



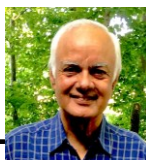
THE 1818 SOCIETY QUARTERLY

Volume 2, Issue 3

Fall 2019

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MESSAGE FROM THE PRESIDENT

Dear Members,

I trust all of you had a good summer filled with travels, visits with family and friends, relaxation, and, for those of us in D.C., waiting indoors for the dreadful summer to end! Welcome to the Fall.

I had an opportunity to join the reunions of the Dutch Chapter in Haarlem in The Netherlands, and of the German-Speaking Chapter in Fribourg, Switzerland. Both were great events with lots of nice sightseeing, lectures, good food and, most importantly, an opportunity to see old colleagues I had not seen in a long time. Good fun all around. In previous years I had the pleasure of attending the reunion of the British Chapter.

The German-Speaking Chapter reunion, besides having participants from other German-speaking countries like Switzerland and Austria, also had several participants from the French-Speaking Chapter and a few stragglers like me from other parts of the world. Heads of both Chapters (Cees de Haan and Stephan von Klaudy respectively), as well as the Chapter Head of the British Chapter (Nicki Marrian) who also participated in the German reunion, asked me to remind you all that any 1818 member is welcome to join their annual reunions and other events. We will post the dates of future reunions in the next *Quarterly*.

Despite the summer hiatus, our Thematic Groups continued to be active. Most of the events now are broadcast on Webex. This has allowed non-D.C. area members to participate in these events even from a long distance. We plan to continue this practice whenever possible, particularly for events that are potentially of wide interest.

In the last *Quarterly*, I shared with you the news of passing of Ernie Stern. The Society organized a memorial event to honor Ernie. It was very well attended by many members - old and young alike - and many current staff. We all shared fond memories of Ernie, a man who was truly a legend for those of us who were in the Bank in the 1970s and 1980s. The most memorable line was a quote attributed to a high-level Indian official was "Ernie Stern was the best president that the World Bank never had." For those who were unable to attend the event, you can view it by [*clicking here*](#).

The next big event for the Society will be the 2019 Annual Meeting of The Society at the WBG Headquarters on October 23-24, 2019. We have an exciting agenda, including the usual briefings on SRP and RMIP, an address by David Malpass, and a talk on fragile states by our old colleague, Joel Hellman, who is now the Dean of the School of Foreign Service at Georgetown University. You can find the agenda on the website. I hope you will find time to attend these meetings. But for those who are unable to travel to Washington, we will Livecast all of the events.

My best wishes to you and yours,

Inder Sud
President



FROM THE EDITOR'S DESK

I am happy to see that the Nominating Committee has recommended a very strong list of candidates to fill four vacancies on the Board, several of whom are known to me personally, and I think they are excellent candidates. As well, Inder Sud has been recommended for another term as President of The 1818 Society. This, too, is an excellent recommendation, as Inder has provided strong, steady leadership to The Society. Indeed, The 1818 Society has been very fortunate to have had good, capable people in responsible positions throughout its history. [Click here to read.](#)

However, they are always a small fraction of the total membership; the workings of The 1818 Society have thus been dependent on this changing, but always very small, group. Many of those who have served in leadership positions have had long careers in the World Bank and wish to continue their connection with it through The 1818 Society. However, the changes in personnel policies has resulted in alumni who have had relatively shorter careers in the Bank, and thus may feel a less strong connection to it. To me, this seems to be the most ominous fact facing us. Will we always have enough strong, committed individuals to fill responsible positions? That is up to you, both individually and collectively. So, step forward and volunteer your considerable talents to the service of The 1818 Society.

On a lighter note, it has been suggested to me that *The 1818 Society Quarterly* could do with a bit of humor now and then. In that spirit, Norman Hicks has bravely stepped forward and submitted a piece entitled "*Good Humor*", published in this issue of the *Quarterly*. I encourage readers to follow Norman's example. (All in good taste, please!)

Chuck Ziegler
Editor
cziegler1@hotmail.com



LETTERS TO THE EDITOR

To the Editor,

In the 1980s, New York Life Insurance began to offer long-term care insurance (LTC) to Bank staff. Although the Bank presumably provided its staff roster to New York Life to promote LTC insurance, it was made clear from the start that the Bank would not in any way participate in it unlike, for example, the Medical Insurance Program.

Presumably, a substantial number of Bank staff enrolled in LTC at that time. It seemed like a good idea, especially for staff from countries where national medical insurance provides no coverage for illnesses requiring long-term care at home or in institutions, as is the case in the United States even today.

If I remember correctly, New York Life threatened either to drop its LTC coverage of enrolled Bank staff or to raise its rates substantially about 15 years ago, because payouts incurred were exceeding the

income collected from the enrollees by a substantial amount. This led to legal action and a court settlement in which New York Life was directed to continue its coverage of current enrollees, albeit at gradually increasing rates. New York Life was also granted its application to discontinue the program for new Bank staff.

While the premium increases have been gradual since then, they may now have reached the limit of affordability for many Bank staff in their late 70s or early 80s, just when LTC would be most critically needed. For example, my wife and I will be paying over \$16,000 a year once the most recent increase goes into effect. With the daily cost of home or institutional long-term care constantly increasing in the United States, we are left with the unhappy choice to continue grudgingly.

Misery may "make strange bedfellows" according to Shakespeare, but shared misery may also help broaden our perspective. Hence, any comments from fellow retirees to start a dialogue on LTC would be very much appreciated.

Regards,
Fred Kranz

1818 SOCIETY NEWS AND ANNOUNCEMENTS

THE 1818 SOCIETY 41st ANNUAL MEETING October 23 - October 24, 2019

Note: All sessions will be Livecast and held in **Room J B1-080**. Link to the Livecast will be posted a day in advance of the meeting.

Wednesday, October 23, 2019

10:00 am – 11:00 am	Coffee; meet and greet; Information Tables
11:00 am – 1:00 pm	Presentation by SRP Managers on Staff Retirement Plan
2:00 pm – 4:00 pm	Presentation by HR and Plan Administrator Reps on RMIP

Thursday, October 24, 2019

10:00 am – 11:00 am	Coffee; Meet and Greet; Information Tables
11:00 am – 12:30 pm	Address by David Malpass, President, World Bank Group
2:00 pm – 3:30 pm	Presentation by Joel Hellman, Dean, School of Foreign Service, Georgetown University
3:45 pm – 4:30 pm	Annual Business Meeting
4:30 pm – 6:30 pm	Cocktail Reception (Spouses and significant others welcome)

Pension Administration Posts 2018 Pension Fund Report

The Pension Administration Division (PENAD) has posted the annual report of the World Bank Group Staff Retirement Plan and Trust (SRP) for 2018 (formally the report of the Bank's Pension Finance Committee (PFC) that oversees management of the Fund—which includes members nominated by the Staff Association and The 1818 Society). The report can be viewed on the Bank's [Pension Portal](#).

A notable feature of the report is that for the first time it includes reporting on the Retired Staff Benefits Plan and Trust (RSBP) which is the funding vehicle for retiree medical and life insurance benefits.

In 2018, the SRP and RSBP had net nominal returns of 0.3 and 0.9 percent, respectively. While the nominal positive return is welcome, it does mean that the net real return was -1.6 and -1.0,

respectively. This is below the PFC's long-term real rate of return (LTRRO) objective of 3.5%. At the same time, the SRP's net real return of 4.7 percent over 5 years, 6.4 percent over 10 years, and 3.8 percent over 20 years, and the RSBP's net real return of 4.9 percent over 5 years, 6.3 percent over 10 years, 3.9 percent over 20 years significantly exceed the LTRRO. As discussed in the report, the lower return in 2018 compared to 2017 is accounted for "overall by the challenging economic environment and global trade uncertainty [that] resulted in unfavorable returns for most asset classes". For the year ended December 2018, many equity, real asset and hedge fund indices experienced significant negative returns and global fixed income securities generated low single-digit returns affecting, in turn, the SRP and RSBP's returns.

A presentation and discussion of the Plan's performance will take place in a seminar during the 1818 Society's annual meeting on October 23 and 24. Please see the 1818 Society's [website](#) for more details.

Retiree Medical Insurance Plan

HR advised the RMIP Committee of the medical, dental and medications claims in the first quarter of the year (data on the 2nd quarter will be forthcoming). These only capture a very small part of the year, so not much can be read into these. What is clear is that the trend of a relatively high use of out-of-network claims and specialty medications keep pushing costs up. To a large extent this is due to increasing prices from the medical and Pharma side.

In other news, we learned that having completed an extensive review together with '1818' in 2018, instead of issuing a Summary Plan Description (SPD) in 2019 HR will skip straight to an issuing an SPD again in 2020. You may remember that apart from a few enhanced benefits, medical insurance provisions stay the same in 2019 as it was in 2018.

The Committee met end of August to discuss priorities for FY 2020. Among those are, of course, reviewing SPD 2020, but also holding up to three additional information sessions on medical, dental, vision and prescription medications insurance (dates to be announced).

Finally, the Chair of the 1818 Society (Inder Sud) participated in the meetings of the Dutch and German Chapters; and the Chair of the RMIP also in the meeting with the Dutch Chapter. We heard questions from their side. Questions from the Dutch side were mostly related to pension and taxes, not so much to insurance matters.

We look forward to seeing many of you at the Annual Meeting!

World Bank Human Resources Retiree Website Revamped

The 1818 Society office advises members that HR has now a much improved and updated external website. This website has a tab for retirees that also provides information on RMIP, including the necessary insurance claim forms that are now accessible on most commonly used browsers. We will also link the RMIP forms on the 1818 Website to the HR website. The revamped new **HR website** can be accessed by [clicking here](#).

Members Helping Members

Checklist for Advance Planning: As mentioned in an earlier issue of the *Quarterly*, we have prepared a "Sample Checklist for Advance Planning", which is available and can be downloaded from the Society's website (<https://www.wbgalumni.org/1818/wp-content/uploads/2018/09/Handbook-Checklist-Revised-9-2018.pdf>). We are delighted to report that this document has been well received by members and many are using this tool for their own advance planning. We have also received questions

for clarification. In order to benefit from the experience of members who have completed their checklists and to encourage and facilitate those who have not yet done it, we are planning a **workshop**, called "*A Conversation About the Advance Planning Checklist*" for **late Fall**. Details will be announced as soon as possible. Meanwhile, if you have questions/suggestions about the Checklist document, *send an email to Pat Neill pat.e.neill@gmail.com and/or Christine Allan cferrierallan@gmail.com.*

The FAQs eBook: In the previous *Quarterly*, a new initiative to compile a list of Frequently Asked Questions (FAQs) on various matters of general concern to members was announced. We are happy to report that the eBook on Frequently Asked Questions and Answers has since been finalized, and Inder has sent it in an e-mail to all members. It is also available on the Society's website under Member Resources - 1818 Society Publication. You can also **access the FAQs by [clicking here](#)**. This e-Book covers the topics of IT and Cybersecurity; RMIP and National Health Plans; Estate Planning; Taxation; Social Security; Immigration; and Long-Term Care. This is a living document and will be updated as necessary. Your comments and suggestions are welcome. *Contact Lesley Shneier, lshneier@1818alumniwb.org, Christine Allan, cferrierallan@gmail.com, or Khalid Siraj, ksiraj.email@gmail.com*

MHM Volunteers: MHM's "bread and butter" activities center around providing one-on-one support, guidance, and counseling to members, ranging from driving to medical appointments, helping with counseling related to a move to assisted living, an empathetic "listening" ear or sounding board, sharing information on specialized service providers (tax, estate planning and immigration experts) and more. At present, we have over 100 members who have listed themselves as volunteers to assist other fellow retirees. These volunteers are our real heroes as they have always responded positively whenever we received a request for help. Our guiding principle for arranging this help is to maintain strict confidentiality. When we receive a request for help, we send out an e-mail to our volunteers (in bcc list) and request them to contact and provide assistance to the requesting retiree directly. If you wish to **register as a volunteer** and have not done so yet, you can do it **by [clicking here](#)**.

Thanks to all our volunteers!

FY20 Community Connections Campaign Launch on November 4, 2019

The upcoming FY20 World Bank Group (WBG) Community Connections Campaign (CCC) is fast approaching. This year, it will run from **November 4 to December 19, 2019**. Mark your calendars now!

Note the **earlier end date** of December 19, and plan to make your donations early on. And we have some big news for all CCC supporters: The **100% corporate match** by the World Bank Group (WBG) will go into effect for the FY20 CCC on day one of the campaign!

It will be especially important to **make your CCC pledges earlier** this year because enhancements are being made to the CCC giving platform that will affect how people pledge. More information about retiree participation in the FY20 CCC will be posted later in October on the 1818 Society website

WBG retirees have always been strong, generous supporters of the CCC over the past 17 years. Doubling our charitable giving to eligible CCC organizations, thanks to the generous 100% corporate match, is an inimitable benefit from our WBG employment. Please note that the **corporate match will be capped at \$25,000** for the FY20 CCC and plan your giving accordingly.

For further information and assistance regarding retiree participation in the CCC, please feel free to contact World Bank Community Connections Fund Consultant *Kris Zedler* at kris.zedler@gmail.com.

WORLD BANK GROUP NEWS

David R. Malpass discusses “Good Outcomes through Growth: Paths to Development Success,” his first Washington speech in his role as president of the World Bank Group, on September 17, 2019 at the Peterson Institute for International Economics.

Introduction

It's good to be back at the Peterson Institute. I'm eager to hear your views on the challenging subjects of growth and development. It's a timely discussion, given the many immediate challenges facing the world, including Brexit, negative interest rates, trade frictions, and rising poverty rates in many developing countries. There's a range of development issues to tackle, including barriers facing the private sector, full inclusion of women, and severe problems in health, education, the environment and infrastructure, to name several.

I'd like to raise four topics today: the slowdown in world growth; the low rate of fixed capital formation, especially in developing countries; negative yielding bonds as an indication of frozen capital; and the impact of these trends on developing countries and the World Bank. The problems are related, creating a growth environment that isn't supportive for development.

Slowdown in World Growth

The global slowdown is apparent. In June, the World Bank Group's Global Economic Prospects (GEP) report lowered our estimate for 2019 real global growth to 2.6%. Given recent developments, I expect actual growth to fall short of that.

In nominal terms, dollar GDP growth looks set to slow to less than 3% in 2019, a big letdown from 6% growth in 2017 and 2018. World dollar GDP reached \$84.7 trillion in 2018, of which the U.S. was \$20.6 trillion, China \$13.6 trillion, the combined five biggest EU economies (Germany, the UK, France, Italy and Spain) \$13.1 trillion and Japan \$5 trillion.

The slowdown in global growth is broad based, including slowing growth in China; substantial downturns in Argentina, India, and Mexico; and disappointments in much of the developing world. Some parts of Europe are in recession or close to falling into recession. Germany and the United Kingdom have experienced a quarter of recession, and Italy and Sweden have seen several quarters of stagnation.

Slowdown in Investment

Let me turn to capital formation. The subtitle of our June GEP report was “Heightened Tensions, Subdued Investment.” Investment growth worldwide decelerated after the global financial crisis from an average of about 6% during 1992-2007 to about 4% during 2010-2018.

In emerging market and developing economies, average investment growth slowed from about 10% per year during 1992-2007 to below 6% during 2010-2018. Excluding China, average investment growth in other emerging market and developing economies was only about 4% in the 2010-2018 period. The June GEP report anticipated a modest uptick in 2019 and 2020. But recent data suggests this is unlikely to materialize, leaving capital formation well below earlier averages and insufficient to create the growth and jobs needed to raise living standards.

Frozen Capital

At the same time, over \$15 trillion of bonds have zero or negative yields, with some new issues carrying negative yields over the long term. This frozen capital implies slower future growth. In economic theory, yields should be related to the cost of capital and anticipated return on investment. Low or

negative bond yields mean that many pools of capital are accepting the market's premise of very low or even negative returns for years, even decades.

Last week, the European Central Bank announced a further push into negative interest rates, with open-ended bond purchases despite low yields. Rather than paying interest on its liabilities, the ECB will be charging the banks that provide the ECB with its liabilities an interest charge of 0.5%, weighing on growth.

What does it mean when a large amount of global capital is locked into low-yielding bonds; and the rate of gross fixed capital investment is slow by historical standards? The implication is that growth, especially in developing countries, will remain slow, as current capital stocks deteriorate and are exhausted. That's a challenge for the World Bank Group, given our objective of helping countries move up the development ladder.

Development Challenges

The combination of slow global growth and sluggish investment in developing countries creates the likelihood that poverty will rise in several countries and many of our World Bank goals for poverty alleviation will not be met. Compounding the problem, the distributional impact of slower global growth and frozen capital adds to inequality, undercutting our mission of shared prosperity and rising median incomes.

The challenge is immense. In 2015, approximately one tenth of the world's population lived in extreme poverty. This was a substantial improvement over the past, but makes it urgent that more progress be made by countries and through development practices. Poverty reduction is strongly correlated to growth in developing countries, which itself is correlated to growth in developed countries and to growth-oriented policies. No country in history has been able to sustain poverty reduction for any length of time without economic growth. With aggregate investment rates in developing countries already slow, growth prospects are weakening, putting even more urgency on structural reforms.

At the recent G-7 summit in Biarritz, I noted that ineffective government spending and lack of debt transparency contribute to weak investment climates and the wide range of structural problems facing development. I urged coordination in tackling these problems: the World Bank is seeking good development outcomes through strong country programs, with broad workstreams oriented toward growth, sustainability, and broadly rising living standards.

I'm confident that structural reforms are available that would work in the right direction, but I'm also cognizant of the strong resistance many of the key reforms face. Problems include oligopolies; overly large government employment and pension promises; and subsidies for goods, services and financing, which are hard for countries to repair. We've had some success in introducing contestability (for example, through auction markets), but the economies of many developing countries are still dominated by protectionism that undercuts their competitiveness; and by state-owned enterprises and banks, many of which are distortive and drain resources from more productive investment.

Lack of debt transparency and unsustainable debt loads are problems in a number of countries, especially in Africa. The lack of clean water, dependable electricity and access to roads, basic health care and education still plagues many of our clients.

The good news side of low interest rates and low bond yields is that capital is available when countries improve their economic framework. Greece and the Philippines have seen rapid declines in their bond yields as better investment opportunities arose.

Ukraine may have entered that phase. I travelled to Kyiv on August 22-24 to discuss economic reform priorities with President Zelensky and his team. The government was forming and the new program

still being shaped, so the timing was good for World Bank Group engagement. President Zelensky won a landslide 73 percent of the vote and his newly formed political party won a decisive majority in the parliamentary elections on a platform of substantial policy improvements.

President Zelensky's popularity gives him a solid opportunity to launch Ukraine on a faster and sustainable growth path. I urged him to move swiftly to execute reforms, with an emphasis on those that will quickly benefit people through liberalization. Zelensky confirmed several key growth measures: to conduct land reform, liberalize the natural-gas sector, demonopolize SOEs and the banking sector, and respect the independence of the central bank. My op-ed encouraging this path appeared in the August 25 Financial Times.

I expect markets and investors to be opportunistic in evaluating reforms like this. For many emerging markets, the availability of global capital puts added emphasis on reforms that strengthen capital markets and attract capital from their diaspora, who are often the most eager to invest when improvements occur and the most aware of meaningful progress.

What can developing countries do? Well-designed structural reforms are urgently needed to unlock barriers to growth and build the foundations for future prosperity. Countries need to prioritize good policies:

- Market-based pricing;
- Aligning borrowing and investment decisions so that productive projects crowd in--rather than crowd out--the private sector;
- Debt transparency, which is a critical part of debt sustainability and the efficient allocation of capital;
- Participation in global value chains, which can be achieved through freer trade and investment within and between countries;
- Stable, market-based currencies, which are critical so investors can make long-term investments;
- Prudent fiscal management with reasonable tax levels and prudent spending—one of the most challenging reforms to achieve;
- Greater contestability, competitive pricing and market competition, which is a key reform for many countries, especially those with large numbers of state-owned enterprises.

As discussed, structural reforms to boost growth need many associated reforms to work. Steps forward include investment in human capital, health, and education, the full inclusion of women.

In sum, global growth and investment are slowing with a substantial amount of capital frozen in low-yielding bonds. This combination adds to the challenges facing many developing countries and to the urgency of policies that deliver broad benefits for growth, investment and living standards.

Anshula Kant Appointed World Bank Group Managing Director and Chief Financial Officer

WASHINGTON, July 12, 2019—World Bank Group President David Malpass today announced the appointment of Anshula Kant as Managing Director and Chief Financial Officer of the World Bank Group. Ms. Kant, an Indian national, is currently a Managing Director of the State Bank of India (SBI), where she previously served as Chief Financial Officer.

"I am very pleased to appoint Anshula Kant as World Bank Group Managing Director and CFO. Anshula brings more than 35 years of expertise in finance, banking, and innovative use of technology through her work as CFO of the State Bank of India," said Malpass. "She's excelled at a diverse array of leadership challenges including risk, treasury, funding, regulatory compliance and operations. I look forward to

welcoming her to our management team as we work to increase our effectiveness in supporting good development outcomes.”

As Managing Director and Chief Financial Officer, Kant will be responsible for financial and risk management of the World Bank Group, reporting to the President. Among other key management duties, her work will include oversight of financial reporting, risk management, and working closely with the World Bank CEO on mobilization of IDA and other financial resources.

World Bank Group Entities Issue Financial Statements for FY19

WASHINGTON, August 9, 2019—World Bank Group commitments to help countries improve living standards and achieve better development outcomes were \$59.5 billion in fiscal year 2019, as detailed in the financial statements issued by the World Bank Group entities today. The financial results from the fiscal year highlighted the strength of the financial positions of the World Bank Group entities, steady demand for financing, and continued support from shareholders.

“The four sets of FY19 financial statements issued today show that the World Bank Group has the tools and financial strength to meet the challenges presented by shareholders in the 2018 capital package,” said World Bank Group President David Malpass. *“Across IBRD/IDA, IFC, and MIGA, our aim is to effectively address issues central to the core mission of shared prosperity and poverty reduction. We are working to increase our commitments to lower-income countries as they improve their development outlook and to shift resources toward countries suffering from fragility, conflict, and violence. We will be improving our effectiveness and budget discipline throughout the year to make more resources available to meet client needs and challenges, including the slowdown in global growth; the severe deficits in clean water, electricity, health, education, jobs, and private sector competitiveness; barriers to the full inclusion of women in economies and societies; the urgency of environmental and climate challenges; the surge in debt that is not bringing true benefits; and the many other challenges in achieving development gains.”*

For more information regarding the Financial Statements and Management’s Discussion & Analysis of the four World Bank Group institutions [click here](#):

World Bank and Germany Launch Fund to Curb Forest Loss, Build Resilient Landscapes

<https://www.worldbank.org/en/news/press-release/2019/09/23/world-bank-and-germany-launch-fund-to-curb-forest-loss-build-resilient-landscapes>

CHAPTER NEWS AND UPDATES

Note: Most Chapters maintain websites that can include details of their activities. These individual Chapter website can be accessed at www.wbgalumni.org/chapters/. Contacts for Chapter heads are indicated at the end of the Quarterly.

ANZ Chapter

We are **inviting 1818 Society colleagues** to participate in **ANZ Chapter meeting** that will take place in beautiful **Auckland, New Zealand on 15-17 November this year**. The formal program has a mixture of social and business features, but with the possibility of extension to inspiring places in both the North and South islands of New Zealand. Highlights of the meeting include a **presentation** on the *Pacific Reset: New Approach to Pacific Development* by Georgina Roberts, New Zealand Ministry of Foreign Affairs & Trade, and a **keynote speech** by *Graham Wheeler*, former Managing Director and past

Governor of the Reserve Bank of New Zealand, on the *Global Economy in the Short and Medium Terms: Challenges for Central Bankers, Government Debt Managers and Finance Ministers*.

Social features include Auckland Harbour cruise and wine tasting at Waiheke Island. Colleagues from overseas will have an opportunity to extend their visit to other places in the North and South Islands of New Zealand. The local organising committee will be happy to get contacts with local travel agents for that purpose. Please contact John Irving JRIrving@xtra.co.nz and Jo. Martins jmartins@tpg.com.au for further details.

Brazil Chapter

The Brazilian Chapter held its 10th meeting on July 3rd, 2019 at the Jockey Club in Rio de Janeiro. A new **Coordinating Committee was elected** for the next two years: *Carlos Eduardo Bertão, (Coordinator), José Augusto de Carvalho, Nelson de Franco and Peter Knight.*

British Chapter

British Chapter welcomes any 1818 member to join our Chapter events. The forthcoming events include:

2019 Winter Reunion and Christmas Lunch

Date: Saturday 7 December 2019

Location: Thistle Holborn, The Kingsley, Bloomsbury Way, London WC1A 2SD.

Reception: 12 noon - 1.00 pm in the Hotel Bar. Lunch: 1.00 - 3.00 pm in the Kingsley 2 Restaurant.

2020 Spring Reunion and 32nd Annual General Meeting

Dates: Friday 15 May - Sunday 17 May 2020

Location: The Queens Hotel, Portsmouth, Hampshire PO5 3LJ

Enquiries on all of the above events to Membership Secretary: membership@1818bc.org.uk

Dutch Chapter

Report of the Twentieth Reunion September 5-7 2019

Forty-five participants (of which 17 from other countries, including *Inder Sud*, President of The 1818 Society and *Fons Marcelis*, member of the Board of The 1818 Society **participated, from September 5-7** at the twentieth Reunion of the Dutch Chapter in Haarlem. This city (after which Harlem, NY, is named), is one of the most beautiful, old cities of the Netherlands, with a history dating back to the Middle Ages; already in 1245 it was granted city rights.

The organizers (Ans Klous, Guusje van der Lugt, and Jan ter Vrugt) had prepared an excellent and highly **diverse program**, with something of interest to everyone and had chosen an excellent venue: the Carlton Hotel, near to the city center. As usual, we started the meeting on Thursday afternoon, with mutual hugs, "long time no see," and coffee and special cake. This was followed by the first event, a visit to the Frans Hals Museum. There we enjoyed the lively painting style of this almost native son of Haarlem, who lived from 1582 till 1666, which is rather old for those days. This first day was closed with an excellent dinner in the Park Hotel.

Friday started with a **guided city tour** in the morning, exploring some of the most iconic places, such as the Town hall. This tour ended at the St. Bavo Church, built between 1370 and 1520, with its famous Christian Muller organ, on which Mozart gave a concert in 1766. We enjoyed part of the lunch concert in there. After lunch, with the typical Dutch delicacy, the croquet, we visited the Teylers Museum, with a great collection of art and science both mainly from the eighteenth and nineteenth century. The program then continued with a leisurely **boat trip** along the river Spaarne and places of interest along

the Haarlem canals. This busy day concluded with drinks and a gala dinner at the Carlton Hotel, which went on until late in the evening.

Saturday morning was dedicated to the **General Assembly** with as absolute highlight the insightful (and rather positive) interventions of Inder and Fons, about current developments in the Bank and The 1818 Society. Other major points of discussion included the implication of the new privacy laws on the way we communicate, our objectives (to be more inclusive) and fiscal issues. Finally, the organizers of the 2020 reunion (exploring the New Lands), and 2021 (the city of Amersfoort) gave exciting updates on their plans.

-----Cees de Haan, Chair 1818 Dutch Chapter of the 1818 Society

French-Speaking Chapter

Not much new concerning our Chapter has happened since our last report during the summer period, a time of some tranquility in France where many people are on vacation for a rather extended period. We are still awaiting the results of the meeting of the Committee which is giving a final touch for our program of activities for the coming months. The Committee will be meeting by the end of September, and then a meeting of the full Board will be scheduled to discuss the proposals.

In the meantime, the *Chairman Olivier Lafourcade* and several other members of our Chapter **attended** the **Annual Meeting of the German-Speaking Chapter** which took place in Fribourg, Switzerland from September 6 to 8. A splendid meeting as usual, also *attended by Inder Sud*, President of The 1818 Society, as well as *Nicki Marrian*, Chair of the British Chapter. It was a good occasion to maintain the **excellent relationships between our respective Chapters**.

Japan Chapter

The **13th annual meeting** of the 1818 Society Japan Chapter was held at the restaurant KOKIDEN (Chinese cuisine) of New Takanawa Prince Hotel Tokyo **on July 5, 2019** with participants of 30 Chapter members. As a **guest speaker**, *Mr. Kenji Okamura*, Director General of International Bureau, Ministry of Finance made a short address of which subject is "Recent International Finance Topics", based upon such international meetings as the G20, etc. *Mr. Kunio D. Kikuchi*, our HQ Liaison, **joined** the meeting.

In the meeting, *Mr. H. Hamaguchi*, Chapter President since July 2012, expressed his **resignation** as of July 2020 and recommended *Mr. Masaaki Amma* as **next President** as from July 2020, which was unanimously approved.

Please contact our administrator through e-mail: 1818societyjapan@gmail.com for details of how you can become a member of the Japan Chapter.

Florida Chapter

Summer is once more drawing to an end, and we are beginning to plan events for the 2020 season. We usually find that our members have little interest in a reunion in Florida; that local lunches/events are preferred; and, that the best times to get together are from mid-January to end-March. For now, we are **proposing**:

- In the SE area, Karin (karin@nordlander.com) will organize **monthly lunches/events** beginning in November.
- Eduardo Somensatto (esomensatto@gmail.com) will attempt to **organize a lunch** in the Jacksonville area.
- SW Florida, I will organize **several lunches/brunches** in the New Year and, if there is interest, arrange another **day event** – possibly a 'day cruise' to one of the local offshore islands or a visit to the Edison Ford Estates.

So, whether you live in Florida or will just be **visiting, you are most welcome to join** any of our events. Dates/events will be put forward closer to the time and will be posted on the Florida Chapter website on the 1818 site and e-mailed to the Florida Chapter Google list.

Of course, if anyone would like to **volunteer to organize** a meal in a favorite restaurant, a visit to an art gallery/museum – please e-mail me and we will work something out.

Further a field, and following on the very successful hiking trip to the Cotswolds (England) enjoyed by 30+ members and their partners, we have organized another weeklong hiking trip to historic and beautiful **Northumbria for 17-24, July 2020**. The group will stay in a 4-star country house hotel and there will be three different guided walks a day plus guided sightseeing. For details click here (<https://www.wbgalumni.org/active-retirement-lifestylez/trips-and-tours/>).

Wishing you all a good health and good cheer!

Sandra Hadler, sachadler@gmail.com

Chair, Florida Chapter

THEMATIC GROUP NEWS AND UPDATES

Note: All Thematic Groups maintain a page on the Society's website where they post presentations and discussion summaries. These can be accessed <https://www.wbgalumni.org/thematic-groups/> (login required). Contacts for Thematic Group Chairs/Co-Chairs are indicated at the end of the "Quarterly". Members are invited to send the TG Chairs suggestions for topics/speakers.

Economics Thematic Group

The Economics Thematic Group continues to organize seminars of interest to its members and provide links to Bank seminars on issues of interest to economists.

In July, the Social and Environment and Economics Thematic Groups **co-hosted Dennis de Tray**, who did a presentation of his new **book, *Why Counterinsurgency Fails: The U.S. in Iraq and Afghanistan***. The U.S. has lost the last three wars/counterinsurgencies it fought – Vietnam, Iraq and Afghanistan. The military had a good road map on how to wage a successful counterinsurgency campaign but failed to follow it. The incentive structure that led to this outcome is strikingly similar to the incentive structure that the international community faces. This leads the international community to make the same mistakes in fragile states that the military made in Iraq and Afghanistan; it takes a top-down approach when a bottom-up approach would be more effective. A copy of de Tray's *presentation is available on the 1818 web page under Economics Thematic Group*.

Also in July, we **invited Vinod Thomas** to present a summary of his new **book entitled *The Economic Evaluation of Sustainable Development***. This book presents methods to evaluate sustainable development using economic tools but takes the reader beyond economic growth to encompass inclusion, environmental stewardship and good governance. The approach employs three evaluation approaches: impact evaluation, cost-benefit analysis and objectives-based evaluation. The innovation lies in connecting evaluation tools with economics Inclusion, environmental stewardship and good governance. A copy of Vinod's presentation is *also available on the Economics Thematic Group webpage*.

Future seminars are being organized. We have a **tentative acceptance by Carolina Sanchez-Paramo**, currently the Global Director of the Poverty and Equity Global Practice, for a seminar this Fall. Suggestions for additional speakers are welcome.

Education Thematic Group

Thursday October 17, 2019: 12:30-2 pm, Room 7 011. “The Politics of Education Reform,” a **presentation by Barbara Bruns**, World Bank retiree and former lead education economist for Latin America and the Caribbean. She joined the Center for Global Development as a Visiting Fellow in late 2015 and has written widely on achieving quality basic education in Latin America and elsewhere in the developing world.

Friday October 18th 2 PM onwards to Saturday, October 19, 2019: Join us for a **party in the Eastern Shore** at Steve Heyneman’s home, 1739 Hudson Road, Cambridge, Maryland, 21613. Kayaks and canoes, swimming pool, hot tub, sauna, campfire all available. *Contact Steve* (s.heyneinan@gmail.com) if you plan to attend.

Tuesday, October 29th, 12:30- 2 pm, Room 7-011: “Education and Development: The View from the Children’s Investment Fund Foundation in England,” a **presentation by Robin Horn**, formerly Education Sector Manager with the World Bank, and Education Director for six years at the Children’s Investment Fund Foundation. Go to <https://www.wbgalumni.org/thematic-groups/education-sector/> for summaries of previous Brown Bag Lunches.

Energy Thematic Group

First, our apologies to all 1818 Energy Thematic Group members for the long ‘silence’ over the summer months. Since the presentation by AES on February 5, 2019, on their investment strategy in Chile to accelerate a ‘greener energy future’, we have not had any further presentations.

However, on **November 12**, we have rescheduled a **presentation to be given by Marianne Haug**, known to many of you from her time in the Bank and now a Distinguished Fellow at the Oxford Institute of Energy Studies, Oxford University in the UK.

Marianne will **speak on ‘The Energy Transition-is This Time Really Different?’**. Below is a summary of her presentation. We look forward to seeing as many of you as possible in November.

“Energy transitions are nothing new. Resources, technologies, economics, government policies and user preferences for better, easier, more efficient and/or cheaper fuel have driven such transitions in the past, albeit at a slow pace. Global warming requires a rapid transition to low carbon or carbon neutral energy. No one can wait for decades. Green energy, in particular renewables, are at the center of an accelerated energy transition. Renewables are poised to do for the energy transition what the internet and social media did for communication. The presentation will discuss the evolving dynamics and speed of this transition, explore the “known unknowns”, and their impact on meeting the sustainability (SDG7) and climate change goals.”

We also **welcome new, or recently retired**, 1818 Energy TG members during the current calendar year: *Henri Bretaudau; Luisa Vieites; Gloria Paniagua; Olga Sulla, Thao Nguyen; Salman Zaheer; and ‘old friends’, Hans Wyss and Miren Fernandez*, the latter now living in Madrid.

Global Finance Thematic Group

There were two interesting presentations during the last Quarter, contents of both have been posted on the Global Finance page of the 1818 Society website:

Investment Outlook 2020 and the **Rise of Cryptocurrencies** on September 4, 2019. The two distinguished speakers were: **Thomas Lee** (Managing Partner, Fundstarts) and **Gabriel Petre**, Lead Investment Strategist, Pension and Endowments Department of the World Bank.

Trade War with China and its implications on US Financial Markets. On September 27, 2019. Key Note Speaker: **Dr. David Dollar**, a senior fellow in the John L. Thornton China Center at the Brookings Institution and host of the Brookings trade podcast, Dollar&Sense. He is a leading expert on China's economy and U.S.-China economic relations.

Health, Nutrition & Population Thematic Group

The last quarter has been quiet for HNP - put it down to the summer vacation period. As many of you may know, the HNP global practice has a **new director, Mohammed Pate**, and has undergone some significant structural reorganization. We will try to meet the new leadership and report on this in the next issue of the *Quarterly*.

We will send the proceedings of the Human Development Learning Week for the HNP family soon. We look forward to an exciting seminar series from our HNP colleagues now that summer is over. On that note, we are aware many of you are still active in the HNP field and working with other partners on issues. If you have **work that you'd like to share** either for brainstorming or to disseminate results, please let us know and we will try to set up a joint seminar with our HNP colleagues.

History Thematic Group

On Tuesday, **October 29, 2019** at 11AM in the World Bank Group Library, Room MC C3-220, **Ian Hume** will present **reflection on his career experiences** in some socialist countries. He will give highlights of his personal experiences and the work he was called upon to do as an Economist in Yugoslavia, as the first Country Economist on Romania, as Division Chief responsible for Hungary, the PDRY (South Yemen, a Marxist state) and Afghanistan, and as Resident Representative in Warsaw from the time of Poland's launching its post-communist reform programs.

In **early December, Nadereh Chamlou** (former Senior Advisor, MNA Chief Economist Office) is scheduled to discuss some of the findings from her **upcoming book, *Iran and the World Bank – the Early Years***. Details of the date, time, and place of the presentation are forthcoming.

Transport Thematic Group

Our Transport Thematic Group continues to alternate between having meetings at the Glen Echo Inn and the World Bank. During June, **Peter Midgley** gave a presentation entitled "**Urban Mobility Policy in Indonesia**." This presentation and others can be seen on our 1818 Thematic Group website: <https://www.wbgalumni.org/thematic-groups/transport-sector/> **Robin Carruthers** will be giving a presentation on September 26th entitled "**Saudi Arabia: Using Transport as a Driver of Economic and Social Change**." He is currently working on a Bank team advising the Saudi Ministry of Transport.



MEMBERS' NEWS IN BRIEF

Elizabeth Lopez writes: I have recently published a **book *How to Live to 100: Secrets of the World's Happiest Centenarian***" which is (at least temporarily) a best seller in its category on Amazon. It is an ethnographic study of Costa Rica's Blue Zones centenarians to draw conclusions on the impact of personality, social interaction patterns and culture on longevity. My interest in longevity was rekindled when I had the opportunity to participate as the psychologist in the original National Geographic and

CNN sponsored Blue Zones expedition to Costa Rica, which looked at the reasons why people in a relatively remote part of Costa Rica are among the five places in the world where people live the longest. My husband, Paul Murgatroyd (also a World Bank alum) helped with the editing.

I have also established a **website** called www.happycentenarians.com on which anyone who wishes to can take a quiz to see whether their personality and social interactions enhance their prospects of becoming a happy centenarian, have no impact, or reduce them. I encourage everyone interested in living happier longer to read this book.

Rachel Weaving writes: ***Gardens of Corfu***, by retiree **Rachel Weaving** and photographer Marianne Majerus, has **won the European Garden Photography Award, 2018**; a US National Indie Excellence Award, 2019; and a Silver Medal from the Association for Garden Communicators, 2019. It was also **shortlisted for the Runciman Book Prize, 2019**. The 256-page book, published in 2018, showcases the gardens of the Greek island where Rachel now lives for part of each year; the gardens range from romantic old estates through colorful village gardens to stunning contemporary works by international designers. Available from Politics and Prose in Washington and on Amazon. More information is at www.gardensofcorfu.com

Surinder Deol has written a new **book** entitled ***SAHIR: A Literary Portrait*** (New Delhi: Oxford University Press, 2019). Sahir Ludhianvi (1921-1980), a remarkable Indian film lyricist, was also an iconic literary poet. Surinder Deol paints a sensitive portrait that reveals an artist who was aware of the depth of his poetic message as well as of his ability to present it in words that captured the reader's imagination. Sahir looked outward at the world to find beauty in nature for inspiration while at the same time raising his voice against poverty, deprivation, and the denial of social justice. The book contains free verse translation of over ninety of Sahir's literary creations, including poems, ghazals, bhajans, and a long peace poem called *Parchhaaiyaan* (The Shadows). The author strives to **bring together four distinct elements of Sahir's work** that make him one of the most loved South-Asian poets: his deep-rooted love of nature, his snug romanticism, his sensitivity to human suffering, and his unceasing optimism for a better tomorrow.

Ian Hume writes: I would like to announce that in April 2018 my **book *From the Edge of Empire: A Memoir*** was published by Outskirts Press. It is **available on Amazon**. It gives an **account of my upbringing** in the raw bush of Rhodesia/Zimbabwe, my brief **military career** and then how I found a way to **escape** that country's war and tragi-history by being recruited to the World Bank. It gives **details of a Bank career** that started as a Young Professional Economist and progressed into a variety of assignments from Economic Missions to Chile and Brazil and later to several countries in Eastern Europe (Yugoslavia, Romania, Hungary and Poland) both before and after the collapse of communism in Europe. Highlights included being Deputy Director of the Bank's Energy Department, Director of Personnel during the infamous 1987 Reorganization and being Resident Representative in Warsaw from 1990, as Poland began its post-communist reforms. This is not a history but contains a good deal of history not only about the Bank. It's rather a highly personal recounting of some colorful episodes in a life story I have been blessed to enjoy.

Ashok Khanna writes: My **book, *Ashoka The Visionary: Life, Legacy and Legend***, will be published by Bloomsbury in Delhi in mid-December. It is a **biography of the emperor** who ruled the Indian subcontinent from 269-232 BCE with emphasis on his governance—non-violent, tolerant and compassionate. He is thought to have started the spread of Buddhism to Asia and his governance style traveled with it to inspire Buddhist rulers in Asia through history to modern times to follow his example. The book will be available in the US through Amazon.

Too few in India or around the world know who the great Emperor Ashoka (Third Century BCE) was, what were his accomplishments, thousands of years ahead of his time, and what were his extraordinary deeds and edicts. This excellent book fulfills that need successfully, and in our times of widespread distrust of governments all over the world, holds up this great emperor and his world as a prime example of what good governance has accomplished in the past, and what we need to recover to survive the challenges we face. *I highly recommend this book!* **Robert Thurman**, *Professor of Buddhist Studies at Columbia University*.

Carla Peperzak writes: I am the **surviving spouse of Paul Peperzak**, who was a WB/IFC officer from 1972 to his retirement in 1988. I was president of the WIVES/WBVS from 1983 to 1985. I am also a **Holocaust survivor** and was a member of the Underground or Resistance in The Netherlands. I never talked about that time until about 15 years ago. Now I give talks to middle school and high school students, and also to university students, mainly in Washington State and Idaho.

I **wrote my memoirs** which were published through Amazon and is available through them. The title is **Keys of my Life** by Carla Olman Peperzak. The money raised by the **sales of the book** goes to the Yom Hashoah funds at our local Temple. The funds are used to **give scholarships** to local students who are encouraged to write an essay about the Holocaust for the yearly memorial service at Temple Beth Shalom in Spokane, WA.

WORLD BANK HISTORY

<p>60 Years Ago December 19, 1959</p>	<p>Black Announces Bankers' Study of India and Pakistan President Black announces that three influential bankers will visit India and Pakistan to study the economic conditions and to acquaint themselves with the current and planned development programs in the two countries. Sir Oliver Franks of Lloyds Bank, Dr. Hermann Abs of Deutsche Bank, and Mr. Joseph M. Dodge of the Detroit Bank and Trust Company agreed, at the World Bank's instigation, to undertake the visit (Mr. Dodge was replaced by Mr. Allan Sproul, formerly of the Federal Reserve Bank of NY.) The "Three Wise Men" began their visit in January 1964, and issued their report in the form of a letter to President Eugene Black. The report was subsequently published by the Bank as a means of contributing to the public discussion of the problems of economic development. The report analyzed the economic development plans of the two countries and made suggestions on what was needed to assist these countries.</p>
<p>55 Years Ago October 1, 1964</p> <p>December 14, 1964</p>	<p>Irving S. Friedman Appointed The Economic Adviser to President Woods Mr. Friedman had been Director of the Exchange Restrictions Department of the IMF, and Mr. Woods expressed his appreciation of the cooperative attitude of Mr. Pierre-Paul Schweitzer, Managing Director of the Fund, in releasing Mr. Friedman. In his new assignment, Mr. Friedman reported directly to Mr. Woods, concentrating his attention on the problems of development finance from the viewpoint of both the creditor and the recipient countries, and on the subject of maximizing cooperation between the Bank, IDA, and the IMF.</p> <p>Opening of Bank West African Office in Early 1965 Announced Bank announces that West African office in Abidjan, Ivory Coast, will open in early 1965, headed by Alfred E. Matter. President George Woods announced that plans were being made to open a similar office in East Africa.</p>

50 Years Ago November 14, 1969	Comprehensive Health Insurance Plan for Bank Staff Announced The Bank announces that it has developed a comprehensive health insurance plan for staff members and families for medical and surgical care and hospitalization. The new plan was with New York Life, and replaced the existing Blue Cross and Blue Shield health coverage.
45 Years Ago October 1974 November 12, 1974	Executive Directors Approve Direct Links to Operations Evaluation Unit The Executive Directors approve proposals to directly link the Operations Evaluation Unit to the Executive Directors, to institute the title of Director-General for the manager of the Operations Evaluation Unit, and to separate the Internal Auditing Unit from the Operations Evaluation Unit. The Report of the Communications Task Force is issued to all staff The Task Force was commissioned by President McNamara's President's Council to study the communications within the Bank. The Task Force recommendations included: that managers at all levels should assign a higher priority to communications with staff; that communications skills were to be a criterion for managerial selection; that the Information and Public Affairs Department should be responsible for monitoring the flow of internal communication; that a periodic newsletter for staff should be issued. In issuing the Report, Vice President Bernard Chadenet said that upward communication was at least as important as downward communication.
30 Years Ago October 6, 1989 December 1, 1989	Bank-Wide Recycling Program Initiated Information, Technology and Facilities Department (ITF) institutes a Bank-wide recycling program in which food facilities and restroom trash are separated from office trash, with the goal of recycling office paper. Main Complex Rehabilitation Project Begins As the Main Complex Rehabilitation Project begins, the B and C buildings are closed to all staff. Asbestos removal and demolition of the buildings starts.
25 Years Ago October 4, 1994	1994 Annual Meetings Open in Madrid, Spain World Bank President Lewis T. Preston addressed the delegates to the 1994 Annual Meetings in Madrid, Spain. "In this 50th anniversary year, there has been much debate about the role of the Bretton Woods institutions. My own view on the future of the Bank Group is that we must be: a flexible institution—able to respond quickly to diverse and rapidly changing needs; a cost-conscious, efficient institution—able to offer the highest-quality service; and a learning institution—weaving the lessons of research and experience into our own work while sharing that knowledge for the benefit of all our members."
20 Years Ago December 8, 1999	World Bank Conflict Resolution System The World Bank Conflict Resolution System is launched, and a revised Code of Professional Ethics is issued for World Bank staff.
10 Years Ago October 21, 2009	Outside Review Support for World Bank Group Reform World Bank President Robert Zoellick had called for the creation of a High-Level Commission on Modernization of World Bank Group Governance in October 2008. Former Mexican President Zedillo and the Commission made the following five recommendations: enhance voice and participation; restructure the World Bank Group's governing bodies; reform the leadership selection process; strengthen management accountability; and strengthen the World Bank Group's resource base.

Oral History



Another in our continuing series of excerpts from transcripts of the World Bank Group Oral History Program:

In this excerpt, Luis Machado, former Dean of the Board who was a member of the Cuban Delegation to the Bretton Woods Conference (July 1-22, 1944), discusses some of his experiences at that conference. The interview was conducted on July 18, 1961.

I think that the Bretton Woods Conference is one of the turning points of history. The reason why the conference was called was that the Allies that were fighting the war against the Nazi powers thought that something should be done so that at the end of the Second World War the world would not find itself in the economic chaos that we experienced after the end of the First World War. And the purpose of this conference was to create some sort of an international organization that might face the very acute exchange and monetary problems and also the staggering task of reconstruction of the devastated areas of Europe. That's why the conference was called. At that time, we had no idea of how large a task we would be confronted with, although we knew that the problem was going to be very, very big.

The conference was held in the short span of three weeks. We were pressed for time. At that time during the war all hotels had been commandeered by the government. We really had difficulty finding a place to meet. And the hotel had to be vacated in three weeks because some other organization was coming to hold a convention. So actually, the remarkable thing is what good work was done in the short span of time.

At the time of the conference the delegates attending were much more interested in what became the International Monetary Fund than in the Bank. They were naturally dealing with the problems of currency devaluation, and all countries were actually running their printing presses overtime to meet their financial needs, and the great hopes were placed primarily in the International Monetary Fund as a way of stabilizing the economies of the countries after the war was ended. Very little attention was given to the World Bank. The idea was acceptable primarily as a basis for reconstruction.

The Latin-American countries, of which I took an active part in representing them — we explained that while reconstruction was very important, actual development was just as important, because underdeveloped areas of Latin America, Asia and Africa not only had to be reconstructed, they had to be constructed. And that is why as a compromise the Bank was born with the title, the International Bank for Reconstruction and Development. Actual facts have proven later on that the actual task of reconstruction was important but not as important as the task of development, so much so that in fact in all our history we're going to make three reconstruction loans. And almost 300 loans that we have made have been loans for the purpose of development, which shows that development — the Latins were right at that time — was the most important work to be undertaken by the Bank.

At that time, we knew that the job of reconstruction would be very big, but at the same time the idea was that an institution which would have the guarantee of all the big powers would have no difficulty in raising funds for the job of reconstruction. When the war ended, we realized that the task was beyond any of our dreams and that a special institution had to be created. That's why the Marshall Plan came into being. I do not know whether or not the Bank would have been able to handle the task of reconstruction alone, but certainly with the backing that the Marshall Plan received from the United States, if the Bank had received the same backing from the other powers, we might have been able to do it.

This excerpt has been lightly edited. The entire transcript can be [read here](#).

The World Bank Group Archives Marked the 75th Anniversary of the Bretton Woods Conference

This year, the Annual Bank Conference on Development Economics (ABCDE) highlighted this important anniversary. During the conference, held on June 17-18 at the World Bank Headquarters in Washington, D.C., presenters discussed the impacts and evolution of multilateral institutions while placing a special emphasis on the history of Bretton Woods and its institutions.

The World Bank Group Archives was thrilled to be asked by conference organizers to contribute an archival exhibit in the atrium of the World Bank Group's Main Complex. The exhibit told the history of the World Bank Group through seven eras. Large panels divided the exhibit into seven "rooms" where archival record displays and informational banners offered visitors the opportunity to dig deeper into each era.

To learn more of how the 75th anniversary of the Bretton Woods Conference was celebrated, [click here](#).

Hazel Denton Sets a Good Example to World Bank Group Alumni

When I retired from the World Bank some twenty years ago, for some unfathomable reason I hated to part with my stack of working papers, including several volumes of Chron files. The fact that I have a house in Vermont with a large attic made it too easy to store everything. Of course, I never returned to the files, never looked up anything again, but somehow the boxes remained in the attic. This summer I spent time combing the boxes, remembering the various reorganizations, finding fascinating anecdotes of people long forgotten, my travels to Romania, Hungary, Yemen and Nigeria. And then I called the World Bank Group Archives, and Fed Ex came knocking at my door and shipped them all off to Washington. The Archives staff were delighted, and I was relieved.

The World Bank Group Archives has a Donated Materials program that serves former Bank staff who are in the same position as I was. If you have Bank-related records created as part of your duties with the World Bank, you can contact the Archives to determine if it is appropriate for them to accession the records into their collection. They will appraise the records over the phone or, if necessary and feasible, they will visit you to conduct an onsite appraisal. If it is decided that the records are appropriate for transfer to the Archives, they will arrange for a courier to pick them up at no expense to you. Once in their possession, the Archives will create a Deed of Gift to formalize the transfer and then proceed with processing and preservation activities, in addition to making the records available to staff and the public according to the World Bank's Access to Information Policy.

If you have papers from your days as a Bank staff member that are cluttering up your house and if you want to contribute to the ongoing preservation and sharing of Bank knowledge, contact [Russell Buhr \(rbuhr@worldbankgroup.org\)](mailto:rbuhr@worldbankgroup.org) at the Archives. You can also contact the Archives at archives@worldbank.org.

"Information Centers provide quick retrieval of Bank records"

Forty years ago, in contrast to today, the World Bank's records were largely paper based. As the Bank staff grew as the result of Mr. McNamara's initiatives, and as the Bank's projects increased in both number and complexity, managing its records became a greater challenge. This article from the November 1979 issue of "Bank Notes" describes some of the steps taken to meet this challenge.

Ten years ago [1969], the Bank's Official Files were maintained in one central location. They were located on the second floor of the C building in a suite of offices that was eventually demolished to make way for the Coffee Shop. In those days, with fewer staff who occupied only the A, B, and C

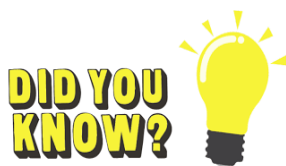
buildings, it was quite convenient for anyone to go down to the Central Files to search for a record. Duplicate "working files" were rarely kept, and everyone knew personally the staff members who took care of the official records for particular projects.

However, the rapid increase in operational staff and in the buildings to house them, coupled with the paperwork explosion and the relocation of the files to an outlying area, soon brought an end to the "corner store" concept. Alarming trends were soon noticed. Additional Xerox copies were being made of every piece of paper that crossed a secretary's desk. These were then filed and cross-filed in haphazardly organized collections. Duplicate sets of files were created and maintained on both an individual and a divisional level, and staff began to rely more and more on their own internal resources. Because of the confusion, original correspondence did not always reach the official file; it was often buried in the working files. This procedure left the Bank's records incomplete and was an annoyance to the staff who had to use them.

When the Records Management Division decided to divide the Central Files into relatively small, discrete units and relocate them in the vicinity of their prime users, these trends were reversed. The Research Files collections of reference documentation were also decentralized and were added to the file units to form a series of Information Centers. One center was created for each operating region; one for IFC; one for the Legal Department; one Nonregional Information Center for Bank-wide policy, administration, and liaison records, and for worldwide reference documentation, and a Records Center for less active files.

One main objective for establishing the centers was to provide a higher level of support to operating staff. It looks as though this is rapidly being met.

Apart from handling the Bank's official records, the Information Centers also maintain small collections of current reference documentation. These documents are acquired primarily through exchange agreements with other international organizations and research associations and from staff members' who have collected documents while on mission. Newly received items are advertised in a monthly publication entitled "Documentation Available to Staff." This document is circulated widely throughout the Bank.



Eugene R. Black, the World Bank's third President (1949-1962) was such an avid fan of William Shakespeare that he was invited to open the Shakespeare Centre, Stanford-upon-Avon in 1964. A multi-functional building used as a study centre and accommodation for the administrative functions of The Shakespeare Birthplace Trust, including a library archive, reading room, exhibition space and conference and office suite. The building, erected in 1962-64, was designed by Laurence Williams of Wood Kendrick and Williams. **The building was officially opened on the 400th anniversary of Shakespeare's birth, by Hon. Eugene Black, President of the World Bank and Chairman of the American 1964 Shakespeare Committee.** *Click here to see [Historic England](#) and [photos](#).*

ACTIVE RETIREMENT LIFESTYLE-Z

1818 Hiking Club

"Summiting Everest: The Ascent of a Determined World Bank Climber"

On September 18, the club hosted a special event – a slide presentation by Otilia Iulia Ciotau, Senior Portfolio Manager, World Bank, who achieved her 20-year dream of climbing to the peak of Mt. Everest at 29,029 ft above sea level. Otilia shared her dreams, motivation and determination that led to meticulous preparation and her journey to the top of the world and back. She described how she

struggled against all odds and the heavy work routine that we are all familiar with as she prepared for her climb to the roof of the world. Her trip was dedicated to empowering girls, and she is sharing her experience widely to motivate others to empower themselves.

Hikes in the Greater Washington area

Hikes organized by the 1818 Hiking Club since the last Quarterly included:

- Gambrill State Park, MD, June 30, 2019
- Overall Run/Beecher Ridge, Shenandoah National Park, VA, July 20, 2019
- Billy Goat Trail/Great Falls Park, MD, August 18, 2019
- Loudon Heights, Harpers Ferry, WV, September 26, 2019

International hikes

During the last quarter the 1818 Hiking Club completed the hike to Nepal and Tibet from June 2 – July 1, 2019. In Nepal the hike traversed the Langtang National Park. The group then crossed the border to China and drove to the Mt. Kailash region where they attended the annual Saga Dawa Festival at the base of Mt. Kailash, which attracts over 300,000 pilgrims. The group went to the sources of three rivers: Karnali, Sutlej and Brahmaputra. Some of the group hiked around Mt. Kailash to complete the pilgrim's kora under difficult snowy conditions before returning back via Lhasa.

Many exciting hikes and trips are being planned for **2020**. **Treks** being planned include:

<u>March</u>	<u>April</u>	<u>May-June</u>	<u>August</u>	<u>October</u>
Costa Rica	Bhutan South Corsica, France (late April)	Romania	Norway	Nepal

Interested in any of these? Send an email to **Anis Dani** (adani@1818alumniwbg.org) who will put you in touch with the trip coordinators.

TRIPS AND TOURS

Trips and tours **completed** by the 1818 Society during the last quarter include:

- Walking in the Cotswald, England, July 19-26, 2019
- Culinary and Cultural Odyssey to Turkey, September 21-30, 2019

Trips and Tours **being organized in 2020** include:

- Bhutan: Paro Tshechu & Cultural Tour – April 5-18, 2020
- Walking in Northumberland, England - July 17-24, 2020
- Discover the Caucasus – A Journey Through Armenia and Georgia - September 18-30, 2020

Your Next Career Should Be Life-Long Learning

In the Washington, D.C. area—where most World Bank Group retirees reside—we have nearly unlimited opportunities to make life-long learning as big a part of our lives as that daily trip to the coffee shop.

Life-long learning isn't about work or working harder. It's about being curious and keeping up with a world that is constantly, rapidly changing, no matter our age. It is about the pleasure of discovery and re-discovery, as well as the rewards of an active lifestyle.

Washington is rich in choices for life-long learning. Local universities, the Smithsonian, the Corcoran, and others all have interesting programs that anyone can participate in.

There are also tailored programs for life-long learners. A good example is the **Osher Lifelong Learning Institute at American University (OLLI at AU)**, which offers 90-plus semester classes, around 20 short 3-5-day classes in winter, and a June “Minis” series (once a week for four weeks) led by Study Group Leaders; in addition, faculty from AU’s School of International Service, School of Public Affairs, and College of Arts and Sciences present faculty series lectures. There are, as well, nearly 30 lectures each year by nationally renowned individuals.

100: Politics, Law, and Government	168	The Eurasian Four Ring Circus and the Long War Against Salafist Jihadism – US National Security Challenges of the Early 21st Century (Full)	Wilson, P.	Thursday	9:45 AM - 11:15 AM	Nine (9)
100: Politics, Law, and Government	112	Understanding Asia	Hadden, R.	Thursday	9:45 AM - 11:15 AM	Nine (9)
100: Politics, Law, and Government	113	Liberalism, Conservatism (and Socialism)	Elkin, S.	Thursday	11:45 AM - 1:15 PM	Eight (8)
100: Politics, Law, and Government	180	Today's Supreme Court: A Course for Citizens (Full)	Hansen, P.	Tuesday	1:45 PM - 3:15 PM	Eight (8)

300: Economics	389	Market Theory: Past and Present	Metler, W.	Friday	11:45 AM - 1:15 PM	Eight (8)
300: Economics	377	Understanding Trade Issues (Full)	Graef, P.	Monday	9:45 AM - 11:15 AM	Ten (10)
300: Economics	383	What Can US Policymakers Learn from the Scandinavian Social-Welfare Model? (Full)	Peterson, J., Zeijlon, A.	Wednesday	11:45 AM - 1:15 PM	Eight (8)
300: Economics	361	Behavioral Economics (Full)	Daney, W.	Tuesday	1:45 PM - 3:15 PM	Eight (8)

The “students” at OLLI are life-long learners over age 50--like most of us in the 1818 Society--and, like us, they are *keenly interested in politics, culture, economics, global affairs, etc.*

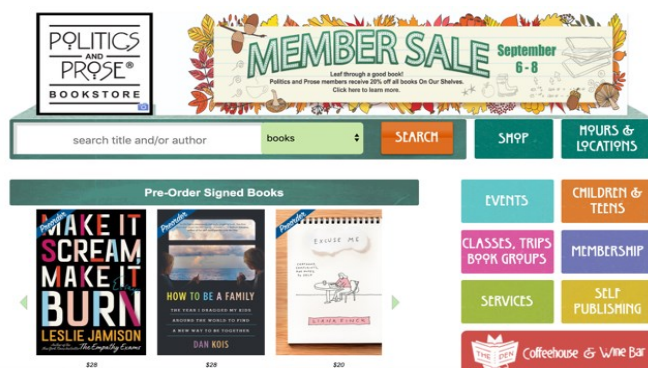
Instruction is a lot like Bank seminars based on peer learning and teaching. Study groups and lectures are collegial, and subjects are serious or just plain interesting. [OLLI](#) describes its approach this way, “*Members come from varied backgrounds, and what they have in common is genuine interest in continuing their learning experiences and intellectual stimulation in an organization of like-minded people.*”

200: Psychology, Sociology, and Culture	241	Aspects of Aging in Two Parts	Hausman, C.	Thursday	9:45 AM - 11:15 AM	Eight (8)
200: Psychology, Sociology, and Culture	210	Meaningful Success	Hecht, R.	Monday	11:45 AM - 1:15 PM	Eight (8)
200: Psychology, Sociology, and Culture	252	The 1960s — Exploring A Decade that Forever Changed America (Full)	Weichel, C., Weichel, K.	Wednesday	11:45 AM - 1:15 PM	Nine (9)
200: Psychology, Sociology, and Culture	232	Workshop: Finding Your Family History in the Digital World	Goodman, S.	Wednesday	9:45 AM - 11:15 AM	Eight (8)

OLLI is located in the American University campus building in Spring Valley on Mass. Ave. The classrooms and lecture halls have the buzzy, comforting feel of what we loved in our first experience in university (and there’s a Starbucks across the street). Rooms even have state-of-the art “hearing loops” that allow those of us with hearing difficulties to hear everything that is said.

(This article is coming out after registration for fall semester classes has closed, but you can still sign up for lectures—and there is always the spring registration.)

Can’t do it without that trip to the coffee shop I mentioned at the beginning? Try **Politics and Prose** bookstore (they have a coffee shop downstairs). Politics and Prose has guest author events throughout the year, as well as regular reading- and writing-themed workshops. Stop by and pick up their monthly schedule or logon at [Politics and Prose](#). Or, try **Busboys and Poets**. With seven locations, this coffee house has a full program of literary-themed events, with an emphasis on poetry and music.



And, don't forget the **World Bank's Open Learning Campus** (no coffee—it's online), where you will find a host of development-themed podcasts and other media, online courses, and an online space to exchange development ideas with experts and peers.

Also, don't forget your **1818 Society** with events throughout the year (with occasional coffee). Check out the **1818 Society's Events Calendar** for upcoming events, such as the September 27 seminar, *Trade War with China and its Implications in US Financial Markets*

There are other life-long learning opportunities in Washington. Go ahead, Google them and experience learning designed with you in mind. I like the way the ***Osher Lifelong Learning*** puts it. OLLI is "*Where Curiosity Never Retires*".

-By Dirk Mattheisen



MEMBERS' CORNER

An Incredible Life: Adela Kalvary Owen (1925-2019)

Adela Kalvary Owen, widow of Clifford "Frank" Owen, was born in Warsaw, Poland—the daughter of Dorothea Machonbaum and George Pascal. As her father passed away when she was a baby, Adela was raised by her mother and stepfather, Stanislaw Kalvary, along with their two other children, Halinka and Alexander.

Adela, who had Jewish roots, was a Holocaust survivor and the sole member of her immediate family to survive the nightmare of the Jewish ghetto in Nazi-occupied Warsaw. Adela was "selected out" when her mother and two siblings were driven off to an extermination camp, along with many others. Her stepfather, who served in the Polish military, had died earlier at the hands of the Russians during the Katyn massacre.

After losing the people closest to her, Adela almost gave up. But her fighting spirit carried

her through and she joined the underground resistance, carrying weapons on trains for a time. She later escaped the ghetto with fake papers and the assistance of a German man, who Adela considered to be one of the "angels" who helped her survive. In Adela's words, "My survival was due to the people who saved me and were my angels along the way. Ironically, they were all Germans. They put their lives at risk for me. Mr. Paul Domeland, a business acquaintance and friend of my mother, is the primary person responsible for saving my life. He gave me a three-day pass out of the Warsaw ghetto. I worked outside Warsaw using fake papers. Later, Mr. Domeland took me to his home in Germany. Since he and his wife were elderly, they were allowed to bring me into their home as slave labor. In the later part of the war, I was taken from them and forced to work at a munition factory."

Following the war, in 1948, Adela met her Welsh-born husband of 54 years, Clifford “Frank” Owen, in 1948 in Gottingen, Germany. They were attending an international summer course to promote peaceful coexistence among nations. Adela had fond memories of their six-week honeymoon on the Isle of Wight (UK) and in France.

The couple worked hard to start a new life, first in Canada and then in the United States. Adela received a scholarship, enabling her to earn a B.A. degree in Chemistry in 1954 from the University of Wisconsin, Madison.

Her husband, who started in academia, eventually joined the World Bank as an economist, bringing the family to Bethesda, Maryland. After raising four children, Adela was able to pursue graduate studies, earning an M.S.W. from Catholic University in 1977 and graduating summa cum laude. She then worked as a geriatric social worker in Arlington County, putting her heart into the job. In addition to her caseload, Adela started innovative programs: a

shared housing project using HUD funds and a free annual Thanksgiving dinner for low-income seniors.

Family members and friends appreciated Adela’s gourmet meals, adventurous spirit, intellectual curiosity, and zest for life and social justice. In addition to her native Polish, Adela mastered German, English, and Greek—and had a working knowledge of French. Her lifelong hobbies included reading mysteries and poetry, gardening, swimming, hiking, dancing, and traveling—particularly to a remote Greek island called Amorgos, where she and her husband restored a 200-year-old home.

One of Adela’s favorite sayings was “Carpe Diem”—a Latin aphorism, usually translated “seize the day.” While Adela never forgot the horrors of the Holocaust, she was able to “seize the day”—enjoying family and friends, learning, and working passionately to help others

---Submitted by daughter, Margaret Warker

Life after the Bank – How about Teaching in a US Community College?

By Sithamparam Sengamalay

What do I do when I retire from the Bank at the ripe young age of 62? This is a dilemma that many Bank retirees face when they decide to leave the Bank. Life expectancy is projected at 84 years for average Bank staff according to the Staff Retirement Plan actuarial data.

Looking at the list of New Members published in *The 1818 Society Quarterly*, many retirees seem to choose to live in the US. Many also seem to seek and secure consultancy assignments with the Bank, which is a cherished professional comfort zone after long years of regular employment with the Bank. Of course, there are also many members who would like to be gainfully employed in “**Main Street USA**” for the remainder of their active life.

The motivation for working in the US, but outside of the Bank, appears to be driven primarily by two reasons. One is to be

professionally active and utilize one’s expertise in whatever discipline one belongs to in a different environment. The other is the desire to “**give back something to the community**” in which the staff member has lived for many years and enjoyed the benefits thereof.

Yours truly, too, faced the same dilemma when I retired from the Bank. As I had lived in the neighboring Montgomery County with my family since joining the Bank in 1981, both continued gainful employment after retirement and having the opportunity to give back something to the community seemed viable and sensible desires to fulfill.

While exploring opportunities, I happened to read an essay in the August 24th, 2007 issue of *Forbes*, written by Dr. Jill Biden, wife of former US Vice President Joe Biden, and later the nation’s Second Lady. The caption of the essay:

“Consider Community Colleges - It’s no longer America’s best-kept Secret” caught my eager eyes. Her second paragraph had some inspiring words: ***“I have been an educator for 28 years, and I have taught in the community college system for more than 16 of them. I don’t have to look any further than my classroom to see the power of community colleges to change lives. For years I have welcomed students to my classroom from many different educational, economic, and cultural backgrounds, and see how the community college system puts them on the same path of opportunity.”*** I also learned that Dr. Jill Biden was teaching at the Northern Virginia (NOVA) Community College.

Bank staff and retirees who live in neighboring Montgomery County wouldn’t miss driving past at least one of the three campuses of Montgomery College – Rockville, Silver Spring/Takoma Park, and Germantown. Although I have lived not far from the Rockville Campus for several years, and driven past it, I never gave a second thought to joining the College.

A look at the Montgomery College website revealed that they were looking for professionals in various disciplines with an aptitude for teaching and that their Business & Economics Department had openings for professors who could teach college level courses in Business, Accounting, and Economics. As a CPA and having served as a financial professional in the Bank, along with years of pre-Bank experience, I felt confident offering my services as a teacher in the Business and Accounting disciplines.

After reviewing my credentials, the Department Head was delighted that an experienced professional from the World Bank wished to join their faculty. I also learned that there were two Bank retirees, Ali Kalantari and Murthy Pemmarasu, already in the Department serving well as professors and that I would be welcomed as the third. Since that eventful spring in 2007, when I first entered a classroom at Montgomery College, thirteen years have elapsed; needless to say, I have enjoyed, and continue to enjoy, every semester at this esteemed institution.

Russia’s 1998 Crisis and the World Bank

Brian Pinto

In a 2001 paper on the 1998 Russian economic crisis in the Brookings Papers on Economic Activity, Homi Kharas, Sergei Ulatov and I demonstrated how the IMF-led rescue package unveiled a month earlier unraveled because of its faulty design and helped to set off the crisis. This conclusion did not go down well with the IMF and created a furor at the Bank.

You could tell two stories between mid-1995 and Russia’s August 17, 1998 economic meltdown:

Story 1. Cut inflation from over 200 percent at the end of 1994 to single-digit levels and, with privatization spurring enterprise restructuring, growth will take off. What about the persistent shortfalls in tax collection? That’s a matter of political will. This was the IMF’s narrative,

championed by its then First Deputy Managing Director, Stan Fischer.

Story 2. Inflation is coming down, but enterprises are crippled by the concomitant high real interest rates and massively appreciating real exchange rate. Banks focus on lucrative lending to the government. Ergo, the micro-foundations for growth are nonexistent. Moreover, costly credit has led the government to run arrears on its own payments, inviting tax arrears from enterprises, thereby forcing the government to borrow more and entrenching a system of barter and arrears, or “nonpayments”. This reflects a desperate attempt by weak enterprises to survive. Managers take advantage of the resulting opaqueness to strip assets instead of restructuring, privatization notwithstanding.

The point about non-existent microfoundations for growth in Story 2 came serendipitously from my conversations with enterprise and bank managers during my first-ever visit to Russia in October 1996 as the economist for IFC's Europe department. John Odling-Smee, then the director of IMF's Europe Department, sent my report to the IMF mission chief for Russia. The IMF asked if its economist working on structural reform could accompany me on my next trip. This first, and possibly last, joint IFC-IMF mission took place in June 1997. Our report argued that low inflation and privatization would not automatically lead to high growth rates without the elimination of nonpayments. But the report was ignored.

Then I was unexpectedly offered the Bank's economist job in Moscow, moving there January 1998. I was asked to look at government debt, normally IMF territory. But IMF staff were unperturbed about debt sustainability because the government debt-to-GDP ratio at 50 percent was considered reasonable. Our analysis, done jointly with the brilliant Homi Kharas, showed that the debt ratio had remained steady around 50 percent during 1995-97—in spite of negative or very low growth, significant primary fiscal deficits and astronomical interest rates on ruble treasury bills or GKO—for only one reason: the aforementioned massive real appreciation of the ruble against the dollar. This greatly compressed dollar debt as a ratio of GDP, keeping the overall debt ratio constant. But with the real exchange rate stabilizing in 1998, there was no longer any brake on the debt ratio, making it unsustainable. In addition, an analysis of GKO interest rates revealed deep investor concerns about devaluation and a default.

Our report went to the Minister of Finance in mid-April 1998. But the Russians were unconvinced and believed that if only they could get sufficient long-term dollar funds to reduce their dependence on GKOs, all would be well. The Bank's President, Jim Wolfensohn, visited Russia on May 21-22 and was persuaded

by the Russians. He met US Treasury Secretary Rubin upon his return. The US Treasury did not warm to the idea of a megabucks bailout. Larry Summers, then the Deputy Treasury Secretary, asked if we had looked at the debt dynamics. I jumped in and handed him a copy of our April 1998 report. After a question-and-answer session, Summers enthusiastically proposed that the Bank, the IMF and the Treasury meet the next day to develop a "multiplicity of analytical views" on Russia. That meeting never happened.

As the Russian situation continued deteriorating, the pressure grew for a bailout supplemented with a debt swap from GKOs to long-term dollar Eurobonds. Falling oil prices and the spillover of the East Asian crisis, which began in November 1997, did not help. But the binding constraints were weak fiscal and growth fundamentals and the entrenched nonpayments system. To the credit of the Country Director, Michael Carter, Sector Manager, Robert J. (Andy) Anderson, Jr., ECA Region's VP, Johannes Linn and its Chief Economist, Marcelo Selowsky, we continued our work program, completing it on June 22, around the time that negotiations began on a rescue package. We concluded that a GKO-Eurobond swap would not improve debt dynamics and that a big package to support the ruble would be a waste, given intensifying market signals on default and devaluation. It was better to avoid a swap from ruble into dollar debt, let the market force a devaluation, and only then use a financing package to settle the government's wage and pension arrears and shore up the banks. Our work was shared with the IMF, which in turn shared it with the US Treasury.

But, in addition to fiscal and structural reforms, the rescue package announced on July 13, 1998 included \$22.6 billion in financing (mostly from the IMF, the balance from the World Bank and Japan), and a GKO-Eurobond Swap. The package was intended to restore confidence, lower interest rates and preserve the ruble-

dollar exchange rate—even though it was by then massively overvalued. The swap led to a significant amount of dollar debt priced at a default level spread of 940 basis points over US Treasuries being dumped onto the market. This depressed the price of government dollar debt in the portfolios of the big Moscow banks, triggering margin calls. The banks met their margin calls by selling their GKO's and converting the proceeds into dollars, thereby exhausting the central bank's reserves. This forced a meltdown on August 17, 1998. The government devalued the ruble, defaulted on its debt, and took steps to protect its banks. In a big surprise, the economy bounced back quickly on account of the ruble's collapse, with the government finally forced to implement reforms and begin dismantling nonpayments because it was shut out of the capital markets.

My biggest regret is not that a crisis, which was inevitable by mid-May 1998, materialized. It is that the IMF, the World Bank and the US Treasury never worked together to "develop a multiplicity of analytical views". Sure, the Russians might have rejected our analysis and the rescue package might have gone ahead anyway under pressure from the G-7, whose leaders took turns saying Russia should not be allowed to fail. But we never put our joint best foot forward.

My biggest consolation is that George Perry, the distinguished founder-editor of the *Brookings Papers on Economic Activity*, accepted our

paper for publication in 2001. We came under enormous pressure to pull it. I was only allowed to read a cleared text as my oral presentation to the Brookings Panel. Ironically, Larry Summers was one of the discussants. His criticisms were easy to counter but we were unable to respond because of strict instructions from ECA Regional Management that we had to stick to the cleared script. Indeed, we were later threatened with an ethics violation for putting the Bank's reputation and its relationship with the IMF at risk. John Williamson, the father of *The Washington Consensus*, also a discussant, noted: "The authors ask the right questions about what underlay the crisis, and I find their answers persuasive." The mistakes made in Russia 1998 were repeated in the rescues of Argentina in 2001 and Greece 2010-12. Hopefully, they will be avoided during the ongoing most recent crisis in Argentina, although a complicating factor is that some \$44 billion out of the \$57 billion package approved for Argentina last year—the biggest in the IMF's history—has already been disbursed. See "Argentina 2019: The IMF should avoid mistakes repeatedly made in past bailouts." Posted on The Brookings Institution's *Future Development Blog* on September 5, 2019:

<https://www.brookings.edu/blog/future-development/2019/09/05/argentina-2019-the-imf-should-avoid-mistakes-repeatedly-made-in-past-bailouts/>



HUMOR AS THE SPICE OF LIFE

By: Norman Hicks, Chair, Economics Thematic Group

I worked for 33 years in the World Bank, but most people remember only the jokes I made up for Christmas parties and Bank retreats. People have a hunger for humor. It's a quick fix, less dangerous than cocaine, and not illegal (in most countries). Of course, in some countries political humor can land you in jail, so be careful.

My favorite saying is, ***"Life is too serious to be taken seriously"***. Humor gives us a perspective; it puts the ironies, absurdities, foibles and disappointments of the world in perspective. There is evidence that humor can reduce blood pressure, ease anxiety, and dull pain, and may therefore extend life expectancy.

Some of my *favorite jokes involve economists and statisticians*. There are also lots of good jokes involving doctors and lawyers but being an economist myself I feel I have the right to poke fun at my own profession. Here are *few favorites*; forgive me if you have heard them before:

- They say if you laid all of the economists in the world end-to-end, they would never reach a conclusion.
- Ask two economists a question, you get three answers.
- Two men go up in a hot air balloon and get lost in the clouds. Finally, they see an opening, and down on the ground is a man. They shout down to him: "Where are we?". He replies: "You are in a balloon!". One man turns to the other in the balloon and says: "That man is a neo-classical economist." The second man replies, "How do you know that?" The first man explains: "Because what he said was completely accurate and totally worthless".

Now this joke can be tailored to several different professions, including consultants, lawyers and others. It is a great joke in my opinion because it has two punch lines.

Here's a joke about statisticians:

Three men are out duck hunting. The first, a doctor, fires his shotgun but misses to the left. The second, a lawyer, shoots and misses to the right. The last one, a statistician, shouts "Hooray, we got him!"

Now this is funny only if you realize the statisticians think in terms of averages, and the average of the two shots would have been right on the mark. This is a variant of the Garrison Keillor line that in his hometown, "all of the children are above average". It is stunning to remember that half of the people in the world are below average. This means that half of the people on the Supreme Court are below average, as are half of the doctors, and half of the economists in the World Bank. Now it is true that in an uneven distribution, more than half of the people could be below average (think of income distribution with a few really rich people in the mix), but the joke lacks punch if you say, "below the median". *Finally:*

Q. What do they call the person who finishes last in medical school?

A. Doctor

Badda-bing.

TRANSITIONS

Welcome!

We welcome the following World Bank Group retirees/alumni to The 1818 Society. *Country of intended residence other than the USA has been added after their names.*

Khaleel Ahmed
 Maria Isabel Alegre
 Elizabeth Alley-Strocher
 Alex Bakalian
 Siaka Bakayoko
 Amparo Ballivian
 Jacques Baudouy
 Brian Bedard
 Jon Berlin
 David Bridgman
 Dana Cazacu
 Surinder Chawla
 Diana Corbin
 Anita Correa
 Jeanine Delay
 Gwyn Dice
 Mayada El-Zoghbi
 Mourad Ezzine
 Ellen Goldstein
 Kerry Hemond
 Ximena Hernandez-Cata
 Jennifer Isern
 Steven Jaffee
 Kelly Johnson
 Kamau Kamau
 Deepak Khanna
 Jung Lim Kim
 Hisao Kimura
 Haeduck Lee
 Kristaq Luniku
 Patricio Marquez
 Toshiya Masuoka

Julie McLaughlin, *Mexico*
 Stephanie Miller
 Alan Moody, *Australia*
 Saroja Moses
 Joyita Mukherjee
 Meena Munshi
 Que Nguyen
 Nadege Nouviale
 John Nyaga
 Susana Padilla
 John Panzer
 Williette Parker
 Naseer Rana
 Floremca Antonio Rashid, *South Africa*
 Alicia Roaquin
 David Rosenblatt
 Dorothy Roxas
 Sussanne Scheierling
 Olga Sulla
 Mangala Suresh
 Ganapathy Suresh
 Zenash Tadesse
 Yolanda Tayler
 Kremena Teneva
 Nevin Turk
 Ana Maria Valle
 Luisa Vieites
 Emily Wang Yang
 Jan Weetjens
 Lynn Woodruff, *Canada*
 Regina Zamora-Roberts
 Chunlin Zhang, *Canada*



**We regret to inform you of the following deaths
based on information provided by the Pension Administration Division.
We extend our sincere sympathy to the families.**

Yvonne R. Allen, 99, of Banbury, U.K., on July 3, 2019. Ms. Allen retired from the Bank in 1984.

Claudette Baird, 76, of Chicago, IL, on July 1, 2019. Ms. Baird retired from the Bank in 1999.

Jean Baudoin, 89, of Paris, France, on August 9, 2019. Mr. Baudoin retired from the Bank in 1987.

Danielle J. Berthelot, 72, of Washington, DC, on September 11, 2019. Ms. Berthelot retired from the Bank in 2004.

Paul Bowron, Jr., 86, of Santa Barbara, CA, on August 3, 2019. Mr. Bowron retired from the Bank in 1991.

Therese C. Carrier, 86, of Quebec, Canada, on August 5, 2019. Ms. Carrier retired from the Bank in 1983.

Edward Chobanian, 86, of Chevy Chase, MD, on July 5, 2019. Mr. Chobanian retired from the Bank in 1995.

Cynthia C. Cook, 75, of Olympia, WA, on June 12, 2019. Ms. Cook retired from the Bank in 1999.

Cornelius T. Creeden, 79, of Glen Allen, VA, on July 10, 2019. Mr. Creeden retired from the Bank in 1998.

Corazon M. David, 77, of Arlington, VA, on July 14, 2019. Ms. David retired from the Bank in 1986.

Carlos F. De Castro, 89, of Girona, Spain, on August 10, 2019. Mr. De Castro retired from the Bank in 1988.

Quan Minh Doan, 86, of Centreville, VA, on June 25, 2019. Mr. Doan retired from the Bank in 1994.

Constanza V. Fernandini, 86, of Lima, Peru, on August 17, 2019. Ms. Fernandini retired from the Bank in 1988.

Sharef Ghafir, 84, of Hagerstown, MD, on September 26, 2019. Mr. Ghafir retired from the Bank in 1989.

James A. Hanson, 78, of McLean, VA, on June 30, 2019. Mr. Hanson retired from the Bank in 2004.

Hildegard H. Hoffmann, 88, of Rockville, MD, on August 22, 2019. Ms. Hoffmann retired from the Bank in 1988.

Ann Hyde, 66, of Washington, DC, on July 5, 2019. Ms. Hyde retired from the Bank in 2014.

Jennie I. Litvack, 55, of Chevy Chase, MD, on June 27, 2019. Ms. Litvack retired from the Bank in 2011.

Om P. Malhotra, 92, of Ellicott City, MD, on September 17, 2019. Mr. Malhotra retired from the Bank in 1988.

Mark W. Malloy, 68, of Leesburg, VA, on June 29, 2019. Mr. Malloy retired from the Bank in 2013.

Subash Mazumdar, 90, of Pune, India, on July 22, 2019. Mr. Mazumdar retired from the Bank in 1978.

E. Gayle McGuigan, Jr., 74, of Washington, DC, on August 20, 2019. Mr. McGuigan retired from the Bank in 2009.

Milo F. Melrose, 94, of Bradenton, FL, on July 10, 2019. Mr. Melrose retired from the Bank in 1985.

M. Ann Miller, 73, of Naples, FL, on August 30, 2019. Ms. Miller retired from the Bank in 1998.

Susanne E. Misner, 86, of Kensington, MD, on September 1, 2019. Ms. Misner retired from the Bank in 1997.

Nigel Hugh Monteith, 91, of St. Georges, SA, Australia, on August 21, 2019. Mr. Monteith retired from the Bank in 1980.

Sadiq M. Niaz, 92, of Lahore, Pakistan, on July 27, 2019. Mr. Niaz retired from the Bank in 1991.

William P. Panton, 92, of Chevy Chase, MD, on June 23, 2019. Mr. Panton retired from the Bank in 1992.

Barbara Rickwood, 67, of Washington, DC, on July 23, 2019. Ms. Rickwood retired from the Bank in 2013.

Gillian Waring Ross, 80, of Sarasota, FL, on July 5, 2019. Ms. Ross retired from the Bank in 1996.

Van Roy Southworth, 70, of Palo Alto, CA, on July 23, 2019. Mr. Southworth retired from the Bank in 2008.

Sunder Subramanian, 74, of Bethesda, MD, on August 11, 2019. Mr. Subramanian retired from the Bank in 2004.

Sommai Tangchaiburana, 69, of Silver Spring, MD, on August 31, 2019. Mr. Tangchaiburana retired from the Bank in 2010.

Hans Heinrich Thias, 87, of Bradenton, FL, on August 22, 2019. Mr. Thias retired from the Bank in 1995.

Jacques M. Tollie, 77, of Bouc Bel Air, France, on September 13, 2019. Mr. Tollie retired from the Bank in 2004.

T.V. Venkateswaran, 85, of Annandale, VA, on September 8, 2019. Mr. Venkateswaran retired from the Bank in 1988.

Mohindar S. Viridy, 85, of Gaithersburg, MD, on June 10, 2019. Mr. Viridy retired from the Bank in 1998.

Beyene Wolde-Gabriel, 88, of Mannheim, Germany, on September 17, 2019. Mr. Wolde-Gabriel retired from the Bank in 1993.

1818 SOCIETY CONTACTS



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Washington, DC 20433

(Use 19th Street entrance opposite the IMF-1 Building)

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**Chapters & Thematic Groups
2018-2019**

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