Mr. Black welcomes Participants in 1960 General Training Program. (see page 10)


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Published monthly by the Personnel Division, International Bank for Reconstruction and Development, Washington 25, D.C.
To: All lens-clicking IBRD/IFC Staff and members of their families
Subject: Bank Notes Photography Contest

Do you sometimes think you're a second Steichen or Constance Bannister? Or do you surprise yourself and others with the occasional "masterpiece" you produce with the family Brownie? *Bank Notes* is sponsoring a contest during the month of February. You are invited to submit any number of entries in any of the following categories: scenery, babies and children, action and human interest. The winners will be published in *Bank Notes* and the judges will be Ann Friedman, William Bailey and Gary Lightowler.

Please send all entries to the Staff Relations Office, Room 200 E, with your name and the picture title on the back along with any available and pertinent details on type of camera used, kind of film, lens opening, shutter speed and anything else that might be of interest such as where and when the picture was taken and under what conditions. Any size print will do and either black and white or color prints are eligible, but not slides. All prints will be returned at end of contest.

Leap Year day - February 29 - will be judging day. Enter one, enter all!
IDA, HER PAST, PRESENT AND FUTURE

by Shirley Boskey

By the time this issue of Bank Notes appears, IDA will be something more than the dream suggested by Larry Slade's sketch below, although it will not yet have acquired the maturity and experience personified in the cartoon on page 5. A charter should be on its way, or about to go, to the Bank's member governments, which will then have until the end of the year to join the International Development Association as original members. IDA will come into being when the charter has been accepted by governments subscribing a total of at least $650 million (out of the $1 billion total of initial subscriptions). Then the Bank will indeed have a sister - but one likely to have a greater family resemblance to the Bank and to be a more responsible citizen of the international community than the cartoon suggests.

Although the Russians may yet claim to have invented IDA, that boast may more validly be made by a U.S. Senator with the very un-Russian surname of Monroney. Certainly he christened the new institution, and if IDA turns out to be rather different from what the Senator had in mind, this is a situation with which fathers are often confronted.

In 1956, Senator Monroney was seeking a way to put usefully to work currencies of other countries ("soft" in relation to the dollar and other convertible currencies) acquired by the United States through surplus agricultural commodities sales under Public Law 480. Moreover, he believed that many recipients of U.S. aid would prefer to accept development assistance from an international institution. Loans from the Bank were not always the answer: the nature of the project, the limited ability of a prospective borrower to repay foreign exchange...
indebtedness and the terms of Bank loans often precluded Bank financing. The Senator's notion was, first, that at least some U.S. aid should be channeled through a Bank affiliate, which would lend on easier terms than the Bank, particularly by permitting repayment in the borrower's currency; and, second, that some U.S. holdings of "soft" foreign currencies should be reloaned through this channel.

In February 1958 Senator Monroney introduced a resolution, expressing "the sense of the Senate" that an IDA should be established. To the original objectives of internationalizing aid, easier terms of lending and use of U.S.-owned foreign currencies had been added participation by other countries in the project. The proposal went through Senate committee hearings, floor debates and consideration by the executive branch of the U.S. government. Enthusiasm for it increased when it was seen to be a possible means of encouraging other industrialized countries to assume more of the development assistance burden. The original emphasis on U.S. holdings of "soft" foreign currencies was reduced, and greater importance was accorded to the participation of other countries able to subscribe substantial amounts of hard currencies. In the fall of 1958, U.S. Secretary of the Treasury Anderson suggested, and President Eisenhower agreed, that informal discussions on the IDA idea be conducted with other Bank members.

As a result of these discussions, the creation of a new international financing organization became official U.S. policy. Just before the Bank's 1959 Annual Meeting, the U.S. prepared a "Guidelines" paper setting forth its conception of a desirable framework for IDA. It was by this time a feature of the proposal that IDA's resources should come not only from countries which normally extend some development aid - the "industrialized" countries - but also from those normally the recipients of aid - the "less developed" countries. At the Meeting, the Governor for the United States offered a resolution, supported by many other speakers and adopted without objection, requesting the Bank's Executive Directors to formulate Articles of Agreement for an International Development Association as an affiliate of the Bank.

On October 15, 1959, the Executive Directors settled down to consider IDA. Before them was a Bank staff document raising a formidable number of "Principal Points" for consideration, some explicit in the U.S. "Guidelines," others not dealt with. To encourage informality and greater freedom of expression, the Directors sat as the Financial Policy Committee, a committee composed of all Executive
Directors but whose proceedings are not - normally - recorded and in which no formal votes are taken. However, the Directors wanted summaries of their discussions and these unofficial records, sternly edited to eliminate humor (and it is surprising how light-heartedly the Directors can occasionally treat so serious a subject as money), have added appreciably to the volume of IDA documents. The October "Principal Points" paper was IDA/59-1. On the afternoon of December 31, IDA/59-50 was distributed, and Nos. 60-1 and 60-2 have already gone out from the Secretary's office.

In most countries, legislation is required to authorize membership in an international institution and to make provision for payment of subscriptions. Since it was hoped that IDA would be in existence by the 1960 Annual Meeting, it was necessary that the Executive Directors agree upon a proposed charter (after consultation with governments) for formal submission to governments early in 1960, to allow time for legislative consideration. In the summer of 1959, and even in the early fall, this seemed an impossible time-table; there was then no consensus as to the kind of institution to be created, the size of its resources, who was to subscribe those resources and in what amounts, or even as to the types of projects to be financed or the types of financing to be provided. In fact, all that then seemed fairly certain was that there was to be a new institution, affiliated in some way with the Bank, called the International Development Association. Yet when the Executive Directors left the Bank's Board Room at 12:50 p.m. on December 31, they had (1) expressed their views on the "Principal Points" paper, from October 22-30; (2) met on November 24 for an explanatory session on what was with astounding inaccuracy offered to them as a "first" draft of the charter (notwithstanding that numbers of staff wastebaskets for days had contained bulky testimony to the contrary);
sent off the draft to governments for comment; (4) reconvened to discuss, from December 15 fairly continuously until Christmas, the "first" draft in the light of governmental comments; (5) reached a consensus, as the Financial Policy Committee, on a revised draft of charter; and (6) considered and reached a consensus on a draft report explaining some of the more significant charter provisions. In between, they had managed to approve several Bank loans.

The most recent drafts are now under review by governments. The Directors will reconvene on January 25, no longer in committee, to go over both documents once more in the light of their instructions. When a consensus is reached on these documents, revised if and as needed, they will then be approved by the Directors "for submission" to governments.

There is obvious difficulty in describing the characteristics and probable operations of an institution not yet in being, particularly when its charter is in many relevant respects what critics might call "vague" and supporters "flexible." But enough has been put down in language in the charter and said by Directors to provide some kind of picture of IDA.

It will be a Bank affiliate, with affiliation accomplished, as in IFC, through the Board of Governors and the Executive Directors. Unlike IFC, IDA will not have a separate president. Neither will it, at least initially, have separate officers or staff: Bank officers and staff will serve concurrently for IDA. However, it will probably be necessary to add to Bank personnel so that IDA work can be dealt with adequately.

Resources are expected to come from two sources, subscriptions and contributions. In contrast to the Bank, it is unlikely that IDA will borrow in the private capital market, although it will have power to do so. Initial subscriptions of original members (who must be members of the Bank) will aggregate $1 billion if all present Bank members become original members of IDA. The amount to be subscribed by each member, roughly proportionate to its Bank subscription, is specified in the charter. Provision is made for periodic review, at approximately five-year intervals, of the adequacy of resources and for a general increase in subscriptions if member governments should consider that desirable.

The provisions concerning useability of subscriptions and terms of payment are unusual. Payments will be made in installments over five years. Although all members must make a certain amount (10%) of their initial subscriptions freely available to IDA, by paying this
portion in gold or freely convertible currencies, a distinction is made between the obligations of the industrialized and the less developed countries with respect to the usability of the 90% balance. Seventeen industrialized ("Part I") countries must pay this 90% component in gold or freely convertible currencies; the other ("Part II") countries will pay it in their national currencies, which cannot be converted by IDA or used to finance exports from the subscribing member's territories without the member's consent. (This consent will, it is hoped, be given by some "Part II" countries at least as to part of their 90%.)

The second source of IDA funds will be so-called supplementary resources, made available to IDA on terms agreed with the contributor. The U.S., for example, has indicated that it might make available some local currencies received through Public Law 480 sales.

IDA's resources will be used to promote economic development in less developed member countries and less developed dependent and associated territories included within the membership of a member country. Assistance will be principally by financing, but IDA may also provide technical assistance. The charter does require that initial subscriptions be used for loans, not grants, and that terms shall be "more flexible and bear less heavily on the balance of payments than those of conventional loans," but the way in which this last is to be given effect is up to IDA. A loan might be repayable wholly or partly in the borrower's currency. IDA might lend at low interest, or free of interest. Or it might combine some of these terms. The possibilities are limited only by IDA's ingenuity and the borrower's

*The Financial Policy Committee examining IDA.*
complaisance. Of course the object of the financing will be a relevant consideration. Normally IDA is to lend for specific projects, a term which would include, in Bank practice, railway or agricultural credit programs or groups of related projects forming part of a development program. The Directors spent some time discussing the nuances of meaning of "project" and "program" in considering which to use in the charter. The exercise was abandoned when Dr. Lee commented that there was only one way to write both "project" and "program" in Chinese.

IDA's specific projects may sometimes differ from the Bank's, although probably a major part of IDA financing will be devoted to Bank-type projects. The test will be whether a project is of "high developmental priority," a phrase scarcely likely to prove unduly restrictive. In fact, the proposed Directors' report explains that the phrase includes any project making "an important contribution to the development of the area or areas concerned." A project passing this test is eligible for financing, even if it is not revenue-producing or "directly productive" in the jargon of the Bank. So IDA may finance water supply, sanitation and housing, the kind of project often referred to as "social." Private or public entities in a member's territories and regional or international organizations, as well as governments, will be eligible borrowers and IDA, unlike the Bank, may lend without a government guarantee.

It may be said here, without fear of contradiction, that whether and to what extent IDA will achieve its lofty purposes remains to be seen. The aggregate $1 billion of initial subscriptions is not, in the context in which readers of this article are accustomed to think (at least during the working day), a large sum. Moreover, the subscription formula will translate into a lending rate of at most some $150-160 million annually at the start. Yet there are many advantages in not starting on too grandiose a scale. And, as an Executive Director pointed out, the scope of IDA's activity is not permanently limited by the total of initial subscriptions. If its first few years show promise, it should be able to look forward to increased resources and to correspondingly greater responsibilities.
FIVE YEAR STAFF
January 1960
(L to R): Ruth Achcar, Gasperina Vivoda, Raymond Worthington and Liza Shipp.

TEN YEAR STAFF
January 1960
(L to R): Ernesto Franco-Holguin and Jentry Holmes.

WELCOME TO NEW STAFF - DECEMBER
Seated (L to R): Linda Jones, IFC, from Pueblo, Colorado; Luisa Bouza, Office of Information, from Havana; Eleanor Silver, Treasurer’s, from St. George, New Brunswick. Standing (L to R): Edith Kreienbruch, EDI, from Frankfurt/Main; Sheila Mitchell, Western Hemisphere, from Cheshire, England; Il Hi Kang, Administration, from Seoul; Rae Burke, Office of E.D., from Rockhampton, Australia; Elizabeth Fulbright, South Asia & Middle East, from Washington, D.C. (Insert): Joellen Lambert, Administration, from Washington, D.C.
On January 11, the 1960 General Training Program of the Bank got under way. This program was inaugurated by the Bank in 1949, and with this year's group will have included 101 participants from 58 of the Bank's member countries. In this, the twelfth year of the Training Program, six member countries are participating for the first time: Ireland, Libya, Malaya, Peru, Sweden and Venezuela. This year the Bank has ten trainees.

Pandit Bunyapana, from Bangkok, is an External Loan Officer in the Ministry of Finance. This is Mr. Bunyapana's second trip to the United States. He attended Boston University from 1953 to 1957. Mr. Bunyapana and his wife, who accompanied him to Washington, are impressed with automation and the conveniences in the United States, but they miss their year old baby boy very much.

Cornelius Patrick Cacho, from Belize, is Assistant to the Development Commissioner, Government of British Honduras. Mr. Cacho is the proud father of two little girls, who stayed at home in Belize with their mother.

Erik Lennart Carlsson, from Stockholm, is an Accountant at the Sveriges Riksbank, and also the first Swede to participate in the Bank's General Training Program. Mr. Carlsson is impressed with the beautiful buildings in Washington, but misses his two daughters and son in Stockholm.

Demetrio Chumpitasi, from Lima, is an Engineer in the Technical Department at the Banco Industrial del Peru. This is his first visit to the United States, and his first impression of life in the U.S. as compared to Lima is that he is obliged to pay attention to the traffic lights, or else! When asked what he missed most about Peru, his answer was "The beaches of Lima." He also misses Peruvian food, especially a dish called "Saviche."

Sean Padraig Cromien, from Dublin, is an Administrative Officer in the Ministry of Finance. This is his first visit to the United States and he notices very little difference between Dublin and Washington. What does he miss most about Dublin? Not Irish coffee, but a good Irish cup of tea!

Fritz Diwok, from Vienna, is the Assistant to the Minister of Finance. Mr. Diwok was somewhat puzzled by U.S. Customs laws on arrival when a fellow-passenger had a nice fat German sausage he was bringing in as a gift confiscated. His mouth is still watering! What does he miss most about Austria? Skiing, naturally, and the absence of central heating.
Mohammad Noor Hassan, from Kuala Lumpur, is Assistant Secretary to the Federal Treasurer in the Ministry of Finance. This is Mr. Hassan’s first visit to the United States. His biggest surprise about life in the U.S. happened when he had his first encounter with the quaint custom of tipping, something he knew nothing about. Mr. Hassan is quite impressed with Washington and likes it, but finds that he misses the curried dishes of Malaya. His hobby is coin collecting.

Tsunamasa Kikui, from Tokyo, is a Member of the Policy Board Staff of the Bank of Japan. This is Mr. Kikui’s second visit to the United States. He has studied at Harvard and Columbia Universities. His most pleasant impression of Washington is the “tranquility” of the traffic! What does he miss most about Japan? His 11 month old baby boy. Mr. Kikui’s hobby is cooking. Watch future Cooking Corpses for his contribution.

Manuel Perez-Olivares, from Caracas, is Chief of the Department of Credit, Venezuelan Development Corporation. This is his second visit to the United States. He studied at Harvard from 1954 to 1957. Mr. Perez-Olivares is most impressed with the enormous range of activities available in the United States, intellectual as well as social, and is an avid theater and concert goer in Washington. At the moment he misses his record collection at home in Caracas. Music and photography are his hobbies.

Rashid Sarraj, from Benghazi, is a Research Officer in the National Bank of Libya. This is Mr. Sarraj’s first visit to the United States and he is greatly impressed by the fact that there seems to be no waste of time in Washington although he does miss the long, leisurely lunch hours (1 to 3 p.m.) of Libya. His hobby is basketball.

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U.N. CO-OP CHARTER FLIGHTS TO EUROPE

Applications for the 1960 U.N. charter flights are now available in the Staff Relations Office, Room 200-E. The round trip price is $305 and flights are scheduled to leave New York on June 11, July 8 and August 6. Return flights from either London or Paris leave July 22, September 1 and September 9. Membership in the U.N. Cooperative for at least six months prior to flight date is a prerequisite.
Elsie Hedberg (center) has left the Bank after 13 years. She is shown here at lunch with a group of her friends at the Watergate Inn. (Seated L to R): Rhona Kelly, Peggy Conlon, Ann Swift, Enid Alexander, Virginia Allison, Florence Doleman (partly hidden), Gayle Davis, Hildegard Mertes, Marjorie Garvey and Florence Czok.

**Farewell Parties**

Olga Dinneen celebrates her decision to stop working after almost 7 years at the Bank at a party given by the Lightowlers. Helping her celebrate are (standing L to R): Mrs. Lightowler, Maude Bailey (partly hidden), Gary Lightowler, Raul Maestri, Jo Di Costanzo, Agnes Maber, Charles Dinneen, Olga, Mary Rukavina, William Bennett and Doris Eliason. (Seated L to R): Audrey Pettit, Florence Perras, Maggie Sterbutzel, Eleanor Bennett, Wilfred Lawrie, Tiny Tim Sterbutzel and Jo Slusarski.
Bank Notes plans to run this column monthly to bring to your attention activities in the Washington area you might enjoy during the coming month.

Hospital Entertaining - Valentine parties sponsored by the American Red Cross will be held at both Walter Reed and Bethesda Naval Hospitals on February 8, 10 and 12. Girls interested in attending should call Ext. 3951 for further information and to arrange for transportation. It would be hard to find another volunteer activity from which both the recipients and the donors derive so much pleasure.

Tennis - Did you know that there are 28 hard-surface courts in the area where you can play tennis all winter, temperature and precipitation permitting? For your free season pass and the listing of court locations, send a self-addressed, stamped envelope to the D.C. Recreation Department, 3149 16th Street, N.W.

There will be professional tennis exhibition matches February 11 and 12 at Uline Arena featuring Gonzales, Olmedo, Segura and Trabert.

Bridge - Victor K. Kwong, former staff member of the Office of the Secretary from 1946-48, will appear on the TV program "Championship Bridge with Charles Goren" Sunday afternoon, February 28, over WMAL (Channel 7) and again on March 7.

Skiing - The Ski Club of Washington welcomes new members. Full information about their activities can be secured at a meeting to be held Wednesday evening, February 3, at 8 o'clock in the Dept. of Commerce auditorium. Guests are welcome at a ski film to be shown the same evening at both 7 and 9 o'clock.

All-expense skiing weekends from $30 up, depending on accommodations and location, are offered by Ski Tours, Inc., 1211 Eye Street, N.W. This package price includes round trip transportation, two nights' lodging, meals, tow fees and free instruction. Equipment to rent is available. For further information call Sterling 3-1771.

Skating - The Uline Arena rink is open to the public Saturdays from 3 - 5 and 8 - 10 p.m. and Sundays from 8:30 to 10:30 p.m. at $1.00 for adults and 75¢ for children. Skates may be rented.

The Marriott outdoor rink is open almost continuously seven days a week from 10:30 a.m. to 11 p.m. The charge is $1.00 on weekdays and $1.25 on weekends and holidays, plus a season membership fee of 50¢. Skates may be rented for 75¢.
FOR SALE: HI-FI Speaker Cabinet - corner enclosure; accommodates either one or two 12" speakers - blonde finish - like new. $20. Please call Ext. 3285.


FOR RENT: One-bedroom, completely furnished apartment, for six weeks or two months. One block off Connecticut Ave. near Uptown Theater. $150 a month. Call Ext. 3951 for further details.

Furnished efficiency apartment with full kitchen, available March 1 for 1 year, in the Saxony, 1801 Clydesdale Place, N.W. $110 a month. Call Ext. 3235 for further information.

FRENCH CONVERSATION lessons offered by Parisian father of staff member. Individual or group instruction. For further information please call Ext. 3951.

COOKING CORNER

The recipe offered this month is strictly American but one to delight the heart of the working girl or overworked wife. It can be prepared in advance and dished up at the last minute with the minimum of time and effort. Glamorous enough for a party and can be doubled or tripled depending on the number and appetites of your guests.

Chicken-Cashew Casserole

Saute 1/4 cup chopped onion and 1 cup finely diced celery in 1 tablespoon butter or margarine. Add 1 can undiluted mushroom soup and 1/3 cup chicken broth. Season with 1 tablespoon soy sauce, 3 drops Tabasco sauce and some black pepper. Add 2 cups diced cooked chicken and simmer a few minutes. Pour into a 1 1/2 quart casserole. At this point the casserole may be refrigerated till needed. When ready to serve, sprinkle 2 cups canned, crisp chow-mein noodles and a small can of salted cashew nuts on top. Bake in a moderate oven, 350° F., about 20 minutes until bubbly. Serves 4.
BIRTHS: John Alastair William Young, third child for Audrey and George Young, weighed 8 lbs., 4 ozs. on arrival at the Washington Hospital Center on December 17.

Olivia and Claude Kauffmann's new addition to their family, one month old Maria Clara, joined their household on December 21.

Roderick Johnson, son and first child for Eula and Daniel Johnson, was born in the George Washington Hospital on December 22 and weighed 6 lbs., 8 ozs.

Claudia and Jean-Marie Jentgen welcomed their baby daughter, Catherine, on January 3 in Doctors Hospital.

Patricia Germany, formerly with General Files, had her second baby girl, Michele, on January 5 at the Bethesda Naval Hospital.

ENGAGEMENTS: Heather Wall wore her engagement ring for the first time at the Bank Christmas party. Heather and Thomas Hilleary, of Washington, D.C., will be married shortly after her return from Australia in February.

Elizabeth Fulbright and John Winnacker, of Washington, D.C., announced their engagement on December 27. They plan to be married on April 23. Mr. Winnacker is attending the University of Maryland School of Medicine.

MARRIAGES: Welcome back and best wishes to Christian Beevor and George Homsi who were married in the private chapel of the Orthodox Bishop in London on October 14. The couple traveled through Europe and went on to George's home in Lebanon before returning to Washington. Christian is on a temporary assignment with the Fund.

Grethe Pedersen and Milan Hasal were married December 19 at the Danish Seamen's Church in Baltimore. Mr. Hasal is in the Trust Department of the American Security and Trust Company in Washington.

Airi Paukkunen was married to Thomas G. Roulette on December 26 in the Augustana Lutheran Church in Washington. Airi wore a white, ballerina length peau de soie gown. She and her husband, who is studying for his Ph.D. in psychology at Western Reserve University, spent their honeymoon in Atlantic City.

IN MEMORIAM

Mrs. Hazel Reed, mother of Mrs. George Young, November 19, in Windsor, England.

Fergus A. McDiarmid, father of Orville McDiarmid, December 4, in Ottawa, Canada.

Paul Meyer, father of Mrs. E.R.L. Weimar, December 25, in Levallois, France.

Wilhelm Diwok, father of Fritz Diwok, 1960 Trainee, January 6, in Uhingen, Germany.

Monique Larre, wife of Renee Larre, Executive Director for France, January 7, in New York City.

Mrs. Frederick Archer, mother of Mrs. Donald D. Fowler, January 24, in Washington, D.C.
Prior to the Christmas-New Year recess the team standings left room for much speculation and, as it has turned out since, wishful thinking. After the night of the Christmas Tournament only three games separated the top five teams with President's, Legal, Information and Recorders putting the pressure on Administration. The situation had not changed substantially on January 4, but on the 11th there was much rejoicing on one hand and much mourning on the other. President's - with faithful assistance from the Secretary's Office - succeeded in pulling out a one-game lead after quite mercilessly chalking up Treasurers thirtieth loss. Let's hope that Treasurers luck will change and that they are just "counting their losses while they may." The situation, therefore, at the time of "going to press" puts President's up front with 27 games; Administration and Legal nudging each other with 26 games; Information lagging a bit but still full of confidence with 23 games; Recorders and Finance sharing the 21 game slot; Regulars despite all the obvious talent, successfully claiming 20 games; TOD technically winning 19 games; IFC investing in a modest 15 games and Treasurers only able to add up a total of 12 victories.

As many of you know, Olga Dinneen has resigned from the Bank and her duties as Treasurer of the League. She will still bowl with us until the end of the season so, although she will no longer be around all day to charm the Bank, we Bowlers will be able to enjoy her company at least once a week. Jo Slusarski has taken over the money bags - which makes one think - isn't it odd how the Office of Information always seems to provide the Treasurer?

Maggie Sterbutzel and Bill Weyrich won the Christmas Montealegre Stakes and it couldn't have happened to a more appreciative pair. This tournament was so successful that there has been a strong demand for a repeat. Will nobody follow the generous example of our gallant and gracious Alternate Executive Director? Could we hope, perhaps, to organize, in the not too distant future, the Department Heads Derby?

Christmas Montealegre Stakes winners Maggie Sterbutzel and Bill Weyrich (center) receiving their prizes from Jorge Montealegre and Peggy Russell.