STAFF **NEWS**

October 1973

THE ANNUAL MEETINGS ARE OVER, calm has returned to the magnificent Kenyatta Center in Nairobi, and virtually all staff members who travelled to Kenya have now come back to headquarters. The only people who have remained behind in Nairobi are Dana Brantley and his staff in the Annual Meetings office, who will not be home until around the end of the month, after they have tidied up all the loose ends left over from the conference.

Almost half of the 250 staff members who went to Nairobi took advantage of the travel provision under which they were authorized to fly second class to Nairobi and make extra stopovers on tne way out or back. Popular stopping points included such exotic sites as Mombasa, the Seychelles Islands, Addis Ababa and Cairo for those who flew through Europe, while many of those who flew via South America took in Rio de Janeiro and Cape Town on the way.

A number of those who went through Cairo on their way back to Washington encountered more excitement than they had bargained for, since they were caught in the city when Cairo airport was closed on the outbreak of hostilities between the Arab Republic of Egypt and Israel. Among those who were forced to stay in the city by the conflict were staff members John Gunter and Gordon Williams as well as Ricardo Arriazu, the Alternate Executive Director for Argentina, Bolivia, Chile, Ecuador, Paraguay and Uruguay, and Nazih Deif, the Executive Director for the Arab countries whose home is in Egypt. (See full report on page 4).

Some ventured even further afield from Nairobi, seizing the opportunity to complete the tour around the world, passing through India and the Far East before returning to Washington.

The Managing Director made a short side trip to Tanzania following the meetings, where he visited the Serengeti and Ngorongoro Crater game preserves and had meetings with President Nyerere and the Tanzanian Ministers of Finance and Economic Development. Following his return to Washington, he made his first public appearance at the United Nations with an address to the Economic and Social Council on Tuesday, October 16.

ALTOGETHER MORE THAN 3,000 PERSONS, drawn from all around the world converged on Nairobi for the meetings. They included 200 Bank and Fund Governors, 280 Alternate Governors, 660 Advisors and other personnel, and 550 invited guests, not to mention well over 400 correspondents who assembled in the Kenyan capital to cover the sessions. By universal acclaim the Kenyatta Conference Center, in which the meetings were held, was an architectural triumph. The Center is the highest building on the African Continent between Cairo and Johannesburg, and it proved to be an impressive setting for the meetings, with its spacious plenary hall, subsidiary meeting rooms and comfortable lounges. Those who managed to squeeze in a spare afternoon, either before or after the meetings, were able to take advantage of the added attraction of the Nairobi Game Park just a half hour's drive from the city.

Interest at the meetings centered on the reform of the international monetary system. Progress in this difficult field was highlighted by the announcement on the eve of the opening of the meetings that the Committee of 20 had set a deadline of July 31 next year for settling the issues of international monetary reform. Mr. Witteveen also gave his first public press conference on the Saturday before the meeting in which he expressed his hope that, with agreement on the main issues of reform being reached before the next Annual Meeting, the following year could be devoted to working out the remaining details of the reform and putting them into legal language.

The beginning of the conference on September 24 was celebrated in true African style with dancing and tribal drums, and President Kenyatta launched the proceedings with a flourish of his famous fly-whisk. At the opening session Chairman George Chambers of Trinidad and Tobago reviewed the status of the reform with a warning that "we must in all fairness concede that the subject of reform is likely to be with us for a while." Mr. Witteveen delivered his first speech as Managing Director to the Governors following Mr. Chambers' remarks.

The Managing Director observed that "inflation has stubbornly resisted the efforts to control it in recent years" and "prices of primary commodities responded sharply to the surge of demand in the industrial countries." He told his listeners that "we must redouble our efforts to construct a system in which exchange rate relationships - while characterized by greater flexibility than in the old system - are once more subject to internationally agreed rules and procedures. A major objective of the new system must be to achieve a better adjustment process."

During the afternoon of September 24, the Committee of 20 released the First Outline of Reform. At a press conference accompanying the release of the report, Mr. Wardhana said that "the general shape of the reformed system has been defined and significant progress has been made on some important issues." Areas on which progress had been made, he said, included an agreement that arrangements for adjustment and convertibility should be effective in avoiding the protracted imbalances which led to the breakdown of the Bretton Woods system, symmetrical in relation to all member countries, and consistent with each other and with the volume of global liquidity. It was also agreed that the SDR should become the principal reserve asset of the reformed system, and that economic development and the flow of real resources from developed to developing countries should be promoted.

At their final session on September 28, the Board of Governors issued a resolution noting the progress made by the Committee of 20 and commending it for its efforts.

THE MEETING WITHIN THE MEETING at Nairobi took place in the Press Room at the Kenyatta Conference Centre, where total press registration exceeded 400, making the press contingent one of the largest single groups attending the Annual Meetings, after official delegates.

The first-floor Press Room accommodated journalists and cameramen from Africa, Asia, Australia, North and South America, and Europe, with the language spread including Swahili, Hindi, Malayan, Japanese, Afrikaans, Spanish, German, French, Italian, Russian and English. Special arrangements were made for international wire services - Agence France Press, United Press, AP-Dow Jones and Reuters - to process and transmit their heavy volume of copy, and these agencies also cooperated in moving material via leased communications satellite channels for other journalists at periods of peak demand.

Kenya's External Telecommunications Corporation - Extelcoms for short - manned a special press wire room for transmission of material via telex and cable to all parts of the world. Facilities were available virtually round the clock with international telephone booths also installed in the Press Room. Journalists with a flair for producing their own perforated transmission tapes had access to five "off-line" perforators, enabling them to bypass a teleprinter operator for direct transmission.

The Press Room gave access right on to the first floor gallery of the vast Plenary Hall, enabling reporters and camera crews to cover directly the proceedings of the Annual Meetings. Cameramen were also working on the floor of the Plenary Hall. Portable radio receivers were available in the Press Room to pick up Governors' speeches direct from the floor, and most texts of speeches were available speedily - often in advance of delivery - in the Press Room.

Much of the press activity began before the meeting started, with the Managing Director's heavily-attended pre-meeting press conference on Saturday, and meetings of C-20 Ministers and Deputies on Sunday. Monday provided the colorful opening ceremonies and speeches, with release of the Reform Outline that afternoon and a press briefing by C-20 Chairman Ali Wardhana and Deputies' Chairman Jeremy Morse. Speeches of Governors from the industrial countries were concentrated in the first two days of the plenary sessions, but speeches by developing countries also drew wide attention. There were also press briefings during the week by various national delegations, including the United States, Germany, and Japan, plus meetings of the Group of 24 at both Deputies and Ministerial level, caucuses of the African, Latin American and Asian delegations, and a Thursday meeting of C-20 Deputies to consider methods and timetables for future work - all of which attracted considerable press coverage.

The press side of the meeting ended formally on Friday with a closing press conference by the Managing Director, followed by a buffet lunch for journalists which he hosted. Many of the foreign press corps stayed on in Kenya after the meeting to tour game parks or embark on more extended safaris.

The volume of news coverage of the Meetings was demonstrated by the expansion of the Information Office's Morning Press digest, which ran to two editions on Monday, and expanded to an unprecedented three editions on the Tuesday of the meeting, before returning to two editions for the rest of the week.

Nairobi newspapers ran special Fund/Bank supplements before and during the Meetings and coverage was rarely off the front-pages. The Voice of Kenya television network ran an expanded series of interviews and discussions with Kenyan and other officials during the Meetings, to highlight the problems involved in monetary reform and development aid.

JOURNEY OUT OF EGYPT. The Middle East war caught 35 Fund and Bank travelers in and around Cairo, from which city all emerged safely only after a week of uncertainty and a long and trying motor trip to Benghazi, in Libya. The outbreak of hostilities had found some moving about Egypt on sight-seeing expeditions and others there on official business. All converged on Cairo and met several times as a group in the next days in efforts, pressed on the Fund side by Mr. Gordon Williams and Mr. John Gunter, to work out the means and timing of their departure. There were no commercial flights available from Egyptian airfields, so some other means of exit had to be found.

Two Egyptian staff members, Mr. Abdel Rahman Hammoud and Mrs. Gulnar Djeddauoui, devoted themselves to the major problem and to many other details involved in the comfort and morale of the rest of the group; there are glowing and grateful reports of what they contributed. The attitude of the Egyptian authorities themselves was cordial and cooperative; although the distractions of a government at war caused complications, the group received special help on such things as visas and early departure.

Particularly helpful, finally, was the assistance of Egypt Air, which arranged a convoy of four buses to bring the Fund and Bank people and others to the Libyan airport at Benghazi. But it was an exhausting journey that began at 5:00 a.m. on Saturday, October 12, and continued until 11:30 a.m. the next day. There were wives and children, little food and water, no facilities along the road, difficulties at military checkpoints, passport snarls and a sandstorm on the way. Finally, twelve hours after their arrival at Benghazi, the weary group was taken on board an Egypt Air Ilyushin and flown to Rome.

The Fund people who shared the experience included - besides Mr. and Mrs. Williams, and Mr. and Mrs. Gunter, Mr. Hammoud and Mrs. Djeddauoui - Mr. George Nicoletopoulos, Miss Barbara Owen, Mrs. Simone Landier, Mrs. Cornelia Ernst and, from the Executive Board, Mr. Nazih Deif, Mr. N.H. Hanh and Mr. and Mrs. R.H. Arriazu. Mr. Vittorio Barattieri, who was also stranded in Cairo, arranged his departure through the Italian Embassy.

ANDRE VAN CAMPENHOUT AND ERIC BROFOSS, the senior Executive Directors, are to retire from the Fund at the end of October. Mr. van Campenhout, who is the "Dean" of the Executive Board, has served in his Fund post, representing Austria, Belgium, Luxembourg and Turkey, since December 1954 and has also served as an Executive Director of the World Bank since 1960. He was born in 1908 at Schaerbeek and graduated from the University of Brussels with the degree of Doctor of Law. From 1937 to 1938, after service in India and studies at Cambridge, England, he served as private secretary to Prime Minister Emile Janson. Following the outbreak of war and the fall of Belgium, he was a member of the Belgian economic mission in London and then served as chief of cabinet of, first, the Ministry of Communications and later the Ministry of Economic Affairs. In July 1946, he became General Counsel of the Fund, a position which he held until he joined the Board.

Mr. Brofoss was born in 1908 in Kongsberg, Norway, and became Executive Director for Denmark, Finland, Iceland, Norway and Sweden in 1970. He was educated at the University of Oslo, where he received masters degrees in law and economics. From 1940 to 1941 he was secretary to the Treasurer of the City of Oslo, then escaped through Sweden to London where he served in the exiled Norwegian Government, first in the Treasury and later in the Ministry of Supply. When peace returned in 1945 he became acting chairman of the Economic Coordination Council, served as Minister of Finance and Minister of Foreign Trade then, from 1954 to 1970, he was Governor of the Bank of Norway and Fund Governor for Norway. From 1957 to 1967, Mr. Brofoss was also a part-time lecturer in economics at the University of Oslo and, from 1961 to 1965, a member of the Executive Board of the Norwegian Labor Party.

On November 1, Jacques de Groot will succeed Mr. van Campenhout as Executive Director for Austria, Belgium, Luxembourg and Turkey. Mr. de Groot comes to the Fund from the National Bank of Belgium. Per Asbrink will succeed Mr. Brofoss on the same date. He has been Governor of the Bank of Sweden since 1955.

A MOMENT IN HISTORY. On October 17, the Information Office celebrated its 1,000th press release when it issued a release on the Fund's concurrence in the proposal of the Liberian Government to change the par value of the Liberian dollar. The Fund's first press release was issued on May 10, 1946, and reported an announcement by Camille Gutt, the then Managing Director, that the Executive Board had approved an interpretation of the Articles of Agreement to assure India "of continued representation on the Board of Executive Directors in the event that Russia joins the Fund during the next two years." The second release, issued on the same day, noted that Mr. Gutt had cabled a message of sympathy to Lady Keynes on the death of her husband. "At

New Members of Fund Staff


Mr. Ghassan M. Arnaoot
Syria – MED


Mr. Jose Luis Basurco
Spain –ADM


Ms. Oonagh M. Bravo
Jamaica - SEC


Miss Robin Bryan
U.S.A. - LEG


Mrs. Mable I. Burton
Jamaica – ETR


Miss Mireya Castro
Colombia - ADM


Mrs. Juana R. De Gura
Mexico – BLS


Mr. Garnell Doggett
U.S.A. – ADM


Mr. Carlos J. Emanuel
Ecuador - YPP


Miss Carmelita Eugenio
Philippines - FAD


Miss J. M. Fahnbulleh
Liberia - OED


Miss G. Lynette Gaubert
Trinidad & Tobago - ADM


Miss Marie L. Ginnetti
U.S.A. – ADM


Mrs. Irene H. Klotz
Germany - ADM


Miss Brenda Livsey
U.K. - RES


Mrs. Sheila Marshall
Argentina - ADM


Ms. Patricia L. McPeak
U.S.A. - ETR


Ms. A. Mullor-Sebastian
Spain - INST


Mr. Kimiaki Nakajima
Japan - FAD


Miss Patricia O'Sullivan
Australia – MED


Miss Marjolein J. Payne
U.K. - AFR


Miss Cecilia Poppe
Peru - RES


Mrs. Rosetta Rathnam
India - ETR


Miss Mary C. Riegel
U.S.A. - FAD


Mr. Thomas M. Reichmann
Chile - ETR


Mr. Sukhdev Shah
Nepal - ASD


Mr. David Shimoni
Israel - FAD


Mrs. M. Cristina Silva
Guatemala - OED


Mr. John A. Tillman
U. K. - ASD


Mr. Tuan Minh Tran
Viet Nam – BUR


Miss Susana B. Ugarte
Argentina – BLS


Miss Susan L. Yeager
U.S.A. - OED


Miss Myrtle Wilson
Trinidad & Tobago - ADM

this moment," Mr. Gutt said, "when we are initiating the International Monetary Fund, our thoughts naturally turn to Lord Keynes, a man who contributed so much to the shaping of the Bretton Woods proposals."

Since these early days, the Fund has put out press releases on such topics as new member countries joining the Fund, initial par values and changes in these, stand-by arrangements, and major statements on the part of the Fund management. All releases are prepared in the Information Office and then, before release, cleared through Management.

H. MERLE COCHRAN, who was Deputy Managing Director of the Fund from March 20, 1953, to October 31, 1962, died on September 20 in Houston, Texas. Funeral services were held in Indianapolis, Indiana, on September 25, and he was buried at Oak Hill Cemetary, Crawfordsville, Indiana. Mr. Cochran entered the Foreign Service of the United States directly from the University of Arizona in 1914. During a career of 37 years he served in a number of posts in Europe, Asia and the Western Hemisphere, in which he specialized in financial and monetary matters. He was in charge of the U.S. Stabilization Fund from 1939 to 1941, and was detailed to the U.S. Treasury Department as financial assistant to the secretary. He became the first U.S. Ambassador to Indonesia in 1949, following that country's independence until he resigned in 1953 to enter the Fund. Mr. Cochran is survived by his widow, Mrs. Barbara Cochran, and and a niece, Mrs. Barbara Cochran Young.

YIN C. CHEN, who enthusiastically and profitably guided the affairs of the Bank/Fund Staff Federal Credit Union for 18 years, retired at the end of September. Mr. Chen, who first came to the United States in 1949 after banking experience and government service in China, said he hopes to make a return visit to the Far East on holiday early in his retirement. When he became Manager of the Credit Union, in 1955, its membership was only 836, holding shares amounting to $180,000 with $145,000 in loan balances outstanding. By last August, membership had swelled to 5,800 holding a grand total of $12,250,000 shares, with about $6 million in loan balances outstanding. Mr. Chen has four sons and is the author of a work on Chinese Income Tax, Theory and Practice, and a collection in English of China's Treaties and Agreements with Foreign Countries. He has been succeeded as manager by Alvaro E. Proenza, who had been serving as Deputy Manager since March. Before coming to the Credit Union, Mr. Proenza was manager of the credit union at the the Inter-American Development Bank for three years and prior to that was for seven years with Texaco in New York. Previously, Mr. Proenza, who is married, was in charge of personnel at the National Bank of Cuba.

HAITIEN CONTEMPORAIN is the title of the Art Society's exhibition of the contemporary art of Haiti which the Art Society will present in the Atrium starting November 1.

MOHAMED SIRRY, a Senior Economist in the Fiscal Affairs Department, died suddenly on October 11. Mr. Sirry joined the Fund as an Economist in the African Department in May 1963 and transferred to the Fiscal Affairs Department in 1964. He is survived by his wife Evelyn and five children.

TWENTY-FIVE YEAR STAFF. Mr. Jan V. Mladek, Director, Central Banking Service, completed twenty-five years service with the Fund in October.

MARRIAGES. Miss Milka Casanegra, Fiscal Affairs Department, was married to Mr. Gerald R. Jantscher on September 21.

BABIES. A son, John Mason Stewart, was born on June 2, to Mr. and Mrs. Charles Carter (Jennie); a daughter, Sarah Elizabeth, was born on September 5, to Mr. and Mrs. Paul Holden; a daughter, Patricia, was born on September 17, to Mr. and Mrs. Chorng-huey Wong; a daughter, Hanne Margaret Aarstrand, was born on September 22, to Mr. and Mrs. Jon Solheim; a daughter, Eugenia Sofia, was born on September 29, to Mr. and Mrs. Edgardo Decarli.

GORDON WILLIAMS, the Fund's Special Representative to the United Nations, will retire from that position at the end of October, terminating service dating from November 12, 1946. Mr. Williams first joined the staff as Assistant to the Secretary and a year later he was appointed Assistant to the Managing Director. He was appointed to his present position on March 20, 1950. When the Per Jacobsson Foundation was established in February 1964, Mr. Williams also became its Secretary and he will continue to serve in that capacity beyond his retirement from the Fund. He is a graduate of Yale University, and also studied at King's College, Cambridge. During World War II, Mr. Williams served as a Lieutenant in the United States Navy. He was employed by the Bankers Trust Company and by the Office of Lend-Lease Administration of the United States before joining the Fund.

MR. AND MRS. ROBERT WALLEIGH won for the third time the engraved silver cup given by the IMF Bridge Club when they emerged at the top of the list in the 1973 summer cup competition (best 8 out of 12 games) which began May 1 and concluded October 2. They had an average percentage game of 61.62 and had previously won the cup in 1970 and 1972. The cup was presented at the regular fortnightly session of the Bridge Club in Dining Room No. 5 of the new Fund building on October 16.

William Malloy and Edwin Marmorstone came in second. Mr. and Mrs. Charles Merwin were fifth.

The 1973/74 winter competition began on October 16 and will continue into the spring of 1974 for 12 fortnightly sessions. Persons interested in playing should contact Mr. Bhagwat on ext. 4301.

FUND/BANK CHORUS, again under the direction of Jean Tarnawiecki, is meeting, 1 p.m. on Wednesdays, in room 5-308. Tenors please take note, the Chorus needs you! Interested instrumentalists (strings, clarinets, bassoon, horns and trumpets) should contact Dora Hollister, ext. 3916.

STAFF NEWS

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