STAFF NEWS

JANUARY 1980

AS A NEW YEAR, AND A NEW DECADE BEGIN, the world faces a difficult financial and economic outlook which suggests a particularly challenging period ahead for the Fund and its staff. The renewed upsurge in oil prices and prospective international payments imbalances have helped to set the stage for an increased use of Fund resources, particularly by non-oil producing developing countries. Moreover, the present financial system "may need to be complemented by new arrangements," the Managing Director said, when he addressed the 1980 Symposium on Monetary Theory and Policy in Dakar on January 21.

Meanwhile, work on the substitution account continues to progress, and is likely to increase in intensity ahead of the Interim Committee meeting scheduled for Hamburg on April 25. Press accounts indicate that related discussions have been taking place among member authorities meeting abroad, as well as in sessions of the Executive Directors. The effort, as Mr. de Larosière put it in Dakar, is directed toward providing countries with adequate instruments in which to invest their reserves - "instruments that are sufficiently attractive and secure." For the first time publicly, he spoke also of the need for recycling a substantial volume of funds from the surplus countries to the less developed countries.

Against the background of high and wildly-gyrating gold prices, the Fund is expected soon to reach decisions with regard to its own gold holdings, which have increased in value at market prices, despite the auctions held over the past three-and-a-half years.

As it seeks to reinforce and improve the management of the monetary system, the Fund also finds itself grappling with problems of surveillance of exchange rate policies and practices, as well as with questions of conditionality in dealing with the payments difficulties of individual members. There are familiar problems of inflation, sluggish growth and heavy indebtedness among many of the Fund's members, and uncertainties created by increased political tension.

But the Fund is continuing to build on the cooperation and collective wisdom of member authorities which have helped to maintain the organization as a responsive and and flexible instrument for the needs of the world economy. Collapse of the par value system in 1971, and later efforts to restore a systematic currency allignment, have been succeeded by a partial and continuing reform of the monetary system, and a refinement of the instruments available in the Fund. The Fund's present financial position is strong, effective procedures for consultation have been developed through the Executive Directors and the Interim Committee, and the staff faces its important work under the leadership of a pragmatic and activist management. To all of this may be added that, whatever the difficulties, the world has need of the Fund - perhaps as never before.

THE START OF THE NEW YEAR brought with it some changes at the top level of Fund staff. William C. Hood (photo left) was appointed Economic Counsellor and Director of the Research Department. Mr. Hood, a Canadian, succeeds J.J. Polak, who will continue as a part-time staff member as advisor to the Managing Director, responsible for work on the plan for a proposed substitution account in the Fund.

Roland Tenconi (photo right) was appointed as Director of the Administration Department, succeeding Kenneth Clark, who retired at the end of 1979.

Mr. Hood, formerly Deputy

Finance Minister of Canada, the senior civil service position in the Department of Finance, received his B.A. in economics from Mount Allison University, New Brunswick, his M.A. from the University of Toronto and his Ph.D. also from Toronto. Mr. Hood was a post doctoral fellow at the University of Chicago and taught economics at the Universities of Saskatchewan and Toronto before joining the Bank of Canada as an advisor in 1964. He became Assistant Deputy Minister of Finance responsible for economic analysis, fiscal policy and international finance in 1970, and Associate Deputy Minister of Finance in 1975, being appointed as Deputy Minister in 1979. Mr. Hood is married and has two children.

Mr. Tenconi, a French citizen, was educated at the Universities of Paris, Strasbourg, and Aix-en-Provence, where he studied Law, Political Economy, and Economic Sciences. He joined the Bank of France in 1951, serving in various branches and the Bank's Foreign Department. From May 1961 to June 1962 Mr. Tenconi was attached to the Federal Reserve Bank of New York, and after returning to the Bank of France, he served with the National Bank of the Congo as Advisor and Chief of the immediate office of the Bank's Managing Director from March 1963 until June 1965. In June 1965 he joined the Fund as an Advisor in the Central Banking Service, and was appointed as Director of that Department in February 1978. Mr. Tenconi is married and has one child.

Mr. Clark, a U.S. citizen, joined the Fund's then Office of Administration, and was appointed its Director of Personnel in 1951. He was appointed Assistant Director in 1964 and Deputy Director of the Administration Department in 1966. Mr. Clark was appointed Director of the Department in 1976.

THE MANAGING DIRECTOR, ACCOMPANIED BY his personal assistant, Max Watson, left Washington on January 17 for a two-and-a-half-week trip to Africa where he will visit Senegal, the Ivory Coast, Gabon, and Kenya. Mrs. de Larosière will join the MD's party in Gabon, and Executive Directors Samuel Nana-Sinkam and Festus Mogae, J.B. Zulu, Director, and Oumar Makalou, Deputy Director (African Department) will also accompany the Managing Director.

In Dakar, Senegal, Mr. de Larosière addressed the inaugural session of the African Center for Monetary Studies Symposium on "The Experience of the Fund in the Monetary and other Adjustment Policies in the African economies in recent years."

THE BANK/FUND TRANSCENDENTAL MEDITATION GROUP is holding a special open meeting on Tuesday, February 12 at noon in Room E-855 of the Bank for all staff members interested in hearing about the benefits of practicing the TM technique. A special guest lecturer will present research studies demonstrating the benefits to the individual in the improvement of health, the release of stress and tension, and the development of full mental potential. All are cordially invited to attend.

The regular monthly meeting for those already practicing TM will be held at noon, Thursday February 7 in Room E-855. All meditators are encouraged to attend. For further information on the TM program, call Jeanne Galal on Ext. 74019 or Martin Hartigan on Ext. 60413.

THE IMF/BANK SKI CLUB has scheduled a trip to Jackson Hole, Wyoming, for February 22-29. Frona Hall, Ext. 78105, can supply the details.

THE IMF BRIDGE CLUB will hold one of its regular sessions on February 5 in the Fund Atrium. Call Charles Olsen, Ext. 73125, for a reservation.

THE "FREE AND HANSEATIC" STATE OF HAMBURG will be the venue for the Interim and Development Committee meetings at the end of April. Hamburg, Germany's largest port and industrial city, stands on the River Elbe, and has been a focal point of world trade and commerce since the Middle Ages when the Hanseatic League, of which it was a member, controlled much of the economic life of Northern Europe. The meetings, which will be held in the modern Congress Center of Hamburg, start on April 21, when the Group of 24 Deputies caucus. The Group of 24 Ministers meet on April 23, the Development Committee on April 24, and the Interim Committee on April 25.

JOHN ANSON HAS BEEN APPOINTED BY THE BRITISH GOVERNMENT as the Economic Minister at the British Embassy here in Washington and his country's Executive Director on the Boards of both the Fund and the World Bank. Mr. Anson, who is 49 and succeeds Mr. William Ryrie, was educated at Winchester College and Magdalene College, Cambridge. He joined the British Treasury in 1954 where, among other things, he worked on international monetary questions. Between 1968 and 1970, Mr. Anson served as Financial Counsellor at the British Embassy in Paris and between 1971 and 1974 was in the British Cabinet Secretariat dealing with general economic questions.

From 1974 to 1977, he was Under Secretary and Head of the general expenditure policy group at the British Treasury and from 1977 until his present appointment was Deputy Secretary at the Treasury, dealing with general public expenditure matters.

Mr. Ryrie had come to Washington in 1975, and, since his return to London, has been appointed Second Permanent Secretary at the British Treasury in charge of the domestic economy. The London Times, in its announcement of Mr. Ryrie's new job, noted that he was involved in many of the discussions on Britain's application for assistance, where he built up a reputation for his negotiating skill.

"IRISES," A CANVAS BY SEVAN CUNNINGHAM (see photos below) of the Secretary's Department, was one of only 71 paintings chosen to hang at the First Anniversary Exhibit of Washington Artists in honor of Washington, D.C. Mayor Marion Barry. The exhibit was on show January 4 at the Washington Hilton during the celebration of the first anniversary of Mayor Barry's administration, which was attended by local business, political and religious leaders.

A SYMPOSIUM ON AUTOMATED BIBLIOGRAPHIC SERVICES was held last fall at the Bank, with the Joint Fund-Bank Library and the UN's Dag Hammarskjold Library participating. Charles Olsen, Librarian of the Fund-Fank Library, opened the meeting, which he said was the product of a library network committee in the Bank and Fund. The members of the committee were due to get together to exchange information on the status of on-going automation projects, but it was decided to reach a larger audience, bringing in the entire information community in the Fund and Bank, and, subsequently friends in Washington and beyond, with Marko Zlatich, Chief of the Bank's Documentation Systems Section, serving as moderator.

Vladimir Orlov, Director of the Dag Hammarskjold Library, introduced Surjit Singh of his staff and Lawrence Slaughter of the UN's Electronic and Data Processing and Information Systems Division, who gave a presentation concerning the UN's Bibliographic Information System (UNBIS). UNBIS, which became operational this year, comprises UN documents, and will shortly add monographs and serial holdings of the library.

Patricia Kane, from the Joint Library, presented the Periodical Subscription and Renewal System, which has been in operation for a year now, and Elizabeth Cook described the work of her Periodicals section which receives, records, and routes a half a million periodical items a year. Mrs. Cook then described the process, and expectations, from the Subscription and Renewal System presented by Miss Kane.

Eleanor Frierson gave the Joint Library's final presentation, "Beyond Cards and Cabinets; the Joint Library's Catalogue Conversion Plans."


































THE PER JACOBBSON FOUNDATION has arranged that present and former staff members who wish to buy "A Life for Sound Money," the biography of Per Jacobbson, the Fund's third Managing Director by his daughter Erin Jacobbson, to receive a 30% discount on the purchase price from the publishers, the Oxford University Press. This discount reduces the price of the book to $28.75, and those wishing to take advantage of the offer should send a check to the Per Jacobbson Office in the Fund, Room 12-406, by the end of February. The Foundation will arrange for delivery. Ms. Jacobbson's biography of her father is based on his voluminous papers and the diary he kept between 1911-1963.

Reviewing the book in the Economic Journal, J. Keith Horsefield, former Chief Editor at the Fund, writes: "During the 40-odd years of his active life, spanning the years since the First World War in which the modern world took shape, PJ had progressively greater opportunities to put his beliefs into practice - most markedly, of course, after he went to the Fund. His daughter discusses all the major problems of these years, and PJ's reactions to them. There is perhaps one incident in which filial feeling has led her to exaggerate her father's achievements. She claims that he succeeded in convincing Montagu Norman of the need to lower long-term interest rates, thereby bringing about the 1932 British War Loan Conversion. But in general she paints PJ life-size - and goodness knows that was large enough. For example, of the revivification of the Fund which took place after his arrival she comments, 'He never attributed to himself the change in climate, but always realised that he had joined the IMF at the moment when it could start being really useful.' Yet it is obvious that he was a powerful stimulus not only within the Fund but wherever its influence extended. Most of those who knew PJ in action, indeed, would be willing to testify that he was, at the least, an unforgettable experience. The human side of his character was well depicted in an obituary article by Wilfried Guth, an Executive Director of the Fund, which is quoted by the author: 'His sparkling intelligence and wit, the wonderful mixture of understanding and sympathy had to be experienced to be understood.' So much for the man. What about the message? Ms. Jacobsson devotes her final chapter to an analysis of PJ's Economic Thought, abstracting the underlying philosophy from the actions which she has been describing. His ideal was a free market economy. 'He was convinced that only if its economic principles were respected could the economic system function smoothly and at full, but not overfull, capacity.' In PJ's view the market had to be managed, though not controlled, and its successful management necessitated the combination of a sane monetary and a sound budgetary policy. This conviction, according to the author, stemmed from his earliest experiences, as reflected in the policy resolutions of the Brussels Conference. From these he derived his conviction that 'there was a moral quality in economics, a right and a wrong.' Similarly his search in late years for a comprehensive answer to the problems of individual countries is traced to his contracts with Sir Arthur Salter, under whom he served on the Financial Committee of the League of Nations. Alas that he never succeeded in producing a definitive distillation of his experiences! 'If only,' his former teacher Eli Hecksher once remarked, 'If only someone could make him sit still, just think what marvellous books PJ would write!' But he had always to be up and doing."

A GROUP OF DIE-HARD JOGGERS meets every day during lunch hour, even in the cold winter weather, to go for a run of up to five miles. Their route goes past the Lincoln Memorial, down to the Jefferson Memorial, across the 14th Street Bridge, along the Elipse, around the White House, and back to the Fund. However, there are a number of shortcuts for newcomers or for those who are out of practice. Our photo shows (r. to l.) Alfred Steinherr, Pietro Polles (Bank), Francisco De Oliveira, Denio Zara, Vander Trammell, and Bruno Zara (Bank).

Other regular joggers include Michelle Chen, Aida Braña, Garnell Doggett, Sandra Jelencovich, Piero Ugolini, Susan Becker, John Fraser, Christian Frande, Jerry Johnson, and James Healey. Contact Denio Zara, ext. 73825, for further details.

"THE INTERRELATION BETWEEN INTERNATIONAL FINANCE AND WOMEN" was the topic of an address by Margaret Garritsen de Vries, the Fund's Historian, at a joint session of the Washington Women Economists and the Status on Women Working Group of the World Bank Staff Association on November 30, 1979. The session was crowded, with economists not only from the Fund and the World Bank but also from the Inter-American Development Bank, the U.S. Treasury, the U.S. Departments of State, Agriculture, and Commerce, and President Carter's Advisory Commission on the Status of Women. Mrs. de Vries--who ten years ago had a key part in launching the topic of "Women and the Process of Economic Development in Developing Countries" (see Finance and Development, December 1971) emphasized that it is now time for women to focus on the implications for them of the international monetary and financial questions that have been so prominent in recent years and of the vast changes in the world economy in the last decade. "Following the gains women have made in the 1970s which have greatly enhanced awareness of women's issues, the principal issues for women in the 1980s are going to be economic ones," she said.

Mrs. de Vries addressed herself to two principal questions. One, what role do women have in the decisions being taken on international monetary problems and the world economy? Two, what stake do women in particular have in how these problems are resolved? With regard to the first question, citing figures on the absence of women in high posts in finance ministeries, central banks, large private commercial banks, and even in international and regional economic organizations, Mrs. de Vries observed that women are virtually excluded from high-level economic decisionmaking; their absence, even at the top senior staff levels of the IMF and the World Bank, was blatantly obvious at the Annual Fund-Bank Meeting in Belgrade in October.

With regard to the second question, Mrs. de Vries pointed to a number of ways in which current world economic and financial problems have widespread implications for the economic welfare of women, even more so than for men, in both industrial and developing countries. These problems include: inflation; the use of monetary measures to reduce inflation; the curtailment of budgetary expenditures; the onset of recession; prolonged unemployment; high costs for, and shortages of, energy; the transfer of large amounts of funds through Euro-currency markets to pay for higher priced oil; the huge external indebtedness of several oil-importing countries; the slowdown in economic growth in industrial countries; and the increased competitiveness of exports from newly industrialized and rapidly developing countries in the markets of industrial countries. She explained, too, that, in order to determine the consequences of international monetary economics on people in general (male or female), economists will have to lift the "monetary veil" of the monetary analysis which they have been using in the past 10-15 years which has "depersonalized economics" and will have to think again in terms of "real variables both at the macro- and micro- levels." Economists will also have to change their analytical techniques and concepts which obscure developments in real output and consumption of goods and services, employment, productivity, and redistribution of wealth and income. Explaining that the interconnections between monetary problems and the economic welfare of women were exploratory, Mrs. de Vries urged innovative thinking along these lines.


COLORFUL COLLAGES are made each holiday season by Narinder Keith of the Joint Library. Past themes have included the Three Wise Men, a Christmas Tree, and a Partridge in a Peartree. The montages are made entirely from book jackets which Miss Keith collects during the Year.

Nancy Avor of the Central Banking Service had admired Miss Keith's work for a number of years, and this year the two decided to collaborate. Working during lunch hours, they spent five hours designing and realizing the Dove of Peace (pictured left), which will remain on exhibit in the library for the next few months. Miss Keith and Miss Avor are already thinking of possible ideas for next year's project.

MARRIAGES. Miss Phyllis M. Joudrey, Middle Eastern Department, was married on November 9 to Mr. Philip F. Korb. Miss Margaret Ann Wall, Administration Department, was married to Mr. Donald L. Wallace on November 24.

BABIES. A son, Alex Andreas, was born on August 5 to Mr. and Mrs. Klaus-Walter Riechel; a son, Daniel, was born on August 27 to Mr. and Mrs. Samuel Ymar (Stella); a son, John Eric, was born on September 22 to Mr. and Mrs. John T. Ferguson (Amalia); a daughter, Veronica, was born on October 27 to Mr. and Mrs. Luis H. Hennicke-Klocker (Malena); a daughter, Andreina, was born on November 5 to Mr. and Mrs. Alain L. Morales, and a daughter, Daniella Nicole, was born on December 12 to Mr. and Mrs. Patricio Villacres (Teresa).

RESIGNATIONS IN DECEMBER. Mr. Alvaro Anon, Miss Joyce A.S. Cacho, Miss Julie Ferguson, Mr. Jorge Guardia, Mr. David R. Morgan, Mr. Ronald J. Powell, Mr. Antti J. Tanskanen, Mr. Roger De Beckker, Mrs. Veronica L. Guerrero, Mrs. Luz Maria P. Gutierrez, Mrs. Rita L. Lary, Mr. Kuruganti Krishnamurty, Ms. Janet D. Pahlmeyer, Miss Margaret Ann Pountney, and Mr. Mamoudou Touré.

RETIREES. Mr. Kenneth N. Clark, Director of the Administration Department, Mrs. Barbara C. Taylor, Documents Officer, Secretary's Department, and Mr. Walter T. Powers, Assistant Treasurer, Treasurer's Department, retired from the Fund in December. Mr. Ernest Sturc, Director of the Exchange and Trade Relations Department, retired from the Fund in January.

JOSEPH GOLD, Former General Counsel and Director of the Fund's Legal Department, received a Knighthood in Britain's New Year Honors List. Sir Joseph is now a Senior Consultant to the Fund, advising on matters at the request of Management or of the Director of the Legal Department.

CONTRIBUTIONS TO THE FUND'S LATEST UNITED WAY CAMPAIGN totaled $25,518, or an average of $50 for each person who gave. The Managing Director said: "This represents a commendable generosity and effort. I wish to express my appreciation to all contributors and to the Fund collectors. I believe that all of us can have the satisfaction that these funds will be devoted to a highly worthy cause."

THE FUND AND THE BANK have selected the consulting firm to carry out the comprehensive survey of Fund and Bank salaries. The Acting Managing Director said that the process of selecting the firm -- Hay Associates -- was a long and arduous one. Because of the magnitude of the survey and the desire of the two institutions to have a thorough job done, the consultants have indicated that they will be able to submit their report in September. Thereafter, eight to ten weeks will be needed to analyze the data, prepare papers and obtain a decision from the Executive Board. In view of this long unexpected delay, the Acting Managing Director said he had informed the Executive Board of the need for considering an interim salary adjustment effective March 1, 1980. Information is being gathered for this purpose and hopefully Management's proposals to the Executive Board will be submitted toward the end of February for decision in early March. Mr. Dale also said that Management's intention is to recommend to the Executive Board that as a result of the new survey, any final adjustments to Fund salaries be made retroactive to March 1. 1980.

THE ADMINISTRATION DEPARTMENT has issued procedures to be followed by the Fund in the event of extreme weather conditions. In general, the Fund will remain closed on days the closure of Federal Government offices is announced. When the U.S. Government is following a "liberal leave policy" Fund staff members should attempt to come to work on time, but no charge will be made to annual leave because of unavoidable delay.

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