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the Bank's World

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the Bank's World

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COVER: The United Nations' new commemorative stamps honoring the Bank and its work will be available in January.

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Dutch Speak Out on the Bank

An Encounter in The Hague

by Sanja Plavcic

"Why did you invite us here? How do you expect to benefit from this symposium?" These two challenging questions were asked by one of the participants at a symposium organized by the Bank in The Hague last May. The answer came from Willi Wapenhans, Senior Vice President, External Affairs and Administration. "We are here today to discuss how we can better understand each other," he said, "and better work together in our common cause."

It was, all in all, a unique event enabling some of the Bank's fiercest Dutch critics to be brought together in one forum.

Held in the Institute of Social Studies, an older building with much warmth and charm, the symposium dealt with the role of the Bank in the adjustment process and alleviation of poverty. The chairman was Professor Dirk Wolfson, Rector of the Institute. His seemingly relaxed manner masked a firm and astute understanding of the day's discussions. There were eight formal speeches, including one by Piet Bukman, the Dutch Minister for Development Cooperation.

Lively sessions

The program's format allowed for formal presentation by both the Bank's staff and the Dutch speakers, followed by discussion periods. These sessions were so lively that they often had to be cut short to maintain the program's momentum.

Editor's Note: Sanja Plavcic was a graduate intern in the Bank's European Office. She entered the Johns Hopkins School of Advanced International Studies this fall.

But what especially struck me as an observer was that enthusiasm and interest ran so high that animated discussions continued during coffee breaks, lunch, and in the corridors of the Institute.

Another striking aspect of the meeting was the audience's composition. Gathered were businessmen, Members of Parliament, academics, representatives of non-governmental organizations, journalists and others. Thus, their opinions, criticisms and suggestions differed widely, and structural adjustment was scrutinized from many viewpoints. No wonder Mr. Wapenhans felt that though there was some degree of agreement, "some honest differences" remained at day's end.

Impact of adjustment programs

Professor Gunning of the Free University of Amsterdam initiated the critique when he said the World Bank's structural adjustment policies were "hastily assembled, ill thought proposals," and its objectives "muddled." He also stressed that the Bank was "well aware that it doesn't know much about the impact of adjustment programs."

For his part, Jan Pronk, a Labor Member of Parliament and former Aid Minister, thought the Bank had "stood on the sidelines" during the debt crisis. He said that throughout the '80s the Bank's "compliance with the views of the Reagan administration and the subordination to the IMF... would justify the criticism that the Bank has not actively promoted a change of the status quo and has not tried to counter Western dominance."

As the day proceeded, the discussions

and criticisms indoors kept pace with the never-ending rain outdoors.

A concern was voiced regarding monitoring the effects of structural adjustment programs on the poor. One opinion was that structural adjustment was one of the effects of the crisis management in progress, which had obscured the real aims of development. Others felt that the monitoring of structural adjustment effects on the poor was either inadequate or inappropriate, and that the Bank was more proficient at collecting data than analyzing it.

Compelling story

Women in Development Division Chief Barbara Herz's story about Mrs. X, a movingly drawn composite portrait of a woman from a developing country, did not escape criticism. Mrs. X, a subsistence farmer disadvantaged because she was a woman, died in labor giving birth to her fifth child. One reaction to the story was that the Bank was "glorifying the development process" through Mrs. X. An equally compelling story, noted one participant, might be that of Mrs. Y, who had progressed from being a subsistence farmer to a sugarcane cutter. Superficially, though it might appear that Mrs. Y had bettered her life, she was still, according to the critic, "leading the life of a dog" and condemned to perpetual, grinding poverty.

In the discussions regarding the debt problem and how to increase aid flows to developing countries, Mr. Pronk said that an "outward orientation (would) not be a very reliable option for developing countries" as it would require access to markets, while liberalization of foreign trade needed finance for imports, and "both were becoming scarce." He added that lower economic growth in the industrialized countries would dash any hope for structural increases in the exports of developing countries. This would be compounded by a fall in demand "in products sold by the South to the North." Stanley Please, a Bank consultant, summed it up graphically. "Sub-Saharan Africa," he said, "will have to run in order to stand still" in the near future.

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Concerned about the criticism

But the Bank was not completely bombarded by its critics. Professor Gunning noted that the institution was concerned about the criticism it had been getting and had taken several initiatives to address itself to some of these, notably by paying increased attention to the role of women in development and establishing an Environment Department and a task force on poverty and hunger.

During the floor debate on the papers presented during the morning session, speaker after speaker criticized the structural adjustment policies and related issues that now occupy such a prominent place in the Bank's work. Land reform (should be made a high priority), agricultural pricing policies (over-emphasized), privatization (should focus more on strengthening the private sector through cooperatives), all and more were grist for the critics' mill. To all these points, Vinod Dubey, Director of the Bank's Economic Advisory Staff, gave patient and reasonable replies.

Sharp rebuttal

Finally, in the afternoon session, this mild-mannered man was stung into a sharp rebuttal. What, he asked, would critics suggest to promote adjustment in the industrialized countries? Should not these countries take a fairer share of the burden of adjustment between developing countries and themselves? As a start, why not liberalize agriculture in the European Economic Community and the United States? Why not reduce protectionism in the manufacturing sectors? Wouldn't such positive actions be more helpful than the constant lecturing to the Bank and IMF on how to deal with developing countries?

No one volunteered a reply, and Mr. Dubey seemed content to have made his point: these are complex issues with no easy solutions.

The professionalism and motivation of the Bank were never an issue, and although the discussions revealed sharp differences of opinion over some aspects of policy, the openness and informal character of the symposium produced an informative event, a valuable vehicle for the participants to gain a better understanding of the complexities of the issues the Bank must cope with in its work. ■

Smaller Families, Greater Opportunities

by Mary Lou Ingram

It may be a small group—some 80 members at this point. But it is having a positive effect in the Kibera slum area of Nairobi—an effect that touches the lives of many in the city and, if duplicated with sufficient zeal, could have an effect nationwide.

The ladies of the Kujetolea women's group practice the concept of Harambee—a national call of former President Kenyatta to encourage Kenyan citizens to work together to achieve common goals. The women of Kujetolea have established their goals: limit the family size to two or three children instead of the average number of eight; help your children understand that having smaller families can improve opportunities for the family as a whole; and contribute to the common savings of the women's group for future investment in joint projects.

Self-help group

At a recent session of the Kujetolea group, Jane Kabatha, its founder, explained how she encouraged her friends and neighbors to join her in starting a self-help group to improve community life and encourage family planning among the young people. Mrs. Kabatha became a member of the Family Planning Association in 1975, and by 1984 decided it was time to do more. Training and support for her ideas came from the Family Planning Association and the social services of the Maendeleo ya Wanawake (Swahili for Development of Women) women's groups.

There are some 16,000 women's groups in Kenya working to improve the well-being of their families. The number has expanded from 4,300 in 1976, and the government has created a Women's Bureau as a separate division within the Ministry of Culture and Social Services. The country's experience since independence has shown that making women active partners in the development of the economy is cost-effective: it helps increase agricultural output, encourages better use of land, helps improve family health and can contribute to moderating population growth. The groups also provide a useful infrastructure and hope for poor women throughout the country.

Savings invested

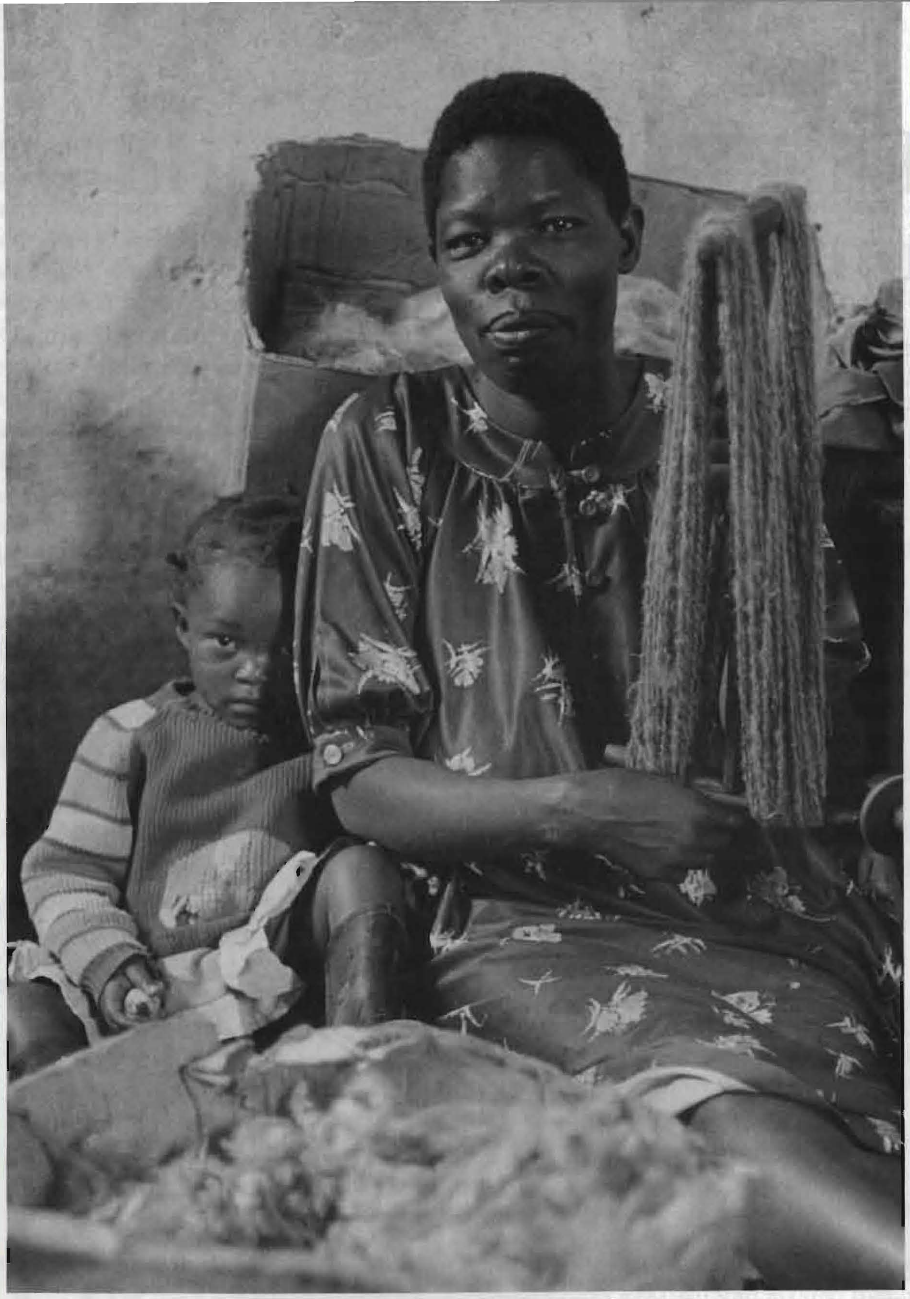
At the first general meeting of the Kujetolea group in 1984, the women decided that every member must pay five shillings to join and 10 shillings a month to a limit of 1,000 shillings, when she would be rewarded for her contribution with a certificate indicating she had become a lifelong member. The savings from these contributions have been carefully invested by the women. "We had a plot of land," Mrs. Kabatha says, for in commemoration of the Decade for Women plots were allocated by the government specifically for women's use. "Then we decided we had to get more money to build a hall for us to meet in and then also to rent." The building now stands, completed in 1987, and serves as a work place for a group of rehabilitated ex-criminals, for a church group, and as a disco. Once the hall was rented out, the ladies started on their next project. When their bank account had risen to 60,000 shillings, they began to build rooms to rent to families as housing.

The project has not gone smoothly all the time, Mrs. Kabatha admits. The ladies are not, for example, the titled owners of their plots. They have temporary use permits only, and Mrs. Kabatha is not satisfied with the structure of the hall, as most of the construction was done by the members, untrained in such work. But, she says, "when we have more money, we will build a better hall and maybe be able to buy our own land." In the meantime, the group is saving for sewing machines; they can learn to use them from their contacts at Maendeleo.

Many of these activities are undertaken by the older members. But a group of 10 young, enthusiastic "activists" has taken on the role of family planning motivators and contraceptive distributors, with the firm support of the other members. They have been trained in the teaching of contraceptive use and related health issues and have become distributors to members and to the community at large. "They are the key people—the motivators," says Jennifer Mukolwe, program manager of the Family Planning Association in Nairobi, who has worked with the group since its inception. "They must have strong personalities, in case they face criticism. They must be friendly and helpful and above all they must make sure their supplies don't run out." These young women do not get paid for their services, but they gain distinction as leaders in their community.

Distribution of contraceptives

One of the women reports that the use of contraceptives has grown considerably. Since September 1987, several thousand condoms have been distributed, she says, as part of a national program supported by several donors, in-



Practicing the concept of Harambee and making women active partners in the development of the economy is cost effective.

cluding the World Bank, to encourage contraceptive use. The distribution of contraceptives began in 1983 through six non-governmental agencies organized in a slightly different fashion. Maendeleo uses women's groups to put out its message; the Family Planning Association relies mainly on community volunteers.

"At first we carried certificates to show we were qualified instructors," the young woman notes, "And people did not really trust us. But now many people know who we are and come to get their supply. Men are coming much more often too. And we have special meetings with younger women to discuss family planning and health issues such as venereal diseases and AIDS."

Recent studies on the situation in Kenya identify family planning as a necessity for reasonable future development in the country. Kenya's current population growth rate of 4 percent would lead to a doubling of the population in just 17 years and put excessive demands on scarce resources. Women's groups appear to be a logical focal point to help increase awareness and speed up action-oriented programs of family planning.

The success of Kujetolea is in large part due to its strong-willed, well-trained executive committee members, none of whom has a great deal of formal education. They have learned by doing and by attending training sessions provided through the Maendeleo women's group. The treasurer, Hannah Nyokabi, for example, can display a carefully prepared set of books, done in immaculate handwriting. She handles the collection of the rents and, accompanied by another member, deposits or withdraws funds as the need arises. The decisions on how to spend the funds, however, are made with the careful consultation of the membership. If the group does not show consensus on an issue, the members vote and the result is recorded in the minutes. "We make our own decisions," says group president Kabatha, "but we get a lot of help from Maendeleo."

Good family size

When asked what is a good family size, the group responds two or three. "No more," they say, "it costs too much if you have more." World Bank staff involved in family planning projects note that this type of open discussion on family planning issues is a notable breakthrough. Mrs. Mukolwe agrees that when she first started working on family planning, there could not have been such a free exchange of views. "Groups like Kujetolea," she says, "are essential to the growth of attention to maternal health issues. The government can encourage, the donors can provide support, but the people must want to participate. The Kujetolea ladies are representative of how effective such a group can be."

It appears that groups like Kujetolea can have an impact where health clinics and outsiders might not. The community feeling established through such groups encourages the development of common goals. The efforts have been less enthusiastically embraced in the rural areas so far, but the health workers are taking their messages back to the villages now, and giving advice, their enthusiasm tempered by a sense of humor. For example, Mrs. Kabatha has been known to chide a member with, "You have two already? That's enough! Especially since you have no land." It's a message all members plan to repeat often, in the spirit of Harambee.

Highlights of the Year from World Bank, IFC Annual Reports

Fiscal year 1988—that was the year that was, and what a year it was. The Annual Reports of the World Bank and the International Finance Corporation record the highlights of the year, which ended last June 30.

World Bank Annual Report

- General Capital Increase (GCI) approved by Board of Governors.
- Multilateral Investment Guarantee Agency (MIGA) entered into force, held its first meeting.
- Assistance stepped up in heavily indebted, middle-income countries.
- Initiatives in Sub-Saharan Africa.
- Bank continued focus on poverty alleviation.
- Environmental activities expanded.
- Women in development efforts focused on the operational.
- IBRD expanded sources of borrowed funds.

	FY88		FY87	
	IBRD	IDA	IBRD	IDA
New commitments	$ 14.8 bil	$ 4.5 bil	$ 14.2 bil	$ 3.5 bil
Total commitments	155.0 bil	47.8 bil	140.3 bil	43.3 bil
Lending to countries with per capita income below $425	3.4 bil	4.1 bil	3.3 bil	3.2 bil
Number of loans/credits	118	99	127	108
Number of borrowing countries	37	36	39	39
Disbursements	11.6 bil	3.4 bil	11.4 bil	3.1 bil
Net transfers to current borrowers	-1.9 bil	2.6 bil	974.9 mil	2.4 bil
Number of member countries	151	137	151	135
IBRD net income	1.0 bil	—	1.1 bil	—
IBRD borrowings	10.8 bil	—	9.3 bil	—
IBRD subscribed capital	91.4 bil	—	85.2 bil	—
Spread between return on total earning assets and cost of total funds (%)	1.84	—	1.79	—
Realized return on average investments (%)	8.51	—	7.59	—

IFC Annual Report

- Investment approvals reached a record high.
- IFC undertook various initiatives to link developing countries more closely to world capital markets.
- Total disbursed portfolio of loans and equity investments reached a new high.
- IFC announced a plan to expand its support for small- and medium-size businesses in Sub-Saharan Africa.
- Financial restructuring services provided by IFC are expected to cut foreign debt of Mexican corporations.
- IFC announced the opening of offices in Tokyo, Casablanca, and Lagos.

	FY88	FY87
New investments approved	95	92
Total investments (US$ equivalent)	$ 1.3 bil	$920.0 mil
Net investments for IFC's account	1.0 bil	789.6 mil
Total project costs	5.0 bil	4.3 bil
Net commitments for IFC's account	1.1 bil	742.4 mil
Net disbursements for IFC's account	761.9 mil	327.5 mil
Net income	100.6 mil	53.8 mil
Paid-in capital	850.2 mil	721.6 mil
Accumulated earnings	438.2 mil	337.6 mil
Borrowings for the year	747.4 mil	441.0 mil
Total disbursed loan and equity portfolio for IFC's account	2.3 bil	1.9 bil

World Development Report

This year's *World Development Report*, published early in the summer, examines the role of public finance in development. Here is an excerpt from the *Report* on the World Bank's evolving role in public expenditure reviews:

The World Bank has made a significant commitment in the past few years to carrying out extensive analyses of the public investment and public expenditure programs of its borrowers. Aside from studies incorporated directly into general country economic reports, more than 30 public investment reviews (PIRs) or public expenditure reviews (PERs) have been produced. These reviews provide recommendations to governments on the size and composition of their spending programs and on ways to strengthen local institutions to enhance the countries' own abilities to design such programs.

A typical review begins by laying out a feasible macroeconomic framework, which usually includes projected borrowing requirements of both the central government and the public enterprises. It may present alternative macroeconomic scenarios to illustrate the favorable consequences of policy reform or the unfavorable consequences of excessive spending. PERs then consider the adequacy of operation and maintenance expenditure and the appropriateness of the level of wages, employment, transfers, and subsidies. Both PERs and PIRs recommend a core public investment program based on a review of priorities for eight to 10 sectors, including agriculture, industry, energy, transport, telecommunications, housing, water, education, and health. They consider ongoing and newly proposed projects in light of the sector strategy, the appropriate role of the public sector, and specific project selection criteria. They also consider financing alternatives, including cost recovery.

The role of these World Bank reviews has expanded and evolved in recent years. Earlier reviews looked mainly at investment priorities; more recent reviews have looked more broadly at the economic and institutional dimensions of managing public expenditure. Increasingly PERs are also used to examine particular types of government expenditure. For example, current expenditure and public social expenditure are being reviewed for Senegal and Brazil, respectively, in 1988. Recommendations on spending priorities are frequently incorporated into structural adjustment lending—at either the sectoral or economy-wide level. The reviews are also often discussed at meetings of aid donors, where concessional loans and grants are sought, and as an element of conditionality in IMF adjustment lending.

Two challenges in the future

This process of public expenditure review faces two challenges in the future. First, so far the reviews have been very costly. The growing experience of Bank staff in conducting such reviews and the accumulation of country-specific knowledge should help improve cost-effectiveness. Second, ultimately the country's own policy-makers and economic staff should carry out the reviews, preferably on a continuous basis. Without this latter goal no lasting contribution can be made to the country's institutional development.

Insurance Premiums on the Rise

The Soaring Cost of Being Sick

by Alan Drattell

The facts are these:

• The Bank's Medical Insurance Plan account for fiscal year 1988, which ended last June 30, is slightly more than $1 million in arrears.

• Operation of the MIP in FY89 will cost nearly $29 million (including the $1 million in arrears), according to Bank Insurance Office estimates, while contributions from staff, retirees and the Bank will be only about $24.3 million after the 15 percent increase that went into effect this past August 1.

• The required premium increase both for the staff and the Bank to pay for the deficit for those covered by the MIP is an additional 19 percent.

"The figures are overwhelming," says Richard T. Eddy, Insurance Manager in the Employment and Benefits Division, "and it is small consolation that the required premium increase for Bank staff is considerably less than staff in other major organizations in the United States are facing.

"It is a fact that medical inflation—the increased cost of medical care—has skyrocketed 15 percent this year as physicians' office fees and the cost of new technology and drugs has gone up."

Total medical costs for Bank staff are rising even more steeply—at 21 percent rates. "The cost of the MIP is a direct result of the amount of claims submitted by staff and retirees to the Plan," adds Mr. Eddy.

At the start of FY88, Mr. Eddy's office had no hint of cost escalations on the scale that occurred. "In fact," he says, "FY87 was a very good year for the MIP. We were able to reduce staff contributions by 3.5 percent. The FY88 contribution level anticipated that the same favorable experience would continue, and the surplus generated in FY87 would be used in part to subsidize the FY88 contributions. However, claim costs increased far beyond expectations."

In early spring, the danger signals were already there, and Mr. Eddy's office contacted the Staff Association—the first of a number of discussions over the next four months—to alert them to the large increase in claims.

"The major reasons for the increased claim costs," says Mr. Eddy, "were a few extremely costly illnesses of dependents, and retiree costs. We had been questioning the effect of the reorganization on the MIP and had been studying the effect for those who left the Bank since September 1987. Our analysis showed that only about 1.5 percent of the increased FY88 claims were possibly attributable to an increase in claims submitted by those who left the Bank under the reorganization. However, it's too early to tell whether this increase is a result of earlier submission of old bills or an increase in illnesses."

The gloomy scenario added up to an increase for the MIP to remain solvent in FY89. "Bank management did not, however, want to pass along the entire 37 percent premium increase that our calculations determined was necessary. Instead, as of August 1, rates were raised 15 percent for the Bank and the staff. And management mandated that a review be undertaken to explore other alternatives to pay for the increased costs, and to see whether the FY88 illness level would persist. If nothing develops from this study, we will have no alternative but to increase Bank, staff and retiree contributions again in January.

One-third for staff

"The review," adds Mr. Eddy, "will also address the cost sharing of the MIP among staff, retirees, and the Bank/IFC/MIGA—currently one-third for staff and two-thirds for the Bank. In particular, the review will also consider the changes in U.S. Medicare, which affects the large number of retirees in the MIP, and which itself changes as of January 1, 1989. Of course, consultations will continue with the Staff Association and The 1818 Society."

How much premiums increase will not only depend on the review but also on how staff and retirees use the MIP. "To help keep medical costs down," says Mr. Eddy, "we can only reiterate what has been said so often: use the MIP prudently. For example, if one physician suggests surgery, we recommend you get a second opinion, which is covered by the Plan. Compare the costs of generic versus name brand drugs. And, ask your physician for alternatives to hospitalization and demand answers on the purpose, benefit, side-effects and cost of suggested tests. Remember, you are the one in charge. It's your health—and your money." ■

The Bank Takes a Licking

by Thierry Sagnier

It was, Yosef Hadar remembers, just a glimmer of an idea. Mr. Hadar, the Bank's Community Relations Officer, was searching for ways to commemorate the institution's 40th anniversary. "There were already a lot of activities planned," he says, "but I wanted something that would be international. That's when I thought 'stamps!' "

On January 27, the United Nations Postal Administration (U.N.P.A.) will release a set of six commemorative stamps depicting the Bank's work in various sectors. The stamps, in U.S., Swiss, and Austrian denominations, will be sold in New York, Geneva and Vienna, as well as in the Bank's Bookstore, which will become, for a day at least, an official U.N. Post Office station where letters bearing the stamps may be mailed to any address in the world. (The stamps may not be used to send mail from non-U.N. Post Offices.)

This is the second time that the U.N.P.A. will issue a World Bank collection. Two stamps were created and released in 1960. The U.N. is the only organization in the world which has the privilege of issuing its own postage stamps.

Community Relations Officer Yosef Hadar, left, and Gisella Grunewald, Chief of the United Nations Postal Administration, inspect suggested designs for the commemorative Bank stamps. Photo by Thierry Sagnier

The current set, according to Gisella Grunewald, Chief of the U.N.P.A., will be purchased largely by collectors. "We have 110,000 customers in New York, Switzerland and Austria," she says. "About 90 percent of them are collectors who receive each of the six issues we put out annually."

The creation of a stamp is an arduous task. "Some designs are commissioned to artists and others are made on the basis of a competition. The Bank stamps were the latter," says Ms. Grunewald. "We announced the contest and its guidelines—what messages we wanted to convey and what sectors were to be represented—and received 221 entries from 46 artists and designers in 24 countries. Some were very abstract, in fact too abstract, and others didn't quite meet our expectations. The U.N. Stamp and Medal Committee met and decided on a design by Saturnino Lumboy, a Filipino artist currently living in Saudi Arabia." Mr. Lumboy was awarded $12,000 by the U.N. for his six winning entries.

'We . . . received 221 entries from 46 artists and designers in 24 countries.'

Once the stamps' themes and artists' renderings are selected, the project is handed to the U.N.P.A. team of designers, who are reponsible for the final appearance of all stamps issued by the U.N. The finished product is then printed and mailed to the Palais des Nations in Switzerland and the Vienna International Center in Austria for distribution there by those nations' U.N. postal services.

The World Bank stamps will have a limited edition of 900,000 to 1.15 million per denomination and will be on sale for a year. Sets bearing special first-day cancellations will be available from the Bookstore on January 27.

A Computer on Every Desk . . .

. . . Requires a Lot of Preliminary Work

by Nicholas Carter

You start by asking your friends and knowledgeable colleagues about what to buy, you read a few magazines and the computer section of the local newspaper. Eventually, you find the machine that matches your needs and start looking for a dealer who will give you the best price and support. You work out the finances and, finally, some months and $3,000 later, you take home a computer with a draft quality printer, a word processing program, a spreadsheet, and "a game or two for the kids."

Now you need furniture, power, probably a telephone and, most importantly, help. If all goes well the computer is installed, you learn how to use it, and you're satisfied with your investment. Of course, there may be problems. A computer, after all, is a machine and sometimes machines—even new ones—malfunction. You go back to the dealer and, with patience and perseverance, hope for the best. And that's the easy part.

Long way to go

Last fiscal year the Bank went through this process, taking six months to identify needs, prepare bids, test products, and decide what computers to buy. Another six months was spent installing them for 2,000 staff and making sure they function properly.

We still have a long way to go, but this is the story of what we've done so far.

The first "personal computers" appeared in the Bank in 1979, but it wasn't until 1981, when the IBM Personal Computer (PC) became available, that these machines began to change Bank life. The early machines were generally used by higher level staff for analytical work.

In 1984, PC hardware and software that would meet support staff needs became available and the Bank began providing such machines for support functions. By mid-1987, there were some 3,800 IBM PCs or their clones on the desks of Bank staff as well as another assorted 600 workstations. Thus, by the time the reorganization took place, two-thirds of the staff had access to workstations.

Integral part of the workplace

In midsummer 1987, it became clear that the PC had become an integral part of the workplace. For many staff, using a workstation was as second nature as using a telephone. The reorganization, too, had created needs for additional workstations. Staff moved offices, and often the PCs stayed behind.

We determined workstation requirements for all the new complexes and calculated how many would be needed to provide all staff with a device. If reasonable, the Bank would centrally fund such an acquisition, recognizing the economic wisdom of mass purchasing, as opposed to the ad hoc buying practices of the past. A workstation census was performed to find the number of machines already in the Bank, and we determined that we would need to purchase somewhere between 1,700 and 2,000 machines. Senior management approved the idea and the "Computer for All" project was born.

But the Bank can't simply walk into a store and write a check for 2,000 computers and accessories. We apply to our own procurement the same rules we ask our borrowers to follow. Thus, our project issued a Request for Proposal and evaluated sealed bids in order to award the contract to the "lowest price, technically qualified" bidder.

The "minimum standard workstation" would be a generic equivalent to the IBM PC-XT with a hard disk on which programs and operating information are stored. Each workstation would be equipped with word processing and communications programs, a program selector and, for higher level staff, a spreadsheet program. It would have a modem for connecting to other computers (as for electronic mail), and an attached draft quality printer. This configuration would provide for basic functionality—departments could add to their systems later with their own funds. We set up a Bank-wide Steering Committee, composed of representatives from each complex and chaired by Wayne Rayfield of the Information, Technology & Facilities Department to advise and oversee the entire process.

Far more than expected

When the bids were opened, 26 vendors had bid 37 machines for our consideration—far more than we had expected. Our task was to determine which products were technically qualified. The selection process was divided into three parts: the proposal evaluation, an evaluation of the capability of the vendor to supply and support that many computers, and the actual physical and logical testing of the machines themselves. Part one was a joint effort of the Steering Committee and ITF, while part two was performed by General Services Department's Mater-

Editor's note: Nicholas Carter is Chief Officer, Policy and Strategy, ITF. He was responsible for the planning and financing of the Computer for All project.

Putting 2,000 new machines in the Bank's buildings was potentially going to cause problems with the power supplies, so a program to beef up the power to many of our buildings was set in motion.

ial Management Division. For the third part, an "acid test" evaluation was performed in a "lab" set up in the basement of the J building by an ITF user technical group.

Each machine was expected to perform a number of standard, generic stand-alone functions. Successful machines were brought over to another, more sophisticated lab on the third floor of the H building and put through a more rigorous set of tests designed not only to measure performance on Bank standard software such as Mass 11 and Lotus, but also to see how well they worked when asked to emulate an IBM 3270, a machine for dealing directly with the IBM mainframe computer, or to function in a Wang or NBI environment.

Problems with the power supplies

While the selection process was under way, there were other ancillary items to be taken care of. Putting 2,000 new machines in the Bank's buildings was potentially going to cause problems with the power supplies, so a program to beef up the power to many of our buildings was set in motion. The new computers needed software, so negotiations on volume prices with the suppliers of Mass 11 and VTERM (for All-in-1 communications) began and bids were sought for copies of Lotus. Early in the project, many users had indicated that they'd rather have access to shared laser than to draft quality printers and, after estimating the demand, bids were sought for laser printers.

Reviewing the lowest price computer, our attention centered on a generic machine with a considerably lower price than the others, and we started intensive tests on this computer. Our search, it seemed, was over. But, when the Bank was about to finalize the contract, the vendor couldn't guarantee that such a large quantity of machines would all be identical to the one tested and, in fact, six different test machines proved to have quite different components inside. Back to the drawing board.

Passed every test

Finally, in late February, we turned to the next lowest price machine, the Zenith XT. It passed every test we could throw at it.

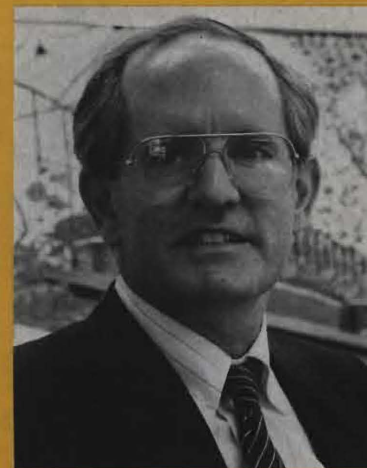
We set up a test area in the basement of the J building where the machines were received and configured. Starting in late March and continuing through June, our movers began the awesome task of delivering at least 25 machines each day. When the dust settled, we had procured and delivered about 2,100 computers, 200 laser printers and 600 draft quality printers. All had been configured with software. For security, they were secured to their respective desks and tables with cables. ITF then focused on support efforts to ensure that all new users could take full advantage of the technology.

Bank-wide cooperation

According to Mr. Rayfield, "The entire process—from bid formulation and evaluation to final selection—was a remarkable display of Bankwide cooperation." Adds Richard Van Berkel, a Procurement Officer in GSD, "The Computer for All project conveyed the Bank's resolve to move toward total computerization. The procurement, although lengthy to some, was an excellent learning experience, and the group acquired the best compatible computers limited funds could buy."

Where do we go from here? Technology doesn't stand still. What we are using today will be obsolete within five years. Portables, new word processors and spreadsheets, enhanced networks, both inside Headquarters and globally, are just some of the things staff is asking for and that we're researching. Deciding how best to use the Bank's scarce dollars, at what point to buy into new technologies, and how to separate user needs from often vocal wants are but a few of the issues we all face in the coming years. ■

A Look Ahead to the Year 2010: Outlook for Energy and Supply Demand



Anthony Churchill

Earlier this year, Anthony Churchill, Director of the Industry and Energy Department, spoke before the 2nd International Congress on Energy in Tiberias, Israel. Here are excerpts from his remarks:

I have approached this task with some timidity. Imagine being asked to prophesy in a land famous for its prophets. Even Joseph, interpreting the dreams of Pharaoh, had only a 14-year time horizon. I, with no claims to divine inspiration, have been asked to look ahead for 22 years. History, of course, only remembers the prophets who were right—those whose forecasts were in error have long since been forgotten. Perhaps history will be kind to me.

I begin by looking at the past; as every good forecaster knows, it is all in how you read the entrails. In looking over the energy market of the last hundred years, two factors stand out: one, the enormous increases in quantities of energy supplied and demanded, and, two, the remarkable stability of energy prices.

Economic development is synonymous with the substitution of alternative forms of energy for the sweat of the human brow. This century has been no exception—energy consumption per capita has grown steadily. What is remarkable is that, with one significant aberration, this growth has taken place under relatively constant real prices of energy.

Let us take a brief look at how this market has developed and see if there are any lessons here for the future.

In this century petroleum has become the important new fuel. Still it is important to remember that it still accounts for less than half the energy consumed. The circumstances under which oil is produced have a considerable impact on energy supply and demand. Its development and production involve substantial capital investments and high risks, with long lead times between the decision to explore and actual production. In response to rising prices, decisions are made to increase exploration but it takes eight to 10 years before the oil begins to flow. Since many producers have made the same decisions, large volumes come on the market at the same time, depressing prices, which in turn curtails investment, and the whole cycle starts again. There have been five such cycles in investment activity over the last century, averaging about 22 years from peak to trough. The last trough was in 1973. A peak came in 1981, with the next trough expected about 1993.

This last cycle was similar in most respects to the previous cycles. After a prolonged period of low investments, the supply situation was tightening up, with most of the marginal oil concentrated in a few large pools. Owners of the pools attempted to extract increased rents, driving up prices. In previous cycles, increased prices quickly led to declines in the quantities demanded, and thus a relatively modest movement in prices. In this cycle, demand continued to increase in spite of rising prices.

Several factors accounted for this demand response, including the panic reaction of some governments. But perhaps the most important underlying factor was the demographic patterns prevalent in most developed countries. The large increase in population that occurred after World War II was now reaching the age of household formation, and the requirements of this group for housing, transport and other energy-intensive goods and services increased sharply.

In addition, the several decades of plentiful oil available at low marginal cost had encouraged investments in other capital-intensive forms of energy with a long lead time, particularly coal.

The sudden large real increase in oil and other energy prices beginning in 1974 resulted in a substantial increase in investments in energy sources all over the world. The consequent increases in supply—not only of oil but of other sources of energy—now has resulted in excess supplies in the market that are likely to last into the middle '90s.

What happens at that point? Once again the supply situation for oil will be remarkably similar to that of the mid '70s with the bulk of the low-cost additional oil concentrated in the Middle East. Undoubtedly, the owners of this oil will attempt to extract increased rents and upward pressures will be felt on prices.

But these price increases are likely to be fairly modest. The demand situation is not the same as it was in the mid '70s.

On the supply side, the situation is also quite different. In 1973, for example, over 40 percent of the electric power used in Europe was generated on the basis of petroleum. Today, it is less than 7 percent. Large investments have been made in alternative fuels, particularly coal and nuclear. World coal supplies are such that large quantities would come on the market in short order in response to any rise in the price of energy. Substantial investments have been made also in improving the flexibility of fuel use, and many plants can quickly shift fuel sources.

What about the developing countries? What impact will their growing demands for energy have on world markets? If present trends continue, the developing countries' demands for oil alone will increase by 51 percent between now and the year 2000, by nearly 90 percent by 2010. They will account for three-fifths of the increase but still only about a third of total consumption. Compared to the wealthy countries of this world, the demand of the developing countries is just too small over the next couple of decades to have much of an influence on price.

What about the concept that oil is a finite commodity and that eventually the world will run out of it? This is another way of saying the long-run trend of prices will be upward. Similar forecasts have been made about most natural resources and they have proved consistently to be wrong. I suspect they will prove to be similarly wrong for oil. Man's ingenuity has consistently defeated the limitations of supply, either by lowering costs or developing substitutes.

A conservative forecast would be to assume that energy prices, including the price of oil, will remain relatively stable over the long run at about today's prices, which also are about the long-term average. That is not to say there will not be fluctuations around this trend. The oil cycle will continue to work its way through time and the pattern of over-investment followed by excess supplies, falling prices, decreased investments, rising prices and so on will be with us for the foreseeable future. I would hazard a guess that we will see a period of modest increases in prices from the mid '90s through the turn of the century, followed by a decline around 2005.

For the developing countries the next few decades will continue to be a difficult period with respect to the supply of energy. These difficulties have little to do with the price or availability of fuels, but rather are a function of low incomes and rapidly growing populations. All energy production is capital-intensive and what these countries are most short of is capital.

Electric power demand, in particular, is continuing to grow at 5 to 7 percent in most countries. Every kilowatt of capacity costs a minimum of $2,000. The efficiency with which this scarce capital is used leaves much to be desired. In some of today's heavily indebted countries, investments in electric power account for between 10 and 30 percent of the servicing of the external debt. Few governments are able to raise the necessary funds to meet the investment requirements of the coming years.

For many parts of the developing world, the major users of energy are households. In most of Africa, over 80 percent of the demand for energy is for cooking. Wood or wood-based fuels are the primary source of energy. Incomes are so low that these households find it difficult to raise capital to finance even simple stoves. Many of the sources of wood fuel are disappearing under the relentless march of population on the land, and, over the coming decades, these economies will have to make the difficult transition to alternative sources of energy—much of which will come from petroleum in the form of kerosene.

The World Bank tries to assist its member countries in dealing with these many problems. At present we lend between $4 and $5 billion a year for energy projects, most of which is for electric power. The Bank is the largest single source of external financing for power projects, yet the amounts we finance are less than 5 percent of what is needed. Thus, our preoccupation with the development of alternative means of finance. Most countries have little option but to rely on domestic resources for the bulk of the necessary funds. The limitations on increasing public revenues mean that most of this money will have to come from domestic consumers, and that a great deal more attention will have to be paid to the efficient use of these scarce resources, and, in particular, to the prices charged.

In those countries where the bulk of the demand is for household cooking fuels, problems of poverty and the degradation of the environment will continue to be dominant concerns. Addressing these issues from a purely energy perspective is unlikely to be of much use—most of the problems are related to the combination of population growth and the low productivity of agriculture. In Africa, for example, most of the wood fuels are disappearing not because of the energy demand but because of the clearing of land for agriculture.

To assist countries in dealing with some of the more difficult and less traditional areas of concern, the Bank, together with the UNDP and many of the bilateral aid donors, has established a program, the Energy Sector Management and Assistance Program, or ESMAP. This program assists countries in addressing the strategic and policy issues with respect to household energy and the more efficient production and use of commercial forms of energy. Technical assistance and research funds are also provided for pilot and experimental programs. This is truly a multinational effort and reflects the desires of all participants to find solutions that go beyond simply throwing more money at the problems.

To conclude, there has been a tendency to place the "energy issues" in the wrong framework, to worry about the wrong problems, and to come up with the wrong "solutions." As a famous American writer and newspaperman H.L. Mencken once put it: "For every difficult problem there is a simple, direct and wrong answer." The problems are complex and there are no simple answers. But I do not believe the problems are insoluble; with effort and ingenuity it should be possible to assure adequate supplies of energy at reasonable prices to all. ■

IFC

IFC Gives First Aid to Problem Projects

by Don May and Monique Amaudry

Where does a loan go when it gets sick? To a loan hospital, of course.

The International Finance Corporation has for the past three years operated an intensive care unit for the small percentage of its investments which, for one reason or another, become ill. And the recovery rate has been good.

"In 1985, we took a close look at the investment portfolio and we were not totally happy with what we saw," explains Judhvir Parmar, IFC Vice President for Investment Operations. The number of loans in arrears, the amount of interest and principal overdue and the nonaccrual rate had risen in the 1980s. The nonaccrual rate is the percentage of interest due that is not paid.

Activities had increased risks

The difficult economic climate of the early 1980s obviously was a major cause of the problem. World recession, high real interest rates, shortages of foreign exchange and the necessity for deep adjustment programs had put severe strains on private sector enterprises in the developing world, which are the object of IFC's support. Analysis also pointed out that while IFC managed to pursue its expansion program during these hard times, its activities in the least developed countries had increased risk.

Thus, IFC launched a number of efforts to deal with the problem. To put much more emphasis on portfolio management, the Corporation established a new vice presidency for Portfolio Operations, currently filled by Wilfried E. Kaffenberger. And for problem projects that need special attention, it created a Special Operations Unit, the hospital unit, as IFC insiders call it—headed by Rolando Zosa.

"When an investment experiences trouble, the first effort is resuscitation," says Mr. Kaffenberger. "In the first instance, you try to see what you can do to assist the company to remedy the circumstances it is facing. Sometimes these circumstances are internal and can be corrected. The first priority has been restructuring to improve the problem company for the benefit of everybody including ourselves. Failing that you see how you can extricate your financial interest."

Most of the work to get ailing projects back to financial health is done through the investment departments. The investment officers spend about 45 percent of their time supervising over 400 projects in the portfolio, and about 20 percent of that time is devoted to nursing projects in difficulties to make them healthy again.

For example, the Europe and Middle East Department successfully developed work out programs for two important projects in Egypt—the Delta Sugar Company and the Suez Cement Company. IFC worked closely with the management of these companies, their other lenders and the Government of Egypt to help improve their operations, strengthen their financial position and clear their substantial loan arrears.

Serious problems

Delta Sugar is a large sugar project in Egypt, supplying a livelihood for 25,000 small farmers. In 1978, IFC provided a loan of $20 million and made an equity investment of $2.5 million to help finance this scheme. The project hit serious problems during its implementation, when it proved impossible to reclaim the only land available for an intended nucleus estate. With the help of IFC, a switch of direction enabled the project to satisfy fully its raw material needs from outgrower farmers and establish high production figures for the factory. "We took the lead in organizing a series of difficult negotiations involving government shareholders and foreign and local banks to do a financial restructuring of the project," explains Douglas Gustafson, Director, Department of Investments, Europe and Middle East.

The proposals were accepted by the different partners and the project is now in a healthy financial position, matching the success of its producers.

Start-up difficulties

In the case of Suez Cement Company, IFC provided a loan of $30 million in 1980 to help finance the company's second cement plant at Quattamia. But project cost overruns, unusual start-up difficulties, as well as weakening local prices for cement created arrears of $50 million by the end of 1986, of which $20 million were owed to IFC. "We helped the company take a number of steps to improve its technical performance as well as restore its financial health," says Mr. Gustafson. Accordingly, Suez Cement sought technical assistance from the Korea Heavy Industries Company to increase production at its Suez plant operation. This allowed management to concentrate on resolving the start-up problems at Quattamia. As a result, total production in both plants increased by about 80 percent from 1.1 million tons in 1986 to about 1.9 million in 1987. Today, Suez Cement is profitable, after successfully rescheduling its substantial local debts with IFC's help.

However, sometimes projects will have more serious problems requiring intensive care involving special efforts which are too time-consuming to be carried out by the investment departments. These will be sent to Special Operations, which will work on them full time to salvage the company and/or the IFC investment.

One of the first projects transferred to the Special Operations Unit (SOU) was Textiles Rio Lindo in Honduras. It had been in severe trouble since 1982, incurring large operating losses and arrears on its long-term loans. An IFC loan granted in 1977 had a balance of $2.4 million with overdue interest of about $1.6 million.

Instability in its main export markets, chronic foreign exchange shortage and an overvalued currency hurting the country's exports and encouraging imports seemed to be the company's main problems.

Increased export earnings

The cure proposed by Mr. Zosa's staff included a financial restructuring of the company combined with improvements in production, marketing and management. IFC also helped Rio Lindo increase its export earnings to relieve its foreign exchange difficulties by showing it ways to become more cost-efficient, increase plant utilization, minimize waste and inventories and revise its product mix. Another creditor, Commonwealth Development Corporation, is providing a guarantee for a revolving credit line to finance Rio Lindo's imports. "We helped arrange management and technical support from Dominion Textiles, a Canadian company, partly funded by the Canadian government," says Jorge Navarrete, one of the senior professionals who tends to sick projects in the SOU.

IFC now expects to recover fully the principal on its 1977 loan to Rio Lindo, against which it had set aside 75 percent reserves in case of loss, and also expects to recover accrued interest. In addition, a $1 million IFC equity investment in the project appears likely to return a profit. Rio Lindo is achieving record sales and making profits again.

The difficult economic climate of the early 1980s obviously was a major cause of the problem. World recession, high real interest rates, shortages of foreign exchange and the necessity for deep adjustment programs had put severe strains on private sector enterprises in the developing world.

Oftentimes, IFC's assistance is in the form of technical and management assistance to help a problem company get back on its feet. An example is Highland Soap and Allied Products (Highsoap) in Tanzania. The company, 75 percent privately owned (including IFC's 15 percent), was operating at 9 percent capacity. This was due to a shortage of imported raw materials (mainly tallow) caused by Tanzania's foreign exchange constraints. Successive devaluations of the Tanzanian shilling strained its ability to service its debt, and the company defaulted on long-term loans.

Cottonseed oil for tallow

The project was transferred to SOU in October 1987. A plan was worked out to increase capacity utilization using an indigenous substitute for imported tallow. Studies are under way on partly substituting cottonseed oil for tallow for manufacturing laundry soap. "We are also helping the company obtain tallow from Europe and the United States under extended payment terms," says Amin Ramadan of SOU. "We are expecting capacity utilization to reach 30 percent in 1988 and 55 percent in 1989, which should enable the company to meet its financial obligations," he adds.

The Special Operations Unit's small staff of six multilingual professionals and three support staff have similarly helped a number of other ventures.

According to Mr. Zosa, IFC experiences two types of problems with private enterprises in developing countries: those where there is the potential for a turnaround and those where cutting losses is the only practical route. Where IFC cannot fix problems because of insurmountable difficulties, it seeks to liquidate the assets, or work out an exit for its investment. For instance, a flour plant in the Ivory Coast and a textile plant in Sri Lanka were foreclosed and sold. Fortunately, through careful and skilled handling, IFC is often able to recover a significant part of its investment even in these cases.

Efforts are paying off

The efforts to improve IFC's portfolio are paying off, according to Mr. Kaffenberger. The nonaccrual rate, which had risen in the several years prior to 1986, has declined substantially in each of the last two years.

In addition to remedial efforts, Mr. Kaffenberger says, IFC, through its investment departments, is putting more emphasis on choosing new projects that are better investment risks, but not at the cost of reducing IFC's developmental role.

"We are very sensitive to IFC's developmental impact," Mr. Kaffenberger adds. "We want to be equally sensitive to the notion that our developmental impact ultimately cannot be served if the underlying enterprise, the investment we make, is financially unsuccessful. The developmental impact is an outgrowth of a profitable enterprise rather than somehow being separate from it. Unprofitable business is bad business not only for us; it's usually bad business for the country we are trying to help." ■

Reflections on Staff Management

by Ann Hammond

In recent times, we have seen many changes in the way the Bank manages its staff, and further changes are proposed in compensation, the retirement plan, benefits, employment policies and job grading. Such changes are radically altering the relationship between the institution and the staff. So it is important to understand what lies behind them.

At first sight, these changes may appear to be a series of random initiatives without an underlying vision. However, let us study some of the more important recent changes (and proposed steps) to see if any pattern emerges.

- Increasing numbers of people remain on "short-term" or "temporary" contracts for years, and management proposes to expand this practice further. Many support services previously provided by career staff are now "contracted out" to local companies. Therefore, large numbers of staff fall outside the normal system of staff rights, protections and benefits. This is a convenient way of reducing institutional responsibility toward an expanded section of the staff. It also introduces a gap between staff doing similar work, and weakens identification with, and commitment, to the institution.
- Merit increases depend largely on non-performance criteria such as the amount of money available, relative position in the salary scale, and the influence of one's manager. Therefore, many staff are left amazed at the gap between their performance review and their salary increase, and wonder what merit reviews are all about.
- Changes in job evaluation were intended to improve the objectivity and accuracy with which job responsibility levels are recognized. Then management introduced quotas on the number of jobs at specific grades, and grade gaps at key points in career streams, with no clear bridges across the gaps. As a result, a lucky few cross the finish line before the quota is exhausted, and the others run into a brick wall. Anomalies abound.
- For almost a decade, management has been persuading us that career development does not depend on promotion, and that the staff should strive for reassignment. Then, during Reorganization, management introduced a new approach to reassignment called staff redeployment in which the individual's right to choose an assignment was reduced, criteria for selecting and rejecting staff were obscured, and efforts were made (unsuccessfully) to remove the right of appeal. This new approach has left staff wondering what career development is all about.
- In recent years, management has given a lot of attention to improving ways of removing staff from the Bank. The effort reached a new art with the system of packages used during Reorganization. Since Reorganization, staff have spent a lot of valuable time asking how often the "right" people stayed and the "wrong" people left, and how sensible and fair the exercise turned out to be.
- In developing the earliest Staff Rules, management decided to give priority to ways of firing staff, taking disciplinary action, and demoting them. Staff are still waiting for Rules on respecting confidentiality of personal and medical information, training, insurance coverages, salary administration and retirement benefits. Some staff may occasionally wonder why this sequence was preferred.
- The SA showed management that the real value of the salary structure has been eroded over recent years by 12.1 percent for support staff and 7.7 percent for higher level staff. Cost of living increased by 4.1 percent last year alone. Faced with this discovery, management increased salary structures by 1.5 percent for support staff and 3.6 percent for higher level staff. To strengthen the impact, they increased cafeteria prices by 4 percent, parking costs by 4 percent, and medical insurance premiums by 15 percent (with a promise of more to come). Staff wonder who is doing the arithmetic.

Everyone has a limit

The underlying pattern is a conundrum. Management obviously knows that an effective Bank, geared to meeting the complex development problems of the future, depends on the morale and commitment of the staff. They also know that while staff are resilient in their dedication to the institution, everyone has a limit. Six years of staff attitude surveys have provided management with stark and unambiguous feedback—that staff believe that senior management have little concern for their well-being. Recently many managers have joined this chorus.

Management also realizes that the objectivity and professionalism of the Bank depends on an international career staff who have a secure relationship with the institution and who receive recognition for their accomplishments. This is a strange time to be weakening the link.

So what should we conclude? The pattern that seems most obvious does little credit to anyone, so we should search for other explanations. Perhaps management can propose a vision, a strategy, which will help us understand recent events, and which will give the staff of the Bank some new hope for the future. ■

The Staff Counseling Service Is There to Help You

When You Don't Know Where to Turn

by Jill Roessner

Is there anyone who hasn't encountered some difficulty that caused restless nights and anguish until it was resolved? Problems rarely disappear of their own accord though; you usually have to do something—and sometimes you don't know where to turn or who might be helpful.

The Bank, like many large organizations, offers a number of resources to help its staff cope with life's inevitable difficulties. Even though a problem may not be work-related, the very fact that you are worried can impinge on your ability to work. That's why MED's Staff Counseling Service (SCS) was founded in 1982.

In a brochure to be issued shortly, the SCS describes itself as "a confidential information and referral service available to all Bank/IFC/MIGA staff members and their dependents residing with them... The SCS does not conduct therapy or treatment. Its principal role is to assist you in defining the problem and, if appropriate, to refer you to a suitable resource that can help you with that particular problem."

Vena Darling, a clinical social worker, is Chief of the SCS, with Janet Ziegler serving as backup and bringing her special expertise gained from six years in the Personal Services Unit. The other members of the team are all consultants—Angela Pittman (who's at the Bank full time) is a licensed, clinical social worker, along with Jim Striker, a licensed clinical psychologist. Psychiatric consultation and backup are also available when needed.

Some problems are relatively easy to resolve. They may be clarified by two or three appointments with a counselor, assessing and evaluating the situation. "In fact," Ms. Darling, says, "sometimes that's all people need. A chance to talk to someone sympathetic, let off a bit of steam, and see the situation from a different perspective. Then they say 'thank you very much; I feel much better now,' and there's no need to go any further." But even if the solution to your problem is going to take more than a couple of meetings with a counselor, you're encouraged to take that first step so that a minor difficulty doesn't have a chance to develop into a major crisis.

***From left to right:* Vena Darling with Jim Striker, Angela Pittman, Janet Ziegler and secretary Marjorie Barlow.**

Photo by Jill Roessner

For Bank staff, there may be problems caused by living in another culture, or a family member may be troubled by the staff member's frequent absences on mission. Certainly these circumstances can exacerbate other problems—marital problems, problems with children, problems with work. It's when problems go beyond your ability to resolve them, when they begin to create serious tensions and conflict within a family, that it may be time to seek professional guidance.

When a tragedy occurs

Counseling, for example, can also be very therapeutic when a tragedy occurs, such as the death or serious illness of someone close to you. Or perhaps you or someone in your family has become dependent on alcohol or drugs. Certainly, no parent can afford to be complacent about the possibility of a child becoming involved with drugs in today's society, and Ms. Darling and her staff are able to advise parents who may have suspicions or need to learn more about the subject; they can also recommend appropriate treatment programs.

Often problems *are* work-related, and SCS can help in this area too, providing an opportunity for you to discuss the problem privately, on a one-to-one basis with a counselor, so that together you can explore the range of potential options. It may turn out that you will need to pursue the matter further with your personnel officer or manager or possibly the Ombudsman, but the preliminary discussions with the SCS counselor should help you look at the problem from a new perspective.

SCS services are available to all regular and fixed-term Bank, IFC and MIGA staff. In an emergency, Bank temporaries and consultants/researchers can also be assisted by SCS. Family members may be helped too, although the request for an appointment should be channeled through the staff member. In emergencies, or when there is no other way for family members to obtain help, they may call and will receive telephone consultation and referral assistance. The SCS will not tell you if a member of your family seeks such aid any more than they will divulge your contact with the SCS to your family, colleagues, personnel officer or manager.

This issue of confidentiality is important; the fear of embarrassment or of jeopardizing your position can make you reluctant to seek help, let alone from your employer. But, be assured, unless you specifically give your *written* consent, your involvement with the SCS will not be discussed with anyone. Of course, an exception would be made if the SCS had reason to believe that you or a member of your family poses a clear and present danger to your own or another person's life. In such a life and death circumstance, the relevant information would be shared with the Director of MED and other appropriate people to prevent harm from occurring.

Completely up to you

The SCS has identified various community-based health care professionals with special sensitivity to cultural differences. They have a list of therapists who speak languages other than English, some of whom are based within walking distance of the Bank; others are in the suburbs. It's completely up to you to follow up on SCS's recommendations. You are under no obligation to take any of the advice that is given. The program is voluntary. SCS is there to help you—if you want help. And its assistance is free, of course. (To learn whether subsequent professional counseling or treatment are covered by your medical insurance plan, you might want to contact your medical insurance company.)

No matter what the problem may be, the SCS is there for one purpose, and one purpose only: to assist you in getting help if you need it. You can call them on Ext. 74739. It's as simple as that.

Around the Bank

United Way Campaign Begins

The Bank's United Way campaign starts October 5 with hopes of reaching Washington, D.C.'s minimal recognition level of 60 percent staff participation. In 1987, 56.5 percent of Bank staff participated in the campaign, contributing almost $250,000. The campaign will run until Thanksgiving. This year's United Way Coordinator is Jack Lowther, Office of the Director, OED. Additional details regarding United Way will appear in future issues of *The Bank's World* and the *Weekly Bulletin.*

Fewer Smokers in the Bank

The number of smokers in the Bank has declined dramatically in the past few years, with fewer than 20 percent of staff now smoking.

Many staff have been aided in their stopping voluntarily by the Medical Department's sponsorship of smoking cessation clinics. Anyone interested in enrolling in a clinic should call Nurse Susan Robbins on Ext. 75394.

The Bank also recently adopted a measure that there be no smoking in confined conference rooms. However, where imposing such a restriction might create an awkward situation, the host manager needs to exercise discretion.

The Bank continues to look at ways to provide as smoke-free an environment for staff as possible as evidence continues to mount that smoking is dangerous to the health of not only smokers but also non-smokers who are in proximity to those who puff away.

A recent report in the *Wall Street Journal* cited a survey that found that smokers have many other unhealthy habits as well. For example, smokers are generally much heavier drinkers than non-smokers, less active physically, far likelier to skip breakfast, and apt to get less sleep. The heavier the smoker the more likely he or she is to indulge in these unhealthy practices.

Finally, the survey found, smokers have higher rates of absenteeism and higher health costs to the employer.

Reminder: Asian Women and Development Photo Contest

The Asia Region Liaison Group on Women in Development's photo contest on the theme "Asian Women and Development" is open to all Bank staff. Photographs can be taken in any of the Bank's active borrowing countries in Asia.

Entries should depict the condition of Asian women as active contributors, beneficiaries or victims of the development process.

Both black and white 8"x10" prints and color slide entries will be accepted until November 30. A maximum of four entries per staff member is allowed. Please check the E building lobby for entry blanks with detailed instructions, or contact Margarete Rodousakis, Ext. 76154.

Play Premiere

A scene from "Friends," the successful Jamaican play whose North American premiere performance was held in September in the H building auditorium. "Friends," written by Patrick Brown and directed by Trevor Nairne, is currently on an eight-city tour of the United States.

Support Staff Action Group

Some members of the Support Staff Action Group discussed their activities over lunch with Bank President Barber Conable recently. Among those attending were Margarita Bellinger, Brian Donnolley, Tom Gregg, Pauline Griller, Jane Holden, Ross Marcou, Jeanie O'Donnell, Susan Struthers, Lesley Shneier and Vittoria Winterton.

Photo by Michele Iannacci

Letter to the Editor

In regard to your Justice and Janitors article in the Observer column of the September issue, you stated "there is no valid reason for it (the Bank) being involved" in the Justice for Janitors campaign because "the Bank is not the employer" of the janitors.

First, let me say that our literature does acknowledge that fact. But that does not speak to the central issue—that the Bank controls the amount of money available for janitorial services.

Without the public support of the Bank for JFJ, the workers, 80 percent of whom have signed union cards, cannot approach the contractor about better wages and benefits for fear the Bank would bring in another minimum wage contractor with all new employees. This is based on the Bank having done this in the past. The janitors have clear reason to be concerned about the Bank's position.

What the janitors are asking is for the Bank to publicly support the principles of Justice for Janitors, i.e., better wages and benefits, respect and dignity, and ensure any contractor they hire does the same.

The Bank can take a leadership role on this important community issue just like it does elsewhere. We hope it does.

Jay Hessey
Organizing Director
Justice for Janitors Organizing Committee

Ho, Ho, Ho! Eleven Weeks to Go

Last year, we featured Mary Shirley's Christmas tree farm, and later learned that other staff are in the yule tree business. In the December issue, we'll have a roundup of special goods and services staff offer during the holiday season. Do you bake traditional English mince pies or Christmas cakes to sell? Does anyone offer a holiday shopping or gift wrapping service? Do you make tree ornaments or design cards? Send a brief note describing your holiday activity to *The Bank's World*, Rm. E-8044, by October 28. Be sure to include your name and telephone extension.

Bank Helps Homeless

When Community Relations Officer Yosef Hadar read in the August 24 edition of the *Washington Post* that the D.C. Coalition for the Homeless was unable to recover its van which had been stolen, abandoned and then towed, he sprang into action. The van, which is used by the Coalition to take food to the needy, had been missing for several weeks; when it was found, the Coalition could not afford to retrieve it because it had amassed towing and storage fees of some $400. Mr. Hadar immediately arranged for the fees to be paid by the World Bank so the Coalition could continue its good work. A number of other agencies and individuals were similarly touched by the story and Mr. Hadar's gesture, on behalf of the Bank, was just the first of more than 100 such contributions—all of which will be used to help the homeless.

Senior Staff Appointments

Guy Antoine
Belgian national . . . appointed Coordinator of the new Africa Enterprise Fund, IFC, effective July.

Joined the Bank in 1976 and held appointments as Investment Officer and Sr. Investment Officer, Africa Department of Investments . . . 1980: became IFC representative in West Africa, Abidjan . . . 1984: returned to Headquarters as Divisional Manager, Department of Investments, Africa I, Division II . . . 1986: transferred to the Office of the Executive Vice President and commenced special assignment to review Corporation activities in Sub-Saharan Africa and to develop proposals for more effective assistance to private sector development in the Region.

Monique P. Garrity
U.S. national . . . appointed Resident Representative in Mali, effective August.

1981: joined Bank as a Country Economist, East Africa Country Programs, Department II . . . 1985: transferred to the Mining and Non-Ferrous Metals Division, Industry Department, as Industrial Economist . . . 1987: appointed Economist, Industry and Energy Operations Division, South-Central and Indian Ocean Department, Africa Region . . . 1988: promoted to Senior Economist, same department.

Leigh P. Hollywood
U.S. national . . . appointed Vice President for Guarantees of the Multilateral Investment Guarantee Agency (MIGA), effective September 15.

1976: Joined the Overseas Private Investment Corporation (OPIC) . . . 1981: Managing Director for Insurance of the OPIC . . . 1987: elected Chairman of the Investment Insurance Committee of the Berne Union . . . 1988: re-elected to same position.

Peter Knight
U.S. national . . . appointed Chief, National Economic Management Division, Economic Development Institute, effective September 1.

1976: Joined the Bank as an Economist, Country Programs Department II, Latin America and the Caribbean Region . . . For 18 months prior to this, Visiting Fellow at the Cornell University Center for International Studies . . . 1979-80: member of the Core Team, 1980 World Development Report . . . 1980: Transferred to Program Review Division, Policy Planning and Program Review Department . . . 1981: Promoted to Senior Economist, same department . . . 1982: Transferred to Country Strategy and Trade Policy Division, Country Policy Department . . . 1987: Selected as Lead Economist in Country Operations Division, Country Department I, Latin America and the Caribbean Region.

Francois-Marie Patorni
French national . . . appointed Resident Representative in Dakar, Senegal, effective September 1.

1974: Joined the Bank as a Young Professional . . . 1975: served as Financial Analyst/Economist in the Eastern Africa Projects Department, Agriculture Credit and Livestock Division . . . 1980: appointed Senior Projects Officer in the Central Agriculture Division of the same Department . . . 1982: transferred to the Resident Mission in India as a Senior Projects Officer . . . 1984: returned to Headquarters to serve as Deputy Chief, Agriculture Division D, Western Africa Projects Department . . . 1987: Principal Rural Development Officer, Agriculture Operations Division, Occidental and Central Africa Department.

James A. Roan Jr.
U.S. national . . . promoted to Chief Personnel Officer, EMENA, effective September 16.

Joined Bank in 1972 as a Personnel Officer in the Personnel Department . . . 1973: became Senior Recruitment Officer, same department . . . 1974: Section Chief, same department . . . subsequently served in a number of other assignments in the Personnel Department . . . after the reorganization, took on the full-time responsibility for the Fraud and Misconduct function in the Personnel Vice Presidency.

Nigel Roberts
British national . . . appointed Resident Representative of the Bank's Resident Mission, Kathmandu, Nepal, effective October 16.

1981: Joined the Bank as a Young Professional . . . 1982: transferred to Resident Mission, Eastern Africa, Nairobi, Kenya, as an Agricultural Economist . . . 1983: returned to Headquarters, Northern Agriculture Division, Eastern and Southern Africa Projects Department . . . 1986: appointed Assistant to the President . . . transferred to the South Asia Country Programs Department, Division A, as a Loan Officer . . . 1987: Sr. Country Officer, Country Operations Division, Country Department I, Asia Region.

Michael N. Sarris
Cypriot national . . . appointed Division Chief, Trade & Finance Division, Technical Department, Africa Region, effective August 1.

1975: Joined the Bank's Young Professionals Program . . . 1976: Economist, Tourism Projects Department . . . 1979: transferred to Urban Division, Latin America & the Caribbean Projects Department . . . 1981: named Administrator, Young Professionals Program, Personnel Management Department . . . 1983: transferred to Industrial Development & Finance Division, Eastern Africa Projects Department as Sr. Industrial Economist . . . as of the Reorganization, Acting Division Chief, Trade & Finance Division, Technical Department, Africa Region.

Charles O. Sethness
U.S. national . . . appointed Director, IFC Capital Markets Department, effective September 6.

1973 to 1975: served as U.S. Executive Director of the World Bank and IFC . . . 1975 to 1981: held appointment as Managing Director of Morgan Stanley & Co., Incorporated . . . 1981 to 1985: Associate Dean for External Relations at Harvard Business School . . . most recently, he served as Assistant Secretary for Domestic Finance, U.S. Treasury Department.

Retirees

Quintin Ananthanayagam

Quintin Ananthanayagam retired April 1 after almost a quarter century in the Bank. He served in a number of assignments, most recently as supervisor in the Energy and Industry Information Center. Mr. Ananthanayagam, a native of Sri Lanka, plans to remain in Kensington, Maryland, where he says he is currently "adjusting to a new life."

John C. Collins

John C. Collins retired August 31 after nearly 17 years of service to the Bank. Mr. Collins joined the Bank as an Agriculturalist in the Agriculture Department, Irrigation II Division, and then was assigned to the EMENA Region. He subsequently served as an Irrigated Crops Adviser, Operations Policy Staff. His most recent position was that of Principal Agriculturalist, EMENA Technical Dept., Agriculture Division. Mr. Collins, a native of the United Kingdom, returned there on September 1, but will keep in touch with the Bank.

David Gill

David Gill, Director of IFC's Capital Markets Department, retired from the Corporation August 31, having spent 17 years in its service. Mr. Gill, a Canadian national, is returning to the private investment business, joining Batterymarch Financial Management as a Trustee. He and his wife, Lena, and their daughters, Sarah and Melissa, will continue to live in Washington.

New Staff Members

Behrouz Aghevli
Iran
Systems Analyst/IEC/9/1

S. Ehtisham-Uddin Ahmad
Pakistan
Economist/CEC/8/22

Zoubida Allaoua
Algeria
Young Professional/YPP/9/12

Frank Allen
Ireland
Young Professional/YPP/9/19

Charles H. Antholt
United States
Agriculturist/AST/9/1

Jamil M. Baz
Lebanon
Young Professional/YPP/9/19

Matthew Butlin
Australia
Sr. Economist/VPDEC/8/22

Karla V. Cabana
Nicaragua
Secretary/CEC/8/22

Gerard Carpio
United States
Sr. Financial Economist/CEC/9/12

Diane M. Cashman
United States
Young Professional/YPP/9/12

Robert Christiansen
United States
Economist/CEC/9/1

Javier Corrales
United States
Secretary/INU/9/6

Alberto Cruzat
Chile
Financial Analyst/AST/9/1

Chantal Dejou
France
Young Professional/YPP/9/6

Olga A. Del Cid
Guatemala
Secretary/CEC/8/29

Gunnar S. Eskeland
Norway
Young Professional/YPP/9/12

Luc D. Everaert
Belgium
Young Professional/YPP/9/15

Nabil Fahd
Lebanon
Investment Ofcr./IFC/9/1

Peter R. Fallon
United Kingdom
Economist/AF6/9/6

Richard Feachem
United Kingdom
Principal Public Health Spec./PHR/9/6

Christopher Gibbs
Canada
Economist/ENVO/9/1

Olivier Godron
France
Investment Ofcr./IFC/9/6

Catherine E. Guie
Côte d'Ivoire
Secretary/AF3/9/19

William Hanton
United States
Sr. Policy Ofcr./PER/9/1

Judy D. Harper
United States
Secretary/LA4/9/12

Sophia Hatziconstanti
Greece
Research Asst./WBT/9/1

Kyung Wook Hur
Korea
Young Professional/YPP/9/1

Ethna M. Johnson
Ireland
Public Health Spec./AF1/9/6

Shigeru Kataoka
Japan
Sr. Power Engr./AST/9/1

Christian E. Keil
Finland
Sr. Forestry Spec./AF2/8/23

Maria Teresa Lim
Philippines
Secretary/INV/9/19

Ramon E. Lopez
Canada
Sr. Economist/CEC/9/1

Klaus Lorch
Germany
Young Professional/YPP/9/12

Ioan S. Luculescu
Romania
Public Health Spec./AST/9/19

Anne J. Marchot
Belgium
Secretary/AF1/9/19

Jose M. Martins
Australia
Public Health Spec./AST/9/19

Kazi Matin
Bangladesh
Economist/CEC/8/29

Timothee Mbemba
Congo
Secretary/LOA/9/12

Suely C. Moraes
Brazil
Secretary/LEG/9/6

Komalam Moss
India
Secretary/PER/9/19

Mohamed V. Muhsin
Sri Lanka
Sr. Country Ofcr./AF2/9/1

Akihiko Nishio
Japan
Young Professional/YPP/9/12

Izumi Ohno
Japan
Young Professionl/YPP/9/12

A. Ordu
Nigeria
Young Professional/YPP/9/6

John C.P. Oxenham
United Kingdom
Training Ofcr./EDI/9/2

Erdogan Pancaroglu
Turkey
Sanitary Engr./AST/8/22

Bernardine Penaranda
Philippines
Secretary/EM4/8/22

Luiz Pereira da Silva
Brazil
Young Professional/YPP/9/1

Lant H. Pritchett
United States
Young Professional/YPP/9/19

John Redwood
United States
Sr. Evaluation Ofcr./OED/8/22

Yasmin R. Saadat
Iran
Economist/AF1/9/1

Patricia G. Sanchez
Philippines
Secretary/AF2/8/22

Luis A. Schunk
Uruguay
Secretary/AF3/9/12

Shamsher Singh
India
Young Professional/YPP/9/12

Faithlyn Smith
Jamaica
Secretary/EM1/8/29

Andres Solimano
Chile
Economist/CEC/9/1

John Taylor
Australia
Sr. Adviser/DFS/9/1

Bereket Teferi
Ethiopia
Secretary/AFT/8/22

Jaime Vazquez-Caro
Colombia
Tax Admin. Spec./LAT/9/12

Yasufumi Venishi
Japan
Asst. to the Exec. Vice President/MIGA/9/19

Ulrich Zachau
Germany
Young Professional/YPP/9/1

The Observer

The President's Speech, U.S. Politics, and Plain Speaking

by Frank Vogl

Barber Conable's speech to the Annual Meetings is directed as much to the staff as it is to the Governors in Berlin. It is a carefully crafted work, written, polished and repolished by the President.

This column is written before the final version of the speech has been set, but it was already clear months ago when the President first began talking about this important address that the Berlin meeting was neither the place nor the time to announce initiatives or launch strikingly new campaigns. Rather, it was an opportunity to underscore the priorities of the Bank under his leadership and affirm, in particular, still more effective efforts in the fight against poverty.

Barber Conable has been here two years. His first Annual Meetings speech was a personal and quite general statement that introduced him to the multilateral development and financial community. His second speech before the Governors in September 1987 was a detailed explanation of his agenda. This speech aims to underscore the accomplishments of the recent past and draw them together to assert that the Bank is now ready to play an increased, effective role in spearheading development efforts.

The address may be viewed in part as a rededication of the Bank in the fight against absolute poverty. Robert McNamara made a number of speeches where this was the central theme. A.W. Clausen did the same in Bonn, Atlanta, Mexico City and Nairobi. Barber Conable is not suggesting that the Bank has neglected anti-poverty work, but rather asserting that much more can and must be done. This implies across-the-board action, embracing environmental and women in development issues from one corner in PPR to another far corner in Operations. It means strengthening the attack on hunger in Africa and sharpening approaches to assist the poorest of the poor in Asia. The challenge to the staff is clear.

Above the political fray

Official multilateral institutions like ours are meant to be above the political fray and give the impression that elections in our member countries are of no concern or consequence to us. Fine, but I reckon the outcome of the U.S. election will have an impact on the Bank's work in coming years. The U.S., with more than 18 percent of the Bank's shares, is the institution's largest single shareholder, and U.S. administrations have never been reticent in expressing their feelings—sometimes quite bluntly—about policies and actions we have undertaken.

It seems remote to think back to the first days of the Reagan Administration in 1981 when the new budget chief, David Stockman, proposed massive cuts in U.S. funding for IDA, and when the new Secretary of State, Al Haig, forcefully countered such efforts. It was a time when many of the U.S. Treasury's top officials looked with great skepticism at what some described as a bloated, give-away agency that loaned vast sums to communist countries viewed as enemies. It was a time when many argued passionately against Robert McNamara's idea of establishing an energy affiliate, and opposed Bank lending to public sector entities involved in the oil and gas sector. It was a rough time for the Bank.

Much has changed since then. IDA, IFC and IBRD are all stronger and MIGA has been born. The approaches of the Bank have changed markedly, and those of the U.S. administration toward us even more so.

What does the future hold now? There's no evidence of radical changes ahead in the U.S. attitude in regard to the Bank. Both presidential candidates seem strongly supportive of multilateral development approaches and are likely to back a strong World Bank group. Controversies there are bound to be, but the outlook right now is encouraging.

Our in-house 'language'

Jargon. We often seem so enamored of our in-house "language" that we're perplexed when intelligent "outsiders" seek the most basic explanations. Just the other day, a bright newspaperman interviewed a Bank official and wrote what I thought was an excellent story which he kindly showed me to get informal comments. Soon after, the reporter called me back to say he would have to make changes as his editor had problems with some of the phrases used in the story.

What, he asked, did we mean by "adjustment" and "policy-based lending?" How, in jargon-free language, do we define "middle-income, highly indebted countries?" What are we talking about when we refer to those who are "food insecure?" The list went on and on.

All the questions seemed valid, but providing answers was far from easy. We started to talk about economic policy changes and reforms, rather than "adjustment." We chatted about the more advanced developing countries sufficiently creditworthy to attract large amounts of commercial loans, rather than of "middle-income" developing nations. We agreed that, yes, when all is said and done, the "food insecure" are the hungry with no assured means of getting food.

Jargon. Getting rid of it is a tricky and necessary business and I fear the Bank is going in the opposite direction. Please help me reverse the trend and secure a jargon-free structural adjustment to the Bank's language.

AnswerLine

The purpose of this column is to answer questions of broad interest concerning the World Bank/IFC's policies and procedures. Please include your name and room number so that 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 an answer is sought. An anonymous question can only be answered if it is of sufficiently broad interest to be included in the magazine. Send your questions to: Answerline, The Bank's World, *Rm. E-8043.*

Question: Long-term consultants are numerous in non-economist positions, and many are actually long term rather than temporary employees. At least two have been in Operations positions for six years, and ITF is reputed to have consultants in their 10th year. Their lives are passing and the Bank saves money by hiring them, but they are not entitled to retirement benefits, presumably because they are temporary. If and when they become permanent staff, their previous years of service are lost for retirement purposes. To compensate, they are theoretically supposed to negotiate a higher salary, but, in my experience, personnel officers do not allow even half of the expected compensation. And purchase of separate annuities does not yield the benefits of Bank retirement. Last year, the Pension Fund considered giving certain permanent employees the option of buying the years they spent as long-term consultants but the idea has, apparently, been dropped. In light of the Bank's policy of increasingly using consultants in lieu of regular staff, is the Pension Fund considering offering them optional benefits at their own expense? If not, what is the rationale?

Answer: The question of bringing such consultants into some form of more regular employment and the benefits implications of doing so are currently under active study. This includes, in particular, the issue of what pension benefits (past and future) should be provided. It is too early to give details of what precisely will be done to redress this situation, but the anomaly has been acknowledged and action will be taken to resolve it. *Ian Hume, Director, PERCO*

Question: Several countries recognize dual citizenship, but the Bank does not. A citizen of two countries, one of which is the United States, is counted as a U.S. national regardless of choice or ethnic origin. (For citizenship combinations which do not involve the U.S., the person effectively has a choice.) The higher percentage of U.S. "nationals" in the Bank is partly due to this narrow interpretation of nationality. The consequent drive to hire non-U.S. "nationals" may result in discrimination against bona fide citizens of Part II countries; some external candidates have been privately advised to abandon their U.S. citizenship if they want a job in certain sectors which have many U.S. citizens. The Bank could have a much more accurate picture of its ethnic makeup by counting either (a) employees as nationals of their country of preference, regardless of citizenship-related salary compensation, or (b) dual citizens as a separate category. Is such an action realistic? If not, why not?

Answer: There are two reasons for the policy of counting dual U.S. nationals as U.S. nationals only. The first reason is the Board's decision to limit expatriate benefits to non-U.S. and non-permanent resident staff. The second reason is that staff who are U.S. nationals, even if dual citizens, are required to pay income tax to the U.S., and in order to pay a tax allowance to these staff members, we regard them as U.S. citizens. To do otherwise would render them liable for taxes on their net salary, but not eligible for a tax allowance.

Regarding the larger question of dual nationals, Staff Rule 6.13 has firm criteria for dual nationals for deciding of which country the staff member is to be considered a citizen for benefits purposes. This removes the necessity for making subjective decisions on a case by case basis for those staff members with dual citizenships, so that all staff members are treated alike, and all staff may know the applicable rules. To allow staff members to be counted as "either/or" could also lead to statistics being used to further the purposes of the moment. The current Personnel computer system does not allow the gathering of information on dual citizenship. While the systems could be changed over time to allow information on dual citizenship to be gathered, it is unlikely that the Bank would use anything but the "primary" citizenship for any purpose other than information. *James A. Jones, Chief, PEREB*

Question: Now that the dust has settled after the "Great Revolution," can you tell us what the effect was on the total number of staff—how many people left the Bank in FY88 and how many joined?

Answer: From FY80 through FY87, the average number of staff leaving the Bank/IFC each fiscal year was 292. FY88, with its major reorganization, produced unusually higher numbers of terminations.

During FY88, 750 staff left the institution: 503 higher level staff; 247 support staff. During this same period, 427 individuals joined the Bank/IFC: 264 higher level staff; 163 support level staff. A total of 522 staff received Packages A or B. *Ian Hume, Director, PERCO*