WORLD BANK PRESIDENT ROBERT MCNAMARA SUGGESTED THE
CREATION OF THE INTERNATIONAL COMMISSION.
;;REUTER MP

INTBAFRA WASH DC

INCOMING TELEX

MAR 16 1977

IBRD B PARIS

626 MERRIAM

DISTRIBUTION

Mr. Merriam

wd DC

RE WILLY BRANDT MARCH 14 BONN PRESS CONFERENCE, FOLLOWING ARE
FURTHER EUROPEAN PRESS STORIES:

fyi

835/2/151

INTERNATIONAL

TODAY'S INTERNATIONAL HERALD TRIBUNE ON ITS SECOND PAGE HAS
A TWO-PARAGRAPH UPI STORY UNDER TITLE "BRANDT WILL DIRECT
DEVELOPMENT UNIT".

FRANCE

LE MONDE HAS A TWO-COLUMN HEADING "BRANDT ACCEPTS TO CHAIR
A WORLD DEVELOPMENT COMMISSION PROPOSED BY MCNAMARA". TEXT IS
BASED ON WIRE DISPATCHES. A SIMILAR, SHORTER STORY ALSO APPEARED
IN TODAY'S AGEFI.

GERMANY

DIE WELT OF MARCH 15 HAS FIVE PARAGRAPHS FROM ITS BONN COR-
RESPONDENT WHICH ADD NOTHING NEW.

SWITZERLAND

NZZ OF MARCH 16 CARRIES A TWO-PARAGRAPH STORY BY ITS BONN
CORRESPONDENT WHICH ADDS NOTHING NEW EXCEPT THAT BRANDT, APPARENTLY
IN REPLY TO A QUESTION, SAID THAT THE QUESTION OF POSSIBLE
REPRESENTATION OF EASTERN-EUROPEAN COUNTRIES IN THE PROPOSED
COMMISSION WAS NOT "RIPE YET".

REGARDS

STEINBER



Office Memorandum

Gen-89
MAR 17 1977
85. / 2 / 150

TO : Mr. Mahbub ul Haq
FROM : Roberto Guarnieri *R.Gu.*
SUBJECT : Cable from Minister Pérez Guerrero

DATE: March 16, 1977

His Excellency Manuel Pérez Guerrero has asked me to forward to you a copy of the telex he sent me today with his statement to the press upon being advised by Mr. Willy Brandt that he had accepted to preside a Commission of Wise Men proposed by Mr. Robert McNamara, President of the World Bank, to deal with the problems of the Third World and their possible solutions.

21161 MRFLORES

RECEIVED
I.M.F.

1977 MAR 16 PM 3:56

301100

CABLE
ROOM

DE MIRAFLORES CARACAS 16 DE MARZO DE 1977--1500

DR. ROBERTO GUARNIERI
INTERNATIONAL MONETARY FOND
CABLE INTBAFRAD
WASHINGTON DC E.U.A.

M-00231

ENVIOTE TEXTO DECLARACION QUE HE DADO HOY A LA PRENSA EN RESPUESTA
A MENSAJE RECIBIDO DEL SR. BRANDT:

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

MR. BRANDT HAS ASSURED ME THAT THE WORK OF THIS COMMISSION WILL
NOT INTERFERE WITH THE ONGOING NEGOTIATIONS AMONG GOVERNMENTS AT
THE NORTH SOUTH DIALOGUE IN PARIS AND THAT IT WOULD INSTEAD BUILD
UPON THE RESULTS OF THE CIEC DISCUSSIONS, THEREFORE I AM CONFIDENT
THAT THE COMMISSION WILL SERVE A USEFUL PURPOSE, UNDER THE GUIDANCE
OF SUCH AN OUTSTANDING PERSONALITY AS MR. BRANDT, WHO HAS GIVEN
CLEAR EVIDENCE OF HIS INTEREST IN THE PROBLEMS OF THE THIRD WORLD
AS AN ESSENTIAL ELEMENT FOR THE ACHIEVEMENT OF A JUST AND DURABLE
PEACE STOP

AGRADEZCOTE HACER LLEGAR COPIA AL SR UL HAQ Y DR. AMOUZEGAR.
SALUDOS

MANUEL PEREZ GUERRERO

835/2/40,
mr. willy brandt
chairman of the german social democratic party
bonn republica federal de alemania
telex: 886306a sod d

m-00227.

dear mr. brandt:

i wish to thank you for your letter-telex of 14 march where you kindly inform me of the status and prospect of the proposed commission, in the light of talks which you have had with mr. mcnamara. i am happy that the observations i put forward in my capacity of coordinator of the group of 19 in cieac have so far been taken into account, and i hope that this will contribute to the fruitful work of the commission under your chairmanship. it is clear that the intention is for the commission to build upon the results of the cieac discussions, and that it should in no way attempt to be a substitute for them. if we want to dissipate entirely the feeling that the commission might adversely affect the ministerial meeting planned for may, it is indeed only after the meeting that the announcement should be made regarding the initiation of its work.

the very fact that you have accepted to preside over this commission is a guarantee that it will serve effectively the cause of the third world and i see in it an indication that our efforts in cieac will receive new and positive impulses from some governments, especially that of your country on which you have such a well recognized and deserved influence. i am sure that we in the third world are conscious of your determination to help advance our common cause. i can assure you that on our part we will assist in furthering the work of the commission towards the goals that would have been set for it.

i intend to release a brief press communique expressing these thoughts. i also look forward to further contacts with you on this important task which you have so courageously taken up in addition to the many responsibilities you already have.
sincerely,

manuel perez-guerrero.-

82-10-1000

Text of Statement by Perez Guerrero to the Press on
March 16, 1977

Mr. Willy Brandt kindly informed me that he has accepted to preside over a Commission of Wise Men proposed by Mr. Robert McNamara, President of the World Bank, which will deal with the problems of the Third World and its possible solution.

Mr. Brandt has assured me that the work of this Commission will not interfere with the ongoing negotiations among Governments at the North South Dialogue in Paris, and that it would instead build upon the results of the CIEC discussions. Therefore I am confident that the Commission will serve a useful purpose, under the guidance of such an outstanding personality as Mr. Brandt, who has given clear evidence of his interest in the problems of the Third World as an essential element for the achievement of a just and durable peace.

* * * * *

WORLD BANK / IFC
OUTGOING MESSAGE FORM
(TELEGRAM/CABLE/TELEX)

835/2/147

☒ IBRD
☐ IDA
☐ IFC
☐ ICSID

TO: JOHANNES P. PRONK
MINISTER FOR DEVELOPMENT COOPERATION
MINISTRY OF FOREIGN AFFAIRS
THE HAGUE

DATE: MARCH 17, 1977

ORIGINATOR'S EXT.: 2467

COUNTRY: NETHERLANDS

CLASS OF TELEX 84431326
SERVICE:

CABLE NO. & TEXT:

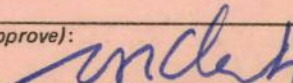
THE FOLLOWING IS TEXT OF A STATEMENT BY
PEREZ GUERRERO TO THE PRESS IN CARACAS ON MARCH 16:

(Take in text on attached sheet)

REGARDS

WILLIAM CLARK

NOT TO BE TRANSMITTED

REFERENCE:	WDClark:sf	AUTHORIZED BY (Name):	Mr. William Clark
DRAFTED BY:	Mr. William Clark	DEPARTMENT:	External Relations
CLEARANCES AND COPY DISTRIBUTION:		SIGNATURE (Of individual authorized to approve):	
		SECTION BELOW FOR USE OF CABLE SECTION	
		CHECKED FOR DISPATCH:	

WORLD BANK / IFC
OUTGOING MESSAGE FORM
(TELEGRAM/CABLE/TELEX)

835/2/146

☒ IBRD
☐ IDA
☐ IFC
☐ ICSID

TO: CARRIERE
WORLD BANK
PARIS

DATE: MARCH 17, 1977

ORIGINATOR'S EXT.: 2467

COUNTRY: FRANCE

CLASS OF
SERVICE: TELEX

CABLE NO. & TEXT:

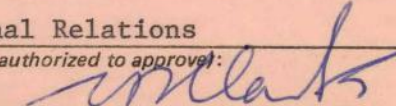
FOLLOWING IS TEXT OF PEREZ GUERRERO'S PRESS ANNOUNCEMENT
IN CARACAS MARCH 16. QUOTE (take in attached text) UNQUOTE.
WE ARE LETTING AKHUND KNOW OF THIS INFORMALLY (P.G. MAY WELL
HAVE SENT HIM A COPY) AND JULIAN OR BURNEY MAY LET GAMANI AND
OTHERS KNOW IN THE SAME INFORMAL WAY.

I HOPE TO SPEND MORNING AND LUNCH OF THURSDAY 24TH IN
PARIS LEAVING AT 1555 HOURS FOR BONN. COULD YOU ARRANGE FOR ME
TO SEE JULIAN ON ACC MATTERS, FRITZ ON SWISS MATTERS AND ANY OTHERS
WHO WISH TO TALK. SINCE RSM WILL NOT BE SEEING ANY FRENCH JOURNALISTS
ETC. IF YOU SEE FIT I MIGHT LUNCH WITH VERNAY OR FABRA OR ANYONE YOU
CARE TO SUGGEST. I LEAVE THIS ENTIRELY TO YOUR DISCRETION.
INCIDENTALLY I WILL PRESUMABLY BE EQUALLY FREE DURING SECRETARY
GENERAL'S LUNCH ON APRIL 5.

REGARDS

WILLIAM CLARK

NOT TO BE TRANSMITTED

REFERENCE:	WDClark:sf	AUTHORIZED BY (Name):	Mr. William Clark
DRAFTED BY:	Mr. William Clark	DEPARTMENT:	External Relations
CLEARANCES AND COPY DISTRIBUTION:		SIGNATURE (Of individual authorized to approve):	
		SECTION BELOW FOR USE OF CABLE SECTION	
		CHECKED FOR DISPATCH:	

Mr. Robert S. McNamara

March 17, 1977

Mahbub ul Haq, Director, PP&PR

Brandt Commission

You will be interested in seeing the attached cable from Perez Guerrero. I should think that this is an extremely satisfactory outcome.

If you agree, I would like to send him a reply to thank him for his support, since he has specifically sent me a copy of the cable. A draft reply is attached for your approval.

cc: Mr. W. Clark ✓

Attachment

MHaq:veb



Office Memorandum

Gen - 89
MAR 17 REC'D

TO : Mr. Mahbub ul Haq
FROM : Roberto Guarnieri *R.G.*
SUBJECT : Cable from Minister Pérez Guerrero

DATE: March 16, 1977

His Excellency Manuel Pérez Guerrero has asked me to forward to you a copy of the telex he sent me today with his statement to the press upon being advised by Mr. Willy Brandt that he had accepted to preside a Commission of Wise Men proposed by Mr. Robert McNamara, President of the World Bank, to deal with the problems of the Third World and their possible solutions.

RECEIVED
I.M.F.

1977 MAR 16 PM 3:56

301100

CABLE
ROOM

DE MIRAFLORES CARACAS 16 DE MARZO DE 1977—1500

DR. ROBERTO GUARNIERI
INTERNATIONAL MONETARY FUND
CABLE INTBAFRAD
WASHINGTON DC E.U.A.

M-00231

ENVIOTE TEXTO DECLARACION QUE HE DADO HOY A LA PRENSA EN RESPUESTA
A MENSAJE RECIBIDO DEL SR. BRANDT:

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

MR. BRANDT HAS ASSURED ME THAT THE WORK OF THIS COMMISSION WILL
NOT INTERFERE WITH THE ONGOING NEGOTIATIONS AMONG GOVERNMENTS AT
THE NORTH SOUTH DIALOGUE IN PARIS AND THAT IT WOULD INSTEAD BUILD
UPON THE RESULTS OF THE CIEC DISCUSSIONS, THEREFORE I AM CONFIDENT
THAT THE COMMISSION WILL SERVE A USEFUL PURPOSE, UNDER THE GUIDANCE
OF SUCH AN OUTSTANDING PERSONALITY AS MR. BRANDT, WHO HAS GIVEN
CLEAR EVIDENCE OF HIS INTEREST IN THE PROBLEMS OF THE THIRD WORLD
AS AN ESSENTIAL ELEMENT FOR THE ACHIEVEMENT OF A JUST AND DURABLE
PEACE STOP

AGRADEZCOTE HACER LLEGAR COPIA AL SR UL HAQ Y DR. AMOUZEGAR.
SALUDOS

MANUEL PEREZ GUERRERO

Draft Reply

Thanks for sending me a copy of your statement on the Brandt Commission through Dr. Guarnieri. I was simply delighted to read it. It is a very constructive and thoughtful response and all of us in the Bank greatly appreciate your support to an initiative which, we fervently hope, would advance the interests of the Third World. Let me also add my best wishes for the outcome of the forthcoming CIEC discussions. I shall stay in touch with you on this as well as all other issues as we always have. Warmest personal regards.

Mahbub

835/2/144

Mr. Robert S. McNamara

March 18, 1977

William Clark

Next steps in Fund raising, and making
Brandt Commission operational

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

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

3. Other donors:

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

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

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

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

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

Brandt could try to find his Executive Secretary.

He could informally sound out Commissioners.

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

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

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

WDClark:sf

Class of Service: **TELEX** Date: **MARCH 18, 1977**
 Telex No.: _____ Originators Ext: **2001**

12

10

0 START
HERE
1 TO

PALACIO MIRAFLORES

CITY/
COUNTRY

CARACAS, VENEZUELA

MESSAGE
NO.:

MINISTER FOR INTERNATIONAL ECONOMIC RELATIONS MANUEL PEREZ GUERRERO

AAA I AM MOST GRATEFUL FOR YOUR SUPPORT TO THE ESTABLISHMENT OF A
 COMMISSION UNDER WILLY BRANDT. I REMAIN CONVINCED THAT THIS
 INITIATIVE WILL MAKE A VERY VALUABLE CONTRIBUTION TO PROMOTING THE
 INTERESTS OF THE DEVELOPING WORLD AND THAT BOTH OF US WILL FEEL
 PLEASED WITH THE FINAL OUTCOME OF THIS ENDEAVOR. I SHALL CONTINUE
 TO RELY ON YOUR SUPPORT IN THIS AS IN OTHER MATTERS. BEST REGARDS
 ROBERT S. MCNAMARA INTBAFRAD

21 END
OF
22 TEXT

NOT TO BE TRANSMITTED

SUBJECT:

DRAFTED BY:

Mahbub Haq

CLEARANCES AND COPY DISTRIBUTION:

AUTHORIZED BY (Name and Signature):

Robert S. McNamara:mes

DEPARTMENT:

President

SECTION BELOW FOR USE OF CABLE SECTION

CHECKED FOR DISPATCH

①

Mirow

March 21 835/2/114
(accompanied
Branst to the U.S. 6/13 march.

As yet Palme, Heath and Kissinger have not ~~officially~~ been formally invited, but it can be expected that their reactions to an invitation will be positive. Mirow asked for strict discretion.

The commission will be composed on a basis of strict parity between poor and rich countries.

The main subject of the commission will be a study of the problem of transfer of resources. The precise wording will a.o. depend of the results of the north/south dialogue, the developments inUNCTAD and in GATT. Furthermore in may or june there will be more information on

②

The U.S. policies in the field of development cooperation.

In the course of the study attention will be given to the question how the flow of resources to developing countries can be increased. Conclusions will be drawn about the instruments necessary to achieve these ends, - e.g. adaptation of the world-economic system. This latter point is not repeated not in the foreground, according to Miron.

The difficulties of the dev. countries have been taken away since it has been clearly stated that the Commission will not play a mediating role in the current negotiations, these will not be influenced by the work of the Commission.

To our question, whether

③

The commission had consciously opted for a less ambitious goal than f.i. the revision of the international economic order, the answer was in the affirmative. The aim was to make practical proposals on development cooperation through examining a specific or later some specific elements.

835/2/147

Cecil R. Evans
Secretary: ~~Kenneth Lee~~

Chairman: Joan Wicken

FRIENDS PEACE AND INTERNATIONAL RELATIONS COMMITTEE (QUAKERS)

Friends House Euston Road London NW1 2BJ

Cables: Oversight London

Telephone: 01-387 3601

21 March 1977

Mr Robert S. McNamara
President
International Bank for
Reconstruction and Development
1818 H Street N W
Washington D.C. 20433
U.S.A.

Dear Mr McNamara,

My Committee has asked me to send you a copy of a letter we have written to our Prime Minister commending the proposal you made in your speech at Boston on 14 January, suggesting the appointment of a high-level private commission to help break the impasse in economic relations between rich and poor nations.

Yours sincerely,



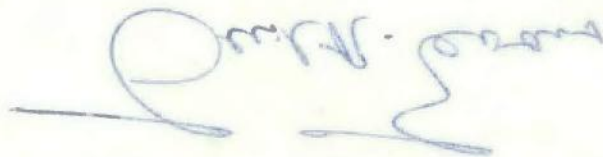
Cecil R. Evans
General Secretary

INCOMING MAIL UNIT
1311 MAR 22 AM 10:08
RECEIVED

RECEIVED
1977 MAR 25 AM 10: 09
INCOMING MAIL UNIT

General Secretary

Geoff H. Evans



Yours sincerely,

break the impasse in economic relations between rich and poor nations.
It is my duty, suggesting the appointment of a high-level private commission to help
to our Prime Minister commending the proposal you made in your speech at Boston on
My Committee has asked me to send you a copy of a letter we have written

Dear Mr. McNamara,

U.S.A.
Washington D.C. 20543
1818 H Street N.W.
Reconstruction and Development
International Bank for
President
Mr. Robert S. McNamara

27 March 1977

Copies: Overseas London

Telephone: 01-383 3801

FRIENDS PEACE AND INTERNATIONAL RELATIONS COMMITTEE (OPAKEN2)

Friends House Easton Road London NW1 3B7

Secretary: Reception

Chairman: John Wicken

Geoff H. Evans

832/5/444

FRIENDS PEACE AND INTERNATIONAL RELATIONS COMMITTEE (QUAKERS)

Secretary: Cecil R. Evans

Chairman: Joan Wicken

Friends House Euston Road London NW1 2BJ

Cables: Oversight London

Telephone: 01-387 3601

21 March 1977

The Rt Hon James Callaghan MP
10 Downing Street
Whitehall
London SW1

Dear Mr Callaghan,

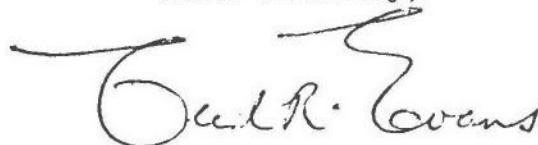
The Friends Peace and International Relations Committee, and the Committee on Sharing World Resources of the Society of Friends, have asked me to write to encourage you to support the proposal made by Mr Robert McNamara, President of the World Bank, that a high-level private commission be established under the chairmanship of a person of great political experience and stature, to help break the current impasse in the economic relationships between rich and poor nations.

As you know, Mr McNamara's proposal was outlined in a letter written by Lady Jackson of Lodsworth (Barbara Ward Jackson) and published in The Times on 18 January. In the letter she also expressed her hope that governments, international agencies, non-governmental organisations concerned with development and all interested citizens would support "this imaginative concept".

In his speech made on 14 January, in which he described his proposal, Mr McNamara pointed out that, after more than a year of intense debate in various international forums, there was still no substantial agreement between the developed and the developing nations on what immediate action should be taken. He suggested that it was essential to determine the overall volume of additional financial and trade support that the developed nations should supply; the additional policy reforms and structural changes the developing nations should undertake; and how these two mutual efforts can be more effectively applied to meeting the needs of the two billion people in the developing world.

We should greatly appreciate learning from you whether Her Majesty's Government has already supported this proposal or plans to do so. We are also sending copies of this letter to the Rt Hon Edmund Dell, the Rt Hon Judith Hart and Mr Frank Judd.

Yours sincerely,



Cecil R. Evans
General Secretary

835/2/140

Mr. Robert S. McNamara (through Mr. William Clark)

March 22, 1977

Shirley Boskey, Director, IRD

Trust Fund for Brandt Commission

Attached is a draft of what might be called a prospectus of the way in which the Commission will be organized and financed, which I have put down after talking with William Clark. It is not in the form of a legal instrument. It, or something like it, could be handed to prospective donors to give them an idea of what they were being asked to help finance and how their contributions would be used. I do not think this undertaking lends itself to the kind of formal agreement by which the Onchocerciasis Fund was established. In any case, the attached has not been looked at by anyone in the Legal Department.

I have assumed that contributions will be solicited from a number of sources to make up the \$2 million which it is thought should be in hand before the Commission starts its work. But the language is not inconsistent with an alternative approach under which the Dutch Government would guarantee that \$2 million will be available if no other contributions are forthcoming, and would then solicit contributions from others to reduce the amount which it would ultimately be required to put up.

SEBoskey/rob

Attachment

ORGANIZATIONAL AND FINANCIAL STRUCTURE OF THE BRANDT COMMISSION

The Commission on Development (the "Brandt Commission") will consist of a group of private persons /8 - 10/ in number, drawn equally from the developed and developing countries, under the chairmanship of Willy Brandt.

The members of the Commission will be selected by the Chairman. They will be persons internationally recognized as eminent and highly qualified in their fields, and as open-minded and free from government instruction.

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

The structure and machinery of the Commission will be both simple and flexible. There will be a full-time, international Secretariat, about /12/ in number, headed by an Executive Secretary. The Executive Secretary will be chosen by, and be responsible to, the Chairman of the Commission. The other members of the Secretariat will be chosen by the Executive Secretary, with due regard to geographic balance. The Secretariat will be located in /Geneva/.

The program of work of the Commission will be determined by the Chairman, in consultation with the Executive Secretary. The Commission will meet at such times and places, and for such periods probably not more than 3-4 days a month as the Chairman determines. The work of the Commission is expected to be completed within 12-18 months from the date when the Commission formally begins operations, and the Commission's recommendations will be embodied in a published report.

The projected staffing, administrative and operational requirements of the Commission (including compensation, travel expenses, publication and translation costs, etc.) are estimated at \$2 million - \$2.5 million. These will be met out of a Trust Fund, comprised of voluntary contributions by governments, international public and private institutions and public and private national organizations. Contributions may be made in cash and in kind, or in the form of pledges or guarantees. All contributions received will be deposited in a bank account in the name of the Trust Fund, which will be established and administered by the Chairman The World Bank and used only for the purposes of the Commission. Payments in cash will be made in convertible currencies. Funds not required immediately will be invested by the Chairman The World Bank and any income from investments shall be deposited in the Trust Fund. The Chairman The World Bank shall have authority to enter into commitments and to draw against the Trust Fund and may delegate such authority to the Executive Secretary. The Chairman shall render an accounting of contributions to, receipts of and disbursements from the Fund to all donors at the close of the Commission's work. Any funds remaining in the Trust Fund shall be returned to donors in proportion to their contributions.

835/2/139

PRESS CLIPPING SHEET

THE GUARDIAN - March 22, 1977

Third force

Herr Willy Brandt
(below) is to lead an
international commis-
sion to devise a new
Third World strategy.
HELLA PICK reports



WILLY BRANDT, architect of Ostpolitik — the opening towards the Communist world and East-West detente — is now cautiously and quietly moving towards the elaboration of a "Sudpolitik," a long term strategy for north-south collaboration between the haves and the have nots. He is not the first one to try to crack this nut, and he really isn't sure that he can succeed where others have failed. But, Brandt remains miraculously free of cynicism.

The former West German Chancellor has just agreed to head a new Commission which will think hard, imaginatively and persuasively, independent of governments and of international institutions, taking no part but certainly not interfering in negotiations and development projects, to try to break through the barriers of distrust between the rich industrialised nations and the Third World, giving political realities to what he regards as already existing interdependence.

The new project has already been dubbed the "Brandt Commission," although he himself is much more concerned to attach the

word, and above all the notion, of "independence" to the commission. It is not to be a creature of governments — though it is probably useful that the new US Administration has given an encouraging nod.

It is the brain child of Mr Robert McNamara, the president of the World Bank. McNamara proposed in January that a new high level body should be set up to help "the international community to break out of the current impasse" in multilateral economic negotiations and "advance the understanding on what needs to be done in the interest of both the developed and the developing countries."

McNamara thought that Willy Brandt who was already searching for closer collaboration with the Third World was the ideal person to head this body. The World Bank will not be further involved — beyond helping to raise the \$2 millions needed to pay for the commission's work. The present plan is that it will be appointed and start working in May or June and will report within a year or 15 months. The money will probably be provided by the Dutch Government and other of the small industrialised

countries together with the big foundations.

The Brandt Commission will be composed of 12 wise men and women, politically independent though not necessarily excluding out-of-office politicians. Brandt is looking for people of stature and of fertile mind. Six will be chosen from the industrialised countries and six from the Third World. They will meet every two months and will be backed up by a full-time Secretary General and a small expert staff probably working out of Geneva.

It is a mark of Brandt's international standing that an impressive array of names have already poured into his office in Bonn. He is being discreet, but independent rumour has it that Mr Edward Heath's name has cropped up and that Henry Kissinger has told friends that he would by no means reject an invitation to serve on the Brandt Commission, if it came his way.

Willy Brandt is very anxious to assure governments and international institutions that his Commission, when it begins work, will not compete with existing negotiations like the Paris based North South Dialogue which

has been trying, so far without result, to negotiate commodity agreements, credit lines and other bread and butter aspects of a "new economic order." Nor does he see himself as a mediator in the North South impasse.

In fact Brandt is diffident about his new task. He makes no grandiose statements although he recognises that it will need public support if it is to succeed in breaking down Western notions that aid is about charity, and Third World notions about neo-colonialism and exploitation. Brandt says that above all he does not want to introduce yet another long tome for the archives. He says the art will be to find a few simple strategic aims for the North South collaboration on economic and social problems.

He is convinced that the Soviet Union must ultimately be involved. But partly because he wants his new Commission to be a think tank free from all Government influence, he has no plans for including the Russians. What is far more likely is that the Commission's guidelines will recommend practical ways of involving the Communist block in the

North South Dialogue. In other words the Brandt Commission will seek to provide a "global compact" for the 1980s.

But Brandt also has his mind firmly fixed on the present. As chairman of the German Socialist Party, the SDP, he has just come back from Washington with enthusiasm for the Carter Administration. But he accepts that there are formidable problems between the Federal Republic and the United States, including the nuclear plant deal with Brazil, and United States pressure on Germany to join in refuting more than Chancellor Schmidt feels he can justify in domestic political terms.

Economic pressure on Germany is of course coming from other Western quarters, including Britain. Brandt appears to see one compromise that just might kill two birds with one stone: if Germany were to release some of its currency reserves for aid to the Third World, this would quickly translate itself into orders to industrialised countries. But would those orders be placed, for example, in Britain—or is Germany? He wrings his hands. He obviously doesn't know.

Members of the Board of IDRC

RMCA.

*This is a list of
Dan Hopper's board.
I am not med the
miser. nse.*

8/25/21

Louis Rasminsky

Chairman of the Board of Governors

Louis Berlinguet

Vice Chairman

David Hopper

Manuchehr Agah (Tehran)

Aklilu Habge (Ethiopia)

Pierre Bauchet (Paris)

John Milton Bell

Roger A. Blais

Sir John Crawford (Australia)

Norman T. Currie

Paul Gerin-Lajoie

Peter G. Green

Ilunga Kabvongo (Zaire)

Archie R. Micay

R. Stephen Milne

Hon. Rex M. Nettleford (Jamaica)

G.W. Schultz

Dr. Soedjatmoko (Indonesia)

Victor L. Urquidi (Mexico)

Sir Geoffrey Wilson

William Wiengard

RECEIVED

DIST. - MR. W. CLARK
MRS. BOSKEY

835/2/137

MAR 23 1977

IBRD B PARIS

1977 MAR 23 PM 12:31

701

COMMUNICATIONS
SECTIONcc: Mr. Haq
Mrs. Hughes

FOLLOWING JUST RECEIVED

QUOTE

FOR CLARK CARRIERE AND MRS. BOSKEY (WASHINGTON)

AAA NO PROGRESS OFFICIAL NEGOTIATIONS STOP

77 PUSHING TO NEGOTIATE AND AGREE ON OBJECTIVES AND SIZE OF
COMMON FUND WHERE AS GROUP B CONTINUES TO EXPRESS TECHNICAL DOUBTS
ON ALL ASPECTS OF FUND INCLUDING STOCK FINANCING AND SECOND WINDOW
OPERATIONS SUCH AS FINANCING ADJUSTMENT DIVERSIFICATION RESEARCH
AND DEVELOPMENT FOR TRADE PROMOTION STOP CHINA SUPPORTING 77 AND GROUP
GROUP D IS MOSTLY QUIET BUT FEELS THAT NOTHING MUCH IS WRONG WITH EX-
ISTING TRADE MECHANISM AND IF FUND IS ESTABLISHED IT SHOULD BE ON
VOLUNTARY BASIS STOP WITHIN 77 POSITION OF SOME MAJOR COUNTRIES
VARIES STOP FOR EXAMPLE MOST AFRICAN COUNTRIES WOULD LIKE MUCH
BIGGER SECOND WINDOW OPERATION AND SOME LATIN AMERICAN COUNTRIES
WILLING TO AGREE TO EQUAL CONTRIBUTIONS FROM ALL COUNTRIES WHICH
WOULD MEAN A SMALL FUND STOP RUMOUR ALSO HAS IT THAT GROUP B ARE
PRIVATELY CONSIDERING EIGHT OR NINE ALTERNATIVES TO FUND AND BY
NEXT WEEK THEY MIGHT SURFACE COUNTER PROPOSAL THAT MECHANISM
BE AGREED TO GUARANTEE FINANCE FOR STOCKING NEEDS OF INDIVIDUAL
COMMODITY BODIES WITHOUT PREDETERMINING SIZE OF FUNDS REQUIRED STOP
COUNTER PROPOSAL FROM B COULD PROVIDE SOME BASIS FOR BARGAINING
WHICH DOES NOT EXIST AT PRESENT STOP IN RESPONSE TO SEVERAL QUESTIONS
I MADE BRIEF STATEMENT ON LINES MY PREVIOUS CABLE STOP

INCOMING TRAIL FROM PARIS

RECEIVED

DIST. - MR. W. CLARK

MRS. BOSKEY

1977 MAR 23 PM 12:31

COMMUNICATIONS
SECTIONcc: Mr. Had
Mrs. Hughes

MAR 23 1977

INR 2 PARIS

101

FOLLOWING JUST RECEIVED

QUOTE

FOR CLARK CARRIER AND MRS. BOSKEY (WASHINGTON)

AAA NO PROGRESS OFFICIAL NEGOTIATIONS STOP

TO PUSHING TO NEGOTIATE AND AGREE ON OBJECTIVES AND SIZE OF
COMMON FUND WHERE AS GROUP B CONTINUES TO EXPRESS TECHNICAL DOUBTS
ON ALL ASPECTS OF FUND INCLUDING STOCK FINANCING AND SECOND WINDOW
OPERATIONS SUCH AS FINANCING ADJUSTMENT DIVERSIFICATION RESEARCH
AND DEVELOPMENT FOR TRADE PROMOTION STOP CHINA SUPPORTING 77 AND GROUP
GROUP B IS MOSTLY QUIET BUT FEELS THAT NOTHING MUCH IS WRONG WITH EX-
ISTING TRADE MECHANISM AND IF FUND IS ESTABLISHED IT SHOULD BE ON
VOLUNTARY BASIS STOP WITHIN 77 POSITION OF SOME MAJOR COUNTRIES
VARIES STOP FOR EXAMPLE MOST AFRICAN COUNTRIES WOULD LIKE MUCH
BIGGER SECOND WINDOW OPERATION AND SOME LATIN AMERICAN COUNTRIES
WILLING TO AGREE TO EQUAL CONTRIBUTIONS FROM ALL COUNTRIES WHICH
WOULD MEAN A SMALL FUND STOP ROMANIA ALSO HAS IT THAT GROUP B ARE
PRIVATELY CONSIDERING EIGHT OR NINE ALTERNATIVES TO FUND AND BY
NEXT WEEK THEY MIGHT SURFACE COUNTER PROPOSAL THAT MECHANISM
BE AGREED TO GUARANTEE FINANCE FOR STOCKING NEEDS OF INDIVIDUAL
COMMODITY BODIES WITHOUT PREDETERMINING SIZE OF FUNDS REQUIRED STOP
COUNTER PROPOSAL FROM B COULD PROVIDE SOME BASIS FOR NEGOTIATING
WHICH DOES NOT EXIST AT PRESENT STOP IN RESPONSE TO SEVERAL QUESTIONS
I MADE BRIEF STATEMENT ON LINE BY PREVIOUS CABLE STOP

BBB COREA HAD NOT BEEN BRIEFED ON ESA AND BANK PAPERS ON GLOBAL
TARGETS STOP I GAVE HIM COPY BANK PAPER AND BRIEFED HIM NEW YORK
AND SUBSEQUENT DISCUSSIONS STOP HE WILL SUPPORT TASK FORCE PROPOSAL
BUT IS AGAINST SUCH ARRANGEMENTS UNDER ACC WINGS

CCC PGS POSITIVE CABLE ON BRANDT COMMISSION HAS SURPRISED MOST
77 PARTICULARLY RADICALS WHO STILL VERY SUSPICIOUS PURPOSE THIS
INITIATIVE INCLUDING CHOICE OF CHAIRMAN TIMING LACK OF CONSULTION
ETC STOP PG ARRIVING GENEVA NEXT FEW DAYS WHEN THIS MATTER WILL BE
FURTHER DISCUSSED

REGARDS

BURNEY

UNQUOTE

GROSMANN COMMUNICATIONS PARIS

G

EG@

INTBAFRA WASH DC

8351211.6

Mr. Robert S. McNamara

March 23, 1977

Shirley Boskey, Director, IRD

Brandt Commission

Mahmud Burney, who is in Geneva to attend the UNCTAD negotiations on the Common Fund, has cabled the following, with respect to the Brandt Commission proposal: Perez Guerrero's "positive" cable on the Brandt Commission has surprised most of the 77, particularly the radicals. Burney says they (presumably the radicals) are still very suspicious of the purpose of the Brandt Commission initiative, including the choice of chairman, timing, and the absence of consultation. Perez Guerrero is expected to arrive in Geneva within the next few days, when the matter will be discussed further.

Presumably, Burney, who will be in Geneva until the end of March, will cable us again.

The cable was sent through the Paris office telex, so William will have that information upon his arrival.

I have given this information to Mahbub ul Haq.

SEBoskey/rob

MS
835/2/10

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

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

March 23, 1977

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

Dear Mr. Brandt:

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

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

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

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

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

RECEIVED

1977 APR 18 PM 3:59

INCOMING MAIL UNIT

The Honorable Willy Brandt
March 23, 1977
Page Two

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

With highest regards.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ben Read". The signature is fluid and cursive, with a large initial "B" and a stylized "R".

Benjamin H. Read



SECRETARIAT OF STATE

No.324.511

835/2/134
RC
FROM THE VATICAN, March 25, 1977

Dear Mr. Clark,

I am writing to acknowledge the letter of January 19, 1977 with which you forwarded to me on behalf of Mr. Robert S. McNamara, President of the World Bank, a copy of his speech delivered in Boston before the World Affairs Council on January 14, 1977.

In thanking you for this courteous communication, I have pleasure in assuring you that the views expressed by Mr. McNamara on this occasion have been noted.

With every good wish, I remain

Sincerely yours,

+ J. Card. Villot

Mr. William Clark
Vice President, External Relations
International Bank for Reconstruction and
Development
International Development Association
Washington, D.C. 20433

1977 APR -5 AM 10:20
INCOMING MAIL UNIT

INTBAFRAD
WASHINGTONDC

8.5 . 3
MARCH 28, 1977

USA

752 MR MCNAMARA COPY BOSKEY

FOLLOWING JUST RECEIVED FOR YOU FROM WILLIAM CLARK, NOW
IN BELLAGIO.

Quote

BRANDT WILL BE GLAD TO SEE YOU WEDNESDAY, APRIL 6TH,
MORNING. I WILL SEND LONGER ACCOUNT OF MY CONVERSATION
WEDNESDAY.

Unquote

REGARDS

CARRIERE

J. Carrière

cc: Mr. Clark, ✓
on arrival in Paris.

mcl
(received on telephone from
Bellagio.)



March 29, 1977

Dear Mr. Evans:

On behalf of Mr. McNamara, I thank you for your letter of March 21, 1977 and for the copy of your communication to the Prime Minister in support of the proposal to establish a high level unofficial commission which will seek acceptable solutions to some of the major issues in the North-South dialogue.

In agreement with ex-chancellor Willy Brandt who has agreed to head the proposed commission, it has been decided to await the conclusion of the final session of the Conference on International Economic Cooperation in late May in Paris before proceeding further with the constitution of the commission. We very much hope that CIEC will end with agreements which will provide a solid foundation for the work of Dr. Brandt's commission.

I have been asked to say how much the support of your Committee is appreciated in this endeavor.

Yours sincerely,

L. Peter Chatenay
External Relations Adviser
International Relations Department

Mr. Cecil R. Evans
General Secretary
Friends Peace and International
Relations Committee (Quakers)
Friends House
Euston Road
London NW1 2BJ
England

cc: Mr. William Clark

LPChatenay:mmh

MAR 30 1977

MR. R. MCNAMARA

1977 MAR 30 14 33

BRANDT

IBRD B PARIS From IBRD Paris

COMMUNICATIONS

783 MR MCNAMARA - IMMEDIATE DELIVERY COPY WILLIAM CLARK'S OFFICE
DICTATED ON TELEPHONE BY WILLIAM CLARK IN BERNE.

835/2/131

BECAUSE YOU MAY WISH TO CONSIDER THESE MATTERS BEFORE YOU
ARRIVE IN EUROPE I AM SENDING YOU THESE NOTES ON MY TALKS WITH:

- (1) BRANDT AND HIS TEAM IN BONN
- (2) MAURICE STRONG ABOUT THE IDRC MEETING
- (3) PEREZ-GUERRERO ABOUT HIS VIEWS ON CIEC AND BRANDT COMMISSION
- (4) EEC PERSONNEL ABOUT YOUR VISIT.

1. CONVERSATIONS IN BONN

BRANDT HAS NOT BEEN ABLE TO DO MUCH RECENTLY BECAUSE OF CRISES
WITHIN THE PARTY. BUT HE IS DETERMINED TO MOVE AHEAD AS SOON AS
POSSIBLE AND WOULD WELCOME A CHANCE TO TALK TO YOU NOW, THOUGH HE
WOULD PROBABLY NOT BE FULLY ACTIVE ON THE COMMISSION TILL MAY.

BRANDT HAS ASKED A YOUNG MAN IN THEIR AID MINISTRY CALLED
FRITZ FISCHER TO ACT AS HIS PERSONAL ASSISTANT ON COMMISSION'S
AFFAIRS STARTING MAY 1. I HAVE TALKED TO HIM AT LENGTH AND FOUND
HIM VERY KNOWLEDGEABLE ABOUT THE PRACTICE OF DEVELOPMENT ASSISTANCE
SEMI COLON HE IS AT PRESENT WORKING WITH CHEYSSON ON THE IMPLEMENT-
ATION OF THE LOME AGREEMENT. HE IS A CONTEMPORARY AND GOOD FRIEND
OF RAINER STECKHAN. HE DOES NOT SEE HIMSELF AS EXECUTIVE SECRETARY
BUT DOES EXPECT TO DO A LOT OF THE ADMINISTRATIVE BUSINESS OF THE
COMMISSION AND PARTICULARLY TO LIAISE BETWEEN BRANDT AND THE
SECRETARIAT, BEING ABLE TO SEE BRANDT AT ALMOST ANY TIME. FISCHER
WILL PROBABLY MEET US AT DUSSELDORF AIRPORT AND YOU WILL MAKE YOUR
OWN JUDGMENT. I THINK HIS APPOINTMENT MEANS THAT WE CAN CONCENTRATE
ON THE INTELLECTUAL CAPACITIES OF THE EXECUTIVE SECRETARY MORE THAN
ON HIS ORGANIZATIONAL TALENTS.

2
EGON BAHR SEEMS TO HAVE BECOME THE GREAT ADVOCATE OF THE COMMISSION AND IS SELLING IT HARD TO THE PARTY AND THE COUNTRY. HE IS LIKELY TO ASK YOU IF YOU COULD SPEAK IN GERMANY IN SEPTEMBER WITH BRANDT AT A BIG RALLY ON RELATIONS WITH THE THIRD WORLD. HE ALSO WONDERS WHAT FINANCE COULD BE FOUND FOR FISCHER'S SALARY IN MAY. I RECALL THAT C.I.D. PAID PERSONAL STAFF OF THREE.

FROM MY VARIOUS CONVERSATIONS WITH GERMAN JOURNALISTS ETC. I CONCLUDED THAT THE IDEA OF BRANDT COMMISSION IS BEGINNING TO GAIN POPULARITY IN GERMANY. HIS OFFICE IS PUTTING IT ABOUT THAT THE COMMISSION SHOULD CONCENTRATE ITS ATTENTION AND TERMS OF REFERENCE ON THE FLOW OF RESOURCES, HOW TO INCREASE THAT FLOW AND WHAT ADAPTATION OF THE WORLD ECONOMIC SYSTEM IN THE FUTURE WILL BE NECESSARY TO ACHIEVE DEVELOPMENT RESULTS. THEY WILL NOT STALL EXISTING NEGOTIATIONS IN CIEC OR UNCTAD NOR THE NIEO.

I BELIEVE IT IS NECESSARY FOR US TO BEGIN TO PUT DOWN SOME CLEAR OUTLINE OF WHAT WE THINK SHOULD BE CHAPTER HEADINGS, EVEN BEFORE AN EXECUTIVE SECRETARY IS APPOINTED. THIS WOULD BE DESIRABLE SO THAT THE SELECTION OF COMMISSIONERS COULD BE APPROPRIATELY MADE, INCLUDING SOME SCHOLARS WITH APPROPRIATE EXPERTISE. I THINK THERE HAS BEEN NO PROGRESS ON THIS MATTER YET AND NOT MUCH THINKING ABOUT LIKELY COMMISSIONERS.

2. CONVERSATIONS IN BELLAGIO

I HAD LONG CONVERSATIONS WITH MAURICE STRONG ABOUT THE IDRC MEETING WHICH HE ATTENDED LAST WEEK IN NAIROBI.

STRONG SAID THAT THE PARTS OF THIS MEETING DEALING WITH IDRC COMMITMENTS TO THE BRANDT COMMISSION WERE VERY ROUGH. THE THIRD WORLD REPRESENTATIVES ALL SPOKE AGAINST THE COMMISSION WHICH THEY SUSPECTED WAS AN ATTEMPT BY NORTH AMERICANS TO SUBVERT THE ONGOING NORTH-SOUTH DIALOGUE. THE PART I REPRESENTATIVES THOUGHT THAT IT

2
WAS A WILY AND IMPRACTICAL IDEA ESPECIALLY AS THEY WERE TOLD BY
HOPPER THAT THE WHOLE COMMISSION WAS TO BE WOUND UP IN EIGHT REPEAT
EIGHT MONTHS. EVENTUALLY THE COMPROMISE IDEA OF A PARTIAL SUM TO
BE AVAILABLE AT ONCE, WITH MORE TO BE AVAILABLE LATER BUT ON
CONDITIONS WAS PROPOSED BY STRONG AND GEOFFREY WILSON IN ORDER TO
RESCUE HOPPER. THE CONDITIONS WERE GENERALLY THAT THE REPORT WAS
NOT TO BE WRITTEN BY EXTREMISTS, RIGHT OR LEFT, AND THE COMMISSIONERS
SHOULD BE BALANCED BETWEEN PART I AND PART II. MAURICE BELIEVES IT
WILL NOT BE DIFFICULT TO GET THE CONDITIONAL SUMS WHEN MISCONCEP-
TIONS ARE CLEARED UP. AMONG THESE MISCONCEPTIONS IS THE BELIEF THAT
THERE IS NO SUPPORT FOR COMMISSION IN THE BANK AND THAT THEREFORE
THE BANK WILL NOT GIVE ANY FINANCIAL SUPPORT TO THE COMMISSION.

3. CONVERSATIONS WITH PEREZ-GUERRERO

WE TALKED FOR ABOUT AN HOUR ALONE AND LATER MET WITH STRONG AND
JAN MEYER (OF PRONK'S OFFICE) TO TALK ABOUT THE BRANDT COMMISSION.
TO SUM UP P.G.'S VIEWS:

(1) HE FEELS HE HAS BEEN GENEROUS IN HIS ANSWER TO BRANDT'S
LETTER. HE EMPHASIZED THAT HE RECEIVED MUCH MORE SUPPORT FROM HIS
COLLEAGUES OF THE G-19 WHEN HE OPPOSED THE ESTABLISHMENT OF THE
COMMISSION THAN WHEN HE BACKED BRANDT. HE SAID THE OPEC COUNTRIES
THOUGHT BITTER THAT HE WAS APPARENTLY ALLOWING THE DIALOGUE TO SLIP
OUT OF THE HANDS OF GOVERNMENTS INTO THE HANDS OF NON OFFICIALS.
(THIS WAS CONFIRMED TO ME BY THE SECRETARY GENERAL OF OPEC).

(2) P.G. INSISTS THAT HIS G-19 EXPECTS TO GET SUBSTANTIAL
CONCESSIONS IN MAY AND WILL THEN CONTINUE TO PRESS THEIR CASE AT
THE RESUMED SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY
PROBABLY TO BE HELD IN JUNE.

4
(3) P.G. HOPED THE BRANDT COMMISSION WILL NOT INVOLVE ITSELF
ON THE SUBJECTS UNDER NEGOTIATION IN CIEC AND UNCTAD. HE WISHED
IT WOULD CONFINE ITSELF TO CREATING POLITICAL WILL TO FOLLOW THROUGH
ON THE DECISIONS OF THESE CONFERENCES.

(4) P.G. IS OPTIMISTIC ABOUT THE RESULTS OF CIEC AND IS VERY
MUCH ON TOP OF THE WORLD. HE SEES THIS AS A PROOF THAT THE OFFICIAL
DISCUSSIONS ARE NOT DEADLOCKED AS YOU SUGGESTED IN MANILA. HE HOPES
THAT HE AND GAMANI COREA AND AKHUND WILL BE CONSULTED BY BRANDT
ABOUT THE COMMISSION.

4. YOUR MEETING WITH THE EEC IN BRUSSELS

I HAD TALKS IN THE LAST FEW DAYS WITH SOME OF THE COMMISSIONERS
WHO EXPECT TO MEET YOU ON APRIL 4, AND WITH THEIR STAFFS. I AM
LEFT WITH THE IMPRESSION THAT THEY WILL BE VERY INTERESTED TO MEET
YOU, BUT FOR SOMEWHAT SURPRISING REASONS. THEY EXPECT TO LEARN
MORE FROM YOU ABOUT THE CARTER REGIME THAN THEY DID FROM MONDALE.
JENKINS IS GOING TO MEET CARTER ON APRIL 18 AND THE WHOLE EEC IS
DEEPLY CONCERNED ABOUT HIS ROLE IN THE MAY SUMMIT. THIS IS THEIR
MAIN CONCERN AND THEY ARE NOT VERY INTERESTED IN DEVELOPMENT
ASSISTANCE (EXCEPT FOR CHEYSSON) BUT ARE INTERESTED IN THE POLITICAL
ASPECTS OF NORTH-SOUTH RELATIONS. IN PARTICULAR THEY ARE CONCERNED
ABOUT ENERGY PROBLEMS, AND ALSO IN THE EURO-ARAB DIALOGUE AND THE
MONETARY PROBLEMS OF THE OPEC SURPLUSES.

I SUGGEST THAT SINCE YOU WILL PROBABLY HAVE TO MAKE SOME SHORT
STATEMENT AT THE BEGINNING OF THE MEETING WITH THE COMMISSION YOU
CONSIDER SPEAKING ABOUT THE EXTENT OF INTEREST IN THE NORTH-SOUTH
DIALOGUE SHOWING IN THE RECENT PREPARATIONS FOR THE SUMMIT, AND
SAYING SOMETHING ABOUT THE MOVEMENT OF RESOURCES NECESSARY TO COPE
WITH THE OPEC OVERHANG. QUESTIONS BY YOU ABOUT EUROPEAN TRADE WITH
THIRD WORLD MIGHT PROVE QUITE STIMULATING.

REGARDS

WILLIAM CLARK

4/9 to Mr. Clark
Please draft
a reply
Lynn

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON

THE ADMINISTRATOR-designate

MAR 30 1977

835/2/130

Honorable Robert F. McNamara
President
International Bank for
Reconstruction and Development
Washington, D. C. 20433

Dear Mr. McNamara:

Ben Read, of the German Marshall Fund, has been in touch with us regarding the proposed commission of international "wise men" on North-South issues. We generally support the proposal.

One thought, however: It would seem that Senator Humphrey would be a far better U. S. representative than Henry Kissinger. Senator Humphrey has been more deeply involved in, and committed to, North-South matters than has Dr. Kissinger. I should think he would also be far more helpful to the commission in mobilizing public, Congressional, Executive branch, and media support for its objectives.

We look forward to being of assistance on this project.

Wish best wishes,

Sincerely,


John J. Gilligan

RECEIVED
1977 APR -4 PM 2:44
INCOMING MAIL UNIT

TO: DIRECTOR

FROM: [illegible]

SUBJECT: [illegible]

[illegible text block]

[illegible text block]

[illegible text block]

[illegible text block]

[illegible text block]

THE ADMINISTRATION

WASHINGTON
AGENCY FOR INTERNATIONAL DEVELOPMENT
DEPARTMENT OF STATE

To assist in meeting the cost of carrying out the work of the Commission as described above, the Government of [the "X" Foundation] hereby agrees to make a total contribution to the Trust Fund in the amount of (U.S.\$ equivalent), subject if necessary to the approval of the appropriate legislative or other authorities. The Government of [the "X" Foundation] and the Chairman of the Commission shall agree on the time or times at which payment shall be made. If the aggregate of amounts agreed to be contributed to the Trust Fund from all sources should exceed \$2.5 million, the maximum estimated to be required to meet all costs of the Commission, then the actual contribution of the Government of [the "X" Foundation] shall be reduced in the proportion which the amount the Government [the "X" Foundation] has agreed to contribute bears to the aggregate of amounts agreed to be contributed.

135 121-2

DRAFT
April 2, 1977

ORGANIZATIONAL AND FINANCIAL STRUCTURE OF THE BRANDT COMMISSION

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

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

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

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

The program of work of the Commission will be determined by the Chairman and members of the Commission, in consultation with the Executive Secretary. The Commission will meet at such times and places, and for such periods as the Chairman determines. The work of the Commission is expected

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

The projected staffing, administrative and operational requirements of the Commission (including compensation, travel expenses, publication and translation costs, etc.) are estimated at \$2 million - \$2.5 million. These will be met out of a Trust Fund, comprised of voluntary contributions by governments, international public and private institutions and public and private national organizations. All contributions received will be deposited in a bank account in the name of the Trust Fund, which will be established and administered by the Chairman and used only for the purposes of the Commission. Payments in cash will be made in convertible currencies. Funds not required immediately will be invested and any income from investments shall be deposited in the Trust Fund. The Chairman shall have authority to enter into commitments and to draw against the Trust Fund. The Chairman shall render an accounting of contributions to, receipts of and disbursements from the Fund to all donors at the close of the Commission's work. Any funds remaining in the Trust Fund shall be returned to donors in proportion to their contributions.

80-12104

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

INTERNATIONAL DEVELOPMENT
ASSOCIATION

INTERNATIONAL FINANCE
CORPORATION

April 1, 1977

William:

Attached is a copy of the "prospectus" on the Brandt Commission which incorporates the changes made by Mr. McNamara in the March 22 text (which you took with you from Washington) plus a new final paragraph in the nature of an undertaking to contribute to the Trust Fund. I drafted such a paragraph at Mr. McNamara's request, and I also attach the text of the paragraph as I wrote it. I do so because I do not understand what the changed version means: specifically, I do not understand the meaning of "in proportion to the payment of other contributors". The last sentence of my text, although admittedly a bit heavy, would have the consequence, in application, that if, for example, Pronk offered to put up the full amount and the Canadians did the same, the amount each actually had to contribute would be reduced by half. I do not see this result following from the revised text, but it has just come down and I have not questioned it.



Shirley

Attachments

DRAFT
April 2, 1977

ORGANIZATIONAL AND FINANCIAL STRUCTURE OF THE BRANDT COMMISSION

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

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

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

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To assist in meeting the cost of carrying out the work of the Commission as described above, the Government of _____ agrees to make a total contribution to the Trust Fund of U.S. \$ _____ equivalent. Payment of the Government's contribution shall be made, in proportion to the payment of other contributors, at such times as the Chairman of the Commission shall designate. Any funds remaining in the Trust Fund, upon completion of the work of the Commission, shall be returned to the donors in proportion to their contributions.

105/2/136
DRAFT
LPChatenay:mmh
April 6, 1977

I. BRANDT COMMISSION

1. In Manila, in October 1976, Mr. McNamara mentioned the need for a Basic Understanding. After many meetings (UN/special sessions, UNCTAD and CIEC), there is still no agreement on the level of assistance to be provided to the LDCs. The reason for the lack of agreement, said RSM, was that discussions skipped the fundamental issues and dealt with details (e.g. commodity agreements, buffer stocks, etc.).
2. The understanding -- or Global Compact -- should cover these "fundamentals": the nature and magnitude of the problem, the action required to address it, the relative responsibilities of the parties ² in such action and the costs and benefits for each of doing so. In overall terms, the Compact would make clear both the additional trade and aid support to be provided by the rich countries and the policy reforms and structural changes to be undertaken by the poor.
3. In Boston, on January 14, RSM came back to this theme and said that, "in view of the continuing impasse at official levels, the chances of reaching an understanding might be improved if a high-level, but deliberately unofficial, commission were organized to analyze the problem and to recommend action to be taken by both developed and developing nations." He suggested the chairman could be someone like Willy Brandt.
4. The response to RSM's suggestion was generally favorable (e.g. from Nyerere, Konan Bedie, Cheysson of EEC). But individuals such as Perez Guerrero and countries such as Canada with leading roles in the North/South dialogue expressed fear that the Brandt Commission might add to the difficulties of UNCTAD and CIEC. As a consequence, it has been agreed with Herr Brandt who has accepted the chairmanship that the setting up of the Commission, including the selection of its members and secretariat, shall await the conclusion of CIEC on June 1.

5. It is understood that the Commission will consist of a dozen members, persons of recognized competence and with political clout, half from the LDCs. The Secretariat would also number a dozen. The Commission would have 12 or 18 months to produce its report. Funding for the Commission is already available from sources other than the Bank (since it must be made clear that the Commission is not a Bank tool).

6. The Commission's mandate, in summary, will be to identify those issues in the North/South dialogue for which political decisions can realistically be envisaged because they would command public and legislative support in rich and poor countries alike. An independent commission, not bound by rigid governmental instructions, could show the way in certain specific areas to a breakthrough out of the current, dangerous, impasse.

II. CIEC

7. A French initiative in early 1975 for a conference of 10 members (U.S., EEC and Japan plus 7 LDCs) on Energy (later broadened to include raw materials) failed. Later, in the year, the conference was redesigned with the approval of LDCs, to include in effect the whole range of issues which make up the "New International Economic Order" as defined by the UN/Sixth and Seventh Special Sessions.

8. The Conference (official name: Conference on International Economic Cooperation or CIEC; unofficial name, the North/South dialogue) was to last one year, starting in late 1975. It brought together two groups, the G-19 (LDCs) and the G-8 (OECD members). [The membership is listed in fine.] Note that the 9 members of EEC are all represented by the EEC Commission. There are 4 commissions, each with 15 members, as follows: on Energy, Raw Materials, Development and Financial Affairs. CIEC and its commission all have two co-chairmen, one from each group. The co-chairmen of CIEC are Perez Guerrero of Venezuela and MacEachen of Canada. CIEC has no substantive secretariat. ✓

9. The first ministerial meeting of CIEC (December 16-19, 1975) endorsed the arrangements above. In January 1976, the co-chairmen of the Conference and Commissions met to decide on the Commissions' work program. The Commissions met in February, the intention being to hold four sessions before the summer to give senior officials time in the autumn to package agreements which ministers would approve in a final meeting before the end of the year.

10. In fact, none of the Commissions made any progress at all, in spite of many informal and formal attempts in smaller groups (contact groups) to hammer out compromise. The basic reason for this utter failure is the interrelation between the work of the Commissions. Progress on any item is tied to progress on most all others. Since some of the very fundamental issues (level of financial flows, indexation, guaranteed access to supplies and to markets, common fund for commodities) are far from being "ripe", it is not surprising that the net result of CIEC to-date is zero.

11. But CIEC is not yet dead. When it was clear the conference could not end without failing in 1976, it was allowed to remain in being in the hope that negotiations in other circles (e.g. UNCTAD) would allow a resumption in 1977. Despite UNCTAD's total failure on the common fund, CIEC resumes at the commission level on April 21, at the senior officials' level around May 20 and at the ministerial level on May 30-June 1. There is again no reason at all to expect any progress. Yet, nobody is willing to call it quits. It takes a very strong dose of optimism to imagine that CIEC will end on June 1 with any positive result whatever the Summit in London decides. Since it may not be allowed to die in failure, it is very conceivable that it will be continued to the end of 1977.

CIEC

First session: January 1976

Final ministerial session planned for December 15

* * * * *

Membership

G-8

Australia

Canada

EEC

Japan

Spain

Sweden

Switzerland

U.S.A.

G-19

Algeria

Argentina

Brazil

Cameroon

Egypt

India

Indonesia

Iran

Iraq

Jamaica

Mexico

Nigeria

Pakistan

Peru

Saudi Arabia

Venezuela

Yugoslavia

Zaire

Zambia

The President

April 6, 1977

His Excellency
Dr. Jan P. Pronk,
Minister for Development
Cooperation,
Lange Houtstraat 36,
The Hague,
Netherlands.

Dear Jan,

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

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

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

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

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

./.

His Excellency
Dr. Jan P. Pronk

- 2 -

April 6, 1977

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

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

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

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

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

./.

His Excellency
Dr. Jan P. Pronk

- 3 -

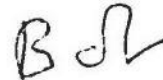
April 6, 1977

You and I would, of course, use our best endeavours to obtain contributions from several suitable sources; this should finally permit your contribution to be reduced to one half of the total.

I would be grateful for your confirmation of the financing arrangements referred to in the paragraph above.

Again let me thank you for your generous cooperation in this as in so many other efforts to improve the world development effort.

Sincerely,

A handwritten signature in dark ink, appearing to be 'BS' or 'B.S.' with a stylized flourish at the end.

Robert S. McNamara

835/2/124

TELEX
620160 OCDE PARIS

APRIL 7, 1977
2001

ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT
PARIS, FRANCE

FOR SECRETARY GENERAL VAN LENNEP AAA WILLY BRANDT WAS VERY PLEASED
TO HEAR YOU WERE INTERESTED IN TALKING WITH HIM ABOUT THE QUOTE
BRANDT COMMISSION UNQUOTE. I TOLD HIM YOU WOULD CALL TO ARRANGE
AN APPOINTMENT. I MOST ENJOYED OUR EVENING TOGETHER AND WILL LOOK
FORWARD TO SEEING YOU IN WASHINGTON LATER THIS MONTH. WITH BEST
WISHES, ROBERT S. MCNAMARA INTDAFRAD

Robert S. McNamara

Robert S. McNamara

T on call 11:00

Frank - 4/4/77 Amsterdam (Clark & Van Gorkum)

We need the "agreement" & concerned in it. He said he would have liked the "Dumaine" FI appended to include reference to furthering the VIED which I wanted.

We asked for a formal request for participation in the financing & this he would formally reply. He agreed to: a) formal SDG the cost b) serve as a guarantor of last resort ("I understand you need a guarantor & be independent") but "it shouldn't be known too much".

He understands the numbers & stuff will be split by Round 1 but "I want to be committed".

We asked for names for Staff Dir; he suggested Hong but said he would need to be joined with an OECD person.

As further financing:

Frank will contact:

Longways (Van Gorkum said "I have them")

UK (Jachth)

Sweden

Belgium

Austria

West will contact:

Canada

EEC

UK (Jachth)

German - Marshall Fund

FRG

Kanada

IBRD

Frank will persuade Van Zennep to support the loan [I did at dinner 4/5]

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

ROUTING SLIP

Date Apr. 7

TO -	Name	Room No.
1	Mr. Clark	
2		
3		
4		

FOR -

	Action		Initialing
	Approval		Preparing Reply
	Comment		Previous Papers
	Filing		Noting and Returning
	Full Report		Recommendation
	Information		Signature

REMARKS

According to your instructions, one copy each of the attached paper has been sent to Messrs. Bahr and Moltrecht. The attached copies are for your files.

FROM • Mitzi

Memorandum of conversation between Herr Brandt
and Mr. McNamara. Bonn. April 6.

1. There was a general discussion of the names of possible Commissioners, though Herr Brandt made it clear that he had invited no-one so far, and would not invite anyone till the pattern of likely acceptances was clear. It was agreed that political and geographic balance was essential.
2. Mr. McNamara reported on finance. He said that in a short time he hoped he would get guarantees of the whole amount likely to be necessary. There would remain the task of obtaining subscriptions from a wide selection of donors.
3. Herr Brandt reported that he was taking steps to find a suitable Executive Secretary General, but had not yet succeeded. Mr. McNamara promised to do some further investigation of possible candidates for the top two posts in the Secretariat.
4. As to timing it was agreed that the best moment to announce the Commission would be early June after the CIEC meeting.

William D. Clark
April 7, 1977

Class of Service: TELEXDate: APRIL 7, 1977

Telex No.:

Originators Ext: 2001

12

10

0 START
HERE

1 TO

INTERNATIONAL DEVELOPMENT RESEARCH CENTER

CITY/
COUNTRY

OTTAWA, CANADA

MESSAGE
NO.:

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

21 END
OF
TEXT

/c

NOT TO BE TRANSMITTED

SUBJECT:

DRAFTED BY:

ROBERT S. McNAMARA:bmm

CLEARANCES AND COPY DISTRIBUTION:

AUTHORIZED BY (Name and Signature):

ROBERT S. McNAMARA

DEPARTMENT:

PRESIDENT

SECTION BELOW FOR USE OF CABLE SECTION

CHECKED FOR DISPATCH

Class of Service: TELEXDate: APRIL 7, 1977Page 2

Telex No.: _____

Originators Ext: 2001

12

10

0 START
HERE1 TO
CITY/
COUNTRY
MESSAGE
NO.:

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

21 END
OF
TEXT
22

SUBJECT:

NOT TO BE TRANSMITTED

DRAFTED BY:

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AUTHORIZED BY (Name and Signature):

DEPARTMENT:

SECTION BELOW FOR USE OF CABLE SECTION

CHECKED FOR DISPATCH

WORLD BANK OUTGOING MESSAGE FORM (Telegram, Cable, Telex)
IMPORTANT (PLEASE READ INSTRUCTIONS BELOW BEFORE TYPING FORM.)Class of Service: TELEXDate APRIL 7, 1977

Telex No: _____

Originators Ext: 2001

12

10

0 START
HERE1 TO
CITY/
COUNTRY
MESSAGE
NO.:

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

21 END
OF
TEXT
22

SUBJECT:

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DRAFTED BY:

AUTHORIZED BY (Name and Signature):

DEPARTMENT:

SECTION BELOW FOR USE OF CABLE SECTION

CHECKED FOR DISPATCH

ARRIBA- 7.4.1977



BRANDT CON McNAMARA

El jefe del Partido Socialdemócrata Alemán, Willy Brandt, que aparece acompañado de Robert McNamara, ha hecho unas manifestaciones, en las que dejó claro que la SPD alemana no formaría nunca una coalición con los partidos comunistas, en el Parlamento europeo.
(Cifra Gráfica)

835/2/113

DECLASSIFIED

MAY 22 2013

WBG ARCHIVES

Confidential Notes on Brandt/McNamara Conversation

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

WDCIark:sf

835/2/198

OFFICE MEMORANDUM

TO: Mr. William Clark

DECLASSIFIED

DATE: April 12, 1977

FROM: Julian Grenfell

MAY 22 2013

CONFIDENTIALSUBJECT: The Brandt Commission: an Arab view

WBG ARCHIVES

I lunched yesterday with Kuwait's Permanent Representative to the UN, Ambassador Abdullah Bishara. In the course of our conversation he raised the following matters relating to the Brandt Commission:

- i) he felt that the publication of the Commission's report would inevitably trigger off a Group of 77 demand for a Special Session of the General Assembly; he based this prediction on the assumption that if the report's recommendations proposed new measures to be taken by the industrialized countries (both free market economy and socialist) - which it presumably would on a number of issues - the "77" would want to get the "force" of General Assembly backing behind the recommendations. I pointed out that there would most likely be recommendations addressed to the developing countries as well, to which he responded that that would be an added reason in the 77's view for a Special Session since they might want a forum in which to contest them.
- ii) his country "and others like ours" would see any Commission recommendation for a cancellation or moratorium on debt as "highly undesirable". It was, he said, one thing for the industrialized creditors to consider such arrangements because "they could survive it". But the oil-exporting countries who are lending medium- and long-term to the Africans and others are relying on the repayments to assist in building up reserves in the future when oil revenues decline as reserves are depleted and then exhausted. While Kuwait would be one of the last to feel that strain (and Algeria probably the first) he felt that the Mideast OPEC countries who are investing in developing countries felt a certain solidarity on this issue.
- iii) he hoped there would be a good Arab (preferably from an OPEC country) on the Commission but added that "the best are in government service, the rest you would not want to consider". He will try to suggest some names, however.
- iv) on the question of picking Third Worlders in general for the Commission, he wondered whether Brandt might not find himself limited to academics or to those retired statesmen who are still in the good books of their countries' current administrations. Picking "active opposition" luminaries is possible in the industrialized countries of the West but would be virtually excluded in most developing countries because of the

April 12, 1977

danger of arousing governments' animosity against the Commission. "It would seem, therefore, unfortunately, that the Commissioners from the industrialized world would constitute a much more impressive and weighty group than their LDC counterparts, and that political balance within the industrialized membership would therefore be critical."

- v. would Mr. McNamara consider another visit to New York for a working lunch with a group of Ambassadors from both LDC and developed countries, hosted by himself, sometime later this year? "His views on what we might do about a third development decade strategy would be most useful to us."

cc: Mrs. Boskey
Mr. Burney
Mr. Chatenay

JG:sb

OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: April 15, 1977

FROM: William Clark

SUBJECT: Potential Subscribers to the Brandt Commission

1. Guarantor of last resort - Netherlands.

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

2. Norway. To be approached by Pronk.

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

3. U.K. Judith Hart to be approached by Pronk and R. McNamara (April 19).

Suggested sum \$250,000 or £150,000.

4. Swedes. Approach by Pronk.

5. Belgium. Approach by Pronk. (R. McNamara or WDC might speak to de Groote).
6. Austria. Approach by Pronk. (Brandt has mentioned this to Kreiske).
7. Canada. (I.D.R.C.) Approach made to Hopper by R. McNamara. Reply expected April 15, or early May. Sum expected \$500,000 of which \$100,000 is already provisionally available.
8. E.E.C. Discussed informally by R. McNamara at Brussels with Haferkamp etc. on April 4. Further approach should be made by R. McNamara to Cheysson at time of Development Committee meeting. Sum suggested: 500,000 U.A. (or roughly same sum as IBRD would appropriate).

9. Germany.

Approach by R. McNamara.

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

10. Kuwait.

Approach by R. McNamara

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

11. German Marshall Fund.

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

OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: April 18, 1977

FROM: William Clark

SUBJECT: Payments towards Brandt

As soon as we hear from Pronk we should consider actually setting up the Trust Fund, though it will presumably not open its doors till Brandt establishes the Commission. I would hope this would be planned in advance for the first week of June. The location of the Fund should be either Bonn, or the site of the Secretariat.

As we begin to solicit funds we should consider how we deal with Governments not on our list, e.g. France, the U.S., or even other OPEC countries. Should we not unofficially let them know that the lists are open if they wish to subscribe? Could this be done discreetly at Development Committee time? By you, or by others who are subscribing?

WDClark:sf

835/2/195

OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: April 20, 1977

FROM: William Clark *WCL*

SUBJECT: Membership of the Brandt Commission

I have some anxieties about the way the membership of the Commission is shaping up:

a. The North is almost too distinguished politically, too last generation and out of office, too weak in development expertise. It is in danger of being too radical for the U.S. etc., too old fashioned for the new protagonists of development (e.g. Judith and Jan).

b. The South is too weak to give the organised Third World the feeling that it is fielding its best team. This could give the Southern militants the chance to denounce the Commission ab initio which would greatly weaken its final impact.

c. The only real development expert is Arthur Lewis and he lacks new ideas and flexibility. There is a real danger of the whole Commission being labelled "Yesterday's Men".

2. How do we remedy this? Let me be clear it is not by putting in young militants from Third World Forum, nor devotees of the N.I.E.O. But we do need to keep the moderates (from Pronk to Botero) on our side, and this means showing open mindedness to the Third World's case for its strategies.

3. In terms of Commissioners I feel we should try to get Maurice Strong on board. He is innovative, has a very good reputation with the organised Third World, but is clearly open-minded.

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

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

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

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

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

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

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

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

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

WDClark:sf

835/2/114

OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara
FROM: H. B. Chenery and E. Stern *HS*
SUBJECT: Richard Cooper's Views on the North-South Agenda

DATE: April 18, 1977

We lunched with Cooper on April 12 and covered the major items on the North-South agenda. The following are the highlights:

1. The Common Fund. Cooper thinks that the U.S. made a constructive proposal in Geneva to consider the Common Fund, but that the outcome was confused by internal dissension in the European community and among the developing countries. He expects a more positive outcome in the next round. The U.S. is prepared to accept that a fund might be useful at some stage and is prepared to state this. However, the place to start is with individual commodity agreements.
2. CIEC. The OECD members and the U.S. would like to end the CIEC with agreement that it had been successful. There is no desire to continue it. Cooper thinks that enough has been done to warrant such a conclusion, although many issues remain to be discussed in follow-up forums. However, it would be easy for the developing countries to end on a note of confrontation, if they so wished.
3. Debt. We discussed the general situation at some length, including elements of the Bank study, which we promised to give him whenever you release it. The U.S. supports the expansion of the IMF as the main means of dealing with current debt problems, but would probably advocate some form of safety net if a sufficient expansion were not achieved.
4. The Development Committee. Cooper thought the Development Committee, about which he knows little, could be a forum for pursuing some of the CIEC issues. Trade obviously will continue to be handled by UNCTAD, and this leaves, essentially, debt management, ODA flows and technology. Cooper asked where the Bank paper on the International Resources Bank proposal stood. Stern gave some of the elements of our current thinking on the financing of minerals, including fuels, and indicated that we hoped to have a draft to show the U.S. by the end of the month. We thought it preferable to have a political view (at the summit or in the preparatory committees) of the desirability of moving into the minerals area before

April 18, 1977

putting a paper to the Board or the Development Committee. It would be ready for Development Committee discussion in September.

- 5. The Brandt Commission. Cooper asked about the status of the Commission and expressed doubts he had heard about its origins and the fact that the present administration had not been consulted. We corrected the record to the extent possible.

cc: Mr. William Clark ✓

HBChenery:EStern:di

835/2/113

APR 20 1977

Dear Mr. Gilligan:

Thank you very much for your letter about the international commission on North-South issues. I am very glad to hear that you support the proposal.

I am interested in your feeling that Senator Humphrey would be a far better U.S. representative than Henry Kissinger. I have had some conversations with Willy Brandt since he accepted the Chairmanship of the commission, and I do not believe he has made up his mind as to whom he is going to ask to be Commissioners, since the establishment of the commission is dependent upon the outcome of the CIEC talks. However, I am very anxious that Mr. Brandt should be free to appoint the Commissioners whom he chooses, but equally that he should seek advice as to who will best serve his purpose. I am sure that he will be interested in your view.

I am sure the A.I.D. can be of great assistance to the Brandt Commission, and I hope that you yourself will have a chance to meet Willy Brandt in the not too distant future.

With best wishes,

Sincerely,



Robert S. McNamara

Mr. John J. Gilligan
The Administrator-designate
Agency for International Development
Washington D.C. 20520
WDClark:sf



D r a f t

TERMS OF REFERENCE
for the "Brandt Commission"

The Commission's main objective will be to identify politically feasible areas of action which can command public and legislative support in rich and poor countries alike. Such actions should in a mid-term perspective of 5 to 10 years hasten (speed up) the development process in the Third World and thus contribute effectively towards the common goal of more human dignity for the absolute poor and more equality among nations.

To this end the Commission will need to examine

- the present state of economic relations between the industrialised and the developing countries -
- the international discussions, resolutions and negotiations on this subject, it being understood that the Commission will not interfere with current government activities and responsibilities.

The Commission will endeavour to make suggestions as to

- the policy, aid and trade support that the industrialised countries should supply -
- the policy and structural changes that the developing countries need to undertake to make additional assistance contribute fully to development
- how to apply these mutually supporting efforts effectively to meeting the basic human needs of every citizen in the world community.

The report of the Commission should (hopefully) be completed in about 15 months from its first meeting and should solicit the active interest of the widest possible audience. Thus, the report should seek to produce sufficient drive so as to create the political will and commitment on all sides in order to initiate a speedier development in the foreseeable future. It would be open to international bodies to put the report on their agenda for intensified action.

835/2 1911

The Hague, 22nd April 1977

Dear Mr Brandt,

It was a great pleasure for me to meet you last Sunday in Amsterdam and to discuss with you some important matters regarding the "Brandt Commission". This letter serves to confirm some of the points we discussed.

I stressed and would wish to stress again the vital importance of gaining the full and enthusiastic support for the Brandt Commission of the Third World and its principal leaders. In order to receive that support I feel that the terms of reference of the Commission should reflect and refer to the resolutions of the 6th and 7th Special Session of the General Assembly of the United Nations, containing some of the basic aspirations and principles of worldwide economic co-operation for development, which the developing countries consider as points of departure for any future negotiations and action. I also underline the importance of early and full consultations with the main leaders of the Third World both on the terms of reference and on the composition of the Commission.

I was very much interested in what you told me about the possibilities for getting the Eastern European countries, one way or the other, involved in the activities of the Commission, e.g. through its secretariat. I fully agree with you on that point.

- 2 -

Mr W. Brandt
Chairman of the Social-Democratic
Party of Germany (SPD)

53 BONN
Ullenhauerstr. 1

You informed me that Sir Kenneth Darrill would not be available for the Secretariat and we agreed that we would both look for other suitable names. I mentioned to you the Pakistani Liaqat Khan of the World Bank as an excellent choice. We agreed that we would both shortly approach governments and leaders in the Third World and the Western World in order to gain their full support for your Commission. I gave some examples of the still existing doubts and suspicions in the Third World and we agreed that these must be overcome.

We agreed that invitations to join the Commission should be sent out in June so that the Commission could meet in September. I was happy to hear from you that Henry Kissinger, in all probability, is willing to accept membership and that Secretary Vance was fully agreeable thereto.

We finally agreed that we would keep in close touch and keep each other informed, on a personal basis as well as through our collaborators.

Yours Sincerely,

Jan P. Pronk

835/2/110



MINISTERIE VAN BUITENLANDSE ZAKEN
DE MINISTER VOOR ONTWIKKELINGSSAMENWERKING

The Hague, 22nd April 1977

Dear Bob,

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

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

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

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

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

- 2 -

Mr McNamara
President of the World Bank
1818 High Street, N.W.
WASHINGTON, D.C. 20433

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

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

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

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

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

We did not discuss at length or in detail the persons to be invited as members of the Commission. I was, however, delighted to learn that Henry Kissinger, in all probability, accepts membership.

I suggested to Willie Brandt, that he may consider as members of the Commission the former Japanese Foreign Minister Miyazawa and the former Minister of Finance of India, Subramaniam.

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

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

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

With warm regards,

Jan P. Pronk

834/3/111

The World Bank / European Office: 66, avenue d'Iéna, 75116 Paris—France • Telephone—723.54.21 • Cable Address—INTBAFRAD PARIS

The President

Apr 26th, 1977

His Excellency
Dr. Jan P. Pronk,
Minister for Development
Cooperation,
Lange Houtstraat 36,
The Hague,
Netherlands.

Dear Jan,

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

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

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

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

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

./.

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

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

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

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

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

./.

His Excellency
Dr. Jan P. Pronk

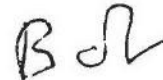
- 3 -

You and I would, of course, use our best endeavours to obtain contributions from several suitable sources; this should finally permit your contribution to be reduced to one half of the total.

I would be grateful for your confirmation of the financing arrangements referred to in the paragraph above.

Again let me thank you for your generous cooperation in this as in so many other efforts to improve the world development effort.

Sincerely,

A handwritten signature in dark ink, appearing to be 'B S' followed by a stylized flourish.

Robert S. McNamara

835/2/109


April 26, 1977

To: Mr. William Clark

Re: Brandt

1. I feel like putting down on paper some thoughts, after rereading the Pronk letter to Brandt of April 22.
2. First, on the issue that the LDCs will not consider any future negotiations or action which do not take the UN resolutions as "points of departure". Unless this is a clause de style, I believe it will set off the whole Brandt exercise on the sloppiest possible wicket. The UN resolutions are a "shopping list" containing every LDC request which they could think of, doctored to attract as many votes as possible and, especially all the LDC votes. That is why, for example, you find landlocked and island countries bunched together with the least developed -- an idiotic foundation on which to launch Brandt in search of recommendations which will find "broad political support". This example is admittedly extreme but shows that the UN resolutions cannot be taken as points of departure without interpretation and a large dose of salts. It would be my recommendation that McNamara should make it clear to Brandt and Pronk -- if he has not done so yet -- that the whole idea was to get away from rigid pronouncements and that the UN resolutions -- which should not be ignored of course -- cannot be more than "reference points", not "point of departure", if the Commission is to be guided first and foremost by realism.
3. The UN resolutions are not, under any interpretation, balanced and realistic statements on future development policies. They are one-sided documents with few concessions, if any, to the preoccupations -- some entirely valid on economic and political terms -- of the OECD side. One finds (resolution 3361 - S-VII, Chapter IV, para. 1) endorsement of the Lima Declaration and Plan of Action for Industrial Development Cooperation which calls for the share of LDCs in industrial production by the year 2000 to be "at least 25% of total world production". Does Brandt want to start from this kind of non-sense?
4. This letter frightens me. The Brandt Commission was not meant to deal with the year 2000 -- when all bad guys will be dead -- but to attack the immediate political weaknesses which block movement. Therefore it must look at the world as it is today -- meaning a situation in which the North still holds most of the economic keys and will not buy solutions in 1978 or 1979 which do not fully take into account its "best", i.e. realistic-over-time, interests. Taking these UN resolutions as points of departure will be like waving red flags in front of a bull. I think a real faux pas like that, at the starting gate, will botch McNamara's initiative so quickly that all efforts should be made now to clear up this matter. If Pronk really means that the UN resolutions will be Brandt's Bible, someone better get Reform^x up on their door now.

x Do I mean "Reformation"?


L. Peter Chatenay

? copy to Pronk? 834/3/109
ms

April 29, 1977

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

Dear Herr Brandt:

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

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

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

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

With best wishes.

Sincerely,

A handwritten signature in cursive script, reading "Bob McNamara", followed by a horizontal line.

Robert S. McNamara

Enclosure

WDClark:RMcN:mss

OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: May 2, 1977

FROM: William Clark *WCL*

SUBJECT: Brandt activities in May

To discuss

1. Finance. Decide on location of Fund. Either in Bonn or where Secretariat is located. Establish it formally and inform potential subscribers (which serves also as a reminder). If required I could arrange this when I meet Pronk/Brandt about May 20, or it could be done in a formal response to Pronk's letter.
2. Executive Secretary. As soon as a decision is made on this very urgent matter we will need to meet him and discuss other members of the Secretariat. A visit to the Bank by the Executive Secretary would be highly desirable as soon as possible after appointment.
3. Commissioners. I would hope to talk with Brandt/Pronk about this, but rather especially establish a relationship with Fritz Fisher so that we can exchange views unofficially as the process of building and balancing the Commission takes place in the next six weeks.
4. The Announcement. The formal inception by Brandt of the Commission ought to take place very shortly after the end of the CIEC meeting on June 1 (a Wednesday). You are due in Bellagio I think on Tuesday, June 7. We might need a meeting between you and Brandt on Monday, June 6 or possibly Friday, June 10.

The Announcement ought to take into account the terms on which CIEC ended. It is possible that I should be in Paris for the final CIEC meeting .

WDCClark:sf

83512/106

Agenda for Meeting on Brandt Commission.

1. The Executive Secretary
2. Secretariat and location.
3. Commissioners.
4. Announcement.

1. Executive Secretary.

The preferred choices are:

Sir Kenneth Berrill	U.K.
Andrew Shonfield	U.K.
Ray Vernon	U.S.

Fallback choices.

G.K. Helleiner	Canadian
Isaiah Frank	U.S.
Richard Jolly	U.K.
Les Gordon	U.S.
Robert Cassen	U.K.

Third World possible deputies.

Lal Jayawardene	Sri Lanka
Rodrigo Botero	Colombia
Allison Ayida	Nigeria
Alister McIntyre	Trinidad

Other names mentioned:

Al Fishlow	U.S.
Maury Williams	U.S.
Paul Marc Henri	France
Just Faldan	Norwegian
Horst Schulman	German (former IBRD)
Dieter Hartwich	German (former IBRD)
Asser Lindback	Swedish

2. Secretariat and Location.

Most of the names on the lists for Executive Secretary should at least be considered for the Secretariat, particularly ones such as Robert Cassen who are excellent scholars without being good administrators.

Further names to put before the Executive Secretary when appointed:

Ferdinand van Dam	(Dutch)
Wolfgang Hagen	(German)
Gebhard Schweigler	(German)
Herman Hatzfield	(German)
David Morawetz	(Australian)
Sarwar Lateef	(Indian - IBRD)
T.N. Srinivasan	(Indian - IBRD)
Michael Faber	(U.K.)
Arthur Hazlewood	(U.K.)
John Wright	(U.K.)
John White	(U.K.)
Goran Ohlin	(Swedish - Pearson)
Carlos Diaz	(Cuban/U. S. - Pearson)
Philip Ndegwa	(Kenya)

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

Location. Brandt has a strong preference for Europe, but is indifferent between Geneva and London.

I think in any case we need to create a technical link between the Secretariat and IBRD/IMF information core. How should this be done?

3. Commissioners.

Attached are the lists of possibles for Commissioners.
To this has been added by Pronk:

Miyazawa of Japan
Subramaniam of India

I suggest the problems for discussion are partly those
in my memo of April 20, attached, and more specifically:

(i) How to strengthen the development expertise amongst
the Commissioners. e.g. if Arthur Lewis were unavailable
who could replace him.

(ii) How to strengthen the Third World team; especially
Africa (possibles: Bob Gardiner; Moy Kibaki; Yao Adu;
Bernard Chidzero ; Kenneth Dadzie)

(iii) If Kissinger is not available which American? Ditto
in U.K. if Heath not available. Should there be a Frenchman?

COMMISSIONER CANDIDATES -- DEVELOPED COUNTRIES

Australia

Sir John Crawford

Belgium

Jean Rey

Canada

Mitchell Sharp
Maurice Strong
John N. Turner

Denmark

Poul Nyboe Andersen
Kresten Helveg Petersen

France

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

Italy

Giovanni Agnelli
Guido Carli

Japan

Sauburo Okita
Yusuke Kashiwagi
Kiichi Miyazawa

Netherlands

Jan Tinbergen
Jelle Zijlstra
Edmund Wellenstein
Sicco Leendert Mansholt

Sweden

Olof Palme

United Kingdom

Edward Heath
Harold Wilson
Barbara Ward
Edward Boyle
Jeremy Morse
Lord Kaldor

United States

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

COMMISSIONER CANDIDATES -- DEVELOPING COUNTRIES

Argentina

Raoul Prebisch

Kuwait

Abdlatif Y. Al-Hamad

Brazil

Roberto Campos

Mexico

Ernesto Fernandez Hurtado
Victor Urquidi

Caribbean

Sir Arthur Lewis

Tanzania

Amir H. Jamal

Chile

President A. Frei

Thailand

Puey Ungphakorn

Colombia

Rodrigo Botero Montoya
Carlos Lleras Restrepo

Uruguay

Enrique Iglesias

Ghana

Alex Kwapong

Venezuela

Antonio Mayobre

Guyana

Sir Shridath S. Ramphal

Yugoslavia

Janko Smole

India

L. K. Jha
B.K. Nehru
C. Subramaniam

Indonesia

Soedjatmoko

Ivory Coast

Mohamed Diawara

OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: April 20, 1977

FROM: William Clark *WCL*

SUBJECT: Membership of the Brandt Commission

I have some anxieties about the way the membership of the Commission is shaping up:

a. The North is almost too distinguished politically, too last generation and out of office, too weak in development expertise. It is in danger of being too radical for the U.S. etc., too old fashioned for the new protagonists of development (e.g. Judith and Jan).

b. The South is too weak to give the organised Third World the feeling that it is fielding its best team. This could give the Southern militants the chance to denounce the Commission ab initio which would greatly weaken its final impact.

c. The only real development expert is Arthur Lewis and he lacks new ideas and flexibility. There is a real danger of the whole Commission being labelled "Yesterday's Men".

2. How do we remedy this? Let me be clear it is not by putting in young militants from Third World Forum, nor devotees of the N.I.E.O. But we do need to keep the moderates (from Pronk to Botero) on our side, and this means showing open mindedness to the Third World's case for its strategies.

3. In terms of Commissioners I feel we should try to get Maurice Strong on board. He is innovative, has a very good reputation with the organised Third World, but is clearly open-minded.

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

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

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

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

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

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

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

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

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

WDClark:sf

DRAFT ANNOUNCEMENT

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

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

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

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

DECLASSIFIED

MAY 22 2013

WBG ARCHIVES

Mr. William Clark

May 5, 1977

Odd Myhrer

CONFIDENTIAL

Just Faaland, Research Director, Christian Michelsen Institute

At your request, I have prepared the following information on Mr. Faaland. In so doing I have had to rely on memory only. Therefore, there may be inaccuracies of fact, but they would not be significant. By contrast, there are certainly important omissions.

Just Faaland is a Norwegian citizen, 56 years old. He has been Director of Social/Economic Studies at the Christian Michelsen Institute (CMI) in Bergen, Norway since 1953. Actuarial by formal education, he has always practiced economics, of the international kind. Before joining the CMI, Faaland worked in the OEEC Secretariat where he soon was promoted to Head of the Country Studies Division. At the CMI, he enjoys a large measure of freedom to take on assignments within his area of interest which, to begin with, was focused on economic integration in Western Europe and, since the late 1950s, has been concentrated on development economics. He was a member of the Harvard Advisory Group in Pakistan 1957-59. Some 10 years later, he spent two years in Malaysia heading a Harvard Group there. In the early 1970s, he served as IBRD resident representative in Bangladesh. He directed the ILO Employment Mission to Sudan, and has provided leadership to a number of studies on development problems in various LDCs, including Pakistan and Kenya. He is also keeping close contact with staff members of his institute during their field assignments -- which has widened his personal knowledge of development problems to many LDCs in several geographical zones.

His research staff currently totals some 20 professionals, mostly economists but also people from other social sciences. Typically, staff is recruited for five-year periods of which half is expected to serve in the field and the other half on research at the Institute.

Mr. Faaland was a candidate for the directorship of the OECD Development Center five years ago (when Paul-Marc Henri was chosen) and is also presented as a candidate at this time. I understand that his candidacy no longer is actively considered (the choice being narrowed to the Canadian and the French candidates). I have personally worked for Just Faaland -- before joining the Bank -- and know him as a most pleasant person and a highly stimulating supervisor.

OMyhrer:mmh

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COMMUNICATIONS
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WILLIAM CLARKE 477-2466

WORLD BANK

1818 H STREE NW WASHINGTON DC

BT

PENDING FURTHER DISCUSSIONS FOR FULL CLARIFICATION ANY
RELEASE REGARDING THE BRANDT COMMISSION SHOULD NOT/NOT
MENTION W. DAVID HOPPER OR THE INTERNATIONAL DEVELOPMENT
RESEARCH CENTRE. AN APPOINTMENT HAS BEEN REQUESTED
WITH MR. MCNAMARA SOME TIME BETWEEN JUNE TEN TO
THIRTEEN

HOPPER RECENTRE OTTAWA.

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J77 MAY -6 PM 1:3

FOR MISS SUSAN FRAMPTON -VPE

MR LAL JAYAWARDEN HAS SEEN SIR KENNETH BERRILL AND WILL PHONE

MR W CLARK COLLECT AT HIS HOME TOMORROW. PLEASE ADVISE HIM.

REGARDS JANET CORDERY

919462 WORBNK G

*RT chub.
I shall be away.
Is there anything you
can do*

5/12/77

835/2/102

1. Executive Secretary.

The preferred choices are:

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

Fallback choices.

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

Third World possible deputies.

Lal Jayawardene	Sri Lanka
Rodrigo Botero	Colombia

2. Secretariat and Location

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

Further names to put before the Executive Secretary when appointed:

Robert Cassen	(U.K.)
Ferdinand van Dam	(Dutch)
David Morawetz	(Australian)
T.N. Srinivasan	(Indian - IBRD)
Michael Faber	(U.K.)
Arthur Hazlewood	(U.K.)
Goran Ohlin	(Swedish - Pearson)
Carlos Diaz	(Cuban/U.S. - Pearson)
Just Faldan	(Norwegian)
D.C. Rao	(Indian - IBRD)
Shankar Acharya	(Indian - IBRD)

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

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

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

3. Commissioners

Attached are the lists of possibles for Commissioners.

The problems for discussion are:

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

COMMISSIONER CANDIDATES -- DEVELOPED COUNTRIES

Australia

Sir John Crawford

Belgium

Jean Rey

Canada

Mitchell Sharp
Maurice Strong
John N. Turner

Denmark

Poul Nyboe Andersen
Kresten Helveg Petersen

France

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

Italy

Giovanni Agnelli
Guido Carli

Japan

Sauburo Okita
Yusuke Kashiwagi
Kiichi Miyazawa

Netherlands

Jelle Sijlstra
Edmund Wellenstein

Sweden

Olof Palme

United Kingdom

Edward Heath
Harold Wilson
Barbara Ward
Edward Boyle

United States

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

COMMISSIONER CANDIDATES -- DEVELOPING COUNTRIES

Brazil

Roberto Campos
Delfim Netto

Caribbean

Sir Arthur Lewis

Chile

President A. Frei

Colombia

Rodrigo Botero Montoya
Carlos Lleras Restrepo

Ghana

Alex Kwabong

Guyana

Sir Shridath S. Ramphal

India

L.K. Jha
C. Subramaniam

Indonesia

Soedjatmoko

Ivory Coast

Mohamed Diawara

Kenya

Moy Kibaki

Kuwait

Abdlatif Y. Al-Hamad

Mexico

Ernesto Fernandez Hurtado
Victor Urquidí

Nigeria

Allison Ayida

Tanzania

Amir H. Jamal

Thailand

Puey Ungphakorn

Uruguay

Enrique Iglesias

Venezuela

Antonio Mayobre

Yugoslavia

Janko Smole

835/2/101

DRAFT ANNOUNCEMENT

Herr Willy Brandt has accepted the Chairmanship of an International Commission on Development. [In the light of the outcome of the recent North/South dialogue in Paris, he is now proceeding to establish this Commission and build upon the results of the discussions/.

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

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

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

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

The program of work of the Commission will be determined by the Chairman and members of the Commission, in consultation with the

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

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

7.5/7/100

S.s. Stoltenberg	Minister Bouteflika (Algeria)
Minister Ullsten	Minister Perez Guerrero
Minister Østergaard	Ministers van Buza van
Minister van Buza Finland	Mexico, India en Pakistan,
S.s. Veselski	Sri Lanka en Canada
Minister Van Elslande	
Minister Judith Hart	
President Nyerere	
President Kaunda	

Policy Planning Section
Brandt Commission

23 mei 1977

DGIS-SA

Dear

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

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

The Brandt Commission should be established after the conclusion of the Paris Conference on International Economic Cooperation (CIEC) and is expected to complete its work within 12 to 18 months.

It is the opinion of the Netherlands Government that in order to succeed in the arduous task of reshaping the international order, there should be agreement on the substance of a New International Economic Order and the firm political will on both sides to implement the necessary policies in our common interest.

I am convinced that the proposed Brandt Commission can play a very important role in fostering the political will to implement the necessary policies already agreed upon in principle in the UN, UNCTAD, CIEC and elsewhere as well as those to be agreed upon. The political stature and the balanced composition of the Brandt Commission as envisaged could have a decisive impact on political leaders and public opinion in particular in those countries that uptill now are more or less hesitant to recognize the common interests of both developed and developing countries in accelerating the social and economic progress of the Third World. Not replacing existing institutions and fora, but indeed by feeding and fostering the ongoing process of negotiations, the Brandt Commission could contribute to the establishment of more just and equitable relations between rich and poor countries.

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

J. P. Frank

THE MINISTER FOR DEVELOPMENT COOPERATION

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24 MAY 1977
425

Distribution

Mr. McNamara
~~Mrs. Boskey~~

FOR MR ROBERT S MCNAMARA

RE: HAGUE MEETING

MEETING IN THE HAGUE WITH VAN GORKOM AND FRITZ FISCHER.
PRONK MOSTLY ABSENT OWING TO HOSTAGE CRISIS.

EXECUTIVE SECRETARY. OVER WEEKEND CALLAGHAN FINALLY REFUSED
PERMISSION FOR BERRILL. (THIS IS ALL PART OF THE CURRENT
ROW ABOUT JAY'S APPOINTMENT AND BERRILL'S ADVERSE REPORT ABOUT TO
BE PUBLISHED ON FOREIGN SERVICE.) AT SAME TIME ENQUIRIES BY
BRANDT AND SELF REVEAL THAT SHONFIELD CANNOT BE RELIEVED BY
UNIVERSITY OF EUROPE WHERE HE IS TO FOUND A CHAIR IN DEVELOPMENT
ECONOMICS THIS FALL.

SO BACK TO THE DRAWING BOARD. BRANDT NOW PLANS TO APPROACH
ARTHUR LEWIS ASKING HIM TO UNDERTAKE THE INTELLECTUAL ORGANIZATION
OF THE SECRETARIAT AND THE REPORT, HE WOULD ALSO BE A MEMBER OF
THE COMMISSION PROPER IF HE SO WISHED.

I EXPECT BRANDT WILL TELEGRAPH LEWIS THIS WEEK. PROBABLY
FISCHER WILL COME TO US, AND IF LEWIS IS UNAVAILABLE HE WOULD
CHECK WITH BANK AND PROCEED TO APPROACH FISHLAW ETC WITH OUR HELP.

125/177
THERE IS A REAL SENSE OF URGENCY NOW AND I SHALL KEEP IN
CONSTANT TOUCH BY TELEPHONE WITH BONN, HAGUE AND OF COURSE HQ.

ANNOUNCEMENT. IT IS STILL PLANNED TO MAKE THIS IN EARLY
JUNE. BRANDT HAS FULLY ACCEPTED THE DRAFT I BROUGHT OVER WITH
ME, AND PRONK AGREES TO THIS.

FINANCE. PRONK'S FORMAL LETTERS OF APPEAL (WHICH HE
SHOWED ME AND WE EDITED SLIGHTLY) GO OUT TODAY TUESDAY. ARRANGEMENTS
ARE BEING MADE TO OPEN AN ACCOUNT IN BONN, AND AT THE LOCATION
OF THE SECRETARIAT.

ON THIS MATTER I HAD A LONG PRIVATE TALK WITH FISCHER AND
BELIEVE HE APPRECIATES THE ADVANTAGES OF A WASHINGTON LOCATION.
I WILL FOLLOW UP ON THIS WHEN I KNOW HE IS COMING TO WASHINGTON.

COMMISSIONERS. BRANDT IS SOUNDING OUT BY PHONE AND LETTER
SO THAT THERE ARE NO UNEXPECTED REFUSALS. HE IS EXTREMELY
CONSCIOUS OF BALANCE AND TENDS TO WANT TO EXPAND NUMBERS: BUT I
WARNED AGAINST THIS. HE IS STILL LOOKING FOR A FRENCHMAN (MENDES
FRANCE STILL CONSIDERED: I SUGGESTED THEY TALK TO CHEYSSON ABOUT
YOUNGER POSSIBILITIES) AND MAY DROP PALME FOR BALANCE. HE HAS
REVERTED TO THE TRADE UNIONIST MORRIS FOR CANADA, AND SAYS THAT HE
IS A POSSIBLE NEW LEFT OF CENTRE LEADER IN CANADA.

BRANDT WILL SOUND OUT AMIR JAMAL WHILE HE IS AT TANZANIAN
CONSULTATIVE GROUP IN PARIS THIS WEEK. HE ALSO HOPES TO SEE
COMMONWEALTH SECRETARY RAMPHAL SOON.

HE WILL ALSO CONSULT RATHER FORMALLY WITH GAMINI, P.S.

VAN LENNEP ETC IN NEXT FEW WEEKS CHIEFLY TO ENSURE THE ANNOUNCEMENT COMES AS NO SURPRISE AND IS WELCOMED.

FINALLY I MUST ADD THAT THE DUTCH TOLD ME OF A CONVERSATION THEY HAD WITH P.S. RECENTLY WHO SAID HIS CONVERSATIONS WITH ME AT BELLAGIO HAD 'TOTALLY REASSURED HIM'. (ONCE MORE.)

THEY ALSO EXPRESSED DISBELIEF THAT CISC WOULD CONTINUE AFTER JUNE FIRST.

P.S. AFTER OUR CONVERSATION I SHOULD ADD THAT PIERRE PAUL S SCHWEIZER WAS STRONGLY PRESSED BY ME AND I HAVE DONE SO AGAIN BY TELEPHONE TO BONN.

I SHALL BE DINING AND STAYING TONIGHT AT MY NIECE'S HOUSE
CELIA GOODHART TELEPHONE NUMBER LONDON (01) 221:4630

WILLIAM CLARK

519462 WOBENK G

655/2/98
differential

OFFICE MEMORANDUM

TO: Mrs. Shirley Boskey

FROM: Mahmud Burney *hah*

SUBJECT: The Brandt Commission
(The World Development Program)

DATE: May 26, 1977

1. While I was at the UN (May 24 - 25) a few national delegates and one or two from the Secretariat enquired about the status of the Brandt Commission - membership, secretariat, timing, etc. My answer was that all decisions and announcements were in Mr. Brandt's hands and we too were waiting for some developments in June, after CIEC.
2. Cabric of Yugoslavia, Hashmi of India and Diego Cordovez said that there was still a great deal of skepticism about the Commission - purpose, nature, timing, etc. Since nothing had been said about the Commission in the last several weeks, many feel that the idea has faded away. I reminded them that it was McNamara's idea, which Brandt accepted under certain conditions. One of the conditions was not to do anything until the end of CIEC.
3. Reflecting on the above and with the benefit of hindsight, I feel that we should be careful as to how the World Development Program might attract outside attention, realizing that the WDP is an internal exercise and the Brandt Commission an external one. Also that the scope and coverage is different; the Commission is to assist in breaking the deadlock in the North-South dialogue, and to mobilize global political support to negotiate selected high priority development issues of concern to national and international development communities, whereas the WDP would be limited to, at least to begin with, the Bank's areas of interest and competence. This was necessary for better planning our own resources, among other things.
4. However, the WDP would no doubt have wider audience than Bank members, and it would hopefully contribute to more focussed discussion and effort on important development issues. The outsider should therefore know about the exercise soon after the Board has given the green light. Hopefully a serious effort will be made to consult and cooperate with selected UN agencies as well as with OECD and EEC. This would at least avoid possible criticism from the agencies that the Bank preaches system-wide cooperation in theory, and acts alone in practice. (We might discuss with those in charge of the WDP as to how the Bank might consult with the agencies without undue burden and interference.)

5. Our response to any inquiry at the UN and other places - which have already begun - would be that this is an internal exercise and that it would be available for outside use after Board approval. We might underplay the mandate given to the Bank by the "Seven" at the Summit. It might prove to be a small blessing that the WDP was not mentioned in specific terms in the London communique.

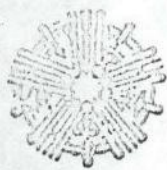
6. It might be better if we could pick a more modest title for our exercise - maybe "World Development Prospects."

cc: Mr. Clark ✓
Mr. Grenfell

MB:mmcd

835/2/97

بسم الله الرحمن الرحيم



الصندوق الكويتي للتنمية الاقتصادية العربية
KUWAIT FUND FOR ARAB ECONOMIC DEVELOPMENT



101/1-5390

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,

MIN. VAN BUITENLANDSE ZAKEN	
MR. DE VRIES	
INGEK.	22 JUN 1977
Folono.	Agno. 160727
P.T. 931.214.6 UN/ESD	

AFGESCHRIJVEN

Abdlatif Y. Al-Hamad
Director-General

-subclass: "Brandt" etc

2042/R.