STAFF **NEWS** JANUARY 1976

IT WAS ALREADY EVENING on Thursday, January 8, when the finance ministers filed out of the Interim Committee meeting and announced to reporters that the outstanding issues had been settled and that they had been able to reach agreement on a monetary reform package. This agreement, which includes a substantial increase in access to Fund resources, the establishment of a Trust Fund and procedures for the sale of a portion of the Fund's gold to finance this, an amendment to legalize floating exchange rates and other amendments to the Articles, was finally reached after two days of long and difficult negotiations, which aroused fluctuating moods and expectations among those inside and outside the meeting room. It marked the successful conclusion of the long process of the "interim" reform of the international monetary system, which was initiated in a 1971 resolution of the Board of Governors and developed through successive meetings of the Committee of 20 and the Interim Committee. Additional work towards the reform was done in meetings of the Group of Ten industrialized countries and the Group of 24 developing countries, and at last November's summit meeting of the leaders of six industrial countries at Rambouillet, near Paris.

For delegates who flew in from colder climes, Kingston in January was an attractive destination. The city, with its palm-lined streets and flowering poinsettias, dramatically situated between the mountains and the sparkling blue sea, basked in 80 degree sunshine. The services provided by the Jamaican authorities were exemplary, both at the main meeting hotel, the Pegasus, and at the four other hotels used for housing delegates, staff and press. In addition, there were social arrangements directly related to the meetings. Jamaican Finance Minister and Deputy Prime Minister David H. Coore gave a reception for delegates and their wives at his official residence of Vale Royal on Thursday evening and, on the Friday evening, the delegates were entertained at a performance of the Jamaican National Theater Dance Company. Before and after the week of meetings, a number of delegates were able to relax briefly at the famous beaches on Jamaica's North Coast.

The main meetings of the Interim Committee and the Development Committee were preceded in Kingston by a number of preliminary sessions. The Deputies of the Group of 24 met on Monday and the Ministers of the Group of 24 held their meeting the next day, following which a communiqué was released and Chairman Carlos Santistevan, the Peruvian Central Bank President, gave a press conference. The Group of Ten held a brief meeting on the Tuesday. On Wednesday, following the first day of the Interim Committee, the ministers gathered for a dinner in the evening at which they discussed some of the issues. The next day, separate meetings were held by the representatives of developing and industrialized countries.

The prospect that an agreement on monetary reform would very likely be reached at Kingston attracted a large number of the world's financial press to Jamaica, with U.S., German and Japanese papers being particularly well represented. In all, some 70 reporters came from outside Jamaica to cover the meetings, as well as about 60 from Jamaican newspapers and broadcast services. In addition to the press conference of the Group of 24, press conferences were given by Chairman Willy de Clercq, the Belgian Finance Minister, and the Managing Director following the conclusion of the Interim Committee meeting, and by Chairman Henri Konan Bédié, Minister of Economy and Finance, Ivory Coast, following the one-day Development Committee session. From the press room in the Sheraton Hotel the Morning Press was put out in two editions daily by the Information Office meetings' staff.

The general arrangements for the meetings required a great amount of work on the part of the Jamaican hosts, who had established a task force for the meetings under Mr. Louis H. Boothe, Director of Protocol in the Ministry of External Affairs, and by the support services drawn from the Fund and World Bank staffs, whose work was coordinated by Deputy Secretary Roger Anderson. Particular mention should be made of the vast amount of work performed by the Transportation officers in ensuring that all participants had hotel bookings and in finding them reservations amidst an extremely tight airline schedule.

The Deputy Managing Director, William B. Dale, the Legal Counsel, Joseph Gold, and the Economic Counsellor, J.J. Polak, who played a particularly prominent role in assisting the Managing Director throughout the reform discussions, were with him again in Jamaica. The Secretary, W. Lawrence Hebbard, who has served throughout as Secretary of the Interim Committee, again served in that role in Kingston. Other senior staff members present at Kingston included Mamoudou Touré, Director, African Department; L.A. Whittome, Director, European Department; Ernest Sturc, Director, Exchange and Trade Relations Department; Walter O. Habermeier, Treasurer; Jorge Del Canto, Director, Western Hemisphere Department; J.S. Haszard, Director, Bureau of Language Services; Robert J. Familton, Deputy Treasurer; George Nicoletopoulos, Deputy General Counsel; Charles F. Schwartz, Deputy Director, Research Department; Leo van Houtven, Director, Office in Europe and Aldo Guetta, Assistant Director; and Jay Reid, Director, Information Office.

THE JAMAICA ACCORDS and what these will mean in the future for the Fund were reviewed by J.J. Polak, the Economic Counsellor, at a staff seminar on the afternoon of Thursday, Jan. 22. In his remarks, Mr. Polak stressed that the meeting actually discussed two closely related subjects: the issue of putting the finishing touches to the partial revision of the Articles of Agreement; and the temporary liberalization of the drawing policies of the Fund, together with a decision on the use of part of the profits from the sale of the Fund's gold for the benefit of the low-income countries.

In its discussion on the increased access to the Fund's resources, the Committee studied the question in the context of the world economic outlook and the projections prepared by the Fund, Mr. Polak said. It decided on increased access to the Fund's resources pending a quota increase and that this would apply to all members. On this issue, and on that of establishing the trust fund, he said, the Committee, under the energetic leadership of Chairman Willy de Clercq, had been remarkably successful in reconciling different points of view. He observed that now it had reached final agreement on the difficult topics of gold, exchange arrangements, and outstanding issues related to the amendment of the Articles, there was a tangible feeling of relief and satisfaction in the Committee, even though a number of matters which it had considered at its earlier meetings had been put aside, at least temporarily.

THE VIEW ENJOYED BY STAFF MEMBERS ON THE SOUTH SIDE of the Fund building is likely to change markedly in the near future. Officials of the George Washington University and the World Bank have agreed on a plan for eventual construction of an office building on F Street between 19th and 20th Streets. The building would be leased by the University to the World Bank to house its expanding staff. The plan calls for the razing of the elegant and historic F Street Club building and some other townhouses owned by the University, although two adjoining townhouses on 19th Street, which were built in the 1800s and listed in the National Register of Historic Places, will be spared the wrecker's ball. Also, the Concordia United Church of Christ on the corner of 20th and G Streets will not be affected by the development plans.

John Wilson, the University's Public Relations Director, said that under the revised construction plans, the new office building will be erected around the two historic townhouses, which under earlier plans had been scheduled for demolition. Houses that will be destroyed, however, include Colonel Mustard's and a fraternity house on G Street, which face the Fund building.

THE FUND KITCHEN was among 15 restaurant kitchens which received awards from the D.C. Environmental Health Administration for their consistently high standards in all inspections over a nine-month period. The award was presented to Cafeteria Manager Robert G. Edwards in a ceremony at the Quality Inn Capitol Hill on January 9 by Woodrow Marriott, Senior Vice President of the Marriott Corporation, who for the past 15 years has been Chairman of the public health committee of the Washington Restaurant Association. During the past fiscal year, no fewer than 6,346 inspections of restaurants and hotels in the District were conducted; and 183 licenses were suspended for failure to meet minimum standards. Our photo shows (left to right) Mr. Edwards, with Heinz Steihl, Marriott District Manager, and Fred J. Martin, Marriott Vice President.

THE SDR VALUATION IS FRONT PAGE NEWS every day in Brazil's major financial paper, the Gazeta Mercantil of Sao Paulo. Beginning in November, the Gazeta has published in its front page the daily quotation of currency units per SDR, which is prepared in the Treasurer's Department's SDR Division, and transmitted daily to the major international wire services and other recipients by the Information Office. The Gazeta, which is fast developing into the Brazilian counterpart of the Wall Street Journal, is the only paper to date to list the SDR valuations on its front page, but an increasing number of papers around the world are now carrying part or all of the rates in their business news. These include the Journal of Commerce, The Times of London, the Financial Times of London, Neue Zürcher Zeitung, Agefi and The Economist of London. The major wire services which carry the rates include Reuters, United Press International, Associated Press/Dow Jones, and Agence France Presse. In addition, the entire rates for a two-week period are made available to subscribers to the IMF Survey.

THE NEW PRESIDENT OF THE CHILEAN CENTRAL BANK, Pablo Baraona, is one of the many former participants in the Fund/World Bank seminars for Latin American economics professors who have attained high office in the monetary field in their own countries. Mr. Baraona was a participant in the first of the seminars, held in February 1964, and was at that time a professor at the School of Economics, Catholic University of Santiago, teaching courses in economics and monetary theory. Another former seminar participant is now serving as Chilean Minister of Economics and has just been appointed his country's Governor at the Inter-American Development Bank. He is Sergio de Castro who, at the time he attended the seminar, in February and March 1966, was Dean of the Faculty of Economics at the Catholic University.

Antonio Delfim Netto, Brazilian Finance Minister from 1967 to 1974, participated in the seminar in February and March 1965, when he was a Professor of Economics at the University of Sao Paulo. Mr. Netto is currently Brazilian Ambassador to France. Carlos Moyano Llerena, Professor of Economics at the Catholic University of Argentina in Buenos Aires, who served as Economics Minister and Fund Governor during 1970, also participated in the February 1964 seminar along with Mr. Baraona.

A CRIME PREVENTION TEAM from the D.C. Metropolitan Police visited the Fund building on Friday, January 16, and dispensed advice to Fund staff members from their desk in the lobby. As a check to car thefts they advised all drivers to lock their vehicles, close all windows, hide packages in the trunk and keep a duplicate key and registration papers for the car in purse or wallet. Much of this advice seems obvious, yet 80 per cent of the cars stolen last year were found to have been left unlocked and 42 per cent of the total had the key left in the ignition. To prevent holdups, citizens are advised to call the police immediately if suspicious strangers are lurking near home or place of business. If a person is held up, he should not resist, remain as calm as possible, observe the appearance of the holdup man carefully for future identification and call the police emergency number (911) at once.

FUND STAFF MEMBERS WHO PLAYED SANTA CLAUS to the small patients of Children's Hospital this Christmas received thanks from the Hospital's Director of Volunteer Services, Augusta Widmer. "Many, many thanks," she wrote, "for remembering our children and for helping us to make their Christmas a happy one." More than 200 toys and presents were donated by Fund staff to the hospital, which has no toy fund of its own and depends on the generosity of the community for such gifts.

DROWNING IS THE MAJOR CAUSE OF DEATH in indoor plants, closely followed by overfeeding. These are the findings of the Fund's professional horticulturist, Ed Grant, and the "plant lady", Sandra Swoboda, which we pass on in response to the many enquiries received from Fund staff members concerning the greenery flourishing - or not-so-flourishing - in almost every office in the building. The Fund's "plant people" quickly became aware of the widespread interest in indoor gardening here when they began their most popular activity - "topping" and clipping back those plants in need of a trim. At such times, they report, Fund staff members appear "out of the woodwork" in search of clippings to root in homes and offices. Mr. Grant and Ms. Swoboda welcome such interest on the part of the staff and enjoy seeing excess pieces of philodendron and ivy reappear as plants of Fund plant lovers. They request, however, that staff members wait for them to do the clipping, which must be done in the proper manner to avoid damaging the plant.

On her journeys through the halls caring for the Fund's plants, Ms. Swoboda has become an easily-recognized target for questions from Fund office gardeners with problem plants. "Why did my Schefflera die?" they ask. "I put it in a window where it got lots of light, I watered it every day, I fed it plant food every week. I did everything for that plant!" Everything wrong, according to the "plant lady" and Mr. Grant. The Schefflera is a good example of a plant frequently watered to death; in the hot, dry climates of most homes and offices, one or at most two waterings a month is all it needs, and all it gets here at the Fund. Two other popular plants, the bamboo palm and the marginata, require but two or three waterings a month, say the "plant people". Feeding a plant every week is another good way to kill it, they add, especially if full-strength fertilizer is used. Here at the Fund, no plant is given more than a quarter-strength solution, and that infrequently. It is essential that each plant be treated as an individual and the cycles through which it passes be respected. On her rounds of the Fund, Ms. Swoboda is careful to inspect each plant before giving it anything at all; to have the same schedule of treatment for every plant could be disastrous. There are certain general rules, however, which apply to most plants. One is the sort of hibernation most indoor plants experience between November and March, a resting period analogous to leaf-shedding in outdoor plants when little growth takes place. No fertilizer should be used during these months, for forcing the plant at this time can have unfortunate effects - such as the long spindly plants with sparse, widely-spaced leaves that are the unattractive result of overfeeding in poor light conditions. Both Mr. Grant and Ms. Swoboda were agreed that the one area in which the over-zealous office gardener can indulge himself freely is misting. It is impossible to mist most indoor plants - with the notable exception of African violets - too often, for misting counters the low humidity in most homes and offices, especially in winter, when heating can lower the humidity level close to zero. It must be done regularly, however; misting less than once a day does no good whatsoever, they warned.

Unrealistic expectations are often a pitfall for the office gardener. As the "plant people" pointed out, most indoor plants have tropical origins, their luxurient growth a function of extremely high humidity and blazing sunlight. As these conditions are rarely to be found in modern North American office buildings, the indoor gardener should lower his hopes accordingly, and aim for a compact, close-leaved plant with good color rather than for a lot of growth.

Watching out for changes in the plant's environment is as necessary as watching the plant itself. Mr. Grant and Ms. Swoboda emphasize the importance of varying the plant's watering along with environmental changes, stepping up watering when winter heating begins and slowing it with summer airconditioning. Light also undergoes seasonal variations which should be taken into account. The plant which thrives near a window in summer may die in winter unless moved away from the sudden cold and draughts; the pale winter sunlight may require artificial help.

A final tip for the indoor gardener, which Mr. Grant learned from sad experience. When planning mixed plantings of two or more species, make sure that their needs are compatible <u>before</u> installation. Once in the same pot, there is no compromise agreement that can be reached between a water-loving philodendron which thrives on frequent drenchings and a water-hating grape ivy liable to drown at the mere sight of such a deluge.

<u>A BURST STAND PIPE IN THE GRAPHICS AREA</u> was the cause of the sudden flood which inundated portions of the lower levels of the Fund building at lunch time on Monday, January 19. The stand pipe, which supplies water to the fire emergency cabinets on every floor on the west side of the Fund building, apparently froze at an elbow bend inside a wall near a fresh air intake during the coldest weather of the winter. Although the water was speedily shut off by the building maintenance crews, the gallons of water cascading down 13 floors through the 3-inch pipe quickly flooded the Graphics Section to a depth of some two inches and then ran down into the garage levels of the Building. Because of concern that water might affect the "bus ducts" that carry the main power supply, the electricity

was shut off on the west side of the building for the rest of the afternoon. The computer was also shut down for several hours, due to the danger of a short causing severe damage to the system.

A maintenance and clean-up crew promptly went into action under the direction of William Avery, Assistant Director for Administrative Services, and Thomas Berda, Chief, Service and Supply Section. The regular cleaning crew and two subcontractors for carpet cleaning were called in, Chas. H. Tompkins, Co., the building contractors, sent pumps, and the work of mopping up water and cleaning the rugs went on into the night. By 10 p.m. electrical current was restored so that offices on upper floors could be cleaned, and by Tuesday morning, everything was back to normal and the Graphics Section was again in full operation.

Although the extreme cold which hit the Washington area on January 19 was unusual, a thorough review of the accident will be conducted to determine whether the insulation of other major pipes in the building is adequate and ensure that equally cold conditions in the future will not cause a similar burst elsewhere in the building.

THE NATURALISTIC PAINTINGS OF WILLIAM WOODWARD were the subject of the Art Society's exhibition, which opened in the Atrium gallery on Thursday, January 15. Mr. Woodward was born in Washington in 1935 and began his formal art training in 1948 when he was 13 and continued until 1961 when he received his M.A. degree from American University. During this period, he also studied in Florence on an art scholarship. Currently teaching at George Washington University, Mr. Woodward has recently completed a painting for a bicentennial poster for the U.S. Park Service. He has held eight one-man shows and his work is represented in New York, Palm Beach, San Francisco and Louisville. The current exhibition is courtesy of the Mickelson Gallery, Washington, D.C. Our group photo shows the artist with Alexander Mountfort and Hans Gerhard of the Art Society and Franz Bader, the Bader Gallery owner.

In describing his art, which to present-day observers seems almost shocking in its adherence to traditional styles of painting, Mr. Woodward says:"My paintings are images of places I have lived and things I have seen and considered exciting and beautiful. Without any commitment to dogma, I explore the familiar, seeking to uncover a significant surprise that it still contains...I would like to believe that, despite the flux of fashions and tastes, the images of common experience remain proper vehicles for the cogent expression of enduring artistic values."

THE TROUT QUINTET of Franz Schubert was given an accomplished performance by the Bank-Fund Chamber Music Players at a concert in the World Bank's Eugene Black Auditorium on January 16. The performers were Siegfried Engelsiepen, violin, Manfred Beutgen, viola, Hans Hittmair, 'cello, Randy Sharp, double bass, and Jürgen Wetschky, piano. The next concert of the Players is tentatively scheduled for Friday, February 6, at 1 p.m. It will feature 'cello sonatas by Bach and Brahms. Jean Tarnawiecki,

New Members of Fund Staff

Miss Maria E. Bobbio
Peru - OED

Mr. Davison L. Budhoo
Grenada - WHD

Mr. Warren L. Coats, Jr.
U.S.A. - CBS

Mrs. Leyla U. Ecevit
Turkey - RES

Miss Edda Fridgeirsdottir
Iceland - ADM

Mr. Robert W. Ley
Australia - TRE

Mr. Abul K. Siddique
Bangladesh - RES

who is well known to staff members as the Director of the Bank-Fund Chorus, will be the 'cellist and she will be accompanied on the piano by Paula Browning. For Mrs. Browning, whose husband is finishing his term as United Kingdom Alternate Executive Director at the World Bank, this concert will be her musical farewell to her friends in the Bank and the Fund.

COLORFUL AND ENTHUSIASTIC CELEBRATIONS marked Malawi's eleventh anniversary of independence last year, reports Poul Høst-Madsen from Blantyre, where he is serving as Director of Research in the Reserve Bank under an assignment for the Central Banking Service. The main events were preceded by two days of festivities, including a solemn memorial service (with four religions represented), numerous official dinner parties, and much informal gaiety. The final event was a full-day affair at the Kamazu Stadium, named after President Dr. H. Kamazu Banda. Mr. Høst-Madsen writes:"It was introduced by dances from various regions, all very skillful and at times acrobatic, and many very amusing. A war dance, for instance, would be made less war-like and more entertaining by having a little boy perform with the adult warriors, imitating their gestures. The variety of dances and costumes was unbelievable. Many of the performances would be hits on Broadway or in Paris.

"After the arrival of the President, surrounded by women singing and dancing under his direction, the most spectacular show started. About 8,000 primary and secondary schoolchildren entered the stadium, dressed in varied and beautiful colors. They moved and regrouped with masterly precision and for several hours kept the spectators almost breathless, taking up new positions all the time without the assistance of any instructor. Everything had been meticulously rehearsed beforehand. Sometimes they would form hundreds of flowers in different shapes and colors; or, after having been placed in neat rows, they would suddenly regroup to form the letters "Malawi", or "Born Free" (photo left). A special show was performed by boys carrying sugar canes (photo right). One of the stands was filled with schoolchildren, divided in layers with green, black and red costumes, matching the Malawi flag. By reordering and changing some of their costumes, they suddenly formed an 11, marking the years of independence.

TWENTY-FIVE YEAR STAFF. In January, Mr. Robert M. Cervantes, Economist, Research Department, commemorated twenty-five years of service with the Fund.

MARRIAGES. Ms. Carmen von Bose, IMF Institute, was married on December 13 to Mr. James F. Tazelaar.

BABIES. A daughter, Sophie Chantalle, was born on November 2 to Mr. and Mrs. François Eloquin; a son, Colin Frank, was born on December 5 to Mr. and Mrs. Charles M. Wilson (Ulrike); a son, Eduardo, was born on December 9 to Mr. and Mrs. Francisco Suarez; a son, Manuj Kumar, was born on December 31 to Mr. and Mrs. Sukhdev Shah; a daughter, Eliana, was born on January 6 to Mr. and Mrs. Zvi Porath; and a son, Apollo Benjamin Adande, was born on January 9 to Mr. and Mrs. James Ogoola.

ALAN G.B. FISHER, former Chief Editor, died on January 8 at the age of 80. Mr. Fisher, a citizen of the United Kingdom, joined the Fund on October 15, 1946, as a Division Chief in the Research Division. He was appointed Chief Editor in the Office of the Managing Director in May 1952. In 1955 he took on the added duties of Chief of Training for a four-year period. He resigned from the Fund on October 31, 1960, though he served as a consultant from September 1963 to June 1964. Mr. Fisher's widow, Mrs. Airini Fisher, lives at 76 Ormond Avenue, Hampton, Middlesex, England.

NICOLE MONGEAU of the African Department died on January 13, 1976. Miss Mongeau, a native of Canada, joined the Fund in July 1967 as a bilingual secretary in the African Department. She is survived by her mother, brother and two sisters. Funeral services were held in Montreal on Monday, January 19.

CONTINUING EDUCATION FOR WOMEN: on December 9 the Fund Wives' Seminar Committee presented a discussion concerning continuing education for women. Dr. Ruth H. Osborn, Assistant Dean, College of General Studies for Continuing Education for Women, George Washington University, addressed the group. She emphasized the fact that an increasing number of women are now seeking to return to school. During 1975, International Women's Year, women's organizations all over the world recognized that continuing education is a means by which women can achieve personal development, improve their economic efficiency, and promote human relationships. The Staff Relations Office and the Staff Association Office have available information from colleges and universities in the Greater Washington Metropolitan Area concerning upcoming course offerings.

THE STATE/USIA RECREATION ASSOCIATION now has over 70 affiliate members among Fund staff for the 1976 calendar year. All members should have received their membership cards. During the period up to March 8, membership inquiries will be handled by Joan Pugh (4-320, ext. 2926). Thereafter Cecilia Poppe (10-300, ext. 6055) will resume these duties. Among interesting overseas tours being planned by the Association are trips to Nassau, February 16-20, $396; Spanish Riviera, March 27-April 3, $439; Japan, Hong Kong, Thailand, May 25-June 8, $895; East Europe, October 7-22, $1,073; European Russia, September 7-21, $1,066, and Soviet Central Asia and Siberia, September 26-October 17, $1,418. Information on these and other tours is available from the concourse level bulletin board, the information desk in the Association shop in the USIA building, 1776 Pennsylvania Avenue, or call 632-1610.

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THE NEXT ART SHOW, opening February 10, will feature metal and glass sculptures by Uzikee Allen Nelson and bead mosaics by Jimoh Buraimoh.