STAFF NEWS

October, 1968

THERE WERE 111 SPEECHES STILL TO COME when this picture was taken on the opening day of the Governors' twenty-third Annual Meeting. President Johnson's welcoming address was the first. He appears here with his Treasury Secretary, Henry Fowler, and with Mr. Schweitzer, Chairman Wanninayake of Ceylon, and IBRD President McNamara. A few moments later he was beginning his remarks to the assembled financial officials. "You are the custodians of the world's economic welfare, and ultimately of its security," he said. And he went on to appeal for constructive relations among the industrial countries, between industrial and developing countries, among the developing countries themselves, and between East and West.

Attendance at the meeting was somewhat larger than before. Recent increases in membership helped to swell the number of delegates and official observers to 1065. The special guest category added 452, and 241 journalists registered in the press room.

The Governors had no major decisions to take comparable to the approval in Rio de Janeiro of the SDR outline, and the atmosphere was generally devoid of urgent monetary issues. In consequence, many of the speeches looked to the future as in Mr. Schweitzer's cautious optimism about the evolution of the monetary system, various statements bearing on activation of SDR's, and Mr. McNamara's plans for increased Bank lending and IBRD involvement in population control. Meanwhile, the still unsolved questions of policy with regard to gold transactions continued to hold newspaper attention, amid many indications of behind-scenes efforts to reach agreement.

At their concluding session, the Governors requested the Executive Directors of the Fund and Bank to continue their commodity studies with a view to providing recommendations no later than the end of next June. The Directors were also asked to recommend a site for the 1970 Annual Meeting by the end of December. Argentine Finance Minister Adalbert Krieger and Central Bank Governor Pedro Real are to serve as co-chairmen of the Governors for the coming year.

As usual, the Annual Meeting was the occasion for dozens of social events beginning with the reception hosted by Chairman Wanninayake on Sunday, September 29. Other social highlights were the two black-tie dinners offered by Mr. Schweitzer and Mr. McNamara on the Tuesday and Thursday following, the mammoth United States reception at the Smithsonian Institution's Museum of History and Technology, and the Governors' lunch on Friday, October 4. Wives of delegates and special guests attended a ladies' luncheon and fashion show with Mrs. Schweitzer and Mrs. McNamara as hostesses on the Monday. Among the special guests at this and other functions was Mrs. Per Jacobsson, whose late husband preceded Mr. Schweitzer as Managing Director.

Mr. Schweitzer gave a press conference on the Friday preceding the meeting and a press lunch for 90 the following Thursday. He was interviewed for British and French television networks and also by the magazine United States News and World Report, in its edition of September 30.

EXECUTIVE BOARD GAINS FOUR NEW MEMBERS. On November 1, the Fund welcomes to its Board two former Executive Directors, a member of the Fund staff and a Director of the Asian Development Bank. Former Directors Mr. Eero Asp and Mr. Luis Escobar were among the 15 ED's whose election to the Board was announced on October 2 at the Annual Meeting. The two other new Board members are Mr. Robert Johnstone of Canada and Mr. Byanti Kharmawan of Indonesia.

The picture below shows Lesotho voting for the first time, as its Governor places his ballot in a box held by Miss Kim Lien, a Fund staff member from Viet-Nam.

Mr. Eero Asp (who will represent the Nordic countries) was Executive Director between 1958 and 1960. A native of Finland, he received his M.A. at the University of Helsinki and first came to Washington in 1951 from the Bank of Finland as a participant in the IBRD's training program. He was appointed Secretary on foreign affairs for his Bank in 1956, Finland's Alternate Governor of the Fund in 1957 and Fund Executive Director the next year. Mr. Asp is now returning to Washington from his position as Managing Director of the Finnish Export Credit, Ltd., and Director of Finland's Export Guarantee Board. Mr. Asp will replace Mr. Torben Friis who is returning to the Central Bank of Denmark.

Mr. Luis Escobar is a familiar face in the Fund-Bank community. He was Executive Director of the Fund for six Latin nations (Argentina, Bolivia, Chile, Ecuador, Paraguay and Uraguay) between 1964 and 1966 after which he moved to the Board of the World Bank. Mr. Escobar was born in Santiago and is a graduate of the University of Chile and of Harvard University. Before joining the service of his government in 1961 as Minister of Economy, Development and Reconstruction, Mr. Escobar was Dean of the School of Economics at the University of Chile and Professor of Economic Theory. Prior to his arrival in Washington in November 1963 as Alternate ED at the Fund, Mr. Escobar represented Chile at several international forums including ECLA and OAS. He has authored a number of books and many articles and pamphlets on economic matters. Mr. Escobar now returns to the Fund in place of Mr. Adolfo Diz, who will shortly move to Geneva as Argentina's financial representative in Europe.

Moving up to the Board Room from Research Department is Mr. Eric Johnstone (who will represent Canada, Guyana, Ireland and Jamaica). He joined the Fund last year on a fixed term appointment as Chief of the Current Studies Division. Mr. Johnstone was previously with the Bank of Canada. A graduate of the University of Toronto and Laval University, he also spent a year at the London School of Economics. Mr. Byanti Kharmawan is due to arrive in Washington shortly from Manila where he has been Indonesia's Director at the Asian Development Bank.

New Members of Fund Staff

Mr. Roy W. Bahl, Jr.
U.S.A. - FAD

Mrs. Luppy Barbour
Bolivia - ADM

Mrs. Oonagh M. Bravo
Jamaica - ADM

Mr. David S. Cutler
U.K. - TRE

Miss Frances M. Flint
U.K. - ADM

Mr. Yves Gisse
France - ADM

Mr. H. P. G. Handy
Ireland - INST

Mr. Mohan V. Khambadkone
India - RES

Mr. Vittorio Lombardi
Italy - WHD

Mrs. Carol M. Mason
U.S.A. - ADM

Mr. Dara F. McCormack
Ireland - MED

Mr. Francisco de A. Ribeiro
Brazil - ADM

Miss Corazon M. Siddayao
Philippines - TRE

Mr. William M. Thivierge
Canada - ADM

Miss Christine Mary Thompson
U.K. - EUR

20 COUNTRIES ACCEPT SDR AMENDMENT. The Gambia, Dominican Republic, New Zealand, Sierra Leone and Turkey have brought the number of SDR Amendment acceptances to 20. Other acceptances reported earlier were: Argentina, Bolivia, Burundi, the Democratic Republic of Congo, Ecuador, Greece, India, Indonesia, Israel, Malawi, Nigeria, Norway, Tunisia, United Kingdom and United States.

IMF INSTITUTE BEGINS FINANCIAL ANALYSIS COURSE. Twenty-five participants from 19 countries started a course September 30 on financial analysis and policy, given in French. This is the second course in the Institute's 1969 program and it concludes on February 14. The participants represent 12 member countries from the African continent, as well as central banks and ministries in Brazil, Syrian Arab Republic, Iran, Italy, Turkey and Canada. The Institute welcomes another woman participant this time, Miss René Razafintsalama of the Malagasy Republic.

A FOUR-MAN IMF MISSION attracted British press attention during its conferences in London earlier this week and last. The Fund team was headed by Mr. Polak, the Economic Counsellor, and included Mr. Finch, Mr. Ezekiel, and Mr. Rose. An announcement at the British Treasury said the Fund officials had come to discuss "economic forecasting techniques, and the theories which underly them."

MR. SCHWEITZER HAS BEEN SPENDING THIS WEEK IN KENYA, where he arrived last Sunday, October 20, on the first leg of a five-week African trip which takes him from the East Coast to the West Coast and from the Mediterranean to the other side of the Sahara. The visit is a long-delayed project, first planned for the beginning of 1966, when illness finally prevented the Managing Director from leaving Washington. It is the fourth in a series of trips which Mr. Schweitzer has made to gain first-hand impressions of the Fund's far flung membership. He has previously traveled to Asia, Europe, Central and South America.

In all of the ten countries Mr. Schweitzer visits during his present trip he will meet with local government and central bank authorities as well as with private bankers and businessmen. He will be received by several heads of state. The Managing Director is accompanied by Mr. Mamoudou Touré, Director of the African Department, and by Mr. Frank Hall, his Personal Assistant. Mrs. Schweitzer will travel with her husband during the first two weeks of the trip.

After his four-day stay in Nairobi, the Managing Director will leave for Addis Ababa, arriving from there in Cairo on October 28 for a visit of three days. The first week of November will be spent in Tunis, where Mr. Schweitzer will attend the Tenth Anniversary celebration of the Tunisian Central Bank, an institution that has his particular interest as he was associated with its establishment. From November 8 till November 13 Mr. Schweitzer will visit Morocco and then begins a heavy schedule that takes him to Mali on November 13, Niger November 16, the Ivory Coast November 18, Ghana November 20 and Liberia November 22. The return to Washington is scheduled for November 24.

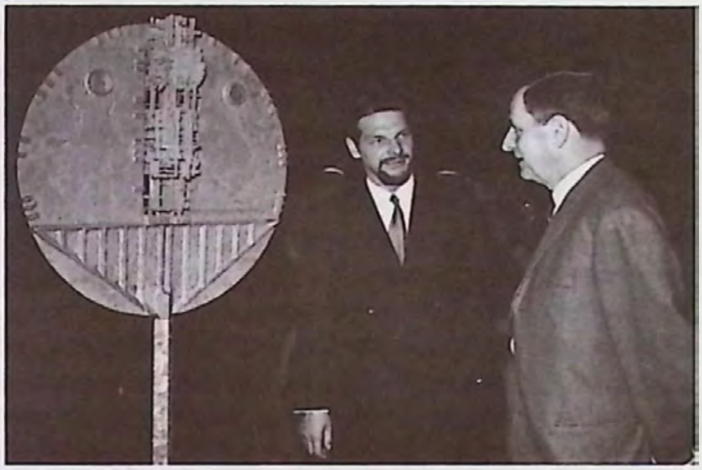
A number of other African members, mostly in the southern half of the continent, will be visited by Mr. Southard, Deputy Managing Director, on a separate trip tentatively scheduled for next spring.

AN IMF COIN EXHIBIT now provides another point of interest, in addition to the banknote display, along the corridor connecting the lobby areas on the first floor. The oldest item is a fourth century B. C. gold-piece on which the likeness of Alexander the Great stands out in clear relief. Shown here is a silver coin from Mexico, commemorating the XIXth Olympiad. A replica of the first "thaler", accompanied by an explanatory text, shows in contrast to some of the modern coinage of Canada, Israel, Sierra Leone, the Gambia, the United Kingdom and other countries. The exhibit seems likely to gain in interest as other coins of members of commemorative and historical interest are received.

THE ROLE OF MONETARY GOLD IN THE NEXT TEN YEARS will be the topic for the next meeting of The Per Jacobsson Foundation which will be held in Washington on the Sunday afternoon immediately preceding the 1969 Annual Meeting of the Bank and Fund Governors. For this session a format has been devised which is expected to lead to a lively discussion.

Professor Alexander Lamfalussy of Louvain University in Belgium has been asked to write a paper of some length and substance on the subject. This paper will be sent, in advance, to all those attending the Foundation meeting. At the meeting, Professor Lamfalussy, in a short statement, will simply introduce the paper, bringing it up to date and focusing attention on certain aspects.

Also on the platform will be a panel of three central bank Governors or ex - Governors who will be asked to give their comments, also in short statements of 15 minutes or so. Professor Lamfalussy will be afforded an opportunity to respond and a general discussion will ensue in which members of the audience will have an opportunity to participate by posing questions to Professor Lamfalussy or any of the panelists. It is expected that the Lamfalussy study will be ready for restricted distribution in the late spring of next year, perhaps in May.



ABSTRACTS BY BENNO WERTH of Aachen, Germany, set the Art Society off into its new season at a distinctly technological pace. Castings of steel, aluminum and bronze provided dramatic material for the October 7 opening, some of the sculptures fitted out with intricate mechanisms and an occasional moving part. Artist-sculptor Werth flew in from his hometown for the show, preceded by the arrival of 1,000 pounds of sculpture, paintings and sketches. Some of the works had been specially designed by the artist for the Fund's 12th floor setting. A personality of distinction on the German art scene, Mr. Werth was introduced to a large gathering by Mr. F.A.G. Keesing. The Managing Director appears at the right with Mr. Werth and one of his creations. The occasion attracted Washington area painters and many of Mr. Werth's countrymen. Also on hand was Mrs. Kielland, wife of former Alternate Executive Director Gabriel Kielland, in town from Oslo with her husband for the Annual Meeting. Mrs. Kielland was the founder of the Fund's Art Society during Mr. Kielland's years in Washington. Coming up on the Society's fall schedule is an exhibit in early November of the traditional 'batik' craft by India's Mandakini Kulkarni.

"GETTING THE MOST FROM YOUR CAMERA" was the theme for an October 15 workshop session which featured instructional films and demonstrations of photographic equipment for novices in the Camera Club. Nancy O'Rourke rounded off the evening with a slide show highlighting parallels between the worlds of painting and photography. About 75 Fund and Bank staffers have signed up for membership, and all others interested should contact Sigrid Vollerthun (room 1304) soon. There's a busy season ahead.

CLASSES IN CONVERSATIONAL ENGLISH have resumed and those interested in joining these sessions should call Staff Relations (ext. 3025). Classes are held Wednesday mornings between 9:30 and 12:30, October to June. The conversational course was started in June 1966 and has proved a popular feature of Fund assistance to families of Fund staff members.

WINTER SPORT BUFFS have been keeping their cool each Wednesday night at the Village House Motel ice skating rink at Falls Church. With snow not far ahead, the Club will inaugurate its new season with a general meeting on October 31 at 5:45 p.m. in room 484. Slated for that evening are the election of new officers, refreshments, "an inspiring film," and a decision on a new name for the Club to reflect the even composition of its membership from the Fund and Bank. Members are asked to think snow, and watch the bulletin board.

Coming events

Tues., October 29	Camera Club Slide Competition, Room 484, 8:00 p.m.
Thurs., October 31	Ski Club General Meeting, Room 484, 5:45 p.m.
Wed., November 6	Art Society, Showing of Batik paintings. Staff Lounge.
Tues., November 12	Camera Club Workshop and Color Slide Show on "How to Take Better Travel Pictures."

PERSONALS. During the month of October Mr. Jan V. Mladek marked his twentieth anniversary as a Fund staff member. Prior to joining the staff, Mr. Mladek had been a member of the Executive Board and attended the Board's first meeting in May 1946.

There are three marriages to report. Miss Veronica I. Dehaney was married on August 31 to Mr. Keith Morrish; Mr. Eliahu S. Kreis was married to Miss Nancy Ellen Bradie on September 14 and Miss Elena E. Hoffmann was married to Mr. Stephan Polyak on September 21.

A daughter, Lisa Michelle, was born to Mr. and Mrs. John C. Walters on June 17; a daughter, Crystal Arlene, was born to Mr. and Mrs. Eugene G. Williams on October 3, and a baby girl, Allison Armour, was born on October 11 to Mr. and Mrs. David M. Armour.

BRETTON WOODS RECREATION CENTER. Treading water in the BWRC swimming pool, an Annual Meeting delegate and former Executive Director said: "I wanted to see for myself what I voted for in 1966, and I must say it's a very, very nice place." Quite a few other delegates also found an opportunity to visit the Center for a swim or a round of golf.

More than curiosity was needed for a dip in the pool on October 6, the final day of the swimming season. It needed courage to face the prospect of a 58 degree water temperature and only some of the Dutch and Danish swimmers felt really at home in it.

Activity on the golf course increased, however, as temperatures fell and the golf committee organized new competitions on the October 19-20 weekend, and a 36-hole medal play tournament for the Rooth cup on October 26-27. A Golf dinner was planned for some time in November when awards will be given to the winners. The BWRC Golf Committee is even planning a February 1-7 Golfing Trip to Bermuda and would like early response.

Tennis courts are busy and horseback riding at the nearby Chestnut Hill stables has been more enthusiastic than ever. Thirty staff members are taking riding lessons there every evening.

AN IBRD RULING ON OFFICE WEAR defines culottes and very short mini-skirts as unacceptable and advises female staff that stockings must be worn.

FUND & BANK DIVERGE ON COMMODITY PRICE. The commodity in question is coffee as served in the two cafeterias and in the dining rooms. IBRD has pegged its price at fifteen cents per cup after setting the rate as high as 17 cents for "take-out" servings during a brief period last week. Fifteen cents is also the price now charged in U.S. Government cafeterias, the Federal Reserve Board, and the World Buttery. But the Fund continues to stabilize its market at ten cents per cup with an extra one free at lunch. There are no plans at present for revaluing cafeteria coffee in the Fund. The wholesaler's price hasn't risen in several years but labor costs have. Trouble is that the Fund's policy is helping to lengthen its cafeteria line. The whole matter blew up while Henry Langstadt, supervisor of the Fund food service, was on leave, and something may have to be done on his return this week.

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