staff news
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Briefings Highlight Changes in Performance Evaluation System

"I was a bit startled," admits Andrew Dawson, a Personnel Officer with Staff Development, "when I looked out at the crowd and saw senior officials sitting on the floor." But it was strictly SRO (standing or squatting room only) at the Visitors' Center on February 27, when supervisors met with Staff Development personnel, with Al Goltz, and later with Deputy Managing Director Richard Erb, to go over details of the new performance evaluation system. In the following days sessions between staff members and Jean-Pierre Gollé, acting head of Staff Development, and Andrew Dawson drew overflow crowds to the Meeting Hall.

***At the March 2 briefing** for supervisors were (from left) Deputy Managing Director Richard Erb, Al Goltz, and Jean-Pierre Gollé. Also present, but not shown, was Andrew Dawson.*

The meetings, which have been and will continue to be complemented by training sessions for managers, stressed the importance the Fund is placing on the new process. The Deputy Managing Director emphasized how vital a factor performance evaluations should be in making pay and promotion decisions and noted his own frustration when as Chairman of the Senior Review Committee he would frequently see performance reports that provide very little information on performance, in particular to support promotion recommendations. In his meetings with managers he stressed the importance that management was placing on performance evaluation. He saw it as a critical part of supervisory responsibilities, adding that if time is a problem, other things would have to be sacrificed.

In the staff briefings the tenor of many of the questions suggested residual anxiety about the new compensation system and the role that merit pay would play in that system. Jean-Pierre Gollé was not surprised at the frequency with which questions reverted to compensation-related issues. It indicated, he felt, great staff awareness that performance evaluation and pay increases were now very closely linked.

Both he and Andrew Dawson hoped, however, that the sessions would succeed in informing staff about the nature of the changes and in deepening staff appreciation of the extent to which the new system could be used to enhance career opportunities.

Performance evaluation has a long history in the International Monetary Fund, but before last year's thorough reexamination of the system it had not been reviewed since 1981. Despite a growing realization that some of the system's objectives—such as accurate evaluations of merit, clear feedback on performance, and frank and open discussions between supervisors and staff—were not being achieved, it was the issuance of the Joint Compensation Committee report that provided the real impetus for a fresh look at the system. The Joint Compensation Committee report had created a merit-based system, and while it gave no specific guidelines on the subject, it did outline the need for a performance evaluation system that would provide a clearer determination of merit.

In May 1989 a working group on performance evaluation was set up with Horst Struckmeyer as Chairman, Andrew Dawson as Secretary, and a cross-section of staff with fairly long experience in the institution, including Ian McDonald and Angela Wall, representing the Staff Association; Elena Frolia, representing the A-1 to A-8 staff; Eduard Brau, Mohsin Khan, Sally Dyson-Simmons, Paul Chabrier, Al Goltz, and Michael Dennison. Andrew Dawson, now a Personnel Officer with Staff Development, was at the time a consultant to the Fund. He came to the Fund with a broad background in personnel matters, supplemented by specific experience with several performance evaluation schemes, including one with a major international bank.

Performance evaluation is, Andrew Dawson admits, "a contentious subject everywhere." Although there was a clear feeling that the Fund should reshape its system to ensure a firmer basis for merit pay, there was by no means a ready consensus on a number of topics. Indeed, Andrew Dawson recalls, "the tenor of the discussions of the working group was very much one of lively debate."

The very first issue, and the one that was eventually to absorb nearly half of the group's time, was the question of how many rating categories there would be. Between 1980 and 1982 there had been five; from 1982 until 1989 there were three formal ratings, although several departments had continued to use for internal purposes an informal five-point rating scale. The debate centered on whether to use a smaller number of ratings and allow greater informal differentiation through pay or to employ a greater number of ratings to provide clearer signals on pay and performance. The group fairly quickly opted for a greater number of ratings, suggesting that the Fund return to five levels.

The matter was far from settled, though, because the five levels had yet to be named and there was a consensus only on the extremes: outstanding and unsatisfactory. "For one meeting," Andrew Dawson remembers, "I circulated 25 variations of nomenclature and after an hour and a half of debate we still had no agreement. There was much subsequent discussion with departments before Administration settled on the categories: outstanding, very good, fully satisfactory, needs improvement, and unsatisfactory.

"Once we had decided on the categories, the question then was how to get the proper distribution across a department. The old system had had a 15 percent cap on the outstanding rating. But this had led to a rotation system in some departments. People were literally queuing up for their turn. The working group finally decided to give departments greater control and flexibility, so that they could be more responsible for their own ratings decisions."

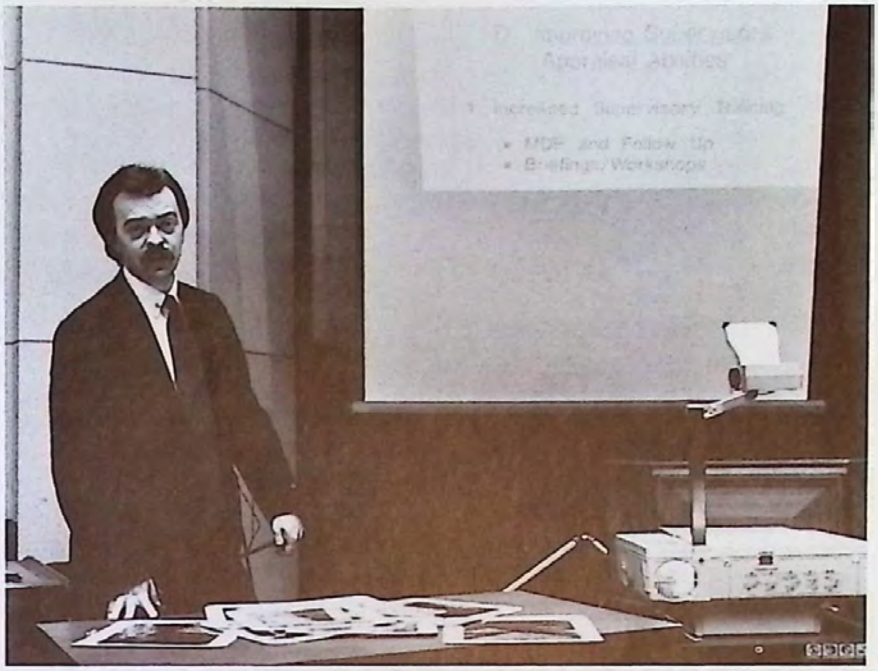
It was agreed, though, that the system would also provide incentives for a sensible distribution of ratings. Departments would continue to operate within a budget and fairly high minimum increases for the two top categories, it was felt, would ensure that ratings would have to be apportioned carefully, if the rest of the department's staff were not to receive unduly low increases. It was agreed that Administration would also issue an indicative range of distributions to give departments a general idea of what might be "normal." In an effort to increase the transparency of the system, department-by-department ratings would eventually be published as well.

Staff Development sees the ratings not as the perfect system but as a better one, one that might avoid some of the problems, such as the rotation of the outstanding rating, that had plagued the previous version. "The objective of the new system is really a continuous process of open competition for ratings," Andrew Dawson notes. "The new system offers greater scope to reflect varying levels of performance. The 'needs improvement' category is not intended to be punitive, but remedial. It should spell out just what needs to be done to bring that staff member up to 'fully satisfactory.'"

The other major area for the working group was how to strengthen the effectiveness of performance appraisal as a tool for human resource management. How could the system's objectivity be enhanced? How could the quality and effectiveness of the supervisor's assessment be improved?

The working group felt greater objectivity could be achieved by more carefully delineating the factors involved in the assessment. The very general nature of the work assessment section in the previous system was shelved in favor of one that asks pointedly about certain skills: general knowledge, quality and quantity of work, technical skills, entrepreneurial skills, data management, willingness to accept responsibility, initiative, reliability, and so on. The new form also asks supervisors to pinpoint both what staff did well and what could be improved. It encourages both staff members and supervisors to be more specific, and in being more specific, to be more open and frank.

In conjunction with this, the new performance evaluation system launches into what would be a whole new area in performance evaluation for the Fund—the setting of goals and objectives. Performance evaluation in the World Bank and in many private firms has long placed great emphasis on the forward-looking aspects of performance evaluation. It has asked staff members and supervisors to set goals for themselves and it has used this



***Andrew Dawson** reviews some of the changes in the system with staff.*

as one measure of performance. Setting objectives has also, when it functions properly, given staff and supervisors the framework for an ongoing discussion of individual and group goals, improved communication and planning, and shifted the weight of the exercise from a stolid rehash of the past to a dynamic look at the future.

The shift in emphasis from past to future complements Staff Development's broader objective of tying annual performance evaluations in with aspects of career development. Ideally the new system would be successful in soliciting greater information on future staff needs—whether training or mobility or specific job assignments. The added emphasis on open documentation should also ensure that an expressed interest in mobility, for instance, reaches those, such as Personnel Officers in Staff Development, who could bring about the change. In briefing sessions, however, some managers did note that the Fund was asking for greater openness from individuals at the same time it was reducing the degree of confidentiality attached to the exercise. Staff Development countered, however, that the product of performance evaluations would have to be more accessible if the system is to be effective as a career development tool.

In the working group SAC representatives encouraged the adoption of an expanded role for the reviewing officer. The new system does indeed do this. Reviewing officers will now be charged with ensuring that points that staff members bring up in their performance evaluations are in fact fully addressed in their supervisors' and their departments' reviews. The new system will also provide greater incentives for supervisors to spend the time, and make the effort, to do these evaluations conscientiously and thoroughly. The working group stressed the critical role supervisors have in making the system work and provided a formal category in the review of their supervisory skills to give added weight to their handling of performance evaluations.

SAC representatives in the working group had lobbied for compulsory subordinate assessment of supervisors—a point that staff reaction in the February 28 briefing also seemed to underscore. But final consensus in the working group supported the concept of a voluntary program of subordinate assessment that would begin this year and possibly grow from there. Andrew Dawson noted that by its very nature subordinate appraisal is a delicate exercise and fewer than 2 percent of all performance evaluation systems contain such a provision. He believes, however, that supervisors could benefit in their own development from a carefully implemented program that drew input from subordinates.

Staff Development is obviously aware that there is still skepticism about how the system will be implemented. Can staff attitudes be changed? Performance evaluation in the Fund has for a long time been viewed by some staff members as more an inconvenience than an opportunity. Can managers be convinced to put in the requisite time and effort to make the system work? If the process is indeed taken more seriously by all concerned, will it really trigger the more honest and, ultimately, more productive dialogue that is sought? If the process of setting objectives does work, can it, in fact, facilitate communication and planning within divisions?

There is still a measure of uncertainty, and something of a wait-and-see attitude. Managers seem to be watching somewhat warily to see how equitably ratings will be administered across departments and there appear to be questions among all parties about just how frank staff and supervisors should be and about just how well such frankness will serve an institutional culture that has traditionally been low-key and collegial.

Impressive turnouts at the supervisory briefings and workshops and at the staff briefings—an estimated 230 managers and 400 staff members—suggested considerable interest in the new performance evaluations.

Staff Development personnel believe that the new performance evaluation system will give staff and supervisors the tools to be honest and constructive without necessarily being blunt or confrontational. They are hopeful that a performance evaluation system that can improve on its review of the past as well as add some perspective on the future could signal a new and more positive era for staff members, supervisors, and the Fund itself.

At the Career Development Center, *acting head of the Staff Development Division, Jean-Pierre Gollé (left), confers with Dinah Nieburg, head of the Training Unit, and Noel Jones (right), the Fund's Career and Management Development Consultant.*

Matching Skills and Opportunities

In strengthening its career development program, the Fund is integrating more resources and requiring that staff assume greater responsibility

Fortysomething. Not so long ago the Fund celebrated its fortieth anniversary; recently the staff's average age rose to nearly 43. It's hard to miss the evidence of aging, or to sidestep the obvious analogies. The Fund and its staff are marking the onset of mid-life—and neither has been immune to the unsettling reassessments that this particular territory seems to arouse. "It's not surprising," Noel Jones, a Career and Management Development Consultant with Staff Development, notes, "that there are questions raised about the role of the Fund and it's not surprising that we have the staff questioning its role in the institution. We have all this accumulated knowledge and experience, but what are we going to do with it? The early forties are a good time to check, because on a personal level, what we do now determines the rest of our career."

What the Fund is doing now, after weathering a difficult job grading exercise, is re-examining and redefining its relationship with its employees. In the context of shifting the nature of its commitment from one of benevolent paternalism to one in which the institution and individuals bear equal responsibility for careers and job satisfaction, the Fund is strengthening and consolidating its career development program. It defines career development as the systematic process of matching as closely as possible the needs of the individual with those of the organization for the mutual benefit of both. To achieve this, the career development staff say, employees must have access to the skills, the resources, and the flexibility they need to grow and adapt, and the institution must ensure that it provides them with the necessary information and opportunities.

The Fund and its staff are in transition. Dinah Nieburg, head of the Training Unit, which encompasses the Career Development Center, feels the shift in whose responsibility it is to make a job satisfying or to create opportunities would have hit sooner or later. But it is, she admits, "very difficult for those who came here with one set of expectations about what they could expect from the Fund to now realize they may not be fulfilled. It's a tough time for both sides, but it's not going to revert to the way it was twenty years ago when the Fund was a rapidly growing institution, so the question is, 'What can we provide people with and what can't we?'"

Jean-Pierre Gollé, the acting Chief of Staff Development, emphasizes that having staff members assume a more active role in their own career development does not absolve the Fund of its responsibility. "In the past one of the main criticisms that staff made—and I would say it was a fair criticism—was that they often didn't have all the information they needed to make sound career decisions. The job grading exercise provided information that we knew would be very useful in providing staff with better advice on what is required to advance, on what is needed to switch job streams, on when would be the best time to do this, and so forth. Dinah Nieburg and the Career Development staff are working on integrating all this into a manual—a "Career Guide to the Fund."

The Career Development Center

The Fund's career development program is a series of tools. Dinah Nieburg and Noel Jones credit Marlene Thorn, then head of the Training Unit and now with Staff Benefits, with giving the program form and substance. "Marlene was the real thinker and initiator behind the current conceptual framework and some of the career development programs and services," Dinah Nieburg says, "and she was responsible for seeing that the concept served as an umbrella to a lot of services in Staff Development." The Career Development Center was established in 1988 to give focus and tangible structure to the program. The Center, created by Marlene Thorn, and designed with the assistance of Dinah Nieburg and Noel Jones, is based on a four-stage program that encourages staff members to conduct a self-assessment, understand their environment, understand their life situation, and formulate objectives and take action.

Although Noel Jones hopes to see career development here become what he feels it should be—"an ongoing exercise that entails constant reappraisal and reassessment"—he acknowledges that staff members commonly reflect on it episodically, usually with crisis-driven concerns. More often than not, staff members come to the Center, or seek individual counseling, when they are unhappy with their work situation or frustrated about the lack of promotion. Dinah Nieburg, Noel Jones, and other personnel officers discuss vacancies or promotion strategies, but generally try to encourage staff to take the time to explore broader questions of personal values and goals. The Center uses a number of career guidance tests, including the Myers-Briggs Type Indicator, John Holland's Interest Inventory, and Career Anchors, to identify interests, preferences, and aptitudes, and to match these with professions.

Bailing out of a bad situation, the counselors stress, rarely resolves real problems. "Unfortunately, until people establish a reputation as good workers," Dinah Nieburg acknowledges, "and until they can figure out how to do the current job well despite a difficult environment, the vacancy list and mobility opportunities aren't likely to help." Noel Jones underscores that point. "Career development," he says, "begins with your current job."

But Marlene Thorn also stresses that many of the Fund's "solid citizens"—its hardworking, motivated staff—have legitimate career development concerns. In some instances they have been stymied for years in their efforts to develop career opportunities within the institution. There have been institutional as well as personal constraints—both of which she believes will be addressed by the new emphasis on career development.

Counseling helps staff members sort through their emotions, identify problems, develop a realistic appreciation of talents and possibilities, and seek solutions. The problems are sometimes not what staff members originally thought they were.

"In some cases I've had staff come specifically looking for outplacement," Noel Jones says. "They say they want out, they've had enough. In talking with them, however, I may find that other factors are driving this frustration. Once we've identified and clarified the problem, I can sometimes help them come to grips with it. We can explore different options. Many decide to recommit to the organization in a very positive way. Others opt to leave, and these we try to help with their external job search."

A number of staff who sought counseling after the job grading exercise reported that the counseling was helpful in rebuilding their self-confidence and in restoring a positive self-image after they had been badly shaken by downgrading. Much of the current counseling is focused on helping staff explore transfers, promotion opportunities, and outplacement, or helps them work out conflicts with supervisors. The process can be lengthy, but Dinah

Marlene Thorn, *previously head of the Training Unit, and now with Staff Benefits, is credited with being the "real thinker and initiator behind the current conceptual framework for the Fund's career development and some of the career development programs and services."*

Nieburg and Noel Jones expect staff members to set their own pace.

Both have also delivered group workshops. Dinah Nieburg has led several workshops for nonprofessional staff; she and Noel Jones have also jointly created career development workshops for the Joint Library and the Systems Production Division of BCS. They have also been involved in several organizational development projects, where they have been asked to help define and strengthen relationships between divisions or to work with individual divisions to restructure (and rationalize) responsibilities and work loads.

Performance evaluations

With the Career Development Center in place, Staff Development's attention has shifted to integrating and strengthening related programs. Long-term performance assessments were one of the first elements to be addressed. Last year, to improve consistency and effectively link long term assessments to career development, the assessments were centralized in the Staff Development Division. What had been divided up among many personnel officers in several divisions would now to be concentrated in a single division.

"We would like to make long-term performance assessments increasingly more meaningful," Jean-Pierre Gollé says. "We are also trying to demystify them, which is why last year we started briefings to let staff know what to expect." Staff members were also encouraged to use career development resources in conjunction with the long-term assessments. Noel Jones estimates that roughly 60 percent of those he worked with in the long term assessments did use the career development materials. Someone who just completed his eight-year assessment marveled over how different his experience with the four- and eight-year reviews had been. "The career development materials were very useful and Dinah Nieburg was willing to spend a lot of time with me. My eight-year review was very helpful."

One of the most valuable contributions to more effective long terms may come from revisions in the annual performance appraisals this year. "Performance feedback is critical to knowing where you stand," Marlene Thorn argues. "What we are requiring on the annual performance report now is that the news be delivered more directly on an annual basis, so that incremental improvements can be made. At four years all the good news-bad news should have been heard before. It should be history.

The focus of the long-term assessments should then be on career decisions. You can't do career development without the basis of reality, and the reality is your day-to-day work and how it is perceived by your supervisor, and how your supervisor measures your performance relative to the performance of others. That's why ongoing performance feedback is important to career development planning."

Noel Jones stresses the critical role managers, particularly division chiefs, play in making the performance appraisal system work. "We want to ensure that division chiefs take the performance exercise seriously. Ultimately it is not the document that brings about good performance appraisal, it is the quality of attention and thinking that supervisors give to it. If they are prepared to put in the effort, the performance evaluations will be better done."

Mobility

Like performance appraisal, the mobility program is being refined and expanded in hopes that it will better support career development. Mobility for economists already has a solid place in the institution. Economists are now expected to work in at least two departments in the course of their career. Mobility for noneconomists, however, has had a much briefer and somewhat more rocky history; it is still struggling to establish both its feasibility and its effectiveness. But Jean-Pierre Gollé is convinced of its value and viability. "I attach great importance to noneconomist mobility," he says. "Clearly we are not going to achieve the same volume of transfers we've had for economists. We cannot, due to the great diversity of these functions and their requirements. But we do know the current level of mobility is unduly low. It won't be easy, but a number of staff have very legitimate reasons to want to diversify and we want to accommodate them."

External assignments have been considered, but Jean-Pierre Gollé believes more employees would benefit from an expanded knowledge of the Fund. Thus he favors a personnel officer, for instance, spending time in an economics area here rather than in a personnel area elsewhere. Some swaps, such as between budget officers and Treasurer's personnel, seem natural; others will require some creativity and resourcefulness, and may involve short-term, project-oriented assignments. Traditionally economists have had more scope for moving into noneconomists positions than the reverse, but Jean-Pierre Gollé cites the increasing number of noneconomists going on mission and the greater willingness to place noneconomists in short-term assignments with economic departments as examples of the Fund's willingness to broaden opportunities for noneconomists.

For both economists and noneconomists, one of the principal obstacles to mobility has been supervisors' reluctance to accept staff members who are unfamiliar to them. Temporary assignments might help ease this constraint. These assignments allow departments to examine the qualifications of other staff members, who in turn benefit from the added exposure.

Dinah Nieburg and Noel Jones, who are currently preparing a paper on the possible uses of temporary assignments, are optimistic. "We could use temporary

Continued on page 18

Making Friends for the Fund

An interview with Gerard Teyssier, head of the IMF Institute

You have to have a long memory in this institution to associate the IMF Institute with someone other than Gerard Teyssier, its director for these past 18 years. After a career with the Banque de France, where he served in the Inspection Corps and rose to head its Bureau of Statistics in 1961, he came to the Fund in 1964, serving first as an alternate Executive Director for France and three years later accepting a position as the Deputy Director of the IMF Institute. He succeeded Frans Keesing in 1972 as head of the Institute.

"In spite of my strong British accent, I am French," he said tongue firmly in cheek as we began the interview. Actually there is no mistaking the Gallic heritage. He is a man of open emotions and obvious passions, most of which he has channeled into the nurturing of the IMF Institute and its participants.

What issues faced you when you took over as head of the Institute?

When Frans Keesing passed away after a very long and painful illness, and I was offered the position of director, I accepted more or less reluctantly. I knew it would not be easy. For one thing the Fund's work is a mixture, not always a happy one, of theory and practice. And teaching about the Fund actually has always been somewhat awe-inspiring to me. For another, I had greatly admired Frans Keesing and felt it would be difficult to duplicate the same combination of knowledge, experience, and wisdom that he had brought to the job. Also, although the Institute was then eight years old, there were still a number of fundamental issues to be resolved. As a matter of fact, the small staff was divided into internal factions.

Divided over the purpose of the Institute?

There was a general lack of agreement on the objectives of the Institute and its methods. As the new director I had to take a number of difficult decisions on whether the Institute should continue to focus on training or also do a certain amount of research. That was one of the main issues. Some of my people, with doctorates from good universities, wanted to compete with universities and were inclined to prefer research activities. Of course, in their minds, there was no panache, no glamor in training. I said, "look, our assignment is to provide training and that is what we shall do. We may have some element of research, but it will be applied research." I had noticed that in a number of regional or international institutes that did both that there was either poor research or poor training. I decided to continue concentrating on training.

There was also the question of whether we should continue to conduct the great bulk of our training here or follow the example of the Bank's EDI [Economic Development Institute], which holds courses around the world. My people were interested in traveling, but I felt I could not control courses in the four corners of the world, so we continued to conduct our courses here.

There was also the matter of the relative importance to be given theory. There was a lot of interest in teaching theory and if I had acceded, we would have had endless pages of theory. But I did not see that as the Institute's main purpose. I wanted pragmatic courses—presented in a simple manner, with clear language, and in a way that would be easy to apply in practice.

My main problem at that time, however, was making participants participate. It sounds like a joke, but it is not.

At that time our courses were five to six months long and consisted essentially of a series of lectures. It was tedious for the participants after a while and they had a tendency to remain passive. I strongly felt that we should divide the participants into small working groups of ten, and ask each group to prepare a financial program.

I would select a country and, here again, I had a problem. Some wanted the computer to invent a country called "Utopia." I said, "I'm sorry, but let us speak to the real world. There are unfortunately enough problem countries to choose from; let's take one and see what we can do." We provided the participants with all the information available for the selected country and then the working groups prepared parallel financial programs. Eventually each would present its own program, which would be discussed by the others. It proved an intense experience; people got so fascinated they worked until one or two o'clock in the morning. When I saw that, I knew I had really solved the problem.

You were able to motivate the participants....

We have no entry examinations at the Institute. There can be none because of the great diversity of the countries from which we draw participants, and since there is no entry examination, I feel we could have no examination at the end either. It would be unfair to subject participants to the same test when they come from totally diversified backgrounds. It would also be unfair because the language of the course is not necessarily the mother tongue of the participants. I know from experience how difficult it is to express oneself in an acquired language.

But without examinations and without participants paying for their courses—the Fund paid for all their expenses—how could you ensure motivation? After all we provide only a certificate of attendance, not a diploma.

We found the answer to our problem in the financial planning workshops. These are successful because the personal reputation and pride of each of those participants is at stake. There is tremendous competition, but no rating, and discipline comes from within the group. Those in the group know when someone who is supposed to take care of the balance of payments, for instance, has failed to deliver. It is similar to what happens on Fund missions; the internal discipline of the group accomplished a lot.

What type of selection process is involved?

In our most recent Admissions Committee meeting, we had room for 32 participants. We had 130 candidates from 70 different countries, so I knew in advance that more than half of the countries would not be represented. The Committee, which is chaired by Mr. Erb and includes representation from all the area departments and several others, works hard to arrive at sound decisions.

We use a number of criteria to select participants: proficiency in the language of the course (which is not always easy to assess); age (candidates above 50 do not represent a very attractive investment); relationship between the present or anticipated responsibilities of the candidate and the subject matter of the course; and previous representation of the countries in our courses. We always try to apply these criteria in a flexible manner and to take into consideration the special circumstances of the countries.

Is there an effort to maintain a rough geographic distribution in these courses?

Yes. Spanish courses, however, will mainly draw participants from Latin America, while French courses will draw heavily on Africa. Although our courses are essentially addressed to the developing countries, we always want to have some representation from the industrial countries. It's very important. It gives a different cast to the discussions and is useful for people from industrial countries to learn about the problems of the Third World. When a country has just become a member of the Fund, we do take that into consideration and give its officials preference, at least during the first three or four years. Clearly when there is only one seat left and we have someone from an industrial country and someone from a small developing country, priority will be given to the candidate from the small developing country.

Do you have flexibility to cope with countries that might need urgent attention?

We give these countries high priority for admission to our courses, and also assist them through the diversity of our program. Our work embraces several different kinds of activities. We have our regular program in Washington, which includes courses by the Institute on financial policy and programming and the techniques of economic analysis and technical courses on balance of payments methodology, money and banking statistics, government finance statistics, and public finance. The Bureau of Statistics and the Fiscal Affairs Department provide the core of the teaching for these technical courses.

The second activity is seminars for senior officials. About ten years ago, when Mr. de Larosière was trying to make the Fund better understood, my then deputy, U Tun Wai, and I volunteered to organize seminars in Washington for senior officials. The Institute has been conducting two to three seminars a year now for about nine years. We either give these ourselves or in cooperation with Central Banking, Fiscal Affairs, or Legal Departments. The seminars last about two weeks and are by invitation only. They offer a free forum for the exchange of ideas; people are invited to speak their minds. It is interesting to hear experts speaking openly, not necessarily reflecting the official views of their authorities. No record is kept, and that is very important.

The third activity, which I felt would be especially helpful for newly emerging countries or others with special difficulties, is the country seminars abroad, which are condensed forms of our regular courses adapted to the particular situation of a country or a region. These last about two weeks. For these seminars we send our team, together with a representative of the respective area department, whenever that is possible.

The country seminars are organized for mid-level officials. We first try to define what the true problems are. And then ask what we can do. What are the possibilities? There is no set recipe for resolving a country's problems. If there were, the Institute would have published a little textbook a long time ago and we would now be jobless.

What we can say, though, is that although the country's officials may know the problems better than we do, from our cumulative experience with a number of countries for over forty years, we believe certain options could be considered. We then present the options and discuss their relative merits and drawbacks.

The great advantage of these is that we don't hold discussions with the local authorities with financial negotiations in the back of our minds. When you negotiate the use of Fund resources, local authorities are tense. They think "What do they mean by that? Let's be careful, let's say no." Here we discuss openly. There is no stand-by arrangement expected. We simply try, among experts, to have a clearer idea of the problem and to find workable solutions. We are developing more of these country seminars because we now have benefit of UNDP financial assistance. This year we expect to have 15 of them.

I think people appreciate the spirit in which the seminars—and indeed all of the Institute's programs—are conducted. We don't come to participants convinced of our intellectual superiority or our technical expertise. To me the Institute is not a university. As a matter of fact, we discuss more than we teach. Participants are not students and we are not professors. We are all civil servants from national and international organizations exchanging our respective experiences.

We never pretend the Fund is perfect. Of course we make mistakes; the Fund is composed of men and women like the participants. This being said, we have an advantage—our diverse experience, our good faith, and our immense good will. Also, when participants arrive in Washington, we want them to know they are not alone in a foreign city; they are part of the big Institute family.

Is that the great advantage in bringing participants here to Washington?

Yes, it is one of the advantages. From the point of view of efficiency, participants who come to Washington are cut off from their organizations and from distractions, so they can devote themselves full time to the subject matter. We make them work hard, but we also try to create the best possible conditions. Participants must not be faced with material problems, which would distract them. Coming to Washington is a fantastic experience for most of them. They can also discover the U. S. Federal Reserve, the Treasury, the Department of Commerce, and, generally speaking, the American way of life. More important for our purposes, they can discover the Fund at work and realize that it is not a remote Olympus managed by people whose only concern is to issue diktats. They can discover the motivation of the Fund staff and understand the rationale behind the Fund's recommendations.

Has the nature of the course work changed over time?

It has always been important to observe changes in the international monetary system or in the nature of the members' financial problems and adjust the Institute's courses accordingly. That's why we have created new courses. In the beginning we had a lengthy course on Financial Analysis and Policy. We began reducing its duration, when it became more difficult for countries to release good people for five or six months. Now the courses run for no more than three months.

We also wrestled with the extreme heterogeneity of the Institute's groups—we had 25-year olds fresh from the university who were eager to work on theory and 45-year olds very far from the university who were scared by theory but had a lot of experience. Also the academic backgrounds themselves differed widely.

So seven years ago we added to the Financial Analysis and Policy course a new one called Techniques of Economic Analysis. This would address itself to people who had not had extensive work in economics—for instance, lawyers. They might have been recruited by the central bank and made a good career for themselves and then found, at 38 or 40 years of age, that they did not have an adequate economics background. In this course they would be with others with a similar background but with the desire to know more. The course is meant to demystify economics, and to show how it can be applied to their practical work. At the other end of the spectrum we decided to create a course for the more advanced—a course on Financial Policy and Programming that basically required a masters degree or the equivalent.

More recently we merged the old, long course on Financial Analysis and Policy and the new one on Techniques of Economic Analysis into Techniques of Financial Analysis and Programming. We did this partly to satisfy the need for greater economy, which is felt throughout the Fund. The course teaches how a stabilization program is designed. This seemed important when so many member countries now have programs with the Fund.

Finally, last year we started a totally new course on Programming and Policies for Medium-Term Adjustment. It is still experimental, but I think it is promising. It is up-to-date with recent developments in the Fund and is in line with the nature of most of our current programs.

Will the Institute be moving to International Square?

In a year's time, yes. We shall keep three lecture rooms here. Plus an office or two. It will not be too convenient, but it was clear that the Fund had no choice. I was asked and I said yes.

Will this interfere with the feeling the participants have, or acquire, of the Fund?

I don't think it could be otherwise, but this being said, I think it is acceptable. It will be a matter of motivating participants a little more.

What's ahead for the Institute?

Well, demand is growing steadily, as is the number of applications. The Institute is now known all over the world and I believe it has helped the Fund's image. On more practical terms, if you ask mission chiefs, an overwhelming majority will tell you what it is like to be lucky enough to have a fresh former participant among the people they are working with. So, in general, we will continue our current programs, although with some increase in external seminars.

Will you be looking at some of the problems of planned economies attempting to transform themselves?

We are discussing a country seminar in Romania; we shall certainly have others. This summer we shall also organize a seminar in Washington for senior officials on centrally planned economies in transition.

What has given you the greatest satisfaction?

Discovering that if you adopt the right attitude, you can create friends for the Fund. Certainly you cannot bring an arrogant, contemptuous attitude to your work with participants, and you must be yourself. You must always be extremely honest in your answers. You must be able to say sometimes "well, you asked a good question; I don't know the answer. Maybe tomorrow or the day after I'll know."

We discover that, progressively, people abandon many of their preconceived ideas. When they first come, some are defensive; they have their doubts about the Fund. They have read and heard so many terrible things about the Fund that they are very cautious as to how to behave in what they see as somewhat hostile territory. Three months later they go and for most of them the Fund has become a friend, and it is not without nostalgia that, sometime later, they will remember their stay with us.

After 22 years with the Institute, I have scores of stories and anecdotes. Some are funny; some are touching; some are pathetic. You must have a good disposition to understand those situations and if you do, you enjoy your work. It is very demanding for the Institute staff, since our work is based on serving others. But it is also rewarding. Extremely so.

Gerard Teyssier's other great passion is the sea, and there is ample testament to that interest in his office, where paintings of the sea and large model ships set the mood of the room. He owns a boat and has sailed the Chesapeake for years, but that's not all.

Like most people born in the mountains, I am fascinated by the sea. I build model ships. It is my great hobby, but my production is very limited. If you build a model, you must have total concentration; you cannot approach it half-heartedly. It is not easy; it requires patience, perseverance, some talent, and a lot of time. You are not always in the mood. There are several months when you just don't feel like it, and THEN. One night it comes and you work on it until 3 o'clock in the morning. It is a great pleasure to see the stages. You start from nothing and you create with your hands something that is so harmonious, so beautiful.

But since my production is not that much, I also buy model ships, which is not always appreciated by my wife, especially when they are large.

Tales of the Blue Sheet

Or Confessions of a News Junkie

On a typical morning, David Armour has yards of stories to read.

There's a small, other world up there on the Twelfth Floor, tucked away in a corner of the External Relations Department and withdrawn from the austere, almost rarefied atmosphere that typifies most of the Fund's environs. It is a real newsroom—the lights are dimmed, the news tickers whir and click constantly, yards of wire service reports trail through the hallways, and shirt sleeves are almost always rolled up. Casual observers might wonder how any work gets done in here, but each day, from 5:30 a.m., David Armour thrives on the clamor and the clutter, working hard to produce the *Morning Press*, or the blue sheet as it is more commonly called.

The blue sheet was created in about 1951 as a digest of news material that might be of interest to the Fund. In its humble beginnings, it included news from the *Washington Post*, the *Wall Street Journal*, the *New York Times*, the *Journal of Commerce*, and the *Baltimore Sun*. The first wire service, United Press International (UPI), was included in the 1960s, with Agence France-Presse (AFP) and Reuters added at the end of that decade. Armour joined the Fund staff in 1968, after a career with Reuters and a Toronto newspaper, and took up the task of preparing the *Morning Press*.

The collapse of the fixed parity system in 1971 proved a turning point for the *Morning Press* as well as for the Fund. With the old framework of the fixed parity system gone, what governments did in economic and other policymaking areas, and how this affected floating exchange rates, became of extreme interest to the Fund. Staff became more interested in world news just as the providers of the news were becoming more interested in the Fund and its work. In the process a symbiotic relationship developed between the Fund and the outside world. As press interest in the Fund grew—from about 15 "regular" journalists who attended the Managing Director's Annual Meetings briefing in 1968 to some 250 today—the *Morning Press* also expanded. It now taps 24 daily newspapers (in English, French, Spanish, German, and Portuguese) and 7 wire services, to reflect the increasing press awareness of the Fund's work.

News is garnered from the big three Western news agencies—Reuters, Associated Press through its affiliate AP-Dow Jones, and AFP—and from the German news agency Deutsche Presse Agentur (DPA), the Japanese wire service Kyodo, the Spanish wire service EFE, and Xinhua from China. Almost anything of interest that happens anywhere in the world now, Armour feels, is being picked up by at least one of these services. Each has its own strengths and weaknesses, but access to all of these services offers a very broad range of events and provides reactions to major stories from several different perspectives.

News magazines tend to be a lesser source of material, although Armour regularly reads a number of them, including the *Economist* and the *Far Eastern Economic Review*. Magazine journalism, he feels, is this week's bias with last week's news, and characteristically lacks the topicality that is the blue sheet's forte.

The wire services and daily papers produce 2.5 million words to read each day. Since the blue sheet is not a clipping service for all news pertaining to the Fund and since its double-sided legal-sized page accommodates only 2,200 words, the news must be compressed at the rate of 1 word in the blue sheet for every 1,000 read. You have to do some ruthless cutting, the *Morning Press*'s editor admits, to bring it all down to size. "Either you control the file, or it starts controlling you."

As he reads, Armour sorts the news into three categories: must go in, should go in, and could go in. The preference is always for hard news. The hotter, the more dramatic the news, and the more important its impact on the world economy, the more likely it will be to make the "must go in" category. Events such as the overthrow of a government, an assassination, a major central bank interest rate change or exchange market intervention, or the announcement of monetary policy decisions by the Federal Reserve or Bundesbank "impose" themselves.

Trends and minor changes in economic indicators are more problematic choices. Unless data indicate a sharp deterioration or unless the figures might affect exchange rates (such as the U.S. inflation or trade deficit data), the blue sheet tends to pass these up for "harder" news. Important news that does not make the blue sheet, though, may still reach a smaller and very interested audience. Information on particular economies, and on natural disasters or good monsoons or reports on economic indicators are routinely forwarded to interested departments in the Fund, and this service is carried out throughout the day

Other important, but less tangible, running stories, such as the debt crisis, have continued for years. The trick is how to cover them. While Armour admits that it's not possible to cover every nuance of the story, the blue sheet does try to indicate where there is a trend or the way in which the press or outside observers see the debt situation and the policies designed to cope with it.

Analysis as such, though, rarely makes it to the blue sheet. As Armour would say, "The weak go to the wall." In this case the weak are stories that may be quite interesting, but not "hard" news, and thus can't be included in the 2,200-word final product. They are, however, available for interested parties to read on the wall outside Armour's office in the suite of rooms in 12-525.

Commentaries on the Fund, and analytical or op-ed pieces, are read for personal interest, but these types of stories are also not usually included in the *Morning Press*. (In August 1987, however, the weekly *Trends and Comments* was created to provide a venue for such commentary on the Fund. It now regularly includes items that were not considered "hard" news, but would still be of interest to the Fund.)

Time is another critical factor. Although the day starts at 5:30 a.m., much of the news gathering for the day's *Morning Press* begins the previous day and possibly earlier. Armour reads wires and papers throughout the day. It's a nonstop process. What looks good at 3 p.m. may be completely overtaken by events later in the day or by something hotter that comes in during the night or early in the morning. The selection process remains fluid and flexible. It has to be. It is, Armour says, a little like juggling three or five torches at once.

The approach of the 9:00-9:30 a.m. deadline crystallizes the choices and forces a decision on what is to be cut or selected, but Armour is also looking ahead. The wire services offer a fair indication of what may be in the U.S. or European papers over the next day or days. He might, he says, pick up a speech by German Finance Minister Theo Weigel from the wire services and then follow coverage of it in U.S. papers the following day and also check the German papers when they arrive to gauge German reaction to the speech.

The blue sheet also responds to fluctuations in coverage of the Fund's work. During increased coverage, such as during the Annual Meetings, two editions a day are the norm. In 1982 in Toronto, when the debt crisis burst upon the financial world, five editions went out on one day; in Korea in 1985, four were done on one occasion. When the Meetings move outside of Washington, particularly when a language barrier might keep participants from picking up news from local papers, the *Morning Press* shifts into high gear to keep participants informed. Not surprisingly, these periods are intense. They go by in a blur, Armour says; as soon as they start, they seem to end.

The final step for the blue sheet is distribution. The Managing Director's office, the area departments, and several others receive the *Morning Press* by fax first thing each morning, as do the Executive Directors. Most of the Executive Directors in turn fax copies to their respective authorities, whether finance ministries or central banks. The World Bank and the U.S. Treasury receive it electronically (it is available on the Bank's "All-in-One" system. The Fund's Paris Office, in fact, receives the blue sheet through this system.) A handful of other institutions, such as the United Nations in New York and the GATT in Geneva, receive copies through a combination of fax and mail. It is also sent to journalists who cover the Fund regularly. Although requests have been received for wider public distribution, the blue sheet has never been distributed to the private sector.

If the blue sheet bears a distinctive style after all these years, it is the low-key, straightforward touch of its editor. The "Armour" style book shapes its prose and insists on the absence of jargon. The blue sheet should be intelligible, Armour feels, to anyone on earth who might want to read it. The other element scrupulously avoided is the hackneyed word or phrase. You won't find "summit" used in the blue sheet. Ever. Everyone from the Montgomery County teachers to the G-7 is holding summits, Armour claims, and he's only too happy to tire the term no further.

And, of course, behind every successful editor is an assistant, and Armour is no exception. He admits he couldn't get along nearly so well without his coworker of ten years, Gay McKay. Over the years they have developed a subtle style of communication that seems to anticipate what is needed. It can easily be heard through the corridor, as shouts of "Gay" ring out.

Finally, why is the blue sheet blue? Like much about the precise origins of the *Morning Press*, this is something of a mystery. It was meant to stand out from the masses of white, 8 1/2 x 11 paper that are circulated daily and it always has been blue. Some traditions are destined to live on unquestioned.

After 22 years at the Fund, Armour is retiring. How will he follow up this career? His fluency in Chinese will certainly help when he ventures to Beijing for a four-month teaching stint at the People's Bank of China. There he will instruct graduate students in the mechanics of policymaking in Western countries and give them a sense of how other people think of China. Afterward he will return to Washington to do free-lance work, which, he says, will keep him in the news business.

Shari Hubbard

What's Ahead

With David Armour's retirement, Pat Kane, who is Assistant Editor, will be producing the *Morning Press* from March 5 through the end of April, under the supervision of Graham Newman. Another Reuters editor, David Hawley, from London, will assume the editorship of the *Morning Press* at that point. Also, the *Morning Press* operation, which has been attached to the front office of the External Relations Department, will be moved into its Information Division, the unit responsible for the Fund's relations with the media.

QDOTs & QTIPs: Estate Tax Issues by Any Other Name...

A QDOT is not a new variety of candy, nor is a QTIP necessarily an instrument for cleaning the ears. These, and other arcane terms from the often intimidating world of estate planning, were addressed at two lunchtime seminars for expatriate staff and spouses that were held during February. Ably refereed by David Cutler, the seminars featured Joyce Reback, the Fund's Legal Services Consultant, and Robert Effros and Joan Powers of the Legal Department, who gave an outline of recent changes in the law (the infamous TAMRA) and then answered questions that had either been put to them in advance or were raised from the floor.

The speakers left no doubt in anyone's mind that the three aspects of TAMRA that are of concern to the staff—the elimination of the marital deduction for property left to a non-U.S. spouse, the introduction of a "tracing" requirement for property jointly held with a non-U.S. spouse, and the increase in the estate tax rates on nonresident decedents—are neither fair nor well conceived. At the same time, although some modifications have been made in the law and further changes are possible, it may be optimistic to expect a repeal. Expatriate staff in the international organizations have too small a constituency in the United States to influence the weighty deliberations of Congress. So, while the Fund is providing a significant measure of protection through the recently approved safety net, it behooves all staff members to do some planning, particularly as the safety net will not cover those who retire in this country.

The first message from the seminars was: have a will. The second: consider whether you are likely to be classified as a resident or a nonresident for estate tax purposes, and plan accordingly. The determination of residency for estate and gift tax purposes can be different from that for income tax purposes, but it is crucial since it affects both the amount of the exemption available to the estate and whether certain assets (i.e., those considered non-U.S. assets) are to be included in the estate. What determines residency is domicile—the present intent of a staff member or a spouse to remain indefinitely in the United States or elsewhere; the length of time spent in the United States and ownership of property here are obviously important, although other factors may be taken into account—for example, the purchase of a grave site overseas may be viewed as one factor evidencing an intent finally to leave the United States.

Having outlined the basics, the speakers sought to clarify some of the additional wrinkles that can arise in estate planning, including the knotty issues of such instruments as durable powers of attorney, revocable trusts, irrevocable life insurance trusts, QDOTs (qualified domestic trusts), and QTIPs (qualified terminable interest property or general power of appointment trusts). Their watchword was to approach such trusts with caution; trusts can be expensive to establish initially, although they may be beneficial in the long term.

Those who missed the seminars need not despair; tapes of the sessions are available from the Learning Center (Room 6-312). Also, the Fund will be coordinating a series of activities designed to help staff members make informed choices. This will include preparation of a handbook on estate planning and presentation of detailed seminars for different groups of staff, to be given by the Arthur Andersen accounting firm, and further help for individual staff members in selecting qualified estate planning attorneys. This program will not cure all the miseries created by TAMRA, but it should at least alleviate some of the symptoms.

Ian McDonald

The Fruits of Authorship

Anand Chandavarkar and Jim McEuen now have something very tangible to show for their labors

There's an author lurking in most of us. But by far the greater number of us simply sit and wonder what it must be like to finger a dust jacket with our own name on it or to pick up a book that is the product of months, if not years, of our own life. Anand Chandavarkar, a Fund retiree who was formerly an Advisor with the Treasurer's Department, and Jim McEuen, an Assistant Editor with External Relations, will know the pleasure and the sense of satisfaction. They have recently published, or will shortly publish, books that will be available to the public this spring.

Anand Chandavarkar's book, *Keynes & India*, represents years of research and writing on a man whom Chandavarkar admires greatly both as an economist and as a human being. His research led him to King's College Library, Cambridge, where most of Keynes' papers are housed, and to a trail of personal papers and correspondence that charted Keynes' relationship with a country that he had evinced deep interest in and yet never visited. "I've often been queried about the title," Anand Chandavarkar reports. "People say, 'you mean Keynes in India'? But Keynes never visited India. It was one of the ironies of this study."

Anand Chandavarkar's book, Keynes & India, *has just been published by Macmillan. It is the culmination of several years of research and writing on Keynes, a man, Chandavarkar says, whom he greatly admires both as an economist and a human being.*

Published sources gave the author an early basic outline for the book, but the story could only be fleshed out, he felt, by delving through Keynes' personal papers. This he did in a trip to Cambridge in November 1986. The task of preparing a book began in earnest when he retired in December 1987.

Anand Chandavarkar, who had frequently authored articles on economic topics in the past, quickly found that writing a book was a strikingly different process from penning articles. "I really had to free myself from the shackles of article writing, and of institutional prose after long service as a central banker and international civil servant," he admits. "The architectonics of book writing are very different, and they have to be learned on the job."

He took comfort, he says, from two eminent historians: Arnold Toynbee and A. J. P. Taylor. Toynbee cautioned writers to write everyday; don't wait for inspiration. Chandavarkar found the advice a useful reminder that you will more often have the time than the inclination, so it is best not to put off writing. "Once you've started," he adds, "it's not writer's block that you have to worry about, it's writer's blues. You will sometimes be beset by doubts about whether it is all worthwhile."

Taylor's crusty retort to critics—that he would write history the way he wanted to—put Chandavarkar in a good mood, he says, but he also paid heed to Taylor's other dictum: verify your sources. "I was using a tremendous amount of unpublished material," Anand Chandavarkar says, "and I knew I wouldn't have a second chance to go back to Cambridge to check my sources."

His subject's extraordinary facets as economist, policymaker, author, teacher, and institutional architect ironically presented a constant temptation, he says, to wander off in different directions. The chapter outline that he had drafted from published sources helped rein him in; the chapters more or less stayed intact, although a number of sections within these chapters did get shifted, or expanded or contracted as the research on the subject warranted.

Once the writing began in earnest, he found the critical period was the morning hours between breakfast and lunch. These were the creative hours and he tried to reserve them for writing, while using the lazier hours of afternoon for reading and browsing. He also found it important, he says, to employ the "fallow period technique." Once a chapter was written he found it useful to put it away for some time before rereading or attempting to redraft. Some chapters came quickly and whole; others had to be rewritten in part or whole.

The big test, he says, was reading the draft of the book from start to finish for the initial time. It was the first time he really had a sense of the book as a whole. And it was at this stage that he called on a few interested friends to read the draft. "I never asked for comments or suggestions," he says, "I asked for a general reaction. I wondered how it would appeal to readers. I didn't want the book to be too technical. Readers have intelligence; they just need informing. I wanted to convey the information without being obscure—the sort of philosophy that *Finance & Development* subscribes to."

When he had a manuscript that he was happy with in the early summer of 1988, it was time to find a publisher. Macmillan had published all of Keynes' work, and it was an obvious first choice. It was also, he felt, important to have the imprimatur of a distinguished publishing house. "If I have to fail, I thought let me aim at the top," he says. But he did not fail. A letter of acceptance dated September 11, 1988, informed him that his manuscript had been accepted.

He traveled to London to see T. M. Farmiloe, Macmillan's Editorial Director, in November 1988 to finalize the contract. The manuscript was then sent to Keith Povey, an "Editorial Services Consultant" in Devonshire, who served as the book's copy editor. Macmillan charged the author with responsibility to verify sources, obtain copyright permission, and provide his own index. Macmillan's advice to authors was that "the author is his own best indexer is a dictum accepted even by professional indexers" and Anand Chandavarkar took this to heart. "Preparing the index," he notes, "was a fascinating intellectual exercise, rather like constructing a literary matrix. You really have to put yourself in the shoes of the reader and imagine what the reader will want from the book. It took a couple of weeks of intense work to prepare it."

The editorial process moved smoothly, thanks to a most understanding and constructive editor. As an anxious author he was, he says, meticulous about observing deadlines. After he returned the final edited manuscript, he saw only the page proofs—his last opportunity to check his work before he received printed copies.

The author's advance copy reached him on the parliamentary election day in India and in his excitement he forgot to cast his vote. The Joint Library has just catalogued a copy of his book, and its dust jacket is on display. He hopes that copies will be available in local book stores in March .

Jim McEuen's Snake Country *offers a collection of the poems he has written over the past 12 years. Many of the poems address, the author says, the experiences of a family in the "sandwich generation."*

The project, after years of work, is over now. And the immense sense of satisfaction is not without a twinge of nostalgic sadness that it has ended. "The pleasure of the research, and the writing," he says, " was the sense of constant communion with a great mind."

Jim McEuen's book, *Snake Country*, is a work of a different order and represents not several years of research but nearly 12 years of writing poetry. A graduate of Antioch College and the masters program in creative writing at the University of Massachusetts, Jim McEuen began writing poetry at age 16 and contributed to a number of literary magazines before he returned to his native Washington and underwent a dormant period while he began his professional career.

He resumed writing more regularly in the early 1980s, in addition to having a hand in the creation of *World's Word* and founding the Poetry/P.M. reading series with the IMF Visitors' Center. In 1989 he collected his poems and submitted them to Washington Writers' Publishing House, where the collection placed as first finalist in competition. The contest led to the manuscript's selection by a second Washington small press, The Word Works, for its new Capitol Collection Series, but funding for printing costs had to be raised in advance orders and from contributions from friends, colleagues, and the Washington literary community to get the publishing process under way.

Small, independent presses make demands on their authors that larger presses normally absorb. Thus Jim McEuen found himself choosing his own designer and typography, finding a typesetter, marking up his text, and arranging for a photographer to take the obligatory shot of the author for the back of the book's cover, as well as later arranging for review copies to be mailed.

Word Works did provide him with editorial assistance, from poets Hilary Thorn and Barbara Goldberg, who worked with the poet in shaping the manuscript. The standard length for most small press poetry titles is 60–80 pages, but over the years Jim McEuen had amassed approximately 130 pages of poems, so the work needed pruning. He welcomed the fresh eye that the Word Works editors brought to the task. "I was just too close to the poems to edit some and throw others out. It was invigorating to have someone work with me on the sequencing of the poems and on cutting some of them down. The process for a poetry manuscript is a little like putting together an art exhibit. There are spatial and tonal considerations—light and dark, for instance—and flow to think about. Hilary and Barbara were very helpful."

It was only at the second revised galley stage that a title was found for his work. Many of the book's poems center on the experience of a family in the "sandwich generation"—a fortysomething couple with both young children and aging parents. Indeed, a great deal of the impetus for the book came from Jim McEuen's experiences in 1987 when within the year his father and mother-in-law died, his mother entered a nursing home, and his second son was born.

The title ultimately came from a poem whose setting was a bedtime conversation with his older son. The boy had been fascinated by the poisonous snakes in a nature book, the exotic names of which he memorized, and Jim McEuen was struck, in turn, by the juxtaposition of the father-son innocence and the danger of venomous reptiles—the ramifications when mortality and risk have entered Eden. The choice of a title led to some reordering of the poems at this stage, with the title poem shifted to the end of the book and the original final poem brought forward.

The subject matter also dictated something of the book's look and feel. The author selected Goudy Old Style typeface for the text and Goudy Hand-Tooled for the display type, going with what he felt was their "natural" quality. He also opted for something that looked hand-wrought for the cover, settling on a scratchboard ink drawing that suggests a woodcut.

The book went to the printer as February closed and is expected to be published in late March.

What's next for these authors? Anand Chandavarkar admits there are still some articles to be written from the material that couldn't quite fit into his book. "Then," he adds, "I would like to go on to a mix of economics and something else, perhaps economic history or sociology. One area that has always been of interest to me is the intellectual interface between Great Britain and India—someone like Walter Bagehot, Lowes Dickinson, or E. M. Forster, for instance."

And for Jim McEuen? "Well, I write on the Glen Echo bus," he admits. "I can barely read my writing sometimes because of the potholes. And I write on lunch breaks and late at night." With a full workload, Poetry/P.M. activities, and the demands of a young family, time is scarce. And creativity is not necessarily on call. "Imagination lies dormant for a spell and then suddenly it shoots up. For me a lot of real creativity happens in the process of revision—and in letting accidents happen. Of course some poems come all at once. On rare occasions you feel like you are simply receiving a subliminal fax. It's an amazing process."

Anand Chandavarkar's book *Keynes & India (A Study in Economics and Biography)* is published by Macmillan, London, and can be ordered from the publisher. Copies are expected in local bookstores in March. As we go to press the only price available is 35 pounds.

Jim McEuen's collection of poems, *Snake Country*, will be available at the end of March at the Writer's Center in Bethesda or directly from Word Works Books (P.O. Box 42164, Washington, DC 20015). The cost of the book is $7 (add $1.50 in postage for mail orders from the publisher).

International School Seeks Donations for Its Auction

The Washington International School (WIS) will have an auction in May 1990, proceeds of which will be used for various educational and cultural projects. The focus of this year's auction is on travel, food, services, and items of value from around the world. The school would appreciate receiving donations from WIS parents and their friends in the international community.

Donations are tax deductible and may be sent directly to the Auction Committee, Washington International School, 3100 Macomb Street, N.W., Washington, D.C. 20008, by March 10. (The school may be able to be more flexible on the deadline.) If you have any questions about the auction, please call the school at 364-1800.

Violeta Lotuaco

The *AMEX Bank Review* Awards

Przemyslaw Gajdeczka reflects on an essay honored last year

Przemyslaw Gajdeczka could not make the gala event in London. "But we did attend the reception here in Washington," he noted, "where the prizes were personally awarded by the head of American Express."

The trans-Atlantic events were in honor of prize winners in the third annual *AMEX Bank Review* Awards, an essay contest in memory of the late Robert Marjolin that solicits papers on any topic in international economics that would be of relevance to financial markets. Przemyslaw Gajdeczka, an Economist in the Fund's Research Department, had co-authored his essay with Daniel Oks of the World Bank.

INTERNATIONAL essay 90 COMPETITION

At the time they wrote the essay both were working in the same division at the World Bank. "I had done an estimate of capital flight for the World Bank's *Quarterly Review of Financial Flows to Developing Countries*, a publication that I was editing at the time—and Daniel Oks had been working on fiscal deficits. We decided to collaborate on a new piece, a reassessment of capital flight and the reasons why there had been a resurgence in capital flight since 1986.

"Although we initially divided the work, the essay ended up being a truly joint effort. The central conclusion of the paper we wrote was that capital flight has not only been a cause but also a consequence of the domestic fiscal crisis in developing countries. The accompanying deterioration of governments' creditworthiness led to a recent resurgence of capital outflows from developing countries.

"While we were working on the paper we weren't sure where we would submit the paper, but then we read about the AMEX contest and decided to send it there first. Because the AMEX contest sets a 5,000 word limit on the length of the essays entered in competition, we spent quite a bit of time editing the paper. It was a very pleasant surprise to hear in the end that we'd won one of the prizes."

The contest is very competitive. For the 1989 contest AMEX received roughly 300 entries from 50 countries. The prestigious contest selects a total of 11 essays from this group. First prize garners $25,000 for the winner; second prize, $10,000; and third prize, $5,000, with $2,000 special merit awards for the remainder of the essays honored.

The eleven essays are then published by *The AMEX Bank Review* in an annual series entitled *Finance and the International Economy*. The third issue, containing the 1989 award-winning essays, is expected to be published shortly.

The published essays will contain texts revised to incorporate the suggestions of the jurors. Przemyslaw Gajdeczka and his co-author found the process a helpful one, although in their case, given the vast area covered by their topic (entitled "Domestic Deficits, Debt Overhang, and Capital Outflows in Developing Countries"), they were not able, they say, to please everyone.

Przemyslaw Gajdeczka doubts that he will be able to enter the essay competition this year—he is already at work on the *WEO*—but he may do it again next year.

***At the opening** of the Somerville exhibit, Charles Collyns and daughter Carmen publicize the upcoming book,* The Child Art of Peggy Somerville.

The 1990 *AMEX Bank Review* Awards

Entry forms for the 1990 contest can be obtained from *Staff News* in Room 12-510 or by calling extension 8293.

Entries must be written in English and must be submitted no later than June 30, 1990.

Career Development *(continued from page 5)*
vacancies created by home leaves, maternity leaves, or extended travel time," Dinah Nieburg says, "to give staff added exposure and experience in new positions. It gives them a chance to prove themselves, with no strings involved for the department. It loosens up the concept of mobility and increases the staff member's visibility in the institution—and we all know that one of the main career strategies anywhere is to be known."

Management development

Management training has been cautiously implemented in the Fund. Noel Jones readily admits that the programs have often drawn managers who were already eager to improve their management techniques, but they have also drawn some reluctant participants who now number among the converted. He is convinced, in fact, of the institution's growing awareness of the importance of good management and of its willingness to commit greater time and resources to it. There is no doubt among career development specialists that managers play a critical role in the development of their staff.

Noel Jones has done nine pilot subordinate appraisals of division chiefs and their staffs (the division chiefs were all veterans of the Management Development Program). These reflected general satisfaction with supervisors and the nature of their supervision, but also pointed to the need for more career guidance, greater information on what is going on in the institution, and more feedback on performance. The pilot appraisals, while not directly intended as career development exercises, did highlight career development concerns and led to greater communication between supervisors and staff on these issues. They have also laid the basis for an organization-wide exercise that will be linked to the new performance appraisal scheme. Beginning this year, a number of supervisors at the division chief level and below will be encouraged to participate in a voluntary pilot program of subordinate appraisals of supervisors.

Sometimes performance issues need to be addressed before career development concerns can be dealt with. The Staff Development Division offers a workshop to help managers identify and refer staff to the Staff Counseling Services when a personal problem may be affecting the staff member's job performance. The program, the Management Performance and Referral Workshop, was developed by Marlene Thorn and the career development staff in consultation with Patsy Coffey, Staff Benefits, and the Staff Counseling Services of the Health Services Department.

Between reality and a hard place

Realism is the common currency among the career development staff. Career development doesn't just happen, Marlene Thorn notes. "Everyone wants career development; not everyone is willing to do the work necessary to achieve it."

But the career development staff have their own work cut out for them. They must convince staff members that hard work, realistic career planning, and reasonable expectations will pay off—that the Fund is interested in the development of its human capital and offers opportunities for challenging long-term careers. They must prove to the Fund that its investments in career development will pay off in terms of improved morale and increased productivity.

Perhaps most important, they must convince managers that despite increasing pressures, their best long-term interests will be served by developing the talents and potential of their staff. Growing demands on the staff haven't made it any easier to give career development needs their due.

"The advantage of increased pressure, however," Noel Jones notes, "is that it obligates managers to be very careful about the way they use resources. Given the current pressures and the budget constraints, we'll have to rethink a lot of what we do if we are going to be effective in the future. And as a management specialist, I would like to see the Fund more concerned with effectiveness than efficiency. You can do something very efficiently, but if it's not the right thing to be doing, what's the point? It's a waste of time. Ideally you concentrate on effectiveness first and then look for efficiencies."

Jean-Pierre Gollé notes that "Division chiefs and others are asked to do a lot with resources that have expanded very little. We hear that division chiefs do not have much time to focus on managing their staff, on giving appropriate feedback to ensure that their staff do better over time, or on tailoring assignments to develop their staff, while still getting the work done.

"Division chiefs are very much under pressure, but if staff do not maintain their human capital through training or reading, staff will eventually see they are not as effective as they would like to be, and they will be frustrated. Over the medium term, the quality of work is weakened as the tasks become more complex and demanding. Unless we can keep up, we are bound to pay the price in the future. There is no easy solution, but we have to encourage managers, even the busiest ones, to think about the longer-term perspective."

The emphasis now will be on strengthening existing programs and evaluating them to ensure effectiveness. Jean-Pierre Gollé wants feedback from administrative officers and senior managers and believes it is equally important to get the word out to staff. "I would like to extend our staff briefings so that whenever we have a major change in policy, staff have the chance to ask questions and discuss the change."

It will take time, Dinah Nieburg admits, for the programs to take hold. "The stars will take care of themselves," she says; "we hope to have the most success with the Fund's good workers and solid citizens. They are the backbone of the institution."

Get busy!

Recycling has started.

STAFF NOTES

January 1 –31, 1990

TWENTY-FIVE YEAR STAFF

Gabrielle Palmer
Eugene G. Williams

TWENTY YEAR STAFF

Marylen F. Balangue
(November 27, 1989)
Solange T. Charlot
Bertha L. Chen
Kyung-Hoy Cho
Betty Maguire

BIRTHS

To **Argery Cooke** (SEC) and her husband Bruce, a son, Dustin James, on November 6, 1989.

To **Jim Corr** (ADM) and his wife Mary Barberis, a son, Peter Corr-Barberis, on January 29, 1990.

To **Audun Gronn** (OED) and his wife, Grete, a son, Sven Magnus, on January 28, 1990.

EXPIRATION OF APPOINTMENT

Mohamad Saad Amerah
Georges M. De Ridder

RESIGNATIONS

Peter Hirschfeldt
Nader Morshed

TRANSFERS

Kathleen D. Cullinane to ADM from Fiscal Affairs Department

Hema Rajah De Zoysa to AFR from Fiscal Affairs Department

Juan Carlos Di Tata to ETR from Western Hemisphere

Mark J. Ellyne to African Department from Bureau of Statistics

Carol H. Fisher to WHD from African Department

Donna Jean Heflin to ETR from African Department

Nadia Khattak to African Department from ETR

Robin D. Kibuka to Support Group, Resident Representatives and Advisors (Ghana) from WHD

Roxana Magallanes to TRE from Fiscal Affairs Department

Amr F. Moustapha to IMF Institute from TRE

Timothy R. Muzondo to Fiscal Affairs from African Department

Simon P. Quin to WHD from Bureau of Statistics

Mounir R. Rached to MED from IMF Institute

Jenaro D. Simpson to EXR from African Department

Margaret M. Tan to ETR from Treasurer's Department

Luis M. Valdivieso to Western Hemisphere from ETR

Thomas S. Walter to SEC from Research Department

Iqbal Zaidi to MED from Research Department

NEW STAFF
(January 1–31, 1990)

Michael Adande
Gabonese, is an Economist in AFR. Educated by the University of Paris-Dauphine, he previously served as Chargé de Mission at the Bank of Central African States. He enjoys tennis and reading.

Tarek Allouba
Egyptian, is an Assistant (OED). Previously a consultant, IFC, he was educated at the University of Texas and George Washington. He enjoys tennis, soccer, and scuba diving.

Abdoulaye Bio Tchane
from Benin, is an Economist (AFR). Previously Chief of Study Service, BCEAO's Benin Branch, he holds a postgraduate diploma in banking and economics, and enjoys sports, music, and chess.

Roberto R. Brauning
from Chile, is a Senior Information Officer (EXR). Educated at the Catholic University of Chile, Maryland, and Northwestern, he previously served as Chief of the IDB's Press Section.

Andrew K. Dawson
a U.K. national, is a Personnel Officer (ADM). Educated at London University, he previously served as a consultant with ADM. His interests include skiing, travel, and reading.

Dennis G. Jones
a U.K.-Jamaican national, is an Economist (BUR). Educated at University College London and London University, he was previously an Economist, Bank of England. He enjoys soccer and squash.

Jose Saul Lizondo
Argentine, is an Economist (RES). He holds a Ph.D. from the University of Chicago and was previously a professor of economics at the University of Tucuman, Argentina.

Guy M. Meredith
Canadian, is an Economist (RES). Educated at the Universities of British Columbia and Western Ontario, he previously served with the Canadian Department of Finance and with the Bank of Canada.

Linda F. Orbell
a U. K. national, is an Accounts Assistant, TRE. Before joining the Fund staff she served as an Accounts Clerk with the British Embassy in Washington.

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Cartoon credit: Richard Stoddard (pages 19).

staff news

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