

Staff News



Season's Greetings



AT THE END OF 1978 we can look back on the passage of a year which has been marked by a number of significant developments of importance to the Fund. In April, the Second Amendment of the Articles came into force. This amendment establishes a legal structure which recognizes and is adapted to recent changes in the international monetary system, and provides a framework within which policies can be devised to deal with the many existing problems of the monetary system. The year saw, also in April, finalization of the Sixth General Review of Quotas, which increased the size of the Fund from SDR 29.2 billion to SDR 39 billion, and, in December, approval by the Governors of the Seventh General Review of Quotas, which provides for an overall increase in quotas of 50 per cent -- to a total of SDR 58.6 billion. A second resolution approved by the Governors in December provides for an allocation of special drawing rights, totaling SDR 12 billion, to be made in the three years 1979-81. The first of these allocations will be made in January and will be the first such allocation to be made since the first basic period 1970-72.

Mid-June saw the arrival in the Fund of Jacques de Larosière as our sixth Managing Director. Mr. de Larosière, who had considerable prior experience of monetary problems through his experience in the French Treasury and as a member of the Interim Committee and Chairman of the Group of Ten, lost little time in getting down to work on the preparations for the Annual Meetings. The Meetings took place in Washington on September 25-28 against the background of persistent world economic problems, with high unemployment levels and inflation rates in many countries, persistent payments problems facing many countries, and the stability of the U.S. dollar and some other currencies in question. It was perhaps surprising that, against this discouraging background, many of the Governors who spoke at the Meetings expressed their optimism that if countries contributed to the coordinated strategy agreed by the Interim Committee in Mexico in April, some improvement in the medium term would be achieved. At the same time a number of far-reaching developments were under way outside the Fund. The need for a coordinated approach to the major economic problems affecting



the world was emphasized not only at the Annual Meetings, but also in the Bank for International Settlements report in June, the Organization for Economic Cooperation and Development's Council in July, and the Bonn Economic Summit in July. Finally, a substantial move towards greater European economic unity was taken in December with the agreement of eight members of the European Community to set up a European Monetary System on January 1, 1979, with a European Monetary Fund also being established within the first two years of operation of the new system.

In order to strengthen the U.S. dollar and counter inflationary pressures within the United States, President Carter on November 1 announced a series of domestic and international measures. Included in these were a drawing on the U.S. Reserve Tranche in the Fund totaling \$3 billion, to finance \$1 billion of which the General Arrangements to Borrow had to be activated, and the sale by the United States of \$2 billion in special drawing rights. The U.S. drawing on its Reserve Tranche, the largest single drawing ever made by a member country, brought total purchases from the Fund in the first 11 months of 1978 to SDR 3.65 billion. Total repurchases in the same period amounted to SDR 4.5 billion, with more than SDR 1 billion of this amount representing repurchases of drawings under the oil facility. Another milestone was the fact that, with the December gold sale, the total amount which has accrued to the Trust Fund from gold sales to date now exceeds \$2 billion.



The Joint Committee on Staff Compensation Issues, chaired by Alexandre Kafka, Executive Director from Brazil and Dean of the Board, met from time to time throughout the year and, at year end, was due to deliver its report to the Board. In the spring the survey conducted by the Institute for Social Research (Drexler Survey) pointed out a number of problems affecting the morale of the Fund staff. Recently improvements have been announced by Management in the areas of improving staff mobility and in performance evaluation procedures.

Although most staff members who were on mission returned to Washington prior to the Christmas holidays, it is appropriate at this time to think of those who are on Fund duty away from headquarters. These include the staffs of the Office in Europe and the Geneva Office and 19 staff members and their families who are assigned as Fund representatives to member countries. (The photos with this article show some of the Christmas trees which decorated the Fund over the holiday season, including the tree in the front lobby, those in the Administrative Expenditures Division and the Operations Division for Special Drawing Rights and Administered Accounts in the Treasurer's Department, and the tree in the Documents Preparation Unit of the Secretary's Department).

POINSETTIAS AND GARLANDS OF FIR decorated the Atrium on the night of December 16 when the annual Christmas party was given for staff members, their spouses, and their



guests. Dance music provided by the Bob Simpson Orchestra began in the Atrium at 9 in the evening, but most people had arrived an hour or more before that to greet friends and enjoy the hot buffet that was served in the second floor gallery. In the crowded confines of Dining Room Five, Miguel Vega and his group performed Latin American music for a large and indefatigable clientele. Tacos and other Latin American specialties were served in the corridor outside the Dining Room for those whose exertions gave them an appetite. Down in the Rock Cellar, in the cafeteria, "Highway Friends" played music with an up-to-the-minute beat. For those who came early and were prepared to wait patiently in line, oysters were also available in this area.

The Managing Director gave his brief traditional greetings to the staff at 9:30 p.m., after which the evening began in earnest and continued until the final strains of the music died down at one in the morning. (The photomontage on the front page is by Susan Jaquet and Sue Geiger; photos by Joe Diana and Rino Giammetta).



AT LAST, THE LIBRARY IS IN THE BUILDING! The Joint Fund-Bank Library began moving to the third floor of the Fund's main building on December 9, and through the determined efforts of all those involved in the transfer of books, periodicals, and personnel, the move was completed before the end of the year. The new location for the thirty-seven staff members, periodical facilities, and a total of some 150,000 books has about 16,000 square feet of space and occupies all the G Street wing and half of the 20th Street wing of the third floor. The old location had 21,000 square feet of space.



Nevertheless, Charles Olsen, the Librarian, said that the available space on the third floor is very adaptable for library use. Service will be faster and the overall efficiency of the library improved; and, he added, the use of the facilities by Fund staff members should increase. As an example, he mentioned that materials coming by mail, as most do, and particularly the 160 daily newspapers plus magazines, will now be distributed in the Fund half a day earlier than previously. The new facilities will have tables and chairs in the periodicals reading room, and a spacious reference reading area which is being readied in

the center section, next to the card catalog. The move of the Library was in accordance with the Fund Executive Board decision of March 1 of this year. The library will now again be open twenty-four hours a day, seven days a week, as used to be the case when the library was in the former Fund building.

PHILLIP THORSON, former Director of Administration, was elected to membership in the U.S.-based National Academy of Public Administration at its annual election in November. The Academy is a body of 275 practitioners and scholars dedicated to improving the role of public administration at all levels of government -- international, federal, state, and local.

In his current role as a consultant Mr. Thorson has been conducting a study for the directors of nine international agricultural research institutes devoted to improving food production in developing countries. The purpose of the study is

to compare the salaries and benefits the institutes pay their internationally-recruited staffs with those paid for such skills in the world market. The institutes are funded through the Consultative Group of International Agricultural Research (CGIAR), which consists of a dozen donor governments, the World Bank, U.N. Development Programme, the Inter-American Development Bank, and such private organizations as the Ford and Rockefeller Foundations. Mr. Thorson visited the three institutes in Latin America in August, recently completed a trip to the three in Africa, and will travel to the three in Asia early in 1979.

SIX SMALL NEW COUNTRIES from different corners of the world joined the Fund during 1978. The latest addition was Djibouti, which signed the Articles of Agreement on December 29. The others were the Commonwealth of Dominica, which became a member on December 12, the Republic of Cape Verde, on November 20, the Solomon Islands, on September 23, Suriname, on April 27, and the Republic of Maldives, on January 13.

THE REPUBLIC OF DJIBOUTI, which became independent in June 1977, was known for the ten-year period prior to independence as the French Territory of Afars and Issas, and prior to that as French Somaliland. The country, which is located on the horn of Africa along the Bab-el-Mandeb Straits connecting the Red Sea to the Gulf of Aden, has a population of some 300,000, with about half the total living in the capital city of Djibouti. The bulk of the population consists of about equal numbers of Issas and Afars, with a small number of residents from France and Arab countries.

Traditionally the country has depended on the activities of the port and the railway linking it to Addis-Ababa, and official capital flows from France for its income. Agricultural production is still limited, as is industry, although the Djibouti Government is giving priority to the search for new productive projects.

DOMINICA, a colony of the United Kingdom since 1805, became an internally self-governing state in association with the United Kingdom in 1967, and gained full independence in 1978.

The largest of the Windward Islands group, Dominica is located between Guadeloupe to the north and Martinique to the south. The island, which is of volcanic origin and is dominated by a high mountain range running its entire length, is 29 miles long and 16 miles wide. Roseau is the capital.

At the time of the last census in 1970, the population of Dominica was 70,000. By the end of 1977, however, the population was estimated at 80,000. The people are predominantly Roman Catholic.

The economy of Dominica is heavily dependent on agriculture. About a quarter of the total area of the island (289.5 square miles) is under cultivation, exploitation being limited to the volcanic soils. Principal agricultural products are bananas, limes, oranges, grapefruit, and coconuts, the latter providing copra and edible oil for export and domestic consumption.

THE REPUBLIC OF CAPE VERDE is located some 385 miles off the west coast of Africa, at the same latitude as Dakar, Senegal, and is an archipelago of 10 islands and 5 islets. Colonized by Portuguese settlers in 1462, Cape Verde became an Overseas Province in 1951, and gained independence in 1975. The total population of the country is roughly 300,000, of which 25,000 inhabit the capital city of Praia, on the island of Santiago.

The islands comprising Cape Verde are volcanic in origin, and there is an active volcano on the island of Fogo. The terrain is rugged, but the climate is temperate, with relatively little temperature fluctuation. Although there is supposed to be a rainy season between August and October, Cape Verde has experienced 18 years of drought during the last 25 years.

Nearly 70 per cent of the population of Cape Verde is Creole; the remainder consists of Africans and Europeans. The spoken language is Creole, but Portuguese is the official language. Roman Catholicism is the predominant religion. There has been much emigration, and at present the number of emigrants is estimated to exceed that of the resident population. The largest number of emigrants live in the United States, followed by Portugal and the Netherlands.

The majority (80 per cent) of the active population is engaged in agriculture, mainly of the subsistence variety, and most of the remainder is engaged in fishing.

THE SOLOMON ISLANDS, located in the Southwest Pacific east of New Guinea, were formerly a British Protectorate, but became an independent nation in 1978. The main islands are Choiseul, New Georgia, Santa Ysabel, Guadalcanal, Malaita, and San Cristobal. The capital, Honiara, is on Guadalcanal.

According to 1976 census figures, population totals some 200,000, of which 48 per cent is under the age of 14 years. The overwhelming majority of the population is Melanesian, with small Polynesian and European factions. Most of the people are Christian, and the remainder still follow their traditional animism. English is the official language, but Pidgin is the lingua franca. There are, however, no fewer than 90 vernacular languages.

Copra, timber, fish, palm oil, beef, cattle, rice, cocoa, and manufactures are the major industries.

SURINAME, formerly a Dutch colony, became internally self-governing in 1951, a member of the tripartite Kingdom of the Netherlands in 1954, and an independent republic in 1975. Situated on the northeast coast of the South American continent, Suriname shares borders with Guyana, Brazil, and French Guiana.

Suriname is racially highly diverse. According to 1972 statistics, 37% of the country's 400,000 inhabitants are of Indian (Hindustani) descent, 31% are Creole, 15% are of Javanese origin, and 10% are Maroons, descended from runaway slaves; the remaining 7% are mainly of Chinese, Amerindian, and European extraction. About two-thirds of the population is concentrated in the capital city of Paramaribo, with most of the remainder living along the coastal strip on 3% of the land area. The interior of the country consists mainly of dense tropical forest. The official language is Dutch, but the majority of the people also speak the native language, Sranan Tongo (taki taki). Hindustani and Javanese are the other main languages, but Chinese,



English, French and Spanish are also used. The principal religions are Christianity, Hinduism, and Islam.

In the eighteenth and nineteenth centuries, Suriname's economy was completely based on agriculture, with numerous coffee, sugar, and cotton plantations. In recent years, however, bauxite mining and processing has become the dominant economic activity. Just after World War II, Suriname became the world's leading bauxite producer, accounting for approximately a quarter of world output, although more recently it surrendered this primacy and is now in fourth place after Australia, Jamaica, and Guinea. (The photos on the previous page show, bottom left, a bush-Negro village, taken by Elizabeth Milne, and, bottom right, bauxite mining, taken by Lyndsey Blackford).



THE REPUBLIC OF MALDIVES, situated approximately 420 miles south-west of Sri Lanka, is made up of more than a thousand islands in the Indian Ocean. Maldives, formerly called the Maldive Islands, was previously ruled by an elected Sultan. The islands were placed under British protection with internal self-government in 1887. They subsequently became a republic in 1953, but the sultanate was restored in 1954. Maldives became fully independent outside the Commonwealth in 1965.

According to 1974 census figures, the total population is about 130,000, of whom more than 16,000 reside in the capital of

Malé. The bulk of the population live in tiny villages on remote atolls. The climate is equatorial, and the major sources of income are fishing, the production of coconut oil and copra, and tourism. Divehi, the language spoken in Maldives, is related to Sinhala. Islam is the predominant religion, and the Maldivians are Sunni Muslims. (Our photos of the Maldives were taken by Robert Dunn).

H. JOHANNES WITTEVEEN, the former Managing Director, will be the Chairman of the new Consultative Group on International Economic and Monetary Affairs, which is receiving a grant of \$500,000 from the Rockefeller Foundation and will hold its first meeting in Bermuda in mid-February. J.J. Polak, the Economic Counsellor and Director of the Research Department, has been named one of the members of the group. In commenting on the purposes of the new group, Mr. Witteveen said that even experts do not have a clear and complete understanding of how the international monetary system works, and there should be advantages in having discussion among central bankers, academic figures, and corporate executives. Other members of the panel include Otmar Emminger, president of the Deutsche Bundesbank; U.S. Federal Reserve Board member Henry Wallich; Robert V. Roosa, partner of Brown Brothers Harriman; C.W. McMahon, Executive Director at the Bank of England; and Jawad Hashim, Managing Director of the Arab Monetary Fund.



"THE HUMAN FORM," five artists' variations on a single theme, made up the Art Society exhibition on display from November 30th through December 28th. In keeping with the Art Society's interest in the activities of the Washington art community, four of the five participants were local. Sharon Ann Wolpoff, a Washington native, showed sketchy, impressionistic figures -- representing moods like "Pensive" and "Drowsy" as well as real people -- in pen and ink or pencil. Joan Root, an assistant professor of art at Northern Virginia Community College, offered realistic paintings and drawings in subdued tones, including a series of figures at "Dawn," "Day," "Dusk," and "Evening." Howard University art professor Lila Oliver Asher is a printmaker whose works have almost an oriental flavor: many staff members found her "Mother and Child" motif particularly charming. Sculptor Mark Oxman, a professor of art at American University, works in plastics (mistaken for marble by many viewers!), producing figures that range from life-size to just under three feet. The fifth participant in the exhibition was Chilean sculptress Francisca Cerda, whose bronze and aluminum forms were interpretations, rather than depictions, of the human figure. Our photo, above, shows Ms. Cerda, Ms. Root and Mrs. Asher at the opening reception.



the opening reception on Thursday, January 4, from 5:45 to 7:30 p.m. The show will remain on view through January 26. During February, the Art Society will present an exhibition of contemporary Danish graphics, together with paintings by Inge-Lise Kofoed, one of whose works was a gift of the Danish Government to the Kennedy Center, where it is displayed in the Concert Hall lobby. Sponsored by the Danish Embassy, this show will open with a reception on Thursday, February 1, from 5:45 to 7:30 p.m.

COLOR SLIDES, COLOR AND BLACK AND WHITE PRINTS, for exhibition in the International Camera Club's annual photographic exhibition next spring, should be submitted by ICC members by January 8, 1979 at the latest. All winners during the past season's contests will be automatically selected. In addition, up to 20 entries will be accepted, from which a panel of experts will make a selection for exhibition. Slides and prints should be sent to Christina Hoedemaker (World Bank, room E-923).

Winners in the ICC's slide contest on November 21 were: Class AA, Peter Nelson of the World Bank, Gladys Mott and Colette Leroy, both of the Fund; Class A, Horst Ungerer (Fund), Carlos Gavino (World Bank), and Keith Thomas (World Bank, a double winner); Class B, Alan Green and Paula Stone, both World Bank, and Klaus W. Riechel and Susan Becker, both of the Fund.

New Members of Fund Staff



Miss Christine L. Edwards
U.K. - WHD



Mr. Hans Flinch
Denmark - OED



Miss Susan Fanning
USA - RES



Mrs. Olie Goodger
Trinidad - ASD



Mr. John D. Goldsbrough
U.K. - RES



Mr. Yusuke Horiguchi
Japan - AFR



Miss Catherine C. Kleynhoff
France - OED



Mrs. Shun-Shun Lee
China - BUR



Mr. Antonio V. Romualdez
Philippines - OED



Mr. German Suarez
Peru - OED



Mr. George von Furstenberg
USA - RES

Managing Director, who observed that he was like them in that he had recently joined the Fund himself. The Fund, he emphasized, is the finest of international institutions, with a high caliber and dedicated staff. As staff members, he said, they should not be afraid to give the Fund the benefit of new ideas and new initiatives and to give of their best at all times.

THE IMF-WORLD BANK CHESS CLUB has an active and enlarged membership and is looking forward to an exciting year in 1979. The club meets every Tuesday in the E-Building cafeteria of the Bank from 6:00 p.m. on.

The first of four scheduled championship tournaments, offering impressive trophies to the winners, will be launched on January 16. This tournament will count for the 1979 Superchampion Award. Beginners are welcome, and will be taught the fine points of the noble art of chess. For information call Alberto Tezano, ext. 76336, Tommy Heintschel, ext. 60158, or Fernando Morales-Macedo, ext. 60285.

On December 12 a special slide contest for members, judged by members, was held in the IMF Cafeteria. Winners were: Class AA, Maurice Asseo of the World Bank, a double winner; Class A, Carlos Gavino, World Bank, Louis Forget, World Bank (a double winner), and Janos Somogyi, Fund; and Class B, Klaus W. Riechel, Jose Martelino, Joaquin Ferran, Susan Becker, and Marie Keech, all of the Fund.

A TEA FOR NEW STAFF MEMBERS who joined the Fund during the past year was given in the Atrium on Thursday, December 7. The new staff members were welcomed to the Fund by the



20 YEAR STAFF. In December Mr. Rattan J. Bhatia, Senior Advisor, African Department, commemorated twenty years of service with the Fund.

MARRIAGES. Mr. Jean-Pierre Golle, Asian Department, was married on November 10 to Miss Annick Aymad; and Mr. Ubadigbo Okonkwo, Fiscal Affairs Department, was married on December 2 to Miss Chibuogwu P. Emejulu.

BABIES. A son, Michel, was born on February 6 to Mr. and Mrs. Philippe Louet (Penelope) of the Office in Europe; a daughter, Nina Frederike, was born on August 29 to Mr. and Mrs. Hellmut Hartmann; a daughter, Tanya Erika, was born on September 13 to Mr. and Mrs. Garnell Doggett; a daughter, Sarah Cecilia Francesca, was born on September 24 to Mr. and Mrs. Simon Quin; and a daughter, Seema Niranjana Patel, was born on November 8 to Mr. and Mrs. Niranjana S. Arya.

RESIGNATIONS IN NOVEMBER. Mr. Daryl L. Brown, Mr. Agustin G. Del Rio, Mr. Peter Engstrom, Mr. Omer Esener, Mr. Anthony C. Fenwick, Mr. John A. Fraser, Mrs. Sylvia Hudson, Mr. Robert L. Johnson, Mrs. Deborah W. Kershner, Ms. Patricia R. Olsen, and Mr. Mahmood Tavakoli.

THE 1978 CHRISTMAS CONCERT of the Bank/Fund Choral Society was given in the IMF Atrium on December 12. The program comprised Antonio Vivaldi's "Gloria," performed by the choir, orchestra, and soloists Glenys Murrell, Janet Bernhards, and Ute Jahr; a Spiritual, "Rise Up, Shepherds And Follow," sung by Leroy Fuller, accompanied on the piano by Eugene Crotzer; and Anders Ohrwall's "Gaudete," performed by the choir and orchestra. Jean Tarnawiecki directed.



Glenys Murrell, of the Asian Department, has sung with the Prince George's Opera, and is a member of the Washington Savoyards. She has sung solo numbers in several Washington churches, and continues the study of voice. Janet Bernhards, of the World Bank, is a native Virginian who is presently teaching voice lessons and working toward a Master's degree in Vocal Pedagogy. Ute Jahr, a native of Germany, is the wife of Karl Jahr, of the Bank, and both are prominent in the Bank/Fund Music group. Leroy Fuller is a native Washingtonian who has been at the World Bank for the past 7 months. Mr. Fuller has studied voice, piano, and theory, and plans to pursue a full-time career in music.

THE G-4 CHILDREN'S COALITION will hold an open meeting in the World Bank's Eugene Black Auditorium on Thursday, January 4, at 12:30 p.m. to answer questions on recent developments and to explain the need for additional resources to enable it to continue its work. The G-4 Children's Coalition has continued to try to improve the situation of the children along two lines. First, it has been working to obtain legislation along lines drafted by Mr. Noto, Deputy Commissioner for Immigration. Second, it has been trying to obtain an improvement by administrative action, in particular by a wider interpretation of the term "immediate family," so that the children may establish independent lives without breaking the law. For further information about the G-4 Children's Coalition, phone John Kay, (477-4175, IMF or 652-6287, home).



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