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THE WORLD BANK GROUP ARCHIVES
ORAL HISTORY PROGRAM

Transcript of interview with
EDWARD DONOVAN

May 29, 1984

Washington, D.C.

Interview by: Charles Ziegler and John Muir

[Begin Tape 1, Side A]

ZIEGLER: This is May 29, 1984. My name is Charles Ziegler, and with me is John Muir. We are here at the World Bank, and I am privileged to be interviewing Mr. Edward Donovan, who retired from the Bank as Chief of the Office Support Services Division in 1978. Mr. Donovan joined the Bank in May 1946 and was thus one of the original members of its staff when the Bank opened for business on June 25, 1946.

Mr. Donovan, would you start off by describing some of the successive assignments which you've held at the Bank in your long career?

DONOVAN: Yes. My first day at the bank was May 17, 1946. At that time I had a letter which said I was an Administrative Assistant. In those days, because the Bank was so small, you did a little bit of everything. In December 1946 I was made Chief of Procurement and Supply. I stayed in that position until August 16, 1951, when I became Chief of Printing and Drafting. I stayed there until August 11, 1958, when I became Assistant Office Manager. In November 1965, I became Chief of the then Office Services Division. The name of the Division was changed in October 1971 to Office Support Services, and I stayed in that position until I retired.

ZIEGLER: What are some of the major differences between the World Bank of 1946, when you joined, and the World Bank from which you retired in 1978?

DONOVAN: There were major differences in the Bank I joined in May 1946 and the one from which I retired in 1978. When I came in 1946, there were only seven staff members. The Bank had an independent sister organization, viz., the IMF (Fund [International Monetary Fund]). The Bank had no President and the staff occupied five offices on the tenth floor of 1818 H St. N.W. When I left in 1978, there was a World Bank Group (the Bank, IFC [International Finance Corporation], IDA [International Development Association] and ICSID [International Centre for Settlement of investment Disputes]) and unusual units such as EDI [Economic Development Institute] and AMBG. Staff numbers had increased to over 5,000 and this amount did not include hundreds of consultants, contractual staff, negotiators, etc. As opposed to the five offices in 1946, in 1978, staff were housed in seven owned and eight leased buildings—five offices in '46 vs. fifteen buildings in '78.

How fortunate the Bank was to have had Mr. [Eugene R.] Black's leadership early on. Under him, there was a spirit of togetherness that touched the entire bank from the Messenger Unit on the first floor to the President's Office on the top floor. Mr. Black was a diplomat with both the opportunity and desire to develop cohesiveness. The atmosphere changed when Mr. [George D.] Woods came—Mrs. [Louise T.] Woods was active in some Admin areas and took up some of the slack. The re-organization, the growth and the pace of increased lending in the [Robert S.] McNamara Era substantially collapsed the feeling of togetherness.

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ZIEGLER: Bankwide picnics and parties were a feature of the early years of the Bank, as I know from looking back in some of the old *Bank Notes*. Could you comment on the effect of such social functions in terms of their contribution to work relationships, and were there any significant or interesting incidents at these functions which stand out in your memory?

DONOVAN: The first Christmas Party was a memorable one. Can you picture about thirty people in a room at the Roger Smith Hotel, with Russell Woods, the first Chief of Printing, playing Christmas carols on the piano and Prof. Kyriakos Varvaressos, later an Executive Director, singing those carols in Greek? Or a Bank picnic, where the Bank President, Mr. [John J.] McCloy chose one side to play baseball against a team chosen by Mr. Black, who was then the U.S. Executive Director? The two leaders taunted each other during the game with Mr. McCloy hollering to Mr. Black that he had a hole in his bat. This was a very human atmosphere from the top to the bottom. It was even human on the Monday following the picnic as some staff came back on crutches or with poison ivy, but with everybody saying that a good time they had had. The presence and attitude of the executive side of the bank had tremendous impact on staff morale.

The earliest days of the Bank were dark and uncertain. Mr. [Eugene] Meyer became President in June, 1946, but he left in December of 1946 with no announced replacement. The Bank was temporarily under the direction of Harold Smith, the Vice President under Mr. Meyer. Mr. Smith died suddenly on January 27, 1947. In my life at the Bank, the darkest period of time was the time known as "Interregnum" or "between Presidents." In March, 1947, the clouds began to lift as Mr. McCloy came as the new President and others such as Mr. Eugene Black, Mr. Robert L. Garner and Chauncey G. Parker came on board. From that point on, confidence in the Bank began to grow. While the Bank now began to fulfill its purpose, staff, at all levels, did intermingle a few times a year and this did much to balance the daily efforts it took to sustain the growth pattern.

MUIR: Was there ever a feeling during those early days that the Bank would grow to the size that it is today? What were the feelings of you and other staff members with regard to the future? Was there guaranteed job security in their minds?

DONOVAN: First, as far as the future was concerned, especially in 1946, both *The New York Times* and *The Wall Street Journal* predicted a short life span for the bank. Certainly, there was doubt regarding the future. I was too young to worry and too involved in a variety of duties to think much about it. In 1947, the McCloy, Black, Garner team began to drive the Bank forward. I believe I'm right when I say that the first loan was made in May, 1947, to France for reconstruction and the first bond issue took place in July, 1947.

Somewhere along the line, I remember a statement that Mr. Black responded to a question as to how large he thought the Bank would ever be with a prediction of fifteen hundred people. I never heard any prediction as to the number of organizations there would be in a Bank Group.

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ZIEGLER: Going back to the very beginning, I'd be interested to hear what the Bank was like during the first few weeks and months after its opening. What were some of the major problems which you personally encountered, and what was it like working for an organization, and a unique organization at that, in its very early stages?

DONOVAN: Can I set the stage for the surroundings a bit? I don't know how many people go back over *Bank Notes* and really dig into them as far as history is concerned, but it's remarkable what you find in those booklets. In the June, 1976, issue of *Bank Notes*, there was a paragraph which said, "We're informed by the *Watergate Hotel Review*, Winter 1976 issue, that 'after President Washington chose the site for the nation's permanent capital in the winter of 1791, his secretary, Tobias Lear, asked Pierre L'Enfant to buy him a lot not exceeding \$500. The Frenchmen made a great buy for Lear, a plot two blocks west of where the White House would be and on which the World Bank and the International Monetary Fund headquarters are now located (in Foggy Bottom).'" So you started off with a parcel of land that cost Tobias Lear five hundred dollars.

[See drawing provided by Mr. Donovan]

In 1946, on the land that originally cost five hundred dollars, on the corner of H Street at 18th, you found the Hurley Wright Building, then a small building that belonged to the Columbia Lighthouse for the Blind, which is now the driveway between A and B Buildings. Next was 1818 H Street, a building designed for the U.S. Surgeon General, but during the Second World War the State Department occupied the majority of it. Next a row of six or seven red brick houses. In one a lady taught piano; another was a house of ill-repute. The rest were basically rooming houses. At the corner of 19th and H the Oldest Inhabitants of the District of Columbia had their headquarters, and on the Fourth of July every year, a bunch of old men used to run in, pull out an ancient firewagon, and drag it to Pennsylvania Avenue, around the Triangle, and back to the headquarters again. On the 18th Street side you had an old building called the Premier Building, there was the White Tower and then the Equitable Apartments. One other, I can't remember the name of it . . .

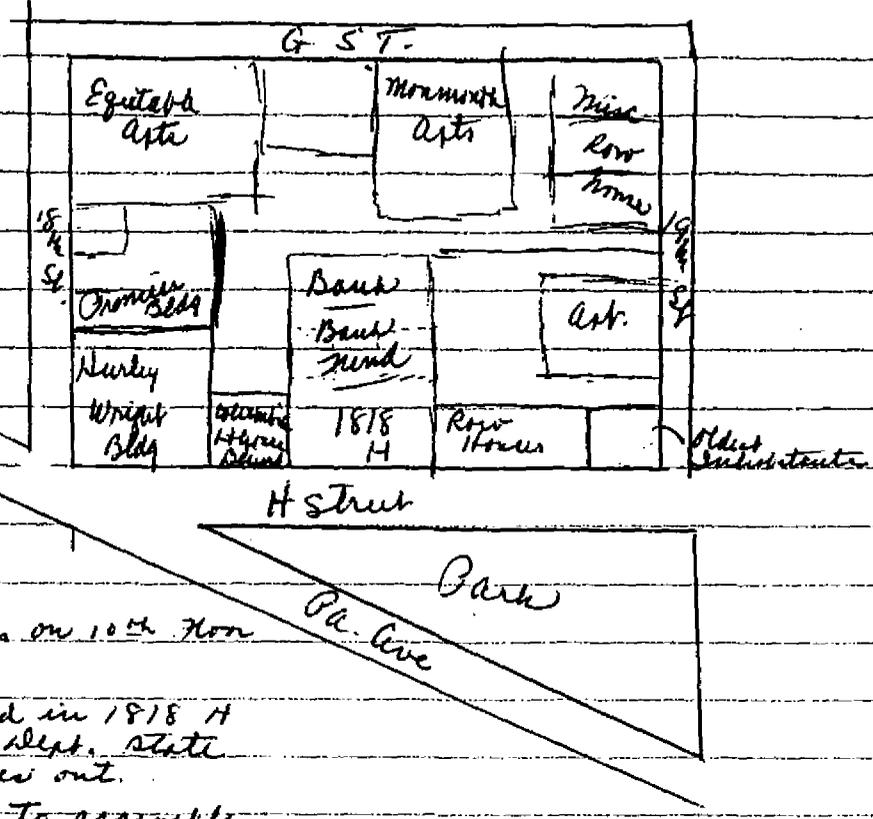
ZIEGLER: Whalen's drugstore?

DONOVAN: Whalen's was on the corner of G and 18th. Then, on G Street was the Monmouth Hotel, some few houses, and another apartment house where the E/F complex now is. There was very little in the way of any large office buildings in this area, because none of the present development had started.

It was on May 10, 1946, that Mr. William E. McCorkle, who was with the U.S. Treasury Department, drove up in his car and pulled up outside 1818 H Street. He had a load of boxes he had brought from the Treasury Department. Sitting over in the little triangle park was Bill Kelly. Bill was a World War II veteran. He wanted to get married, and he had gone over the Veterans Administration at 19th and Pennsylvania Avenue to see what great things the government was going to do for him, since he had won the war. After he

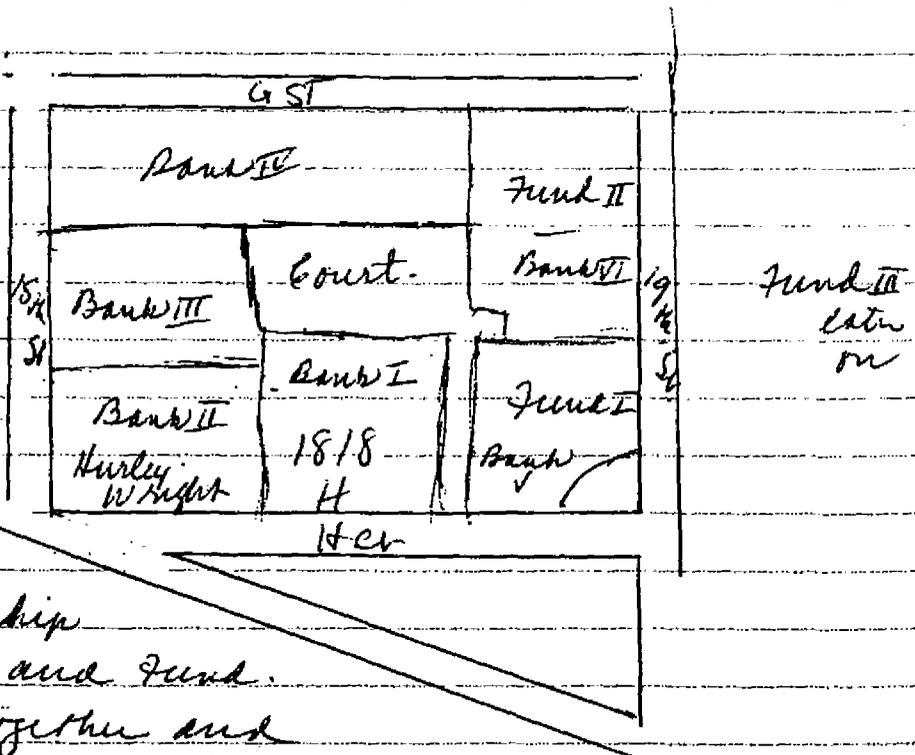
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No idea
early 1900s



- 1) Bank's first office on 10th floor of 1818 H.
- 2) Bank and Fund in 1818 H with U.S. State Dept. State eventually moves out.
- 3) Fund begins to assemble other space in block to build own building.

How it changed



Note the relationship between Bank and Fund. First - 1818 together and then each finds out in different direction on block with Bank eventually having entire block

had finished there, he was a little disappointed in what they told him, and he went over and sat on the bench in the park across from 1818 H Street.

When Mr. McCorkle got out of his car, he saw Bill Kelly sitting there, so he went over and he said, "Want to help me up to the tenth floor of this building with these boxes?"

And Bill said, "Sure." So he lifted the boxes and he took them up to three offices in the center corridor of 1818.

While he was there, Mr. McCorkle said, "Well, what do you do?"

Bill said, "Nothing. I just came back from the war and I don't have a job."

Mr. McCorkle said, "You do now." And that's how Bill Kelly started to work for the Bank.

In my case—I had too returned from World War II and gone back to Georgetown University to get my B.A. degree. After graduation, a friend told me about the Bank and suggested I talk to Mr. McCorkle, which I did and he hired me. I did many things when I started. I remember how many calls came in to the office of Joseph Borda, the first Personnel Officer, because of the publicity that Bank salaries would be tax free. His secretary, Mary Hanks, spent hours and hours trying to explain the situation to people.

Dr. Luis Machado, Executive Director, headed an Administrative Committee and Mr. Pete Collado (Emilio G. Collado, U.S. Executive Director) was temporary Chairman of the Board. Just prior to Mr. Meyer's arrival in June, 1946, the above and the rest of Bank staff were housed in five offices on the 10th floor of 1818 H St. N.W.

ZIEGLER: You said those offices were in the center corridor on the tenth floor?

DONOVAN: Three were there and there were two in the back corridor on the tenth floor.

ZIEGLER: Who else occupied the tenth floor at the time?

DONOVAN: The State Department. Units of the U.S. State Department occupied this building during these first days of the Bank. The first days of the Fund were spent at the Washington Hotel but when space was available the Fund moved into 1818 along with the Bank.

The earliest administrative guiding light was Dr. Machado. Certainly Mr. McCorkle was a cornerstone. Joe Borda was Personnel Officer but he was not here more than five or six months.

ZIEGLER: Then he left?

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DONOVAN: Then he left.

I was a tremendous baseball fan, and that's one reason I think I was so happy because Mr. Black was a big baseball fan, as was Mr. [William F.] Howell (then Personnel Manager). In 1946, the Washington Senators had a second baseman named Buddy Myer. Baseball was such a part of me that when I typed up the first telephone directory at the Bank and got down to Eugene Meyer, I spelled Meyer M-Y-E-R, like the Washington second baseman. I typed the directory on a mimeograph stencil—there weren't too many names, maybe twenty or twenty-five. Bill Kelly ran this off on a mimeograph machine, and then started to distribute these around to the offices. All of a sudden it dawned on me what a great mistake I had made, and I ran and I broke every track record to pick up these copies, and changed President "Myer's" name to M-E-Y-E-R. Buddy Myer almost shortened my career by about thirty-one years and six months.

I stated earlier that I did many things in my first years at the Bank. One task I'll never forget was related to one of the first formal publications issued by the Bank, viz., *First Annual Proceedings*. This covered the events of the Inaugural Meeting and the Articles of Agreement. The Table of Contents of this publication had a terrible mistake. The Hon. Hugh Dalton, Chancellor of the Exchequer, United Kingdom, gave an address at the meeting. The Table of Contents listed the address but by "The Rev. Hugh Dalton." I had to rush down to Hay Rubber Stamp Co., get a rubber stamp which made the correction possible and hand stamp the correction.

Another duty early on was the time I spent drawing floor plans and space proposals. The first offices on the 10th Floor grew to joint occupation of 1818 H by the Bank and the Fund. Additional space released by the State Department always meant meetings between Mr. McCorkle of the Bank and Walter Windsor of the Fund. This process continued until the Bank and Fund outgrew 1818 H Street and both institutions began further building expansion on the land Tobias Lear purchased for \$500. Space would always be one of the major problems in housing Bank staff.

In 1946 and for several years thereafter procurement of materials, i.e., furniture and supplies, was very difficult. Keep in mind these were post-war years and many factories had not re-tooled for peace time needs. As a result, there were many second-hand items of furniture and equipment in use for a while.

There were three categories of issue: "thou art," "you is," and "you ain't." You were a "thou art" if you got coffee service along with the executive type of furniture. You were a "you is" if you had carpet, a Chippendale desk, leather desk set, a sofa with a coffee table, and the secretary had Chippendale furniture and an IBM typewriter. You were a "you ain't" if you had a tile floor, a wooden side chair, a turn-leg desk, one calculator for three people, and the secretary had a Royal or an L.C. Smith typewriter.

ZIEGLER: Mr. Donovan, there were some suggestions that, as the Bank grew, it should move from its H Street location. One significant proposal was for a new building on the site of what is now the Watergate complex, and of course there were others. Could you

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shed any additional light on some of these proposals and the reason why they were never adopted? If you could also add anything, in general terms, about the evolution of the Bank's physical plant, that would be very helpful, also.

DONOVAN: Two independent organizations were founded at Bretton Woods: The World Bank and the International Monetary Fund. Both initially set up offices in Washington, D.C., and as soon as space was available the two organizations jointly occupied 1818 H Street, N.W.

In the beginning, many governors of the Boards of Governors of the Bank and the Fund represented both institutions at the same time. Both institutions had executive directors, and again, in the first ten or twenty years of Bank and Fund history, many executive directors handled the business for both institutions. Some had offices in the Bank; others had offices in the Fund. Each institution had its own board room, but joint executive directors went from the bank to the fund, or vice versa, to attend meetings. Contiguous space was therefore a prime consideration for many years. Later on, the creation of IDA and IFC would add to the total concerns of the executive directors. Eventually, the number of loans per year plus multi-organization concerns would eliminate the feasibility of joint executive directors.

1818 H Street was a vital central location to many in the Bank and Fund because of its proximity to U.S. government departments such as State and Treasury and to foreign embassies and legations.

As the Bank and Fund grew, there was a continuous exchange and use of owned and leased space. 1818 H Street served as a joint building until the Fund built their building at 19th and H Streets. When they moved into the new building, the Bank occupied the space vacated by the Fund at 1818 H Street. Later, the Fund would build a new building across 19th Street, and the Bank would purchase both the buildings that the Fund had built at 19th and H Streets, and along the east side of 19th Street between H and G Streets. They became known as Bank Buildings E and F.

Joint use of some leased areas also was a part of the space progression of the Bank and Fund. When either gave up leased areas, the other would frequently take over the lease for periods of time.

Since the size of both the Bank and Fund was an evolving thing, and since space in the immediate Bank-Fund area also evolved over the years, the situation always seemed to be settled on joint consideration and not simply a Bank move to a site such as Watergate and others.

The evolution of Bank space has to be one of both owned and leased areas over the years. In 1946, the Bank and Fund leased 1818 H Street—A Building—for a while, and then the Bank purchased it. The Fund moved out in 1958. In 1961, the Bank reconstructed the Hurley-Wright Building and occupied it as the B Building. In 1964, the Bank razed properties purchased and built C Building. In 1969, the Bank built and occupied D

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Building. In 1973, the Bank purchased E and F Buildings from the IMF and occupied them. The Fund had built F Building in 1958 and E Building in 1965. In this whole block of space bounded by 18th and 19th Streets and H and G Streets there were a total of 75 floors of office space. Most of it was jointly used by the Bank and Fund.

As the surrounding area of this block grew, a number of office buildings were constructed, and areas in them were leased by the Bank. The main areas in use over the years were 801 19th Street, N.W., 1901 Pennsylvania Avenue, N.W., 1800 G street, N.W., and 1747 Pennsylvania Avenue, N.W. I note on a space sheet dated March 5, 1984, that the number of leased locations is eleven buildings, even with 2 additional owned locations—H and I Buildings—also added to the total complex.

One thought struck hard at me as the Bank grew and the need for joint contiguous IMF space lessened. I could not understand how a large international organization such as the Bank could keep encroaching on space close to the White House. It simply defied reason. Politically it is bound to be embarrassing; future expansion becomes more and more difficult. It presents security problems, and the total effect is not in the best interests of the Bank.

MUIR: At what level do you think the key decisions were made?

DONOVAN: Director of Administration and above. We had very little to do with new buildings. As far as purchase of new buildings, even as far as the new buildings themselves were concerned, we had very little to do with that. We took what architects gave us, and we had to do what we had to do with our old and our leased space to make it go. It was not an easy thing, because you can't successfully take systems such as air conditioning and heating that are designed for specific buildings and all of a sudden begin to cut holes in these buildings and try to combine one with a system in another building. They did try, I think, to do that as they went along, but the whole business of trying to cope with systems was a very trying experience.

In B Building, there was a cafeteria on the eleventh floor, a dining room on the twelfth floor. When you add C and D Buildings, you go back up to eleventh and twelfth floors of B Building and take out the cafeteria and dining room, and make offices there. Then in E and F Buildings you add dining rooms, cafeterias, snack bars, and try to combine all of that to go with what you have. There were problems, but, thank God, at the time we were doing it we were so busy that we just kept going. Now, when you look back at what was done just to house everybody that had to be housed, it's almost unbelievable.

MUIR: With regard to the buildings over the years, is there any particular area which you would describe as a success story?

DONOVAN: While the use of space and its allocation was an annual headache, it was usually successful. The one event that I would point out as the most outstanding would have to be the move it took to locate staff and departments after Mr. McNamara announced the Bank-wide re-organization in 1972. Once the announcement was made it

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took four months of work to plan the move. There was no vacant space, the staffing figures varied in the planning stage and yet on Columbus Day weekend in October 1972, we moved 1400 people throughout 35 floors of office space in seven owned and leased buildings. I would cite the October 1972 issue of *Bank Notes* as testimony to the effort.

It is also true that even though the space was not always entirely satisfactory that we were able to house staff—with difficulty and under tremendous pressure—but able to cope.

Most decisions regarding space had to deal with 2 considerations. The first was a longer range one which took into account the site, whether to lease or own and whether to build or buy a building. The second consideration covered the need for space during a given FY based on budget projections. Those of us in Office Services were not part of discussions re the first mentioned. The IMF must have been vital to these discussions until the block containing ABCDEF buildings was all Bank. The second consideration wasn't a real problem until the McNamara Era. Until that Era, EDI needs were the main space problem.

Annual space requirements, in the McNamara Era, were based (a) on the personnel projections for a FY and (b) the availability of space in leased building nearby. In the early history of the Bank, there were strong administrative types (Parker, Howell, Garner, etc.) who could consider options under some stress but nothing like that present in the McNamara Era. In terms of budgets and problem areas in Administration, I don't think Mr. McNamara understood or had time to understand our area. He tried in the beginning to listen to some griping about unfairness in personnel practices, etc., but named Mr. Shoaib (Mohamed Shoaib, Vice President) as his administrative contact. Most of the emphasis was on personnel; Departmental budgets were reviewed and approved by people who didn't know or understand our operating needs or problems.

In the McNamara years I spent at the Bank, the annual growth rate in authorized positions was in the order of six, seven or eight percent. In addition, there was a dollar figure in the budget that covered "consultants." For planning purposes, no Department could translate dollars into people but there could be as many as two to three hundred consultants a year requiring housing and services. FY discussions with Departments covered both organization and numbers. To request space in our budget, we had to have a substantial idea of what overall needs would be prior to our own budget submission. We could not determine accurate numbers or organizational changes and had to submit budgets based on the best Departmental projections we could get.

When Programming and Budgeting reviewed our budget submissions, they forced us to reconcile the additional square feet with the additional personnel they foresaw. Short-term planning was almost impossible and we were very frustrated in our attempts to get additional personnel or adequate space and materials. Operating Departments could get their annual 7 or 8% growth—we were lucky to get 2% in Administration and in most divisions the growth was smaller than that.

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In the back of my mind is the memory that someone once asked Mr. Black how big he thought the Bank would be and he answered about 1500 people. In FYs '71, '72 and '73, the additional staff (not including consultants, missions, negotiators, trainees, etc.) numbered 574, 364 and 421 respectively. In those three FYs, the increase covered 1359 of the 1500 people predicted by Mr. Black.

ZIEGLER: Turning to another aspect of your experiences, what was the perception of the Bank as an employer on the part of ADM's [Administration] staff, and did this perception significantly change over the years that you were at the Bank?

DONOVAN: For much of my career, I believe I had the largest number of Bank personnel in the lower grades. Many had come to work for the Bank because they wanted to stay in this country and needed a job in an international organization to do so. Some were over-qualified—a couple of messengers had Ph.D.s. In many ways, it was a learning process for supervisor and supervised. When hired, the person had to understand the job he was being hired to do, the fact that he would have to agree to do it and as time went by, if need be, he would have to be reminded that this was the job he was hired to do. Advancement could depend on how well he did the job he was hired to do because if he did that well, he would do another well.

By the time I became Chief of Office Services in 1965, I had learned to appreciate the frustration of over-qualified people, the patience and abilities they showed for the most part and that if growth in the Bank allowed, there were a number of hard-working staff in the lower grades who would do well in higher grade positions. I think it was in January, 1966, that I sent the first memo to the staff in Office Services, asking them to indicate any area they might be interested in to better their life in the Bank. I continued this on an annual basis for some years until the official Vacancy Listing process started. I'm not sure of the final total number of messengers, chauffeurs, etc., who advanced but I know at one time it numbered over 80 staff members who went on to better things. Two important aspects surfaced: (a) try to avoid hiring over-qualified people and (b) make it perfectly clear at the time a person started that they understood what they were being hired to do.

The Bank's grading system presented many problems for Administrative personnel to cope with in lower-grade areas. Early in the Bank's history, staff were divided into Professional and Non-Professional status. There were a series of grades with steps therein and annual increases based on supervisor approval and Personnel's concurrence until points in-grade meant 18, 30 or 36 months waiting periods. Problems arose in time. One related to the definition of Professional and Non-Professional. I never heard one that satisfied me or anyone I tried to explain it to. Another difficulty became very serious as more and more Non-Professionals reached the top of the grade after a couple of 30 month waits in the longevity area. To cope with this particular problem, an unwritten area known as "Gray" developed and was the fore-runner of Special Services.

I found the over-riding consideration, if a situation reached the point of no-return, was to discuss the situation but, if no alternative was possible in the Bank, advise the staff

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member to look elsewhere for the answer but also believe that the Bank was a great thing, a more than fair employer and to consider very carefully whether the grass was greener outside its front doors.

I am not sure how long one grade covered if the person stayed in that grade. I believe it was probably ten to fifteen years before a complete dead end was reached. While the problem of U.S. and non-U.S. treatment was real, items such as dependency allowances, home leave, etc., helped to settle some problems.

When we reached the period in which Professional – Special Service – and Non-Professional were the categories to deal with the job became much more difficult. It became necessary to write job descriptions for new jobs and to up-grade old ones. I used the U.S. Civil Service descriptions in many cases and studied them hard to pick out words that described one job in a higher grade than another. There was no greater place to work but trying to convince people who were working very hard and in some cases deserving better that this was so was very difficult.

ZIEGLER: Are you saying then that perhaps the perception of ADM staff of the Bank as an employer was not a very good perception, or are you just speaking here mainly about a small minority, who are the bellyachers, as it were?

DONOVAN: In general terms, I'd like to qualify some things that affected any perceptions by ADM staff over the thirty-two years I was here. The Bank started in 1946, after World War II. It was an international organization with U.S. and non-U.S. personnel. For years it made steady progress with a feeling of togetherness. Much of the Administrative activity was based on verbal understandings and not on formal policy statements, job descriptions, etc. Even with the advent of EDI and IFC, the pace was demanding but always in an atmosphere that let you feel you were part of what was being done.

Things began to change in the last years of Mr. Woods' tenure and then to change dramatically under Mr. McNamara. The morale which remained high through Mr. Woods dipped. The need for written policies, etc., grew but much of the responsibility landed on the shoulders of line supervisors and this was unfortunate. The "personal" touch turned to "very impersonal" and long, long hours to cope with demands.

The '60s also brought a way of life that looked on protest as a usual course, that fostered bringing every possible thing relative to it to the top of the table. This happened in the Bank and coupled with the tremendous growth, the old had to give way to the new.

I'm saying then that I think the perception of the Bank from the Administrative Services staff was bad in the McNamara years especially in terms of pride in one's accomplishments and the understanding they had of the Personnel system.

MUIR: Was it during your tenure that the messengers managed to get a delegation through to McNamara?

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DONOVAN: Yes.

MUIR: Do you have anything you might want to say about that?

DONOVAN: I certainly do. When Mr. McNamara came, the first thing we heard at a staff meeting was that he was a workaholic but that we didn't have to be workaholics. He didn't want us to be workaholics just because he was one. That's damn foolishness. You get somebody at the top who's a workaholic, and you know good and well if you're going to ride in the car with a chauffeur, you're going where and when he goes. By the same token, word got around that he would have a sympathetic ear, and, maybe if you called his secretary, you could go and sit down and talk with him a little bit.

So a letter went up to Mr. McNamara about unfairness in the Division. It was signed by maybe twenty Messengers, Chauffeurs, etc. Most of them were new. There were very old staff.

Eventually I got the memo with a request that I answer the charges. I was mad. To begin with, why is it that, in view of everything else that was going on, that because some characters are saying that this and that's not fair, I had to sit down with everything else I had to do and begin to dig back into everybody's complaint and try and put down just what it is that they're crabbing about? And then I had to begin to list everything that had been done, either as an individual or as a group with Personnel, to justify what we had done. I couldn't understand why they would send this thing back to me, and I had to write a memo and explain it. I bet I wrote forty pages about what had been done to make life better. They weren't really complaining about what they said in that letter, they were complaining about Bank policies, but you couldn't see this from the type of thing that they were sending up there. It happened in three or four cases that they went up to Mr. McNamara. I couldn't believe it. When Mr. McNamara put Mr. Shoaib in charge of Administration, that cut the opportunity for some of these new people to go directly to him. Once Mr. Shoaib got in the middle, it ended. But it was a monster in the beginning.

MUIR: Did you get any feel as to what Mr. McNamara's reaction was? Did he have a sympathetic ear, or did he just want it off his table?

DONOVAN: I never heard anything other than I didn't have to do any more. I didn't hear anything either about that big reorganization move.

ZIEGLER: Was this perception by ADM staff fairly constant over your career at the Bank, or did perceptions change, let's say from 1946 to 1978?

DONOVAN: The perception, I think, changed when the Bank stopped using the yearly increase and the set pattern of raises where you had grades and steps within those grades. It wasn't automatic, but anybody who had done a half decent job got a raise. That was reasonable, and that people understood, and that they accepted. It was when you got into the processes of the performance reviews that there serious difficulties arose.

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To begin with, for staff in lower grades to sit down and write what they've done during the year, and make any sense out of what their duties during the last year had been, was very, very hard. Some of these poor guys simply couldn't do it. I mean the language they used and what they put down was pitiful. So you'd ask the supervisors to help them. Well, they were so busy! Some were genuinely interested, and would help, and some were genuinely interested but couldn't. So when the descriptions came through, then it was a battle. I'd ask, "Did you sit down and talk with this man?" And they'd say, "Yes." Well, some of these people had fifteen years, twenty years of service and all of a sudden you have to sit down and tell them they've done something wrong. You can't be all good. Well, that to me seemed to generate a certain amount of resentment and questions that were very, very hard to deal with.

It's hard to answer your question, but at the level I dealt with, I think it was the performance review system that began to cause most morale problems. Up until that point, the system of grades was accepted, and people were grateful for raises, some getting two increments. But I think the performance review system really antagonized them.

ZIEGLER: You served under five Presidents at the World Bank: Eugene Meyer, John J. McCloy, Eugene Black, George Woods, and Robert McNamara. Would you care to record how you perceived each of them, and perhaps add any significant incidents or encounters with these gentlemen?

DONOVAN: I'd like to go back before Mr. Meyer, just to throw once again Dr. Machado's name into the act, because really, he was a guiding spirit, both in the months before Mr. Meyer came, and even while Mr. Meyer was here.

Mr. Meyer's tenure was strange. He brought three or four people with him from *The Washington Post*. He did bring Harold Smith, as Vice President. You didn't see much of Mr. Meyer. Mr. Smith brought in two consultants to begin to work on the administrative policies of the Bank. Mr. Meyer was strange in the fact that he left in December with no replacement being announced.

With Mr. McCloy, first of all I was glad when it was announced that he would be the new President, because the death of Mr. Smith and the interregnum period were disturbing, so to have somebody of Mr. McCloy's stature coming to the Bank was encouraging. And, at that time, I can't divorce the President from the people that he brought with him. Mr. McCloy brought Mr. Garner, Chauncey Parker, the first Director of Administration, Mr. Howell came as Personnel Officer. Mr. Black came as U.S. Executive Director. Mr. McCloy brought Mr. Garner and Mr. (Davidson) Sommers was around. These were strong people administratively who could guide what was happening in the Bank, and above all generate a feeling of confidence in staff from top to bottom in the Bank.

There is no question Mr. Black did everything that he could do, both in terms of getting the Bank off the ground with the bond market and appointing able people, especially as

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far as Administration is concerned. In key positions there were strong people who could help him. And the whole atmosphere under Mr. Black was a pleasant one of hard work, with a bunch of people, some without experience, who were willing to work hard. You didn't have to sit down and inform everybody what it was that you were doing, or go to staff meetings seven times a week to make sure everybody all the way up knew what you were doing. We were pretty much left alone in our own bailiwick, and could work hard and get things done.

Under Mr. Woods, things began to get a little stranger. He wasn't the diplomat or the, I wouldn't say "human"—that's not what quite I mean but I don't know a good word other than "human" . .

ZIEGLER: Personable?

DONOVAN: . . feeling and around. His wife did more really for Administration as far as morale was concerned than he did. And it was then, really, that the growth of the Bank began to gain momentum.

Mr. McNamara, I'm sure, is a great person, and there are people in the Bank from the operational side, and even maybe on the administrative side, who would say that Mr. McNamara's period as President was a great era in the history of the Bank. I don't agree. That was a miserable time as far as I'm concerned. Mr. Black said in one of his letters, I think it was to the staff at Christmas, that one of the things he was proudest of was that the advancements in the Bank to top positions were all made from within, so that these moves concerned people whom you had known over a long period of time. After Mr. McNamara's reorganization, there wasn't anybody strong at the top overseeing Administration. I think that Mr. Shoaib didn't really have the understanding of our type of administrative activities to be of much help. Of the five Program Coordinators who were established in the Regions under the reorganization, there wasn't one who had been in the bank for a long period of time, or who understood the problems of Administration. Nice guys, yes. But as far as administration is concerned, and as far as being able to understand and help, no. We tried to make them understand what our problems were, but they weren't from inside.

Then the Bank began to add three hundred or four hundred people, plus two hundred consultants each year. There was never any time, not even for one year, to slow down and regroup, and just review if the efforts were successful. We were told that Administration should function as an operating department functioned. Organization and Planning couldn't be too concerned with our area. They were doing things for operating departments. To try to put us in a mode of functioning like Operating Departments was ridiculous. That meant staff meetings, that meant project status reports, that meant all of these things that take valuable time when you're using every minute to get everything done. You're supposed to sit down and go to meetings; you start to write reports, you do all the things that are taking time that you don't have. So the McNamara regime was not a happy time, for me anyway.

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ZIEGLER: You were associated also with at least four Directors of Administration: Chauncey Parker, William Howell, Hugh Ripman and James Twining. Would you care to comment what you believe were their most significant contributions to the development of ADM, or any other light you care to cast on their experience at the Bank?

DONOVAN: Mr. Parker was strong because, not only was he knowledgeable in terms of Administration policies, but also because he had come, I think, from a securities firm where he had been involved with bond sales. That wasn't foreign to him, so he had a pretty good idea of conditions on both sides of the fence. He was effective in forming the very early policies of the Bank. He did leave for a while. I don't know why. He went for a couple of years, I think, and then came back. The break slowed things at that time.

Mr. Howell had a lot of feeling for people. He had been Personnel Manager, and any Personnel Manager has to have a pretty good idea of people in the Bank, which he did. A lot of things happened under Mr. Howell. I think he began to set things in motion, in terms of staff relations and personnel policies, of dealing with this business of U.S. and non-U.S. staff, with dependency allowance, and that type of thing. All of that began to surface and happen under Mr. Howell. He was a tremendous person. I don't think I'll ever forget the shock when he dropped dead with his heart attack.

Mr. Ripman was from projects. I liked him, but I don't think he was a strong administrator. I don't think he was quite the same cut as the first two. And again, the Administration Department at that time had both personnel and service-type units, and it seemed to me that it was the personnel side that got the bulk of the attention, and the service area suffered because of the concentration on Personnel. I know that eventually they split the two functions, but back in those days it wasn't split.

Jim Twining, good. I think he would have to speak for himself, but from where I sat he suffered because of the ability of people to go to somebody strong above him. He needed somebody a little bit different from Mr. [D.A.] de Silva (Deputy Director, Administrative Services Department) under him. Mr. de Silva was Mr. Shoaib's appointment. But, if you got in trouble, you could always go and sit down and talk with Jim Twining, and he would try and help as best he could. I think he would have been a lot happier, a lot better, first of all if the Department hadn't been so big. It should have been split much earlier, but it wasn't. Secondly, I think he was a little limited as to what support he could find above and to be able to depend on.

[End Tape 1]
[Begin Tape 2]

DONOVAN: The Office Services Division, as it was called from almost the day I started, I guess, until it was changed to Office Support Services, had a tremendous number of service activities. It included planning and allocation of space, building operations as far as the maintenance of the space was concerned, painting, electrical work, carpet cleaning, office door signs, suites. It covered security, guard service; the Brinks operation that used to bring money to the Cash Cage in the early days before

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American Security and trust was here; the ADT systems that were involved to protect it. It included addressograph, mail, messengers and chauffeurs. Some of these were split off later on, but for many years all of this was under us. It included, on the chauffeur side, delivery of passports and visas that had to go and come from embassies and consulates. It included procurement, the operation of the stockroom, the provision of a lot of supplies for the overseas offices and missions, Health Room, all of the furniture, equipment and supplies for the Bank. It included telephones as far as the operation of the switchboard was concerned. In the early days that meant just a couple of operators operating from the government switchboard, which we were a part of up until the time the switchboard was installed in the B Building. It included the telephone installations, frequent moves of telephones in offices, preparation of the telephone directory, the work with C&P (Chesapeake and Potomac Telephone Company) to get the additional lines. It included Travel and Shipping at one point for some years. It included property, all of the issue and control of furniture and equipment, the supply stores, the office moves, taking care of the special areas.

It included printing and drafting, both the inside copy and reproduction, which was both mimeographing and offset printing; the drafting and preparation of copy—in the early days it was a proportional spacing machine and then went on to the first MTST, which evolved into word processing—the drafting of publications, the preparation of maps. It included outside printing, all the type setting for such things as Annual Reports. One year there were twelve Annual Reports going at the same time for the Bank, IFC and IDA in four languages.

It encompassed Xerox machines and equipment; parking, in both the owned and leased space; all the dining facilities, including the coffee service, executive dining rooms, cafeterias, the snack bar. We had to bill all of the official and personal lunches, the parties that went on in the various buildings, and over the years this went all the way from the snack bar in the Premier Building to the cafeteria and dining room in the D Building and what's happened then with C, D, E, and F Buildings. It was the operation of the amplification equipment and the simultaneous interpretation equipment in the Board rooms and for EDI. It involved the preparation of the budget. We had a petty cash fund that we wanted to give up, but we had to operate from our office. We had to deal with all the personnel implications that were involved with a large number of staff, and I think, at one point, there were as many as two hundred people in the division. We operated not only with Bank staff, but also with a number of people on the contractual side. A heavy number of contractual people were involved with all of the things we've mentioned here. And what did I forget?

MUIR: Never cables?

DONOVAN: Yes. The first year, Western Union.

Now you could take each one of these activities and break it down into a map of special areas and all that; you know, furniture, equipment and everything that goes with all of the service activities.

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MUIR: How about interesting anecdotes, say, related to parking? It's now, as you know, a horrendous problem for the division handling it.

DONOVAN: The Bank had an Assistant Secretary by the name of Lyell Doucet, and one of the things that used to happen when we would tear down a building to make way for a new one is that you would temporarily use that space for parking facilities. The Monmouth Apartments, which were part of the D Building preparation, were torn down and there was a temporary parking lot on the site. We had a chain up out there, but one day the chain was down and somebody stole Bill Bailey's car and took off with it. Bill Bailey worked for the Fund and used to be the photographer—kind of a joint photographer for the Bank and the Fund. Okay, panic. It's like everything else, somebody gets killed at a crossroad and you put up a stop light. Well, right away we got 2 chains, and we put them up on the lot back there so nobody could steal another car.

I had to go up and see Lyell Doucet about something that was going to happen for the Board, concerning the preparation of documents. He had a little red Volkswagen, and he used to always come early in the morning, and park in the same place. This day he was parking on this empty lot out back. So while we were up there talking he was walking around his office and he said, "God, wasn't that awful that Bill Bailey's car was stolen?"

I said, "Yes, they still haven't found it, but we've got 2 chains up out there now."

And he said, "I'm grateful for those 2 chains, because every time I look out of the window . . . Good God!" he said. Somebody had come, and how they ever got the chains down, I don't know, but they had gotten his red Volkswagen and stolen it. [Laughter]

MUIR: What year would that have been?

DONOVAN: That would have been the early '60s.

MUIR: Staying on cars, how about the chauffeurs? Any interesting incidents with chauffeurs?

DONOVAN: Not so much, not much re chauffeurs . . .

MUIR: How about Vice Presidents requiring cars on call?

DONOVAN: You know, they were all assigned cars early on. One chauffeur was assigned to them, but I don't remember anything on the hysterical side.

I certainly can tell you some funny things. For instance, there was the assistant travel man under John Cook, who was the first head of Travel and Transportation Section of the Administration Department. He was the first one and he got an assistant, Bill Wetton. During the Annual Meetings, Bill would go out to the airport to meet the arriving dignitaries. For this one Annual Meeting, Bill took 2 limousines out to pick up the

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delegation from China. The idea was that you'd go out there and pick up the delegation; you'd bring them to the hotel where they'd present their credentials, and their rooms would be allotted to them. So, Bill went out to get this Chinese delegation, with very little English spoken by any of them. One man in particular, I guess, was giving him a little bit of a problem, but Bill was one of these guys that had everything under control. He herded them all into the limousine, and they get out at the hotel. When they started to present their credentials, he found out that the one man he'd been having difficulty with wasn't even a member of the delegation. He was a Chinaman that had a laundry down on H Street and he'd picked him up at the airport, and given him a ride. [Laughter]

We had to do a lot of work in procurement. If somebody wanted something for their own personal use, they would ask if we knew of any discount house. One of the early Executive Directors of the Bank from France was Roget Hoppenot. I think he must have been about 6 feet, 8 inches tall. He was a great, big, string bean of a man and a very, very feeling, human person. Just a good, good joe. Well, anyhow, he wanted a Zenith Transoceanic radio, because he wanted to tune in some of broadcasts from France. So this one day he called and wanted to know when we could arrange to go to this discount house down on F Street because he wanted to get his Transoceanic radio. I told him the next day. So we went to the discount house and he got his Transoceanic radio.

There was a place next door to the discount house—Atlas Surplus—and in the window they had some Army surplus white shorts and white underwear. I forget the price, but it was low. As we were walking by, he saw the sale prices of this underwear. He shoved the Zenith Transoceanic radio under my arm, and he went in. He started to look for the sizes, and there were some long ones there that would fit him. I couldn't believe this man was going in to get Army surplus underwear. He picked up about twelve pairs of shorts and twelve shirts.

Just as he got up to the cash register, he remembered there was a Board Meeting at eleven o'clock, and I think it was something like five or ten minutes of eleven. This hit him, and he said, "Oh my God!" He asked the man at the cash register, "How much is this?" The guy told him, he put the money down, and he didn't even wait for the man to wrap them. He came running out of the store and he said, "I've got to get back for the Board Meeting."

I said, "Yes sir."

He went running right in the middle of F Street in all the traffic with this underwear, and he's waving at me, 6 feet, 9 inches tall, as he's trying to get a cab. So we jumped in a cab and came back, Mr. Hoppenot with his underwear all loose, and me with the Zenith Transoceanic radio. We went up to his office. Later that afternoon, after the Board Meeting, he told me to come on up and see if we couldn't tune into some programs on the radio, which didn't work very well in the office.

I went to the Annual Meeting, the first Annual Meeting in London, and things happened there.

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ZIEGLER: Did you go by ship?

DONOVAN: Yes . . .

ZIEGLER: I think everybody did, didn't they?

DONOVAN: Well, for the most part, yes. But there's a funny story, too. On the voyage to the Annual Meetings in Paris, three of us went cabin class. The class in which you traveled was a sign of who you were. There was Bill Howell, Bill Avery from the Fund, Bill Hauenstein and myself from the Bank. Bill Howell went first class. He didn't necessarily want to, but that's what happened. So on the boat, we were cabin class, and he was first class, and they had this gate, this fence that they used to pull across the deck to keep the classes separate. We used to go up and talk to Bill Howell between the fence at lunchtime and dinnertime. He had to get dressed for dinner with black tie, etc. We could just dress normally, and he hated it. We went by boat and flew back.

I started to tell you about the Annual Meeting in London. In the course of making arrangements for this Annual Meeting, I met a Captain Fitzgerald, who was in the Irish Guards. I was over there three months before the Annual Meeting started to prepare for it. I really got close to him and worked with him every day. On one of the last days I was there he said that the Irish Guards were going to be the ones who would perform the Changing of the Guard ceremony at Buckingham Palace, and would I like to see it? I told him that would be great; I hadn't had too much time to do any sightseeing. Well, anyhow, they came to pick me up, and he took me out to Buckingham Palace. I was right up front watching this Changing of the Guard.

Captain Fitzgerald knew I'd been married only three weeks before I had gone. I didn't even know I was going when I got married. When I came back from my honeymoon I found this letter on my desk, saying I was leaving July 10, three weeks after I had been married. Well, anyhow, I told him I would be glad when I get home and get to see my wife a little bit and tell her about all the things that happened. While we stood there watching this ceremony and he asked me what song I would like to hear the band play as they marched off. Well, it completely took me by surprise. I was already very impressed with the Guards marching and I thought he was joking. But I said, "Sweet Rosie O'Grady." And the first thing you know, as the Guards marched slowly away, they played "Sweet Rosie O'Grady." [Laughter]

There's story after story.

The first printing director, division chief, was Russ Woods, a big person and hard with people. There was one girl who worked for him who was kind of an emotional gal. Good girl, but emotional, and they used to have battles. I knew that they were having trouble because Mr. McCorkle told me that the situation was getting rough. Well, Russ used to brush his teeth in the men's room every day after lunch, and this day he'd had a pretty rough argument with her. When he went in to brush his teeth after lunch this day,

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he forgot to wash his mouth out, and when he came back in he had all this white stuff around his mouth. This gal thought he was having a fit, or hydrophobia, and she [laughs] came screaming over to the front office. Oh Lord . . .

ZIEGLER: Speaking of printing, I know Mr. [Bogomir] Chokel's been after me to find out from you who designed the Bank's seal?

DONOVAN: The one that says "International Bank for Reconstruction"?

ZIEGLER: With the laurel leaves . . .

DONOVAN: I think . . . I don't know who designed the Bank's. I do know who designed the IFC and IDA's. That was Larry Slade.

MUIR: Should we talk to Larry Slade?

DONOVAN: Can't. He's dead. For a good year, poor Larry.

MUIR: Who could we talk to?

DONOVAN: I can tell you that it was very, very early on because the seal of the Bank, as I recall, was at the first, early Board Meetings, so it would have been, I would think, 1946 or 1947. Maybe in the files around that time you could find out.

MUIR: It's the type of thing that usually doesn't get recorded, which is why we have this type of interview.

DONOVAN: I'm trying to remember whether it was the U.S. State Department. I can't say for sure. I know the seal with the World Bank in it—the globe that said "World Bank"—that was done by Charlie Lofgren, who Mr. [Harold N., Jr.] Graves got as a consultant to design the Annual Report when the Bank went from straight text to a four color format.

MUIR: The executive dining room was first in operation in 1950, or something like that?

DONOVAN: Yes.

MUIR: It was located in Room 1020 . .

DONOVAN: Yes.

MUIR: . . and could accommodate thirty persons at one sitting?

DONOVAN: Well, not that many in the very early beginning.

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MUIR: What do you remember about why it was decided that the higher level staff should have their own dining facilities?

DONOVAN: Well, the very first one was just a small area for Mr. Black. It was enlarged and became a small executive dining room. First it was just a place for Mr. Black, and also used to prepare coffee for executive offices. And then, it's true, there was a dining area in Room 1020 for about thirty people. But the very first one was just for Mr. Black.

MUIR: Any idea whose decision it was?

DONOVAN: My guess is that the intent was not only for an executive dining room as much as it was for presidential privacy and the tea break in the afternoon. It was a place where you could prepare coffee and the afternoon tea. That was as much a consideration at first as the dining room. Then when Gene Anezin, the first chef, came on board, it grew. I think, to some extent, the fact that there weren't too many nice eating places in this area at all was another consideration. If one wanted to go out, executives could go over to the Roger Smith, which had a fairly fancy dining room, but the time when some of these Board meetings ended were further considerations. I would think it was just an outgrowth of the fact that the top executives were busy, and they wanted a place where they could go and get lunch in a fairly decent time without getting too far away from their telephones. We had telephones in the Dining Room, and the calls would come from overseas and they could take the call right there. But it was more time saved and the lack of decent places in this area that would account for the decision to establish the dining rooms. The space that it first occupied was not really good usable space for anything else.

MUIR: You talked about afternoon tea break. Was the working day in 1946 very similar to the working day here in terms of how a staff member would spend his eight hours at the office?

DONOVAN: Probably you worked with less interruption. You worked as hard, but you didn't quite have the telephone calls, and the interruptions that you have now. I can't give you a reason why that might have been so, but I would say that you just seemed to do more on your own without as much involvement with the bosses and people under you.

MUIR: Less paper?

DONOVAN: Oh yeah.

ZIEGLER: We've been at it for about 2 and one-half hours, which the manual says is about as long as we're likely to have a productive session, and this has been very productive, in my view. In closing, Mr. Donovan—unless there's something you want to add, John—is there anything that we have not covered which you would like to include, or any summation which you'd care to make?

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DONOVAN: That's all, thank you.

ZIEGLER: Thank you very much, Mr. Donovan.

[End of Tape 2]

[End of interview]

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