International Women’s Day is March 8.
The Bank has a month-long program of speakers and events scheduled.
In this issue

**Articles**

**A Day to Remember.** The origins of International Women’s Day; you may be surprised to discover how far back it dates
by Elizabeth M. Hayes ......................................................... 3

**A Profile of Jannik Lindbaek.** An introduction to IFC’s new Executive Vice President by Asimina Caminis ....................... 6

**A Friend of the Bank.** Matt McHugh, Counselor to the President, brings an outside perspective as he helps the Bank negotiate through some critical times ...................................................... 8

**On the Occasion of the 50th.** It’s been half a century since the Bretton Woods institutions were launched. What is the Bank’s future agenda? .................................................. 10

**Working with a Winning Team.** Ivan Radan is just as enthusiastic about the Bank as he was on his first day at work, more than 30 years ago ................................................................. 11

**Career Advice for Bank Spouses.** A look at the new Family Career Transition Program by Lisa Costa ........................................ 16

**Who’s Afraid of the Auditors?** No need to be; they’re here to help by Anwar Ravat ................................................................. 18

**Departments**

**On the Record.** Managing Director Sven Sandstrom on Development Issues of the ’90s ........................................................ 13

**Staff Association.** Eric Swanson on “Working Together” ............... 20

**Around the Bank** ........................................................................... 21

**Staff Changes** .................................................................................. 24

**AnswerLine** .................................................................................. 27

**Cover**

Dayak Woman with Woven Hat. Kalimantan, Indonesia.

*Photo by Curt Carnemark*

---

Jill Roessner, Acting Editor
Morallina Fanwar-George, Editorial Assistant
Beni Chibber-Rao, Designer
If Amilcare Ponchielli were alive today, perhaps we could persuade him to compose a sequel to the melodic “Dance of the Hours” from his opera, *La Gioconda*. The sequel would be called “Dance of the Days” in tribute to the increasing number of “special” days in a year. Take a look at a calendar showing them all—frivolous, historical, political, altruistic, religious, and romantic. There are even directories of special days in the Reference Section of libraries now. Some are famous worldwide, others found only in certain countries.

One special day is International Women’s Day, March 8, already known abroad but, in the United States, known mostly to women’s groups and international communities. If people are confused about its existence and date, perhaps that’s because there are so many other days to be observed, some of which are legal or public holidays and some already devoted to women’s rights and interests.

In addition to designated days, we have Women’s History Week, National Women’s History Month, and International Women’s Year. We also find such women-related entities as the Commission on the Status of Women, the U.N. Decade for Women, the 1979 Convention on the Elimination of All Forms of Discrimination against Women (to be universally ratified by the year 2000), and the Fourth World Conference on Women, to be held in Beijing, China, in 1995.

We surveyed a random selection of people of different ages and asked them what they knew about International Women’s Day. Many had never heard of it. Yet, International Women’s Day is not a recently conceived occasion to rival Mother’s Day, Independence Day, Valentine’s Day or Groundhog Day—though it does fall during Women’s History Week which begins the first Sunday in March. International Women’s Day is recognized by women’s groups around the world.

How did it come about? Some sources contend that the initial inspiration may date as far back as the year 40 A.D. in Viet Nam, when two women, Trung Trac and Trung Nhi, organized a peasant revolt against foreign oppression, hoping to overthrow their country’s Chinese occupiers, especially the tyrant, To Dinh. He was forced to flee to China in disguise and the Trung sisters and their female army continued to threaten the government for four more years until reinforcements from China eventually defeated them. To escape capture, the sisters chose suicide. They became models of national courage and an example to women to take a stand against oppression. In the 18th century, they were posthumously awarded titles of nobility.

There have been plenty of instances of women demanding rights and recognition in other
countries down the years. A convention in Seneca Falls, New York, in 1848, became another rung in the ladder of events that led to International Women’s Day. At this first formal women’s rights convention in the United States, the resulting Declaration of Sentiments and Resolutions became the first major document to define the issues and goals of the 19th century women’s rights movement. Modeled after the Declaration of Independence, it stated “women’s demands for legal, economic, social and political equality.”

The next event credited with focusing attention on women’s issues, especially those of working women, was an 1857 demonstration in New York City. Female workers in the garment and textile industries protested low wages, long hours, and unreasonably heavy workloads. Although trounced by police then, they persevered and, by March 1860, were able to form a union which led to demands for women’s suffrage and child labor protection.

In accordance with a declaration by the Socialist Party of America, the first National Women’s Day (as it was then called) was observed across the United States on February 28, 1909. It continued to be celebrated on the last Sunday of that month through 1913.

Meantime, the holiday had been celebrated in socialist countries and other places outside the United States under the names of Women’s Day, International Socialist Women’s Day and International Working Women’s Day. It was under the latter name that the day was acknowledged by Lenin in annual speeches prepared for the occasion. Today, women workers in Russia and the People’s Republic of China receive gifts and flowers on March 8, and it’s still a public holiday. In the United States, a huge protest by another branch of the New York City female garment workers took place on Sunday, March 8, 1908, demanding the vote and other rights.

The demonstration attracted the attention of Clara Zetkin, a labor leader in Germany who, from 1890 to 1912, was largely responsible for the inclusion of women’s rights in the German Social Democrat Party’s official program. She was unrelenting in speaking and writing on women’s issues at home and abroad, especially on suffrage, and she published many articles on the subject. An outstanding propagandist and speaker, Clara Zetkin was a close friend of Lenin and of the young Polish revolutionary, Rosa Luxemburg.

The first International Socialist Women’s Conference was held in Stuttgart in 1907, when Clara Zetkin’s role as leader of interna-
National socialist women was formalized. Another large meeting, the Second International Congress, was held in Copenhagen, Denmark, on August 27, 1910. It was here that Clara Zetkin called for a special day to be annually dedicated to women around the globe. “Henceforth, March 8 should be declared International Women's Day...to commemorate the historic struggle to improve women's lives.” Recognition of the day, first celebrated in 1911, now extends to all women. March 8 was chosen to pay tribute to the garment workers' protest in New York on that day in 1908.

In addition to women's rights, Clara Zetkin also devoted much attention to public education and opposition to war. In 1911, International Women's Day was marked for the first time in Austria, Denmark, Germany and Switzerland, where a million women and men attended rallies. A week later, a tragic factory fire in New York City took the lives of 140 working women. This had an important effect on labor legislation in the United States. The disaster has been remembered in later years on International Women's Day.

In 1917, during World War I, Russian women struck for “bread and peace.” When the Czarist government collapsed, a provisional government granted women the right to vote. The historic Sunday fell on February 23 on the Julian calendar, which happened to be March 8 according to the Gregorian calendar. Since then, the concept of International Women's Day has spread in support of women in both developed and developing countries.

Whether International Women's Day is celebrated by small groups or city-wide, there's great variety in the way people choose to observe it, depending on the country or the current social problems. For instance, March 8, 1982 marked the beginning of a year-long angry protest in New York City against the use of nuclear arms. On the same day, in a separate event, Javier Perez de Cueller, then Secretary-General of the United Nations, announced the first appointment of a woman as Under-Secretary-General of the UN, Lucille Mair of Jamaica.

In 1988, tear gas and rubber bullets marked the day in Israel's occupied territories, when Palestinian women led demonstrations to mark International Women's Day in several villages and towns.

People in New Haven, Connecticut, chose International Women's Day in 1989 to showcase the work of women artists in various forms—music, paintings, sculpture, drama, photography and the healing arts, in addition to story-telling and films by black filmmakers. In this year also, Soviet cosmonauts sent best wishes to women everywhere from their spacecraft and “wished they could have sent flowers and a cluster of stars.”

The day was recognized in Rome in 1993 with a series of meetings. Between the meetings, a demonstration took place in the city center “to call for strict respect for women's rights.” The three Italian trade union centers of the International Confederation of Free Trade Unions (ICFTU) invited all members of the ICFTU Women's Committee to Rome to celebrate March 8 and discuss working women's issues. The same day, the European Women in Decision-Making Network in Brussels asked for assurances that women would be better represented in political and economic decision-making.

In Germany, where there are more women than men, a speaker at the 1993 celebrations said, “In terms of political representation, women will not bring their majority to bear until they involve themselves more deeply in politics.” In many European countries, a major issue that year was maternity rights for working pregnant women. International Women's Day in Moscow in 1993 was a noisy affair.

More than 3,000 disgruntled Russians took part in “the march of the empty pans,” calling for an end to high prices, food shortages, and discrimination against women, who represent 78 percent of the country's unemployed.

European Community Commissioner Padraig Flynn of Ireland, speaking last year, regarded International Women's Day as a fine opportunity to celebrate women's contributions to our society and to strive for greater equality of opportunity for them in several areas. However, an Irish Times journalist in Dublin had a different approach. She declared herself fed up with International Women's Day and called it “an annual display of sanctimonious self-indulgence, a sacred, unquestioned tradition, a sort of radical post-feminist Mother's Day that all women are presumed to support...I resent the implication that my consciousness is so enfeebled that it needs to be regularly ‘raised.’”

International Women's Day is not only marked by local women's groups, it is also commemorated at the United Nations whose many initiatives to improve conditions for women have resulted in the creation of an international legal framework to achieve legal equality. U.N. bodies are continually striving to raise public awareness by attempting to change conditions and attitudes which prolong discrimination. The main focus of this year's International Women's Day at the U.N. will be the 1995 world conference in Beijing which is to deal with, among other important issues, all forms of violence against women.

The World Bank will celebrate International Women's Day with a program of events continuing throughout March (see box).

**Editor's note:** Elizabeth Hayes retired from the Legal Department last year and is pursuing a new career as a free lance writer.
"I am not a barricade-stormer," says Jannik Lindbaek, IFC's new Executive Vice President, "but I believe change is necessary. An institution like IFC must be constantly changing if it is to keep up with the world."

The 54-year-old Norwegian, who has spent most of his career in the private sector, is taking a thoughtful, pragmatic approach to changing IFC, however. First, he wants to "see how things work." And since he arrived in Washington, D.C.—on New Year's Day, appropriately enough—he has been involved in a round of meetings with IFC's Executive Directors and staff to hear their views on IFC's operations and present his own.

He speaks admiringly of the achievements of his predecessor, Sir William Ryrie, who retired on December 31, 1993, and believes that IFC is "doing the right kinds of things" to promote private sector development and "doing them well." But there is a need to "develop a frame of reference, to see how IFC's activities fit into the development policies of our member countries," he says. This could help avoid long discussions of individual projects, improving efficiency.

Efficiency is a recurrent theme in Mr. Lindbaek's remarks. Perhaps it is because he brings a businessman's perspective to his new job. From 1986 until he joined IFC, he was President and Chief Executive Officer of the Nordic Investment Bank. From 1975 to 1985, he was with Norway's largest insurance company, the Storebrand Insurance Group, serving as Executive Vice President from 1975 to 1976, and as Group President and Chief Executive Officer from 1976 to 1985. From 1962 to 1975, Mr. Lindbaek was with Norway's Vesta Insurance Group; he became Executive Vice President in 1972. He has served on the boards of several companies, including Aftenposten, Norway's leading daily newspaper; Capital Markets Insurance Corp. (New York); Vesta Insurance Co.; and Det Norske Luftfartsselskap (the Norwegian partner in SAS).

Mr. Lindbaek is not a stranger to development issues, however. NIB, a multilateral institution headquartered in Helsinki and owned by the five Nordic countries—Denmark, Finland, Iceland, Norway, and Sweden—earmarks about 20 percent of its annual disbursements for projects in Central and Eastern
Establishment of Two Sister Organizations.

A rating. By the time Mr. Lindbaek took the reins, NIB was only 10 years old when Mr. Lindbaek took the reins. He built a strong organization with a loan portfolio of more than $5 billion and improved profitability. A credit review of NIB carried out by Moody's after the credit ratings of NIB's member countries had been downgraded confirmed NIB's financial soundness—and its triple-A rating. By the time Mr. Lindbaek left, NIB had about 100 employees, $2.24 billion in share capital, and $8 billion in assets. Annual disbursements averaged between $600 million and $800 million.

One of the milestones of Mr. Lindbaek's years at NIB was the establishment of two sister organizations. The Nordic Development Fund, an IDA-type institution that makes concessional loans to the poorest countries, is funded by direct capital contributions from the aid budgets of NIB's member countries. The Nordic Environmental Finance Corporation, whose capital is funded through the environment ministries of member countries, finances environmentally sound projects in Central and Eastern Europe. NEFCO's first project—a cement plant in Estonia—was cofinanced by NIB and IFC.

The environment is a subject dear to Mr. Lindbaek's heart. During the past three years, NIB disbursed $750 million in loans for environmental protection projects. Four years ago, NIB, in collaboration with the World Bank, the European Investment Bank, and the European Bank for Reconstruction & Development, set about identifying the worst polluters of the Baltic Sea. A clean-up program, to be completed in 2012, has since been launched. Mr. Lindbaek would like to see IFC become more active in financing environmental projects (IFC recently approved its first—a wastewater treatment plant in Mexico). "These can be very profitable ventures, provided we go into them with the proper business attitude," he states.

IFC's size is a serious constraint, however. Mr. Lindbaek says bluntly, "It is hard to do all we are expected to do. We will have to look very hard at the issue of our capital by the end of the 1990s. But, in the meantime, I think we can stretch ourselves a bit to use our capital more efficiently." This means not only boosting profitability by "putting good new investments on the books" but also containing costs.

Mr. Lindbaek stresses that his emphasis on profitability and efficiency does not mean abandoning IFC's poorest member countries, where projects often carry greater risks. "We need a balance of risk in our investments—we wouldn't be doing our job if we overlooked the poorest countries," he declares.

One area in which IFC is likely to see some changes: women in senior management. NIB's management group consisted of two women and three men, and a number of important positions in NIB were held by women. Although Mr. Lindbaek says that "change can't be forced by imposing quotas," he is committed to "working consciously with the problem" and would be surprised if there weren't more women in management by the time he leaves IFC. In his experience, "Women bring a different outlook to many situations, including business situations, and having the benefit of several outlooks improves the quality of an institution."

Mr. Lindbaek's obvious commitment to his work is balanced by his insistence that "there are other dimensions to life." He talks with equal seriousness about his family. His wife, Grete, a speech therapist specialized in treating children with Down's syndrome, is in Norway, working with teenagers from immigrant families to help them improve their language skills. She will be joining Mr. Lindbaek in Washington with the youngest of their four children after the school term. The Lindbaeks have two grandchildren—one of them born after Mr. Lindbaek's departure for the United States.

In addition to hobbies such as fishing, skiing, sailing, and bridge, Mr. Lindbaek "dabbles" in classical music, and plays the piano, guitar, and accordion. He has found ways to use his financial talents in the service of music—he and some fellow music lovers were among the initiators of the Queen Sonja International Music Competition, Norway's first such competition. Before joining IFC, Mr. Lindbaek sat on the board and served as Chairman of the Finance Committee; he was active in fund-raising for the Competition, as well as for the Oslo Philharmonic Orchestra, of which he was Vice Chairman.

After graduating from the Norwegian School of Business Administration and Economics, Mr. Lindbaek spent a year at the University of Kansas in Lawrence as a Fulbright Scholar. "They had a good football team that year," he smiles. He enjoyed a truly American experience, living in a fraternity house with three Americans—with whom he is still friends three decades later.

Mr. Lindbaek says he feels "privileged" to have the opportunity to run IFC. He is impressed by the "IFC spirit—something you don't find on the balance sheet. There is a will to do something extra, to do what it takes to carry out our mission."

Editor's note: Asimina Caminis is Corporate Communications Officer, IFC.
Matt McHugh is the type of person who likes to look ahead. And what he sees for the Bank is a bright future built on the foundation of a positive past. But to reach that promising future, the Bank must negotiate through some critical times. His job is to help the institution do just that.

Mr. McHugh recently moved offices to the newly renovated D building so they could be in proximity to Bank President Lewis Preston. Mr. McHugh is Counselor to the President.

Although he is fairly new to the Bank, having arrived in May 1993, he is no stranger to development issues. From 1975 to 1992, he was the Democratic Representative for the 27th and 28th congressional districts of the State of New York in the U.S. Congress—and his résumé testifies to an array of concerns. He was Chairman of the Arms Control and Foreign Policy Caucus and also served with the Select Committee on Children, Youth and Families. His interests ranged from the international to the rural, including production, consumer and environmental issues.

During 15 of his 18 years on the Hill, Mr. McHugh was a member of the Subcommittee on Foreign Operations, Export Financing and Related Programs. The Subcommittee is responsible for drafting and enacting the annual foreign aid appropriations bill in the U.S. House of Representatives.

"I was always a supporter of the Bank," he says. "I was familiar with its work, but not from the inside."

When he retired from Congress, he had accepted a vice-president position at Cornell University with the understanding that if something truly fascinating in Washington came along he could consider that instead. "Then, Mr. Preston asked me to join the Bank. I couldn't pass up the opportunity." Though he's been here almost a year, he still considers himself the new executive on the block. "It's a large organization," he says, "so I had to spend some time learning how it really works. I did some traveling, went to Indonesia and Bangladesh and saw projects there that the Bank is involved with. I also went to Western Europe to get to know some of the parliamentarians whose opinions are important to the Bank. It was all part of furthering my development education."

First impressions matter and Matt McHugh's were favorable. "The staff here is extraordinarily talented. There's a very high standard of quality, and a strong motivation to help the disadvantaged of the world. It's that motivation that attracts people, that makes them want to come and work for the Bank." Unfortunately, this opinion is not necessarily shared by the world at large. "The outside impression," he notes, "is that the Bank is a big, arrogant institution. There's a gap between what motivates the people here and the outside view of the Bank. It's possible that some of the criticism is legitimate, but the truth is that..."
the Bank is facing increasingly difficult challenges. Its role simply isn’t well understood outside, and when you take into consideration the fact that we have more critics than ever, that they’re better organized than they’ve been, and that a lot of our donor governments have greater constraints when it comes to aid, you’re left with a very real sense that what we have now is a more vulnerable Bank.”

Hence his assignment. “As Counselor to the President, I have a view of the whole. The utility of having someone like me around is that I’m not tied down by management responsibilities. I can be moved around from problem to problem and I bring an outside perspective. And my position here can be defined day by day. As Counselor, I take on whatever the President wants me to.”

His main function at the moment is to serve as Mr. Preston’s liaison with the External Affairs Department (EXT) which recently moved from the Personnel and Administration complex to the Office of the President. External Affairs is, among other things, in charge of contacts with the media, parliamentarians, academics, business people and the general public worldwide. “We have to do a better job of communicating our relevance to the rest of the world. We have to ask ourselves: Are we as effective as we should be? We have a long way to go in terms of sending out the right messages, and the problem is that it’s difficult to convey the essence of the Bank’s work with soundbites. We have to reduce it, put it in very simple terms: this is who we are, this is what we do, and this is why we are relevant.”

Yet, some avenues open to most organizations seeking to gain widespread recognition for their work are simply not available to the Bank. The Bretton Woods institutions, for example, do not engage in that most modern—and effective—means of disseminating the word: direct paid advertising. As a result, many public affairs initiatives have often been reactive. Nor does the Bank’s public affairs budget match those of many private large institutions, but, says Mr. McHugh, “the Bank has to anticipate key events, key policy decisions and projects. We can’t afford to be strictly reactive anymore. In order for us to be effective, we have to have a clear picture of what we want to convey to both our lending and borrowing members.” One example of this is the development of public affairs strategies geared to specific nations, particularly in Europe. “Also,” says Mr. McHugh, “EXT should be looking at what other units in the Bank are doing in terms of public affairs. We should try to coordinate our outreach efforts.”

Mr. McHugh will also play an important role in planning the commemoration of the 50th anniversary of the Bretton Woods Conference, which is observed this year. “It’s a milestone,” he says. “The world is changing, and now is an appropriate time to ask, ‘What is the relevance of these institutions?’ It’s an opportunity for us to take stock and look ahead. Some groups would like us to change the way we operate, and we should work with these groups. The 50th will see us get involved in events in which non-governmental organizations (NGOs) and others will participate.”

What of the critics who say, “Fifty years is enough?” Matt McHugh smiles. “Some take the view that the Bank has no role in the future. Now obviously, there’s not much hope in finding common ground with those organizations. But most groups don’t fall into that category.

“You know, it’s interesting,” he says, “many of the criticisms leveled at us come from what some organization learns of our mistakes from our own reports! Being realistic, no one can deny this institution has played an important role over the last 50 years. We should be proud of our accomplishments, and without being defensive. In fact, the international community as a whole should be proud of what it’s done. We can use the anniversary to benefit from the opinions of others.

“This is not the time to circle the wagons. We have to look ahead to the things we can improve upon. We shouldn’t be afraid of debate. Many others share the same motivation we have: helping improve the lives of the poor. The only argument is how best to do that.”
In 1944, the Bretton Woods Conference launched what might arguably be called two of the more important institutions of post World War II: the International Bank for Reconstruction and Development—later dubbed ‘the World Bank’ by reporters covering the event—and the International Monetary Fund.

“The 50th anniversary of this event is a unique opportunity to step back and reflect on the current and future role of the Bank,” says Armeane M. Choksi, Vice President, Human Resources Development and Operations Policy. “We want to revisit the unfinished development agenda and see how the Bank should respond to the challenges that lie ahead in the 21st century.” Mr. Choksi was appointed by President Lewis Preston to head the Bank’s 50th anniversary effort. “We also think that this is a good time to strengthen further our dialogue with the institution’s key stakeholders,” he adds. “By doing this, we can develop a broad agreement around the Bank’s current and future development agenda. And we must listen and be responsive to the serious concerns and criticisms about our work from the development community at large.”

The Bank plans to mark the event during calendar 1994. The anniversary program will focus on:
• better articulating the objectives of the Bank and a vision of its future role;
• the joint Bank-IMF conference on the Bretton Woods Institutions, to be held in Madrid September 29 and 30;
• following events organized by others and, where desired and appropriate, participating in their work;
• making preparations for the Madrid Conference.

Mr. Lateef notes that the anniversary “has to be a collaborative process. It has to draw on the views of all staff, management, and shareholders. “All of us have strong views about the Bank, and this is a unique opportunity to help build a consensus around the institution’s future agenda.

But, referring to the vision paper, he warns, “It’s intended to provide the broad directions for the institution but it will not be a strategic planning exercise nor a roadmap. No plan can realistically survive more than a year or two, given the rapidity of changes taking place. So we end up asking one main question: ‘How can the Bank remain a flexible and innovative institution in the face of a rapidly changing external environment?’”
Working with a Winning Team

Ivan Radan says service is in his blood

by Jill Roessner

One Autumn morning in 1962, in the pre-dawn chill, the ship "Croatia" steamed up the Hudson River. It had taken about three weeks to reach New York harbor, since leaving Rijeka in what was then Yugoslavia, stopping off en route in Spain and Italy before crossing the Atlantic. It carried cargo and some passengers, most of whom now crowded the deck for a first glimpse of the Statue of Liberty. Among them, a 23-year-old Croatian who, like millions of others before and since, was enthralled to finally see the famous symbol of freedom.

Despite his youth, Ivan Radan had already worked for a number of years as a sailor and had served in the Yugoslav army. But when an uncle, already established in America, offered him the chance to come to this country he didn't hesitate. "I knew this was the land of opportunity," he says.

He'd never met his uncle, but they found one another at the dock, and set off on the drive to Maryland where the uncle and his family lived. Ivan spoke not one word of English, but immediately set out to remedy that. Some of his cousins had young children, and their newly arrived relative pored over their alphabet books and primers, studying along with them. There was an Americanization School on Connecticut Avenue—where the Hilton Hotel is now...
located; he enrolled. He tried to earn his keep by doing odd jobs, but he needed to find proper work. Family friends helped.

The following April Ivan applied to the World Bank. Well, that’s not strictly accurate. Friends filled out the application form for him. When Personnel arranged an interview, his uncle had to accompany him to serve as interpreter. Ivan was told that as long as he passed the medical exam, he could start work and would be trained as a messenger. His uncle explained all of this to him, and Ivan couldn’t believe his good fortune. They were going to train him—and pay him $2,800 a year! “I should be paying you for the training,” he blurted out, “but I don’t have any money.” Since he spoke in his native tongue, no one was able to take him up on that offer. The next surprise came when he discovered he was expected to work only five days a week—not the seven to which he’d been accustomed as a sailor. After he’d been given a clean bill of health, a telephone call advising him he could start work came on a Friday morning. He was asked when he’d like to report for duty; he could start the following Monday if he chose. Ivan wasn’t prepared to wait that long. He arrived at the Bank that same Friday, and he’s been here ever since.

More than 30 years have passed. A lot has changed. But Ivan Radan’s enthusiasm for the World Bank hasn’t waned at all. He still likes to sail, though it’s a hobby nowadays, along with soccer and he’s a “fanatical Redskins fan.” Although he’s had no formal training in management, the Bank has sent him on some courses and he seems comfortable in the role. “Service is in my blood,” he says proudly.

There are 21 different nationalities among the Print Shop staff of 33 people. “I’m just their coach,” he claims, “they’re the players—and I have one of the best teams in the Bank. Ivan feels he’s working with a winning team. Without them, I’d be nowhere.”
During a recent visit to Canada, Managing Director Sven Sandstrom met with various government, NGO and media representatives. He was also invited to address a symposium for the new members of the Canadian Parliament. Here are excerpts from his remarks:

In times of recession and fiscal restraint, there is always a healthy tendency to question development assistance: Has it worked? Does it really help the poor? Is it cost effective?

By and large, I believe the answer to these questions is "yes."

We sometimes forget that the past 25 years have seen more progress in improving people's lives than any comparable period in history. In the developing countries, life expectancy has increased by 50 percent; infant mortality has been halved; per capita incomes have doubled. The pace of this developing-country progress has been extraordinary. For example: during the periods of their most rapid growth, the United States took nearly 40 years (1913-1950) to double per capita incomes; Canada took 42 years (1913-1955); and the United Kingdom took 60 years (1780-1840).

The most startling example of development progress is East Asia where, over the last quarter century, per capita incomes have quadrupled, poverty has been reduced by two-thirds, and the region has become a major engine of growth in the global economy. China's recent economic performance is well known—with annual growth rates of around 10 to 15 percent. What is less well known is that India's per capita income grew at 3 percent annually in the 1980s—three times the rate of the previous two decades. Over the last few years, many Latin American countries have transformed their economies and become magnets for foreign investment. Even in Sub-Saharan Africa—where growth has lagged and real incomes have declined—social indicators have improved since independence.

And yet, despite this progress, an enormous development challenge remains. Over a billion people—a fifth of the world's population—are still in absolute poverty, struggling to survive on less than a dollar a day. Child mortality rates in the developing countries are still 10 times higher than in the developed countries. Maternal death rates are 30 times higher. Seven million people die every year due to easily preventable diseases, such as malaria and tuberculosis.

Nearly half the population of Sub-Saharan Africa—about 200 million people—remain in poverty. The proportion is about the same for South Asia—although the actual number of people in poverty is much larger (about 560 million). Then, of course, there is the massive challenge of transition in the former Soviet Union.

Yes, more people have been lifted out of poverty over the last generation than in any previous generation. But—largely due to high population growth rates—there are also more people in poverty today than at any time in history. In fact, the income gap between rich and poor countries is widening: over the past 30 years, incomes in the countries with the richest 20 percent of world population grew nearly three times faster than in those countries with the poorest 20 percent.
The failure to address this fundamental issue carries negative consequences for rich and poor countries alike: it threatens economic expansion, increases environmental damage, and exacerbates unemployment and migration problems (the total number of refugees and migrants in the world is currently estimated at somewhere between 40 to 60 million). In short, poverty is not just a developing country issue, but a global issue.

**Two Trends: Globalization and Participation**

The rapid pace of change in our world—political, economic, and technological—underlines this point. Two major trends, in particular, are emerging: the trend toward economic “globalization” through the integration of trade and capital markets; and the trend toward “participation”—increasing pluralism in political and economic decision-making, more openness, and empowerment of people.

Economic globalization is occurring at a faster pace than ever before. Trade between the developed and the developing countries now accounts for a fifth of the world total. Developing country exports are projected to increase almost twice as fast during the 1990s as during the two previous decades. Those countries are also the fastest-growing markets for many developed nations—including the United States, for example. And as you know, the Pacific Rim is already a major trading area for Canada. The completion of the Uruguay Round and the establishment of the World Trade Organization will accelerate this trend.

Private-sector investors are taking advantage of the expanded opportunities in the developing countries. Private capital flows to the developing world have risen more than two-and-a-half times since 1990. In 1992, for the first time in a decade, the volume of private flows ($103 billion) was larger than total aid flows ($55 billion)—almost twice as large, in fact. This does not mean that development assistance is no longer as important as in the past. On the contrary, increased aid flows are more critical than ever—to help the poor countries become competitive and thus be able to attract private investment; and to help attack pockets of poverty within those countries which are competitive.

This much is clear: global competition for resources and for markets has never been greater—and will intensify in the future. But globalization is not a zero-sum game. The developing countries will gain through being able to expand exports, attract increased investment, and raise living standards—provided they adopt policies to keep their economies open and competitive. And the developed countries will gain through being able to export into expanding markets and increase jobs—provided they support development programs which help to promote broad-based growth and poverty reduction.

The second trend I mentioned as having a major bearing on the development agenda is participation. National leaders and governments used to have the final say—and, in some cases, the only say—in political and economic decisions. But with increasing democratization and openness, there are now many more players interested—and involved. For example: NGOs, local communities, environmental groups, and the media.

From a development perspective, we saw this crystalized at the Earth Summit in 1992, where NGOs and environmentalists were a major force in expressing their views not only to their country representatives in Rio, but also—via fax and electronic mail—to their parliaments and publics back home.

Increased participation is a positive and healthy trend. It means more pluralism—and more ideas and debate on how development assistance should be used. The sad fact is that too many development strategies have not fully involved the people affected by them. As a result, too many development projects have not been sustainable. Most governments and development institutions now understand that more participation will lead to more effective development. This is certainly true of the World Bank—and, like many others, we are grappling with how to design more participatory approaches.

We must all recognize, however, that ensuring participation is, first and foremost, a government responsibility. In the developing countries, this is a question which strikes at the very heart of good governance and issues of the poor having access to land, credit, and services. It also strikes at resource allocation. Military spending in the developing countries, for example, has quintupled over the last three decades—and continues to exceed expenditures on health and education. Increased participation will lead to more resources being targeted on poverty reduction, because that is the fundamental issue for the vast majority of people in the developing world—and for us all.

**Poverty Reduction Is the Priority**

We have learned a great deal about how poverty can be reduced. Basically, a two-track strategy is needed: **sustainable economic growth and investment in people.** Both tracks are necessary; one without the other is not enough.

First, **growth:** no country has managed to reduce poverty or make long-term social progress without it. Experience also indicates, however, that the **pattern** of growth is as important as the **rate.** Efficient, labor-intensive growth which provides jobs and income for the poor is the most effective way to reduce poverty. This was very much the approach followed, for example, by the East Asian countries. It should be emphasized, however, that even with the right **pattern** of growth, social safety nets must also be provided to assist vulnerable groups such as the sick, the old, and children.

Second—and just as important as growth—there must be **investment in people.** Education, health, nutrition, and family planning enable the poor to contribute
to and participate in growth—and have a very high pay-off in terms of poverty reduction. Our analysis indicates, for example, that no country has been successful economically with a less than 50 percent literacy rate.

This two-track approach to poverty reduction is a simple conceptual framework. Operationally, however, it is powerful. It is a strategy around which all of us can organize our efforts—tailoring them to the needs of individual countries.

**Sustainability**

Let me mention three issues which are essential in underpinning the sustainability of the two-track poverty-reduction strategy:

- First, **environmental protection.** Nearly two billion people do not have adequate sanitation; 1.3 billion suffer from indoor pollution. Soil erosion and deforestation threaten the livelihood of millions of farmers and forest dwellers. We must do more to build upon the “win-win” links between helping these people and, at the same time, protecting the environment. For example: by removing price distortions—such as energy subsidies—that encourage overconsumption of natural resources; by accelerating the provision of clean water, sanitation, and health services; and by promoting agricultural research which can boost productivity in environmentally-friendly ways.

- Reducing the **population growth rate** is a second factor essential to sustainability. Global population will increase more during the 1990s than in any previous decade (by about 850 million people). Ninety percent of this increase will occur in the developing world. In some of the poorest countries, particularly in Sub-Saharan Africa, the population is doubling every 20 years. Effective programs for family planning, health, and education must be implemented to prevent population growth from running ahead of economic growth—and thus increasing poverty.

- The third factor critical to sustainability is the **role of women.** In many developing countries, women play the major role as producers of food and protectors of the environment; in educating children and in family planning. Women are central to growth and to poverty reduction. Yet too often, they have been treated as invisible—by governments and development institutions. This must change—and I believe it is changing. The World Bank, for example, is now placing major emphasis on ensuring girls’ access to education—which is probably the single best investment in the developing world today.

**Role of Development Institutions**

Let me turn briefly to the international institutions concerned with sustainable development and poverty reduction. Clearly, they have a special responsibility in this new era of rapid change and globalization. They are needed more than ever before; the challenges are greater than ever before. But they must also show themselves to be more effective than ever before.

The universe of development institutions spans from the UN family of agencies, through the Bretton Woods institutions through bilateral aid agencies, to NGOs and individuals working at the grassroots. All are important. All have different comparative advantages. All share the same objectives. But we have not done enough to strengthen relationships and synergies.

**Partnership** must be one of the major themes of the ‘90s. No single institution has all the answers to these complex development issues—nor all the necessary resources. We need to work together around the same broad poverty-reduction strategy.

The Bank’s role as advisor to our borrowers on economic policy and sector reforms—to promote competitiveness and sustainable growth—has become increasingly important. At the same time, our role as provider of financial assistance—on the order of about $25 billion last year—remains fundamental. Most of our lending is for project investments in agriculture, human resource development, and infrastructure.

Environmental protection is currently the fastest-growing segment of our loan portfolio (about $2 billion last year). Our support for investments in people—basic health, education, family planning—has also increased five-fold over the last decade (to about $4 billion last year). In fact, the Bank is now the largest single provider of external assistance to the developing countries for education, health, and tropical forest conservation. Like everyone else, we have learned the importance of sustainability in development.

We have also learned, from sometimes painful experience, that participation by the people affected by our operations is vital—and, as I said, we are working to improve our approach in this area. We have learned the importance of being as open as possible—widely sharing information on development and the lessons of experience. We believe it is very important to be candid—both about what works and does not work. We have also learned that follow-through and implementation of ongoing projects matters more than rushing ahead with new lending. Results on the ground—really reaching the poor—are what count. Again, this must be one of the major themes for development—and for development institutions—in the ‘90s.

As the Bank marks this 50th year of our establishment, we are naturally looking back—on our role in assisting, for example, with the Green Revolution in India, with the East Asian miracle, and with the restoration of growth in Latin America. But we are also looking forward. The demands on the Bank have never been greater and our capacities are stretched. We are very much aware that we are still learning about development—and that the challenge ahead is formidable.
Career Advice for Bank Spouses

A Smoother Move

by Lisa Costa

For some Washington area newcomers, life has become a little easier, thanks to the Family Career Transition Program (FCTP) recently introduced for spouses of Bank and IMF recruits who have just arrived in town. The Program will help them negotiate the city's job market as they seek to put their skills to work.

The FCTP, created in response to a growing demand for career transition assistance for the spouses of Bank and Fund staff wishing to continue their careers in the Washington area, opened its doors in the G building at the beginning of December. It provides personal counseling, seminars and workshops on topics such as career transition, job search strategies, résumé writing, interviewing skills and, most important, friendly support. These services are also available to spouses of staff who have just returned to the area from resident mission assignments abroad.

The FCTP is not an employment center nor will it help clients find or get particular jobs. Its role is simply to offer advice, facilities and direction. In addition to advice and counseling, clients may avail themselves of the library and computer room (equipped with three computers, a printer and a copier).

Ellen Harvey and Associates, a private consulting firm, has been contracted to operate the FCTP. Ellen Harvey and David Reile share the job of career counselor, providing personal counseling and support, while Diane Catlett is the FCTP's researcher and administrator. Brian Donnolley, Manager of Program Support for the Bank's Personnel Services and Compensation Department, currently oversees the program which was introduced as a result of a set of recommendations identified in the Work-Family Agenda for the World Bank. This report was issued last year by a Joint Working Group whose membership comprised representatives from the Staff Association, World Bank Volunteer services and the PAAVP. The Joint Working Group also established a close relationship with the IMF as well as maintaining contact with the Bank's Advisory Group on Higher Level Women to ensure the agenda addressed their needs.
Changing demographics, particularly the increase in dual career couples, had dictated the initiative. Seventy-five percent of higher level Headquarters staff are non-U.S. nationals, most of whom have been recruited from other countries and relocated to Washington, D.C. Two-thirds of them are married when they arrive, and most of the spouses are in mid-career.

As women's roles in the workforce have increased, so has the demand for spouse career transition assistance. More women than ever are being recruited by the Bank and Fund, but Personnel has noticed a growing number of candidates rejecting employment offers so their spouses don't have to interrupt their careers.

The Bank and Fund employ an international staff of highly-skilled specialists. In order to sustain successful recruitment, career transition to Washington must be facilitated for spouses, too, or the institutions will lose their competitive edge as employers of choice.

Those who actually make the move have, in the past, had to endure obstacles characteristic to this town, such as the bureaucratic gantlet that must be run to obtain a work permit. Moreover, the difficulty of comparing previous work experience and education with local job requirements and lack of knowledge about the local labor market compound the difficulties and hinder the chance for a smooth transition into new surroundings.

The FCTP held an Open House December 3. While I was impressed with the serene atmosphere, the various facilities and the friendly staff, it was most interesting to talk to two British women who were working on their resumés. One was in mid-career as a market researcher and had to leave her job to accompany her husband here. The other had just completed her thesis in economics. Both were completely unprepared for the rigors of the Washington job market. They put the new Center to good use.

"For instance," one points out, "networking is everything here. In London, I never had to worry about that." The FCTP, she says, has given them interviewing and résumé writing skills.

"The résumé is designed differently here," the economist notes, as she comments on the way local job seekers are encouraged to flaunt their achievements. Being able to talk to others in the same situation, they both agree, is the best support of all.

Chris Martin, an Australian whose husband recently joined the Bank, has used the FCTP on several occasions. A self-employed training contractor and editorial writer, she says it is difficult to find work in D.C., but she has obtained several leads thanks to the Center.

"Dianne Catlett has started me on new avenues and taught me to be flexible in my thinking," she says. Ms. Catlett and the two counselors, whose jobs include researching career paths and options, are very valuable to people such as Ms. Martin who come to Washington with very specific needs.

"One of the worst things about being the spouse of a Bank or Fund recruit is that, prior to the move, there is a definite lack of communication between the Bank and the spouse," Ms. Martin observes. "You get the feeling that the Bank is going to take care of you throughout your move, but that's wrong."

Now, with the creation of the FCTP, spouses of staff recruits are made aware of the Center before they arrive. They have the option of talking to the counselors by phone or sending in their resumés and background data so research can begin even before they arrive. Ms. Martin feels these efforts are just as valuable as any of the other services available on arrival.

If a spouse doesn't speak English, or lacks a work permit for the United States, the FCTP cannot help, nor can it aid those who only seek full-time employment with the Bank or Fund (although temporary or consultant opportunities may be possible). The Center is open every weekday from 9 a.m. to 5:30 p.m., telephone: (202) 458-4760.

While the purpose of the FCTP is to facilitate an effective career transition, success stories vary. Some people may end up with an offer of full- or part-time employment in their chosen field; others may become self-employed. Some applicants choose to volunteer their services, or perhaps return to university to enhance their qualifications. Others decide not to seek employment after all. The Center provides the resources so our new neighbors may make realistic choices. When someone leaves the Center feeling a little better informed about the job market and their own prospects, the FCTP staff know they have done their job.

Editor's note: Lisa Costa is a Staff Assistant in the Information and Public Affairs Division, EXT.
Who’s Afraid of the Auditors?

by Anwar Ravat

In a large organization somewhere, perhaps a bank in the United States, a cattle ranch in Argentina, or a coal mine in Zimbabwe—a ritual “face-off” is under way.

It is Monday. It generally is on a Monday that a team of internal auditors—briefcases at their feet and notepads at the ready—is in a manager’s office. The manager may be head of a department or even of an entire organization. He shuffles some papers on the desk. He waits.

The audit team leader, a glint in his eyes, somberly intones: “We are the internal auditors; we’re here for the audit—and to help you with your task.” The manager rubs his sweaty palms together and responds with equal solemnity: “We welcome your audit; we will share everything with the audit team, and provide all the assistance you need.”

A stereotype? Absolutely!

IAD at a Glance

This isn’t how it works—at least not with the Bank’s own Internal Auditing Department (IAD). IAD’s main function under its mandate is to do internal audits (the box below explains). But it’s more than that: it includes promoting sound internal controls in the Bank; helping client departments improve their procedures; advising on new controls; looking with a fresh set of eyes at issues that concern client departments; and finding more efficient ways of doing business.

IAD’s management and staff are drawn from a wide variety of disciplines and include professional auditors, accountants, economists and computer specialists. Many have considerable experience in the Bank’s front line (Operations) as well as in other Bank departments. All have considerable business or financial experience as well as audit, systems and controls skills gained within and outside the Bank. All this combines to give IAD a unique vantage point—in being able to bring an objective and expert viewpoint to its work, which brings real value to client departments, and strengthens the institution as a whole.

A Trip to the Great North

When a department in the Bank’s Europe and Central Asia (ECA) region began putting together a special mission to visit the Russian Federation, it turned to IAD for the audit skills needed. For the technically minded, the mission’s objective was to review project implementation capacity in Russia, given the potentially large sums planned to be committed there. Also, to deal with any immediate implementation obstacle that existed, be it in the area of procurement, accounting and auditing or disbursements.

The mission—headed by ECA’s senior adviser, Michael Gillette—comprised eight members including two from IAD—the Auditor General and an IAD staff member. The IAD team’s task: To review the newly emerging Russian accounting and audit industry, and to identify firms—if any—which might meet Bank requirements for (external) auditors of Bank-financed projects. No problem—except there were more than 2,000 such audit firms across Russia’s nine time zones. Some problem indeed, especially since internal air travel in parts of Russia can be an endurance test. The mission overcame that particular test by simply staying in Moscow and deciding only Moscow-based audit firms would be reviewed during that visit.
The Russian Audit Industry

There was more. To review a profession that had only been around for five years (compared with over a century in most other countries) posed a problem. How would the mission assess Russian auditors' and accountants' competence when the business environment in Russia was so different? For instance, a common audit step elsewhere—the inspection of paid bank checks—is not possible in Russia since checks are not yet in general use. Most transactions are made in cash or by bank transfer. Indeed intra-bank transfers themselves involve shunting cash-filled metal boxes around, the problems of which are obvious.

Furthermore, the mission had heard tales of some audit firms (especially outside Moscow) being somewhat “multi-faceted” and having business interests other than auditing. On the other hand, other Russian audit firms were quite reputable. How was the mission to sift through such a diverse group of firms? Undaunted, the mission worked with the Russian authorities to make a start. The IAD team devised a method for the firms to present key details about themselves, in Russian, of course. The mission’s sole Russian-speaker—as well as local interpreters—came to the rescue. With their help, the mission reviewed the audit firms’ quality and capacity in some depth.

The meetings with (and visits to) the firms were interesting, and the results revealing. Some of the audit firms were crammed in small offices in drafty buildings (offices lining dimly-lit corridors, reminiscent of private detectives’ offices in Raymond Chandler novels). But the scene of organized chaos in each was familiar. As with accountants’ and auditors’ offices everywhere, work areas were strewn with personal computers, calculators, folios and ledger sheets filled with dense columns of numbers. Audit firms in Russia were perhaps not so different after all.

What IAD Is About

The Bank’s Internal Auditing Department (IAD) has about 30 staff, and is headed by the Auditor General, Allan D. Legg. With Mr. Legg are two Group Audit Managers (division chiefs), Robert Saunders and Michael Walden.

While for administrative purposes, IAD is part of Controllers, it functionally reports to the Bank’s President. This reporting line ensures IAD’s independence from other Bank departments where IAD conducts its audits.

IAD’s work strengthens the Bank as an institution by means of a regular program of internal audits of different areas in the Bank. The audits look at Bank departments’ operations, policies and procedures. IAD sees how resources are used and controlled. Where any of these could be improved, IAD’s audits point this out.

How are audits selected in the first place? By picking areas with greater risk or exposure. And by listening to management’s concerns. Every year an increasing number of IAD’s assignments are in response to departments’ specific requests to review a particular aspect of their operations.

While the quality and capabilities of Russian audit firms met by the mission varied a great deal, a common theme was a determination to succeed. Firms were keen to develop themselves, to learn about and apply international audit and accounting practices (bearing in mind even the term “audit firm” is a recent one in Russia). The IAD team was able to complete its task; capable Russian audit firms were identified. With IAD’s contribution, therefore, the Bank increased its knowledge of Russian audit and accounting issues. More importantly, a developmental objective should be achieved in the future by enabling Russian audit firms to benefit directly from doing audits of Bank-financed projects.

We’re Here to Help

Along with this example of IAD’s work—and with many other audits and assignments each month—IAD contributes to the Bank’s overall mission.

To complete, then, the scenario sketched earlier in this description of IAD: Some weeks have gone by; the audit is complete. The audit team and the client department’s managers have just discussed the audit’s findings. The client thanks the audit team for noting areas where systems and controls have improved since the last audit. “I agree that more needs to be done,” he says. “Your recommendations in the audit report will certainly help.”

The audit team leader demurs and remarks: “It’s you whom we thank. As we said before, IAD not only does audits. It’s also here to help.”

Editor’s note: Anwar Ravat is Audit Senior, IAD.
Two months into my new job as Staff Association Chair, I find myself thinking about teamwork. What makes one group of people into a team while another group remains just an assortment of people? What does the team have that the assortment doesn't? What calls forth the synergy that is the hallmark of team effort? What do we know here in the Bank about building teams?

Building teams starts with having the right people together at the right time. It's more than just assembling an abstract set of technical skills. You may have hired the best omelette maker in Lyon, but if he hates to get up before noon, your team will probably go hungry at lunch. Or you may have hired the best economist in West Africa. But when she comes on board, you discover that your best technical adviser has difficulty accepting a woman as a peer. You've got the right technical skills, but you're still some distance from having a team.

The team must also be allowed to do its work. The best task managers don't do it all. If they did, the team would be redundant. Rather, they assemble the team and act as coaches. They make sure that the necessary resources are in place and then provide guidance or assistance to the team if rough spots develop. Although a good task manager may think she knows the solution to a problem, she remains open to new ideas—especially the ones she didn't think of first.

Leading teams is done by example, not by administrative fiat. As they go about their daily tasks, team leaders send signals to the rest of us about what is valued and what is not, what will be rewarded and what will not. Ultimately, they are showing us, as much by their actions as by their words, how they value the work and how it gets done.

There are, of course, complexities here at the Bank. Suppose you have an opening for a technical specialist and you know just the person to fill it. Only you find out from Personnel that the Bank needs to do some more recruiting from Gondwanaland, so you won't be able to fill the slot the way you would like. Or another department needs to place a capable technical specialist who is troubled by long-standing differences with his supervisor, and your Personnel Officer mentions the opening in your division. Or the wrong people have been put together, or there are mismatches between task managers and teams.

Sometimes the Bank does well by its teams and sometimes it doesn't. In addition to the generic problems of assembling teams, doing well by them requires a delicate balancing of individual and institutional incentives, goals and rewards. For example, how should we reward task managers when their success is the result of team effort? Conversely, how do we reward team members whose efforts would have availed little had it not been for a resourceful task manager? And what do we do with a team when the task is done? There are no simple, one-line answers in the back of the book for these questions.

Does the Bank's structure reflect its dependence on teamwork? The organizational chart still reflects a flat, authoritarian hierarchy rather than the nested structures of teamwork. But look at the traditional pyramid from above rather than from the side: the visual difference is dramatic. What appears from the side as tier upon tier becomes squares within squares. Thus, the whole Bank can
be seen as a single, large team—the largest square. Nested within this largest team are the smaller teams that carry out each part of the Bank's work. At the center, the President is dependent upon the work of all the teams that surround him and he in turn sets the pace for them. As the leader of the Bank team, he communicates goals, encourages participation, acknowledges success, and corrects mistakes.

The Staff Association is also a team-based organization. Our profile looks a bit different because we are a democracy depending on volunteers to organize the teams that carry out our work. Our Working Group members, who form the technical core of the SA, commit themselves to the goals of their teams. Their work is carried out in the context of the larger SA. The Executive Committee and Delegate Assembly guide SA work to meet the broader needs of Bank staff and the Bank. All of this is far easier to say than to do; but it works.

As other articles here in Bank's World often show, Bank teams can make a powerful difference for our clients. Serving our clients is the key to maintaining our effectiveness in the future. Perceptions of the Bank are changing—of necessity, because the world itself is changing. For us to remain competitive in the development world, we must do a better job of working together. And, as always, the Staff Association remains committed to helping foster teamwork and a sense of common purpose among all staff.

New Travel Policy?

In September last year, a six-woman team went to Tunisia to negotiate a $120 million loan for lines of credit to 10 borrowers (the Government and nine financial institutions). The loan was successfully negotiated, presented to the Board in December, and signed February 14.

The camel ride was just for fun when their work was over—it wasn't their regular means of transportation.

The man standing at left is the Tunisian camel guide. The mission members, from left to right: Claudia Pardinas, a lawyer from LEGMN; Joelle Le Vourc'h, former division chief, ACTCA, and now in the Paris office; Dung Kim Pham, operations assistant, MN1E; Laurie Effron, mission leader, MN1E; Morag van Praag, disbursement specialist, LOAEL; and, standing, Laura Burakreis, financial specialist, MN1E.
Bank and IMF staff will once again have the pleasure of attending the International Camera Club’s (ICC) Annual Exhibit, scheduled to start Monday, March 7, and run through April 8 in the Fund’s Atrium.

This year, you can feast your eyes on 190 photographs—both color and black and white. The photographs, which reflect various themes including architectural, studio, still-life, nature, fine art, and more, were carefully judged and selected by a panel of distinguished photographers.

Traditionally, judges for the ICC Annual and Semi-annual exhibits (displayed in the Bank’s D/E walkway) have included professionals such as photojournalists from National Geographic, the Washington Post, the New York Times, Newsweek, and National Wildlife; photographers from the Smithsonian Institution, area universities and the Washington School of Photography; experts from local processing labs; and free lance and commercial photographers.

These two pictures are just a sample from this year’s collection. Staff are invited to bring their families and guests to the exhibit.
Thanks a Million

World Bank Volunteer Services

Book Project volunteers recently shipped their millionth books. It was among a shipment of 20,000 books, destined for Romania, to be distributed by the U.S. Peace Corps.

And although it would be impossible to pick out one single book as the millionth, it was one of 50 in a box containing dictionaries and encyclopedias.

The Book Project people always need volunteers to help out in their N building office, even for an hour at lunchtime. Help is also needed at the Laurel warehouse (they can arrange transportation).

In the December 1993 WBVS Newsletter, Book Project President Liz Fennell wrote: “Our volunteers range from teenagers during vacations, to members of WBVS’ Husbands’ Group, to Clara Gordon [wife of retiree David Gordon] who is 79 years old and who has come to the warehouse every week for the last 10 years.”

New Editor

With this issue of Bank’s World, Thierry Sagnier, the magazine’s editor since November 1987, moves on. Effective March 1, Mr. Sagnier will be researching how the Bank’s External Relations Department can best make use of the “electronic highway.”

Jill Roessner, the Bank’s World associate editor during the same period becomes its acting editor.
Kabir Ahmed  
American  
Chief, Program and Budget  
Review Division, Planning and  
Budgeting Department,  
effective February 1.

Carlston Boucher  
Barbadian  
Special Representative to the  
United Nations, New York,  
effective January 1.

Heywood W. Fleisig  
American  
Economic Adviser, Private  
Sector Development Depart­
ment, effective October 1.

Jock Anderson  
Australian  
Adviser - Agricultural  
Technology, Agricultural  
Policies Division, Agriculture  
and Natural Resources  
Department, effective January 17.

Ajay Chhibber  
Indian  
Chief, Country Operations  
Division, Country Department  
III, East Asia Region,  
effective March 1.

Richard Gregory  
American  
Chief Administrative Officer,  
Management and Personnel  
Services, Office of the Vice  
President, effective January 16.

Mansour Kelada Antoun  
Egyptian  
IFC’s Regional Representative  
for North Africa, based in  
Casablanca, Morocco,  
effective January.

Peter Copplestone  
British  
Chief, Major Projects Division,  
Headquarters Construction  
Department, Management and  
Personnel Vice Presidency,  
effective December 20.
Hans Juergen Gruss
German
Chief Counsel, Middle East and North Africa Region, effective March 1.

Nicholas Hope
Australian
Director, Country Department II, East Asia & Pacific Region, effective April 4.

Preben Jensen
Danish
Procurement Adviser, East Asia and Pacific Region, Office of the Vice President, effective February 7.

Khateeb Sarwar Lateef
Indian
Staff Director, Secretariat for the 50th Anniversary of the World Bank, effective January.

Peter Nichols
Canadian
Senior Adviser, Management and Personnel Services, Office of the Vice President, effective January 16.

Manuel Penalver
Spanish
Chief, Country Policy, Industry and Finance Division, Operations Evaluation Department, effective January 10.
<table>
<thead>
<tr>
<th>Name</th>
<th>Country</th>
<th>Position</th>
<th>Group</th>
<th>Code</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guillermo R. Almada</td>
<td>Argentina</td>
<td>Budget Analyst/AF1/2/1</td>
<td>AFI</td>
<td>2</td>
<td>I</td>
</tr>
<tr>
<td>Yvette M. Atkins</td>
<td>Barbados</td>
<td>Staff Asst./PHN/1/24</td>
<td>PHN</td>
<td>1</td>
<td>22</td>
</tr>
<tr>
<td>Sara Bergman</td>
<td>Argentina</td>
<td>Section Chief, Travel Expense/ACT/2/1</td>
<td>ACT</td>
<td>2</td>
<td>I</td>
</tr>
<tr>
<td>Paul Bermingham</td>
<td>Ireland</td>
<td>Public Enterprise Spec./AF4/2/14</td>
<td>AF4</td>
<td>2</td>
<td>I</td>
</tr>
<tr>
<td>Kay E. Binkley</td>
<td>United States</td>
<td>Staff Asst./EXC/1/18</td>
<td>EXC</td>
<td>1</td>
<td>18</td>
</tr>
<tr>
<td>Hong Chen</td>
<td>China</td>
<td>Procurement Analyst/AF4/2/22</td>
<td>AF4</td>
<td>2</td>
<td>22</td>
</tr>
<tr>
<td>Torbjorn Damhaug</td>
<td>Norway</td>
<td>Water Resources Mgmt. Spec./AFT/2/1</td>
<td>AFT</td>
<td>2</td>
<td>I</td>
</tr>
<tr>
<td>Irene Davies</td>
<td>Australia</td>
<td>Country Officer/EAS/2/7</td>
<td>EAS</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Nathaniel R. Dickinson</td>
<td>United States</td>
<td>Info. Ofcr./FOD/2/1</td>
<td>FOD</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Maryse D. Gautier</td>
<td>France</td>
<td>Municipal Engr./MN1/3</td>
<td>MN1</td>
<td>2</td>
<td>14</td>
</tr>
<tr>
<td>Maria L. Giraldo</td>
<td>Colombia</td>
<td>Transport Engr./LA4/2/11</td>
<td>LA4</td>
<td>2</td>
<td>11</td>
</tr>
<tr>
<td>James Gu</td>
<td>China</td>
<td>Information Ofcr./MN2/1/24</td>
<td>MN2</td>
<td>1</td>
<td>24</td>
</tr>
<tr>
<td>Peter F. Heywood</td>
<td>Australia</td>
<td>Sr. Nutritionist/PHN/2/7</td>
<td>PHN</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Paul Holtz</td>
<td>United States</td>
<td>Staff Asst./WDR/2/22</td>
<td>WDR</td>
<td>2</td>
<td>22</td>
</tr>
<tr>
<td>Kanta Jolly</td>
<td>India</td>
<td>Procurement Asst./SA3/2/22</td>
<td>SA3</td>
<td>2</td>
<td>22</td>
</tr>
<tr>
<td>Dorota Kowalska</td>
<td>Poland</td>
<td>Staff Asst./EC2/1/31</td>
<td>EC2</td>
<td>1</td>
<td>31</td>
</tr>
<tr>
<td>Toshinari Kunieda</td>
<td>Japan</td>
<td>PSD Spec./CFS/2/22</td>
<td>CFS</td>
<td>2</td>
<td>22</td>
</tr>
<tr>
<td>Cecilia Lim</td>
<td>Peru</td>
<td>Language Staff Asst./LA2/1/31</td>
<td>LA2</td>
<td>1</td>
<td>31</td>
</tr>
<tr>
<td>Nariman Mannapbekov</td>
<td>Uzbekistan</td>
<td>ED's Asst./EDS/1/18</td>
<td>EDS</td>
<td>1</td>
<td>18</td>
</tr>
<tr>
<td>Francesca Manno</td>
<td>Italy</td>
<td>Exec. Director's Asst./EDS/2/1</td>
<td>EDS</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Joan Martin-Brown</td>
<td>United States</td>
<td>Asst. to the Vice President/ESD/1/31</td>
<td>ESD</td>
<td>1</td>
<td>31</td>
</tr>
<tr>
<td>Zenobia B. Panthaki</td>
<td>India</td>
<td>Senior Staff Asst./OPR/2/14</td>
<td>OPR</td>
<td>2</td>
<td>14</td>
</tr>
<tr>
<td>Mather Pfeffenberger</td>
<td>United States</td>
<td>Staff Asst./AFS/2/14</td>
<td>AFS</td>
<td>2</td>
<td>14</td>
</tr>
<tr>
<td>Judith Press</td>
<td>United Kingdom</td>
<td>Sr. PSD Spec./MN1/2/14</td>
<td>MN1</td>
<td>2</td>
<td>14</td>
</tr>
<tr>
<td>Wendy Roseberry</td>
<td>United States</td>
<td>Technical Spec./AFT/1/24</td>
<td>AFT</td>
<td>1</td>
<td>24</td>
</tr>
<tr>
<td>Anna Maria Santanna</td>
<td>Brazil</td>
<td>HR Specialist/LAC/2/1</td>
<td>LAC</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Louise F. Scara</td>
<td>United States</td>
<td>Material Res. Mgmt. Spec./ENV/1/24</td>
<td>ENV</td>
<td>1</td>
<td>24</td>
</tr>
<tr>
<td>Boris Skapin</td>
<td>Slovenia</td>
<td>ED's Assistant/EDS/2/2</td>
<td>EDS</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Maria-Cristina Sunkel</td>
<td>Chile</td>
<td>Attorney/IFC/2/2</td>
<td>IFC</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Deborah Trent</td>
<td>United States</td>
<td>Staff Asst./LA3/1/31</td>
<td>LA3</td>
<td>1</td>
<td>31</td>
</tr>
</tbody>
</table>

**Fixed-term and regular appointments**
Bank would have to depend on the contractors to voluntarily pass on to their employees all such benefits that may be contractually required.

The Bank wants to be a good neighbor, but that could be jeopardized if it were to impose employee benefit packages that are above the market. It could adversely affect competition, prices, and possibly even the equilibrium of the local economy. And there is the distinct possibility that contractors would not bid on Bank work if we were to impose additional burdens on them.

Thus, the Bank does not routinely mandate employee benefit packages on its contractors because it is unrealistic, uneconomical, and impossible to monitor.

Randall Vick, Chief, Contracts, General Services Department

Question: Congratulations on the decision to make the Bank a smoke-free workplace; it would be nice if there were some way to enforce the policy. In my department, several people don't follow the new rule. Someone asked Security and was told they do not have any orders regarding the smoking policy, so the next call was to the Personnel Department—which suggested speaking to the Director or Vice President. But the problem is that person is one of the smokers, so how can we ask?

Also, signs should be hung in the halls and conference rooms so visitors know the rule. Sometimes it is a little embarrassing to ask a visitor not to smoke.

Answer: The World Bank Smoking Policy clearly prohibits smoking on Bank premises for staff at all levels, except in designated smoking lounges. As in other professional organizations that have a no-smoking policy, the system works on an honor basis and, in fact, very few violations occur. But, when violations do occur, they should be brought to the attention of the next-in-line manager. In cases where it is difficult to confront the next-in-line supervisor, as you describe, you might want to inform the Ombudsman, or the Health Services Department.

Your point is well taken regarding posting additional signs at the entrance of Bank buildings announcing that they are smoke-free buildings. We will be working with the Security Division and ITF to ensure that signs are posted appropriately. Bernhard Liese, Director, Health Services Department

Question: Together with other commuters, I overheard on the metro an animated conversation (seemingly among U.S. Justice Department staff) about bloat at the World Bank, alleging that the Bank has grown without interruption, but has done so by adding consultants in order to appear leaner to outside observers. The commuter critic asserted that the Bank now has about 4,000 consultants—almost as many as Bank staff. Is this true? What should our response be if asked by outsiders about the size of the Bank?

Answer: The Bank has used consultants to good effect for many years. Consultants bring skills that are needed but not on a full-time basis or over a long period of time. They provide flexibility to managers who can augment and reduce their human resources depending on their work program needs. In times of increased demand for Bank support as well as uncertainty about the Bank’s programs in a number of countries, this flexibility is particularly desirable. For these reasons and for financial reasons—consultants generally cost managers less because they do not get all the benefits regular Bank staff receive—the use of consultants has increased substantially over the years.

It should be no surprise that Bank human resources are growing in general. Our membership has increased markedly with the joining of several Eastern European countries, the CIS, i.e., the countries that made up the former Soviet Union, the three Baltic States, renewed involvement in Vietnam and Iran and, most recently, the Bank’s support for the Occupied Territories. These new clients are laying claim on the Bank's services, while old clients expect no reduction in Bank support. In addition, the Bank’s projects are more complex than a decade ago because of, for example, today's greater attention to environmental and social factors. This has led to the addition of new skills such as environmental specialists and social scientists. Also, increased attention to portfolio management has led to the acquisition of new skills from outside. Any expansion of the Bank’s staff, however, is the result of a transparent process because the Bank’s budget has to be approved by the Board. Board members represent our owners (the member countries) and the Bank could not have expanded without their support.

In terms of the number of staff, the Bank Group currently employs some 4,700 career staff (regular and fixed term) and about 1,150 long-term consultants. The latter typically hold appointments of six months to one year. In addition, the Bank employs a substantial number of short-term consultants with appointments from a few days to a few weeks. Six to seven thousand appointments of short-term consultants are made each year. They bring to the Bank a good part of the additional skills and capacity we need to carry out our ever-increasing work. Hendrik Groen, Chief, Recruitment, PMD
The purpose of this column is to answer questions of broad interest concerning the World Bank Group's policies and procedures. Please include your name and room number so we can send you the answer to your question, even if it is not selected to appear in the magazine. Your confidentiality will be protected and your name will not be submitted to the manager from whom the answer is sought. An anonymous question can be answered only if it is of sufficiently broad interest to be included in the magazine. Send your questions to: AnswerLine, Bank's World, Rm. T-8044.

Question: The June issue of Bank's World carried Mr. Preston's opening remarks from a recent conference on poverty reduction. He stated that: “My goal since coming to the Bank, has been to try and strengthen that focus, improve implementation, and to better measure the Bank's impact in improving people's lives.” Further, he stated that, changes in the Bank's internal structure, policies and operations were aimed at more effective implementation of poverty reduction efforts.

How then can the Bank, in good conscience, employ hiring practices for contract staff at the Bank that don't measure up to those goals? Although the Bank's prime directive is betterment of the Third World, should its employees in the First World be excluded? Bank staff have become accustomed to—and in fact demand—first class and immediate service from their contract service providers. At the same time, it is considered great business acumen to acquire these services from the lowest bidder, at the expense of those who will perform the work.

I've been told that this year [1993] the contractor supplying staff for the carpentry, preventive maintenance, furniture, and blind services, etc., bid so low it didn't even take into account having to provide uniforms. There are no leave days, holidays or health insurance—benefits all regular Bank staff enjoy. The last item, health care, was the only benefit most were receiving from the contractor who lost the bid. Some of these workers have been at the Bank 10 years and more.

How can the Bank, as a matter of policy, perpetuate a systematic denial of health care coverage to contract and temporary personnel? They wouldn't consider asking a senior economist, a project manager, an engineer, a staff assistant (or even the editor and publisher of this magazine) to accept the same conditions.

While the Clinton administration struggles with the health care problem, shouldn't the Bank be a leader in this crucial area? Doesn't it seem out of keeping with the overall institutional goals of the Bank to discriminate against the very group of workers whose prime directive is the betterment of our work environment through their service?

Answer: The principle common to all types of purchasing departments—and the Bank's is no exception—is to obtain the greatest value from each dollar spent. This is the same principle the Bank advises its Borrowers to follow. Hence, there are no socio-economic goals put in the contracts by most of the purchasing activities operating in a market economy.

In line with this policy, the Bank believes it will obtain the greatest value for money by allowing its contractors the freedom to manage their own businesses, including their employees' benefits packages. The Bank is comfortable knowing its contractors must adhere to the regulations and laws of the various jurisdictions under which they operate. They must also pay adequate compensation to employ the factors of production needed, including, of course, employment benefits. This, the Bank feels, is sufficient when firms are operating in countries that have, traditionally, been adequately concerned with their citizens' welfare. The governments have put these concerns into regulations and laws which protect the employment practices under which their citizens work.

If the Bank were to start routinely stipulating what employment benefits would be utilized by its contractors, a number of issues could arise, some of which may be unmanageable. There are all kinds and levels of employment benefits—where would the Bank stop? Ultimately, the Bank could effectively eliminate competition. For example, if all its contractors were to have the same employment packages and therefore, quite likely, the same costs, the only thing left open for competition would be their profit margins. And how could they be monitored? The

Continued on inside cover