THIS FILE IS CLOSED AS OF
DECEMBER 1971.
FOR FURTHER CORRESPONDENCE SEE:

RECORDS MANAGEMENT SECTION
January 1972
Mr. Enrique Lerdau (through Mr. McPheeters)  
December 27, 1971

George J. Novak

Atlas Countries and Territories

1. Reading the bluebook, I noticed your memos to Mr. Lind and Miss Vial, dated November 19 and 22, respectively. Having originally been responsible for the selection of countries and other territories to be included in the Atlas, I would like to point out that we have made every effort to cover the world without double counting or omission and quite irrespective of the status of countries and territories. I have always referred to "countries and territories" in my technical memos (see attachment), but this has not always been followed by others. I welcome your suggestion to seek better procedures in the future for avoiding inappropriate statements.

2. With reference to your memos, I would like to make a few observations. As you know, the UN membership is constantly growing (it increased from 51 countries in 1945 to 132 countries today) and some of the countries and territories shown in the Atlas are becoming UN members. Thus, Oman became a member on October 7 and the United Arab Emirates joined on December 9, 1971. Nevertheless, you do not suggest that they be considered as countries. Japan, on the other hand, has been a UN member since December 18, 1956. Therefore, there is no need to add it to the present UN membership list in order to estimate the total number of countries. Some of the other "countries" which you add (Monaco, Andorra, Liechtenstein, San Marino, and Vatican) are too small to be included in the Atlas. These municipalities have never been included in the Atlas, and they should not be counted among the 189 countries and territories of the Atlas. Belorussia has always been excluded from the Atlas to avoid double counting (its GNP and population are already counted once as a part of the USSR) and not because of its lack of independence. Outer Mongolia is not a part either of the USSR or Mainland China, and it is, therefore, shown separately in the Atlas.

cc: Mr. Lind  
Mr. McPheeters  
Miss Vial

GN: am
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638973 Samoa, American (US)

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668819 Singapore
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671682 South Africa

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686403 Spain
695205 Spanish Sahara (Sp.)
692601 Sudan
695205 Surinam

701697 Swaziland
703331 Sweden
707372 Switzerland
710713 Syria
713615 Tanzania

716831 Thailand
719561 Togo
725799 Tonga (UK)
728183 Trinidad & Tobago
732765 Trucial States

734513 Tunisia
740701 Turkey
743613 Uganda
749517 United Arab Rep.
752314 United Kingdom
List Below

Irma Adelman

Comparative Analysis Working Group - Next Meeting

1. The next meeting of the Comparative Analysis Working Group will take place on Wednesday, January 5, 1972 at 3:30 p.m. in Mr. Hayes' room, D 429.

2. The paper "The Performance Criterion" by Mr. King, and the two memos from Mr. Hayes, dated November 26 and December 10 are up for discussion.

Adelman et al.

cc. Messrs. H. B. Chenery
    N. G. Carter
    J. N. Duloy
    J. A. Edelman
    J. F. Hayes
    B. B. King
    E. Lerdau

December 23, 1971
TO: Messrs. Thalwitz, Jaycox, Pouliquen.

FROM: S. C. Hardy

DATE: December 14, 1971

SUBJECT: FY 1973 Research Program

I note from Mr. Pouliquen's memo dated December 13, 1971 (my first intimation) that I am expected to comment on the technical aspects of the program of research proposed by the Economics Department for discussion this afternoon. Obviously, with such short notice, justice cannot be done to such an important topic. I have, however, given an indication below of possible technical topics for future research. An estimate of study costs and time is not possible at this stage; in any event, the list should be circulated to Division Chiefs for comment before we finalise it.

1. **Highway Maintenance Manual**

   I suggest a review of three case studies illustrating good maintenance practice (say Australia, a country in Africa and one in Latin America), followed by general recommendations for highway maintenance organizations in countries of different size. The recommendations would cover: organization, stores and warehousing, workshops and servicing, accounting, and the training of foremen, drivers, mechanics and operators.

2. **Performance Bonding for Civil Works Contracts**

   This study would involve a review of existing practices with regard to performance bonding and Bank guarantees on civil works contracts in selected Bank member countries (say 40 or 50). The legal regulations regarding such bonds or guarantees, their cost, accessibility to domestic and foreign contractors, the adequacy of coverage in the event of default, etc, would be included in the review.

3. **Foreign Exchange Component of Highway Construction Projects**

   A computer program would be devised to represent the foreign exchange component of cost of highway construction projects in developing countries. The model would take into account environmental factors, terrain, the country's natural resources, whether a net importer of various construction inputs, the development of the domestic industry, etc. I envisage a review of selected Bank financed construction projects, and the analysis of hypothetical construction projects as part of the study.

4. **The Implications of Contract Advance Payments**

   We are making various levels of interest free advance payments to construction contractors upon contract signature, ranging from zero to 20% (with a recent request for 30% advance). It would be useful to study the financial rebates on bid prices and final cost likely to be forthcoming from different levels of advance payments, given certain conditions regarding short-term interest charges, availability of Bank guarantees etc.
5. Financial Implications of Different Construction Periods

One of the problems in carrying out civil works is determining an appropriate duration of contract. According to the equipment input, highway construction projects of the same size may take from one to five years period to complete. It would be useful to know the impact on bid and final price of allowing different construction periods (which could then be compared with the economic benefits accruing from shorter construction periods). A few case studies are available (Somalia, Ethiopia) but a theoretical analysis by a contracting/consulting firm would also be needed.

Other topics on highways which we might consider are: design techniques for the thickness of gravel roads; the optimal grouping for standardization of road maintenance equipment.

6. Ports Division

With the short notice given they have nothing/suggest by way of technical topics for research (other than those already included in the program).

7. Railway Division

I have not yet been able to make contact with either Mr. Oursin or Mr. Ratter.

cc: Messrs. Knox, Geolot, All Transportation Division Chiefs.
This afternoon, Mrs. Armstrong inquired about the skill level demanded of our assistants and I told her that a considerable portion of the non-professional manpower input in the construction of our sector planning models is of a clerical nature. This includes non-computational data manipulation, simple calculations, assembly of information from various sources, tabulations and other similar tasks. It should be mentioned that these activities cannot be computerized but are in effect supplementary to computer activities in that they are either required to prepare computer input or to evaluate computer output.

The hiring of a clerical employee to perform this type of work would not only be a step towards a better match of employee qualification and requirements of the job but also lower the cost to the Bank. I must emphasize, however, that I am not at all advocating the filling of requested research assistants' positions with clerical assistants but rather that there is ample justification for including clerical positions in any future review of our manpower needs.
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MR WOUTER TIMS INTBAFRAK WASHDC

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No Family Notification necessary

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Mr. Time
Mr. Lerdau

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TO: ARUN SHOURIE
    GALLE FACE HOTEL
    SUNSEASAND
    COLOMBO

DATE: December 8, 1971

CLASS OF SERVICE: LT

COUNTRY: CEYLON

TEXT:
Cable No.: 2
DEPARTMENT AGREEABLE YOUR LEAVE REQUEST
REGARDS

TIMS

NOT TO BE TRANSMITTED

AUTHORIZED BY:
NAME: Wouter Tims
DEPT: Economic Program
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REFERENCE: TIMS:lr

CLEARANCES AND COPY DISTRIBUTION:

(IMPORTANT: See Secretaries Guide for preparing form)
December 7, 1971

Professor Peter R. Stopher  
Associate Professor  
Cornell University  
College of Engineering  
Department of Environmental Engineering  
Hollister Hall, Ithaca  
New York 14850

Dear Professor Stopher:

Thank you for your letter of December 1 concerning the proposed Task Force or seminar on the Value of Travel Time. As you know, the problem of evaluating travel time has been of considerable interest to the Bank, and we would be very pleased to take part in any such meeting. We are also doing some work here on this problem and would be in a position to present a paper providing the timing of the conference or seminar was convenient.

The Bank would of course pay all the expenses of any of its staff participating in such a conference. I am also exploring the possibility that the Bank might consider being a sponsor or co-sponsor of such a conference. It would be helpful if you could let me know how many people, from where and how much it would all cost. If we were to sponsor a conference or seminar, we would of course like to have something to say about the composition, structure and subject matter covered. We would have some preferences for holding such a conference in Washington.

This sponsorship, you must realize, is only a possibility at the moment, and will have to be discussed somewhat more fully internally here in the Bank.

Yours sincerely,

Anthony Churchill  
Transportation & Public Utilities Division  
Economics Department

AChurchill:phm

cc: Messrs. Pauliquen  
Thalwitz  
van der Meer  
van der Tak  
Haq  
B. King  
Yucel
Messrs. P. D. Henderson/A. Stevenson

December 7, 1971

Anthony Churchill

Value of Travel Time

I am attaching a letter I received from Professor Stopher of Cornell University together with my reply. Professor Stopher is trying to organize a conference or seminar on the problem of Value of Travel Time. I have indicated that the Bank would be willing to participate in such a conference.

I also think that we could explore the possibility of the Bank being a sponsor or co-sponsor of such a conference. The costs would not be unreasonable. Perhaps as suggested in the letter, in the neighborhood of $15,000 to $25,000. If we sponsor such a conference, (and I would personally prefer a seminar in which papers were presented of a quality that could later be published), I would assume that we would be able to give some direction as to the topics to be covered and the type of research to be done. This might be one way of directing some considerable talent to the problems we face in evaluating travel time in many of our projects. The date of such a conference would probably be 12-18 months from now, which would allow ample time for the preparation of good papers.

Attachments
AChurchill:phm

cc: Messrs. Pouliquen
    Thalwitz
    van der Meer
    van der Tak
    Haq
    B. King
    Yucel
RE: YOURL 12 NOVEMBER H.E. THE MINISTER AND I WILL BE VERY PLEASED TO MEET YOU AND MRS. HUGHES FOR DISCUSSION. PLEASE CONTACT US AS SOON AS YOU ARRIVE IN TEHERAN REGARDS

F. MAJHABADI SENIOR DEPUTY MINISTER
Performance

1. I have read your paper and Philip Hayes' comments. Some of the points I would like to mention have been discussed already with you.

2. First, I would like to raise an issue with regard to ingredient (a), the natural endowment, which (para. 16) "includes all those circumstances outside the control of the government or the people." If you are discussing here the potential, not the actual degree of use, I have no problem here. Mineral resources in terms of estimated reserves, are such an endowment as long as they are kept in the ground. Once exploitation begins, I begin to see difficulties with this ingredient and its relation to the others.

3. I would be willing to assume, as a general proposition, that the rate of return to the country from mineral development is always high enough - and external resources can be found for it - to justify the investment. It may also be generally true that it is better to develop these resources now than in the future, given the rate of return on the investment as compared to expected price developments for those minerals (some doubt, though, may be voiced here with respect to oil and gas). Further, it is at this point in the reasoning still possible to maintain a distinction between natural endowment and poverty (stage of development) by abstraction from enclave investment, output and income.

4. However, at the second stage, the enclave produces resources in the hands of the public sector, and foreign exchange available for import financing. The size of such resources may be large in relation to resources from other origins, and there is generally an urge to spend those resources. Once spent, they do have effects on both ingredients (b), stage of development and (c), honest effort. The first is reflected in per capita incomes and expenditures outside the enclave and the distribution of incomes and employment, whatever the particular honest or dishonest - use of the resources may be. The second is an even more difficult tangle, as the public sector may use the additional resources with rapidly declining usefulness in terms of the "objective criterion". The situation before those resources became available may have been one of laudable effort, but with the additional resources in hand and insufficient programming for their effective use, honest effort may have gone to the dogs. Would not in that case our judgement be, that the country is using its natural endowments too fast, and should keep some of its potential in the ground until the capacity to use
resources effectively has improved sufficiently? And if existing agreements with the enclave sector prohibit such a policy, how valid can our judgement be on "honest effort"?

5. All I am saying really is that I am in full sympathy with your extremely cautious statements in paragraph 18; my doubts about the practical possibility of measuring may even be stronger, if that is at all possible.

6. Now moving to para 2) I would be inclined to say that the case for a country which is endowed with substantial and in fact exploited natural resources may not be considered eligible for aid because it is using its own resources so badly that it does not qualify under the "honest effort" heading. And the more resources, the greater the chance that such may be the case. I would then, oddly enough, come to the conclusion that a country in that kind of "predicament" needs a lot of aid to improve its institutional strength for development work implementation and if financial resources from outside are needed to obtain the necessary leverage to do so, I would see a strong case for doing so. Either we could at the same time borrow in that country, or ask for substantial participation in our loans, but even if that did not come out to be feasible, the possibility of promoting more effective resource use and, hopefully, the lesser need for future Bank lending to that country might be considered a sufficient benefit for lending at present.

7. Where all this leads me is - para 33 - to a preference for the "join-the-club" approach rather than the alternative. Not only on the basis of the difficulties of ranking if we would possess perfect knowledge, as you are so fully aware of, but maybe even more because of the horrendous imperfections in what we do know. Having had the benefit of comparing my own inside knowledge of the Pakistan economy for some years with the contents of the economic reports of the Bank in those years - which were excellent reports by Bank standards - one tends to get rather impressed by that gap. And the Harvard Group used to describe the state of its own knowledge and insight by reference to the familiar top of the iceberg. Similarly over time, experience in Indonesia makes one rather reluctant each year to reread what one wrote in the preceding report.

8. I am well aware of the fact that judgements cannot be avoided and that any specification of performance criteria that can be made, should indeed be made, which combine with value judgements by the best expertise which the Bank can bring to bear. The most I would expect to result from this would be a selection of a few first rate performers and a few extremely bad ones, the rest being in a twilight zone in-between. The trouble is, of course, that reward for merit or punishment for bad behaviour can only be effectively given if either the three largest recipients are always in
the twilight zone, or are entirely excluded from this exercise, or if the "reserve" for good performance is made large enough to make a difference even for the largest recipient, if India happens to be amongst those to be rewarded. A 15-20 percent "reward fund" would then be indicated.

9. In other words, I would like to start from a straight allocation of equal per capita IDA-lending to all eligible IDA-countries for 75-80 percent of available resources. Next, a few countries which are not well-behaved in terms of international financial morality, are politically most unstable and/or use available resources (or more than that) highly inefficiently, would be excluded and their allocations added to the "pool". From there, one moves into the twilight zone of acceptable performance, although there may be some countries in that group where we have serious doubts about the quality of their performance. It might as well be pointed out here that from a practical angle it is unlikely that those countries will in fact receive their full "share" as discussions on their performance will at that stage usually be rather intensive, and will lead to delays in the preparation, appraisal and negotiation of projects in that country which in effect will reduce our lending.

10. The most difficult part is the selection of the "outstanding" performers, partly because of the need for a cut-off point and because of the number of countries to be included. The two are interrelated and pose a choice, either to establish firm minimum criteria (which I think impossible) and admit whichever country exceeds those (how weighted?), or to simply say that the ten or twelve "best" performers qualify. The latter approach may appear somewhat more tenable as it does not require a cut-off to be stated in advance, against which countries are measured, but this is again nullified by the need to rank all countries and select the best. Maybe the best way out is to state in advance an approximate number ("around" ten) which leaves some flexibility to find a suitable cut-off point.

11. A combination of coincidences which would bring the three largest performers together in the best performer's group, and assuming a "pool" of 20 percent (including amounts originally allocated to "bad" performers); if the best performers are of "average" size, their allocation would be increased by 115 percent, and thus they would receive more than twice the per capita amount as compared to all others.

12. This whole thing is of course somewhat unrealistic as it would never be possible to jump around with allocations in this way from one year to the other. In order to introduce some operationally meaningful system it would be necessary to have lending programs which promise to increase levels of lending to desired levels over a 3-4 year time span. This would also make it possible to monitor performance over the longer term; selected "good" countries would reasonably stay in that category for several years at-a-time and there may be a second group of good (but not best) performers, say another dozen, which can be considered to contain the potential candidates for admission to the top group and for which, therefore, larger future allocations are provisionally reflected in the lending program.
December 7, 1941

The Japanese have attacked Pearl Harbor. It was not the first time Japan has used aggressive tactics to achieve its goals. The recent conflict with China demonstrates this.

The United States must now take immediate action to protect its interests. We cannot afford to be caught off guard again. We must reinforce our troops in the Pacific and ensure that our defenses are strong.

I urge all citizens to remain calm and supportive. Together, we can overcome this challenge.
Those Listed Below

Alexander Stevenson

Editorial Function of an Economist/Editor

November 24, 1971

I attach a memorandum from Mr. Bowen who will be taking over from Mr. Silcock in January as an Economist/Editor, entitled "Some Notes on the Editorial Function of an Economist/Editor." I think it would be useful if you could pass on to Mr. Bowen any reactions you may have to the ideas expressed in the note. They are, of course, preliminary and Mr. Bowen would welcome informal suggestions at this stage. I have sent this to a rather restricted number of people but if anyone thinks I have left out someone whose comments would be valuable to Mr. Bowen please let me know.

Att.

To: Mr. Haq
   Mrs. Hughes
   Hayes, Please, van der Tak
November 24, 1971

Alexander Stevenson

Esthetic Function of an Economic Factor

I attach a memorandum from Mr. Homer who will be

Taking over from Mr. Allison in January as an Economic Factor.

attaching "some notes on the Esthetic Function of an Economic

Factor". I think it would be useful if you could please on the letter

Mr. Homer with these notes you may have to the ideas expressed in

the note. They are, of course, preliminary and Mr. Homer would

welcome information suggestions at this stage. I have sent this to

a rather restricted number of people but if you think I have

told only someone whose comments would be valuable to Mr. Homer

please let me know.

[Signature]

To: Mr. Feather

Mr. Price, Mr. Hawkes, Mr. Donaldson, Mr. Price, David

Please, Please, can you get this

Note 33 14 1 AH 71

Central Files

Received
Contacts in ILO, UN and FAO

With reference to your memo of today to Research Files requesting publications for our Division, I would like to record the names of the officials in each agency, which were suggested by Messrs. Gholl and Zachariah for direct contacts.

ILO, Geneva - Mr. Y. N. Ypsilantis from the Department of Statistics

UN, Population Division, N.Y. - Mr. Milos Macura, Director of the Population Division of the UN

FAO, Rome - Mr. T. V. Sukhatmi, Director of the Department of Statistics of the FAO
Mr. Henry G. Hilken

Robert McPheeters

Bank and IDA Assignments

November 23, 1971

Further to my note yesterday and our conversation today, I propose the attached addition to and revision of our assignment listing.

cc: Messrs. Hayes/Lerdau
Mrs. Paulson
Mr. Rose

FMcPheeters:prr
Mr. Henry C. Hefley

Hopeful Improvement

Thank you for your statement.

It appears that the attached affidavit to my statement does not fully indicate the nature of the statements. I propose to make a more detailed and complete statement today.

Mr. Hefley

November 33, P.T.P.
## ECONOMIC PROGRAM DEPARTMENT

### Country Assignments for External Debt Information

<table>
<thead>
<tr>
<th>Region</th>
<th>Assignee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief of External Debt Section</td>
<td>H. Paulson</td>
</tr>
<tr>
<td>Africa, excluding Arab Republic of Egypt and South Africa</td>
<td>C. Merayo</td>
</tr>
<tr>
<td></td>
<td>M. Martin</td>
</tr>
<tr>
<td>East Asia and Pacific, Middle East, and Arab Republic of Egypt</td>
<td>G. Doultsinos</td>
</tr>
<tr>
<td></td>
<td>C. St. Hill</td>
</tr>
<tr>
<td>South Asia, South Africa and Europe, Excluding Spain</td>
<td>A. Moazi</td>
</tr>
<tr>
<td></td>
<td>B. Florendo</td>
</tr>
<tr>
<td>Central America and Caribbean, South America, Spain</td>
<td>A. Eguren Lopez</td>
</tr>
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<td>A. Perella</td>
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### Country Assignments for Socio-Economic Data

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<tr>
<td>Chief of Basic Data Unit</td>
<td>D. Rose</td>
</tr>
<tr>
<td>Europe, Middle East and N. Africa</td>
<td>B. Elacico-Metzner</td>
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<tr>
<td>Western Africa</td>
<td>A. Adebo</td>
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<td>Eastern Africa</td>
<td>M. Anochie</td>
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<tr>
<td>Central America and Caribbean, South America</td>
<td>A. Guzman</td>
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<td>South Asia, East Asia and Pacific</td>
<td>S. Haworth</td>
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<td>To: Mr. Shlomo Reutlinger</td>
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<td>Work Performance and Employment of Mr. Kempe Hope</td>
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The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.

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<td>Ann May</td>
<td>July 25, 2022</td>
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</tbody>
</table>
Mr. Henry G. Hilken

Robert McPheeters

Bank and IDA Assignments

November 22, 1971

In response to your memorandum of November 16 on this subject, attached is a revised list of External Debt Section Assignments. Mr. Enrique Lopez will not be on board for another week, but I propose to go ahead and add his name now. Please note that the Economic and Social Data Division, of which the External Debt Section is a part, is now in the Economic Program Department. In this regard, you may wish to discuss with Enrique Lerdau other specific assignments of the Department, particularly the country assignments of the professional staff of the Program Review Division.

cc: Mr. Hayes
    Mr. Lerdau
    Mrs. Paulson

RMcPheeters:prr
ECONOMIC PROGRAM DEPARTMENT

Country Assignments for External Debt Information

Africa, excluding Arab Republic of Egypt and South Africa

East Asia and Pacific, Middle East, and Arab Republic of Egypt

South Asia, South Africa and Europe, excluding Spain

Central America and Caribbean, South America, Spain

C. Harayo
M. Martin
C. Doultsinos
C. St. Hill
A. Moesi
B. Florendo
A. Eguren Lopez
A. Perella
ECONOMIC PROGRAM DEPARTMENT

Certificate of Attendance for External Data Information

C. Merino
M. Nanticoke

C. Contributions
G. S. Hill
A. Model
B. Narrine

A. Pressure Losses
A. Pressure
Mr. Henry G. Hilken

Nubia L. Halaby

Bank and IDA Assignments

November 22, 1971

Attached please find the revised list of country assignments for the Central America and Caribbean Department. Please note that individual country assignments have been spelled out to make this list more instructive.

Attachment

NLHalaby:mgf
### Central America and Caribbean Department

**Country Assignments of Economists and Loan Officers**

<table>
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<tr>
<th>Division A - Chief</th>
<th>Loan Officer</th>
<th>Economist</th>
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<tr>
<td>Nelson</td>
<td>Meier, Ruoff/Thornton</td>
<td>Pfeffermann</td>
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<td>Mexico</td>
<td>Ruffini</td>
<td>Chernick</td>
</tr>
<tr>
<td>(tourism)</td>
<td></td>
<td>Pfeffermann</td>
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<tr>
<td>Dominican Republic</td>
<td>Ruffini</td>
<td></td>
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<tr>
<td>Haiti</td>
<td>Meier/Ruffini</td>
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<tr>
<td>Lari</td>
<td>Rasmussen</td>
<td>Chaparro</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>Gonella</td>
<td>Datus-Panero</td>
</tr>
<tr>
<td>El Salvador</td>
<td>Rasmussen</td>
<td>Dowsett (Miss)</td>
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<td>Guatemala</td>
<td>Neufeld (Mrs.)</td>
<td>Bobb</td>
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<tr>
<td>Honduras</td>
<td>Gonella</td>
<td>Bobb</td>
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<td>Nicaragua</td>
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<tbody>
<tr>
<td>Wyss</td>
<td>Feldman/Michaelcheck*</td>
<td>Beier</td>
</tr>
<tr>
<td>Barbados</td>
<td>Schloss</td>
<td>Beier</td>
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<tr>
<td>British Honduras</td>
<td>Feldman/Michaelcheck</td>
<td>Meo</td>
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<td>Guyana</td>
<td>Feldman/Michaelcheck</td>
<td>Richter</td>
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<td>Jamaica</td>
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<td>Netherlands Antilles</td>
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<td>Panama</td>
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<td>Surinam</td>
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<td>Richter</td>
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<tr>
<td>Trinidad and Tobago</td>
<td>Moya</td>
<td>Richter</td>
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<td>Venezuela</td>
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<tr>
<td>J.K. Caribbean Islands</td>
<td>Feldman/Michaelcheck</td>
<td>Beier</td>
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</tbody>
</table>

* Young Professional

November 22, 1971
Mr. Lars Lind

November 19, 1971

Lerdau

Atlas Press Release

1. This is to confirm what I told you today, namely that neither Mr. McPheeters nor the Front Office of the EPD were given a chance to see the Press Release (No. 71/84) on the World Bank Atlas before it was issued. I would be grateful if in the future a better procedure could be followed.

2. I probably would not raise the issue if I were not unhappy about the text itself, which seems deficient to me, inter alia because it jumbles data on all countries with conclusions about the LDCs. Moreover, the reference to 22 countries with declining per capita incomes is quite misleading; of the 22, 13 are mini-countries (less than one million inhabitants) and even of these some are non-countries (e.g. the Canal Zone, Cape Verde, Macao, Netherland Antilles).

3. Actually a moment's thought should have made the author realize that something was wrong when he wrote about the "189 (countries) listed". There are not that many countries on this planet. U.N. members amount to 131. Add Switzerland, the two Germany's, the two Korea's, the two Vietnam's, Taiwan, Monaco, Japan, Andorra, Liechtenstein and San Marino (and the Vatican?), and subtract a few extras (i.e. U.N. members who are not independent countries, like Bjelo-Russia, Outer Mongolia, etc.). You come out with a total of somewhere around 140 as possible countries, a far cry from 189.

cc: Mr. McPheeters/Miss Vial
    Mr. Carter

EL: jd
In response to your request of November 8, here are the names of EPD staff members slated to go to the meetings:

R. Agarwala preparing paper
T. M. Klein "... would derive substantial professional value."

EL: jd
November 19, 1971

Mr. J. I. Looper

E. Neff

A.A.A. Meeting

In response to your request of November 8, here are the names of EDD staff members selected to go to the meeting:

Proposing Paper

R. Ayres

M. A. Halicki

M. Klein

Propositional Analysis

"... Monthly Geriatric Symposium"

EL: 79

25 PH. GIRI

NOV 19 79

CENTRAL "D" FILES

RETURNED
E. K. Hawkins

Clearance of Terms of Reference for Field Trips by Economic Staff

I wish to raise a question in connection with the clearance of terms of reference for missions by members of the staff of the Department. It has always been my custom to require that visits to a particular country should be cleared with the appropriate area department. In cases where such visits involve a projects department directly, I would also wish to have that department clear the terms of reference as well.

The issue that now arises concerns the intermediate case, where a person is carrying out a project agreed in principle with the projects department, but where no immediate project work is involved in the actual field visit. In these circumstances I had assumed that the primary clearance should be with the area department, and the projects department need only be informed by a copy of the terms of reference that the mission was to take place. I have now had a situation, however, where the area department argues that it will not clear the terms of reference unless the projects department also agrees to the mission. This puts a projects department in the position, if it so desires, of controlling the details of the way in which we carry out an agreed research task. This seems to me both cumbersome and wrong in principle. There will be occasions when such agreement is difficult to obtain, and the Economics Department will then be in the position of having its detailed activities subject to a veto by the projects department concerned.

I would imagine that the problem in this extreme form is unlikely to arise if we maintain proper communications with the projects departments. Nevertheless, there can be real difficulties, as even the maintenance of proper communications will not guarantee that there will be agreement on exactly how a piece of work should be carried out.

I would be grateful for your guidance on this question. My own preference would be for the principles stated above, but I would be interested to know what has been the practice elsewhere in the department.

cc: Messrs. Van der Tak
    Churchill
    Reutlinger
    Keare
    Price
    Mrs. Hughes

EKHawkins:jl
OFFICE MEMORANDUM

TO: Messrs. Alter, Benjenk, Broches, Cargill, Chaufournier, Diamond, Goodman, Gutierrez, Henderson, Lejeune and Gabriel
FROM: Henry G. Hilken
SUBJECT: Bank and IDA Assignments

DATE: November 18, 1971

1. New lists of country assignments in the Area Departments and in the Controller's, Economics, Legal, and Development Finance Companies Departments will be issued about November 30, 1971.

2. Will you please revise the attached "Bank and IDA Assignments" for your Department. To the extent possible, Area Departments should put in separate columns persons assigned as operations officers and those assigned as economists.

3. Please send your revised list to this office (Room B-1105) by noon on Monday, November 24, 1971.

Attachment:
Mr. A. Stevenson

E. K. Hawkins

Population Growth - World Bank Atlas

My reaction to this press release was to assume that it was a gross generalisation, produced for popular consumption by the Information and Public Affairs Department. If it is intended to be more than that I would begin to worry. I have not yet seen the documents, and I do not have any comments on the details. There does remain, of course, the nagging difficulty about these comparisons when they are based on GNP figures translated into dollars at some arbitrary rate of exchange.
Bank Press Release No. 71/84
November 16, 1971

World Bank Atlas

POPULATION GROWTH CONTINUES
TO SLOW ECONOMIC PROGRESS

Considerable economic growth continues in the developing countries but
is largely offset by rapid population gains, statistics in the newest

The 1971 Atlas is the sixth annual edition of the World Bank's 12-page
pamphlet summarizing gross national product, population and growth statistics.
The figures reported are for the 1969 and 1960-69 periods.

The text stresses that the Atlas data -- approximate in many cases --
tell only part of the story as they do not measure social and cultural
changes. The tables include figures on 54 African countries, 41 Asian,
35 European, 30 North and Central American, 13 South American, and 16 countries
in Oceania, including Australia, Indonesia and New Zealand.

Of the 189 listed, only 22 showed a decline in GNP per capita. However,
the GNP per capita gains registered by most of the other nations were small.

Twenty-nine countries had growth rates of 5% or more. But over 100 nations
registered economic growth rates of less than 3.0% or experienced declines.

The Atlas tables were prepared by the Socio-Economic Data Group of the
World Bank's Economic Program Department and are intended to be used as one
indicator of development progress.
FOR IMMEDIATE RELEASE

INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT

1818 H STREET, N.W., WASHINGTON D.C. 20433   TELEPHONE: EXECUTIVE 3-6360

Bank Press Release No. 71/84
November 16, 1971

World Bank Atlas

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TO SLOW ECONOMIC PROGRESS

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The Atlas tables were prepared by the Socio-Economic Data Group of the World Bank's Economic Program Department and are intended to be used as one indicator of development progress.
Mr. J. Duloy

Arthur E. Tiemann

November 12, 1971

Request for statistical assistant - Miss S. Jain

On July 22, 1971, I provided you with a copy of a draft of a proposed study on developing a methodology for projecting disbursements of loans to developing countries. Subsequent work on the study indicates that the use of a Markov chain technique may be the most appropriate one for this type of projection and that preliminary testing on limited data seems to bear this out. The External Debt Section has now provided additional data to be used for further testing and for developing specific parameters to serve as a basis for projecting disbursements. The next step in the study is to apply the proposed techniques to the new external debt data.

Miss Shail Jain has been of great value to me as a statistical assistant in bringing this project to its present status. She has acquired much technical knowledge of Markov processes and of the external debt reporting system. In order to pursue this project further, I will require the continuing services of a statistical assistant for several months. Miss Jain's technical ability uniquely qualifies her to provide the required services and I know of no other statistical assistant in the Bank with her combination of skills. I would appreciate it if Miss Jain could be made available to me on a part-time basis for the remainder of the fiscal year to assist in bringing the study to a successful conclusion.

AETiemann:mp

c.c. Messrs. Henderson, Stevenson
Mrs. Paulson, Mr. Klein, Mr. Rose

Robert McSheeters

PRD Country Assignments

Attached for your information is a list of the country assignments of the Program Review Division. When questions of country data come up in the course of our review of the OPP's, these are the people to contact in the first instance (unless, of course, you already have direct contact with the area economist).

cc: Messrs. Tims/Holsen

McSheeters: ra
Mr. J. P. Hayes

Robert McPheeters

Analytical Report on Development Progress

November 9, 1971

I have just read and passed on to Wouter Tims Mr. Lerdau’s draft note on this subject in response to Mr. Chenery’s note of October 6. I agree down the line with Enrique’s ideas on the subject, but I am inclined not to let the subject drop out of sight without some consideration of more concrete alternatives, particularly after reading the appalling piece on foreign aid by Senator Church in last Sunday’s "Washington Post." Might we take this up at a future division chiefs’ meeting?

cc: Mr. Lerdau

McPheeters: ra
RECEIVED
CENTRAL FILES
Nov 10 958 AM 1971

[Page content not legible or readable]
Those mentioned below

J. P. Hayes  J. P. Hayes

November 9, 1971

Corruption and Crime

The attached letter from Mr. Clifford of the United Nations is another reminder of the archimandrite and his Department of Fornications. I would be grateful for any suggestions, within the next couple of weeks, on a reply to the letter. We have put some attention to these matters in our country economic work? If not, what is the right approach?

I recently read an article — I think in Economic Development and Social Change — which warned sternly against defining corruption in developing countries on the basis of the value judgments generally accepted in developed countries. As I remember it, corruption was to be considered as the result of the survival of traditional value systems which had been made inappropriate by the course of economic and social change. I am not clear where this kind of approach leads us in the context of the Bank's concern with "performance". If we believe that developing countries are evolving towards an economic and social system resembling that of, say, Western Europe or the United States, then why is it so inappropriate to apply the value judgments of these developed countries? I know that there are those who believe that the developing countries can and should develop distinctive patterns of their own, but, with the pervasive influence of culture contact, is there any reason to suppose that this is the way in which things will in fact happen?

Given the difficulty of these questions, perhaps we should suggest to Mr. Clifford that he had better help us, rather than the other way around!

Attachment

cc: Messrs. Lerdau, King, Mrs. Adelman, Messrs. Please and Tims (o.r.)

JPH:fm
Mr. Enrique Lerdau

Helen W. Paulson
External Debt Section - Economic and Social Data Division

Writing course for Mrs. Martinez

November 5, 1971

Mrs. Carmen Martinez has expressed an interest in taking the Report Writing course offered by the Bank. As a result of her recent mission to Peru she has been asked to write part of the economic report. Of course, this has to be completed before she could take the course and I am sure she can complete her assignment very well. However, if she is capable of doing this sort of work and has the interest, I think we should encourage it. Therefore, I shall appreciate if you will take the necessary steps to have her enrolled.

cc: Mr. McPheeters
Mrs. Martinez

H.W.Paulson:dg.
Division Chiefs

Alexander Stevenson

Young Professionals

November 4, 1971

When discussing the possibilities of getting Young Professionals assigned to the Department yesterday, Mr. Dyck mentioned that the assignment descriptions provided by Mr. Keare were very helpful and did much to persuade the two Young Professionals concerned to come to his division. Others interested might take note.

AStevenson:js

cc: Mrs. Hughes
    Mr. Henderson
    Mr. Haq
Mr. Leonard Steinberg

M. Elisabeth Bundi

Travel Time Questionnaire

As you suggested, please find below details on the programming and statistical analysis requirements for the study on Travel Time.

I. An overall frequency distribution of:
   1. Income (Question 13)
   2. Area (Question 6)
   3. Length of employment (Question 17)
   4. Length of present domicile (Question 9)
   5. Age (Question 16)
   6. Staff levels (Question 14)

II. A multiple regression analysis of:

   \[ T = f(Y, W, C, K, L) \]

   where:

   \( T \) = travel time to work excluding other purposes (i.e. Question 2-Question 4)

   \( Y \) = income (i.e. Question 12 and Question 13)

   \( W \) = wealth (i.e. first part of Question 18. % own and Question 19)

   \( C \) = cost of transport one way (i.e. Question 7)

   \( K \) = number of children (i.e. Question 11a)

   \( L \) = length of present domicile (i.e. Question 9)
Mr. Alexander Stevenson

Mahbub ul Haq

Interviews for the Young Professional Program

Mr. Peter Nichols from Administration informed me that Mr. Henderson had agreed to my visiting Yale for interviewing possible candidates for the Bank's Young Professional program. I am making arrangements to travel to Yale and to spend two days, November 15 and 16, for this purpose.

c.c. Mrs. Armstrong

MHaq/alj
Value of Travel Time Questionnaire

1. Question 13 (page 6) of the attached questionnaire asks staff members to note their salary. Would it be possible to get a similar breakdown for all staff members so that we may check our sample? The question asks for net salary including allowances but if this is not easy to get, just net salary would suffice.

2. Also if it is possible we would like to check our sample question number 17 which asks for number of years employed by Bank.

3. I hope this information will not be too difficult to obtain. Many thanks for your cooperation.

Attachment

ACHurchill:phm
OFFICE MEMORANDUM

TO: Mr. Suiitbertus M.L. van der Meer
FROM: A. Churchill

DATE: November 1, 1971

SUBJECT: Travel Time Questionnaire

1. Your comments on our Travel Time Questionnaire were most welcome. Before answering in detail to the comments you made, I would like to point out that this particular questionnaire is intended as a very modest and experimental effort on our part. We are really just attempting to learn something about the techniques of the questionnaire method.

2. We are indeed very familiar with the various references from the literature cited in your memorandum and we certainly agree with you that they leave much to be desired. The paper now being prepared by Mr. Yucel is not likely to come up with anything new. In fact, in order to come up with a new information and insight into this problem, it may be necessary to carry out an empirical study which could be very costly and time consuming. The research that is now being undertaken by the Center for Urban Research at Manchester University mentioned in your memo, is a good example of such empirical studies. The paper that is being prepared by Mr. Yucel, on the other hand, is simply a literature survey. Our questionnaire was designed to overcome what we thought was some of the weaknesses in the earlier work. Whether it does this or not remains to be seen. Our presumption was that if we could get interesting results using the sample of Bank employees, that similar type of questionnaire might be useful in determining values of travel time in underdeveloped countries.

3. Regarding your specific points:

(a) Travel Time from Peoples Location Decisions

After having examined past attempts to use similar techniques we felt that they had not adequately exploited this method and further felt that it was well worthwhile trying it again. The techniques we are planning to use upon this data are certainly more sophisticated than anything that has been done in the past. While it is probably true that households' decision with regard to residential locations are the result of a combination of many factors mentioned in your memo, it is also true that there is ample empirical evidence to support the hypothesis that households choose their housing locations and urban transportation modes so as to maximize their total real incomes. That is, households can make substitutions between outlays for housing and transportation and among alternative transport modes. In other words, the substitutions made by households between travel costs and travel time are interdependent with their choices of housing location in relation to their work place. Savings realized by a given household as a result of choosing their housing location at a low density area, the quality of the house being the same, encourages to travel a longer distance. As the distance travelled increases, the household is more likely to spend greater amount on transportation in an attempt to realize the time savings obtainable from using a faster means of transport media. Our modest effort was designed to see if such trade-offs can be observed with the aid of the type questionnaire used. It may be pointed out here that Meyer, Kain and Wohl, in their book "The Urban Transportation Problem," find supporting evidence to the hypothesis stated above, and the interdependence of households choices with regard to housing location and transportation and different transport modes.
(b) Availability of Alternative Methods of Transport
You will notice that one of our questions estimated people to place their location on the map. From this information and supplemented by information on bus scheduling and urban commuter patterns in the Washington area, we felt that we could adequately estimate the availability of alternative modes.

(c) Cost of Car Travel
One of the questions asked for the type of vehicle in use. We have figures on the operating costs for various types of vehicles and given the distance travelled and information on speeds we can calculate the actual costs. We plan to check these costs against the results of the question that asked people to estimate their costs. From these two results we hope to infer something about the bias of people's estimates.

4. Most of your other points have been considered in the design of the questionnaire. We hope by stratifying our sample, we can obtain information on such things as the effect of transient population, apartment versus house dwellers, operating arrangements, car pooling, etc.

5. To summarize, I think we have taken into account many of the questions raised by you. In any case once we have obtained some results, we will of course discuss them with you. This is simply a rather small experiment, and I don't think it will solve the problems we face in assigning values to time. The best we can hope is that it will help us make a beginning.

cc: Messrs. Stevenson, Haq, Knox, Pouliquen, Singh, Abe, Yucel

A: Churchill:ads
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**File Title**

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**Document Date**
Oct. 26, 1971

**Document Type**
Memorandum

**Correspondents / Participants**
From: Owen T W Price
To: Mr. Alexander Stevenson

**Subject / Title**
Renewal of Consultant's Appointment - Samuel Moment

**Exception(s)**
Personal Information

**Additional Comments**

The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.

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Archives 01 (March 2017)
Mr. A. Churchill

L. Pouliquen

Value of Time Study

October 26, 1971

Attached is a memorandum from Mr. van der Meer on the questionnaire you recently sent to some Bank staff members.

I do not wish to add to these comments before we have received a copy of Mr. Yucel's draft on the result of the literature survey he is now completing. I felt, however, that Mr. van der Meer's memorandum contains some valuable comments, going beyond the question of the usefulness of the questionnaire, which Mr. Yucel may want to take into consideration. I would also add that Mr. Yucel should feel free to discuss this memorandum with Mr. Singh or any members of the staff of the Aviation Division who are more particularly involved in the value of time issue.

L.Pouliquen:jmc

cc: Messrs. van der Meer/Singh
The
Yucel
V R E : A (w) M D E N

V R E: A (w) M D E N

I am very much in your service.

I do not wish to add to your already burdensome task. However, I would like to bring to your attention the recent developments in the field of renewable energy. The increasing availability of solar and wind power has led to a significant reduction in the cost of electricity. This has opened up new opportunities for the development of sustainable energy solutions.

Please consider the implications of these changes and how they might affect our current projects. I am available to discuss these issues further.

Yours sincerely,

[Signature]
Travel Time Questionnaire

Thank you for filling out our questionnaire.

Two of the questions on which you expressed some doubts are not as sloppy as you indicate. Both questions Nos. 7 and 8 are "trick" questions. They are both designed to see if there is some bias in what people perceive as the value of their trip. You will notice we have asked people to specify the area in which they live and their mode of travel. From each area and for each mode of travel we have an independent estimate of such things as lifetime values, of automobiles, cost of parking etc.

Question 8 is simply forcing people to give an estimate. We hope that the results of our statistical analysis on the whole questionnaire will enable us to make an estimate of the value of travel time function with respect to income and other variables.

Question 19 is somewhat more awkward to explain. Precise values here are not terribly important. We just want to take into account the effects of wealth on location. For most Bank staff members their location decisions will probably not be too sensitive to this, i.e. not everybody has inherited wealth.

We hope to hold a research seminar when we have completed the analysis.

Once again thanks for your cooperation.
Oct 12, 1948

Well, I thought I'd write you.

I understand you're the kind of person who gets things done. I hope you're well.

I saw a few people today who were interested in my work. They seemed to enjoy it.

I'm going to try to stay focused on my goals.

Best,

[Signature]

[Address]

[Date]
Mr. A. D. Knox  
S. H. L. van den Berg  
The Economics Department's Travel Time  
Questionnaire  

1. In an attempt to shed some light on the problem of how the  
Bank should value travel time savings in road and airport project  
appraisals, the T.P.U. Division of the Economics Department has recently  
decided to survey a sample of Bank employees. I only know about  
this because I happened to be one of the recipients, selected at random,  
of the questionnaire, a copy of which is attached. Although we can only  
infer the method of analysis that is envisaged from the questionnaire  
that has been distributed, we are more than somewhat uncertain as to the  
relevance of such a study to the time valuation problems that face the  
Bank.

2. In the recent past, a number of excellent behavioural studies  
have been carried out which attempt to derive time values from observing  
the revealed preferences of people making journeys to work in American  
and British cities.7 These studies reveal a reasonably consistent  
relationship between incomes and the value that American and British  
commuters place on journey to work travel time savings. However, the  
relevant questions from the Bank's point of view that these studies  
leave unanswered, are whether these relationships apply equally in  
L.D.C.'s and whether leisure time values revealed from commuting  
patterns are applicable to journeys involving other, perhaps less  
frequent, trip purposes. Whereas, from an academic viewpoint it may  
be desirable to undertake further work on commuting patterns in American  
cities, it is difficult to see how such work would help the Bank.

3. There are a number of more technical reasons why the Economics  
Department Survey may also lead to unreliable and biased inferred values  
of time. A few of these are mentioned below:

    a) The survey professors to attempt to infer the value of  
travel time from people's location decisions. It is now common ground  
amongst researchers working on travel time valuation that the most  
promising decisions revealing time values are the choice of mode of  
travel, or in some circumstances, route choices. To the best of our  

7 See, for example, C. A. Lave, Modal Choice in Urban Transportation,  
California, 1969; T. Luceo, The Value of Commuters Travel Time,  
Chicago, 1968; D. A. Quayle, Factors Affecting Commuter Travel  
Travelling, London, 1965; Lee and Dalvi, Variations in the Value  
of Travel Time, Manchester, 1969; and T. C. Thomas, A Study of  
Commuter Time Values, Stanford, 1968.
Please provide the raw text content extracted for the document so that I can provide the plain text representation.
knowledge, no successful attempt at inferring time values from a location choice study has yet been undertaken. Perhaps the best known attempt is that by Herbert Mohring, using data from Professor Wheeler's Seattle study, which assumes that house prices reflect, ceteris paribus, the capitalised value of time and operating journey to work costs. Mohring himself recognised the grave shortcomings of an analytical method which assumes, 1) that there are no other important factors affecting home prices and, 2) that each household has, prior to making its decision, considered very similar houses in alternative locations with price differentials attributable solely to work journey costs. An inherent danger of trying to extract time values from residential location decisions, arises because journey to work costs may be relatively unimportant in a choice involving a large number of other determining factors such as accessibility to other important activities, the quality of the building and its environment, the age and density of the housing stock in the area, the relative security, the extent of urban decay, the proximity of friends, etc. Unless the contribution of all the important determinants of house prices is obtained, any time value inferred from location decisions is likely to be a biased estimate. At the present time no satisfactory means exist of quantifying such factors. It is generally accepted that until much more comprehensive general urban models exist with factors such as those referred to above calibrated, residential location decisions are unlikely to be a fruitful area for time valuation studies. Perhaps the most promising work in this field is the ambitious generalised urban model being developed at the Centre for Urban Research, Manchester University, which is not expected to be completed before 1976.

b) Even in the context of a location choice study, it is surprising that the questionnaire seeks no data on the availability of alternative modes of transport and their time and cost characteristics. Only the preferred mode's characteristics are probed, and the questions asked will not enable estimates to be made of the characteristics of rejected modes where they exist.

c) The questionnaire fails to seek adequately specific information on a number of critical factors. No information is sought on the level of car ownership of the sample, or on the number of changes involved in the journeys to work. As the perceived costs of car travel are notoriously underestimated by people, more detailed information on car type and age is required to obtain an independent estimate of depreciation, if only for consistency checking. This is necessary as there is evidence which shows that people rationalise their residential location choices by underestimating its costs. The data sought on the samples' dwellings are also inadequate to give any indication of the consumer surplus enjoyed or the lack of it. It would appear from the questions asked that the existing locations of the sample are to be considered optimal. The small proportion of indigenous Washingtonians in the population sampled would suggest that initial location decisions may be made without adequate information about alternatives and that therefore many may be planning to move. On the other hand, as a large proportion of Bank employees constitute a transient population with relatively short stays in Washington their location mobility may be restricted even if they are unsatisfied with the location of their dwellings.
d) The questionnaire does not directly distinguish between apartment and house dwellers. The location decisions of these two classes are likely to be influenced by different sets of demand and supply considerations.

e) Any time values inferred from location decisions of Bank staff members would reflect a downward bias because of the subsidised parking (and to some extent car pooling) arrangements that exist; An increase in derived time values in proportion to the extent of subsidization may not entirely eliminate this source of bias.

4. The Aviation Division is vitally interested in time valuation problems as travel time savings often constitute an important part of the benefits of aviation projects. As we are unclear about the uses to which the time values obtained by the Economics Department's survey may be put, and as, for the reasons given above, we have doubts about the reliability of the estimates that this exercise will produce, we would welcome an opportunity to discuss this questionnaire with the Economics Department.

cc: Mr. Jaycox

DDS Singh: pas
Anatomy Lessons on Ruritania

1. The first line of McCabe's draft memorandum on the projections model for Ruritania raises great expectations. When I started to read I felt like one of those medical students standing around Professor van der Tulp on Rembrandt's painting of the anatomy lesson; neck craned forward and eagerly watching as the teacher holds up a string of muscles pulled out from the opened chest of the dead body on the operating table. Here the structure of the subject is going to be revealed to us, and the relationships and processes that made it tick in the past. And the enthralling prospect that this will enable us to not only distinguish the living from the dead, but also to keep the living alive in futures near and distant.

2. I do not want to quarrel about the way in which McCabe represents parts of the muscular and nervous system, but rather with what he does and does not present in relation to what we do and do not need to know in our modest efforts to keep patients alive and kicking. Can we meet the objective by a simple drug prescription, or is surgery needed? If the latter, what are the most effective incisions that leave least scars? How do we support the patient during recovery?

3. The McCabe exercise does not appear to face those problems, and I would suggest therefore first of all an identification of the "fundamental projection needs of Bank area economists"; a second need is an answer to the question how those relate to the fundamental needs of the Bank. Both are difficult issues and the answers - certainly in terms of practically useful models - do not let themselves be formulated very easily in general terms. The only general answers may be that it depends on the types of countries.

4. Projection needs of a country economist for which he might want to use models relate to the charting of alternative courses for economic development and stability. The alternatives arise from the fact that there are variables which do influence the country's economy, but are outside the scope of being influenced themselves by the country's policies; these exogenous factors combine their uncertainties with those of the country's own policies. As uncertainty is expressed by assigning ranges to values of exogenous and instrument variables, the projection needs are identified by the combination of alternative sets of values of those variables.
I want to make a point about the importance of the question of cooperation. It seems to me that we need a clear statement of the issue. The question of cooperation is not just a matter of political strategy. It is a matter of the future of our society. If we do not cooperate, if we do not work together, if we do not support each other, if we do not listen to each other, we will not be able to solve the problems that we face.

The problems we face are not just economic. They are also political, social, and cultural. We need to work together to find solutions. The question of cooperation is not just a matter of the present. It is a matter of the future. If we do not cooperate, if we do not work together, if we do not listen to each other, we will not be able to solve the problems that we face.

I want to make this point about the importance of the question of cooperation. It seems to me that we need a clear statement of the issue. The question of cooperation is not just a matter of political strategy. It is a matter of the future of our society. If we do not cooperate, if we do not work together, if we do not support each other, if we do not listen to each other, we will not be able to solve the problems that we face.

The problems we face are not just economic. They are also political, social, and cultural. We need to work together to find solutions. The question of cooperation is not just a matter of the present. It is a matter of the future. If we do not cooperate, if we do not work together, if we do not listen to each other, we will not be able to solve the problems that we face.
5. Further, the country economist belongs to that small contingent of the profession which is more interested in medium and long term growth and development than in the changes taking place in the current and the next year. This implies that he is interested more in policy instruments which effect the longer term, rather than in those which are used to cure short-term ills and imbalances. As an example, it would usually be rather unrealistic to look at measures stimulating import substitution as a means to close next year's balance of payments gap, unless those measures were taken already some years ago. The country economist will have a scale of preferences regarding policy instruments to be used to close the short-run gap as their impact on the longer term may be different, but his main interest will be in policies now which will lead to avoidance of short-term disequilibria in the future, rather than in the immediate problem.

6. Different countries are exposed to different exogenous influences and have different instruments to cope with those. Pakistan will solve a balance of payments crisis by tighter import licensing, Thailand with taxation of imports and Indonesia by a further move along the sliding scale of its floating exchange rate. Also, instruments available for internal economic policy vary widely, as needs hardly to be exemplified. The implication for model builders is, that there cannot be two country models which are alike.

7. I would, however, assume that the particular interests and activities of the Bank lead to the formulation of models which do have common properties in terms of the questions to which they are addressed. We are first of all interested in investment, its composition, financing, implementation and effectiveness in terms of stated objectives. We are also involved in numerous sector surveys, pre-investment studies, feasibility studies etcetera, not only to generate projects for our own lending, but also for quite a few other suppliers of external assistance, or in some cases even for entire country development programs. Very little of all that has, to my knowledge, been used effectively to construct more reliable relationships between investment, growth, import demand and employment generation.

8. In line with the generalized model approach attempted by McCabe, but starting from the micro- and sector side instead of the Cobb-Douglas or CES production function for the whole economy, would it be possible to build a country model? Once the investment and sectoral growth and employment indications, and their balance-of-payments impact, were formulated into simple but well-based (factual, that is) equations, we could move to greater things from there on and construct a simple or not-so-simple macro-framework to see where all the sector activity may lead us, and how general economic policies can be effective to direct the course of the economy.

9. The thought is far from new and I would not have dared to suggest it, if I had not done it sometimes myself. But it might be a good idea as it could bring some more cohesiveness in what we do with the
Mr. N. C. Carter

- 3 -

October 21, 1971

left hand and the right hand, in the Projects and in the Area Departments or, if you like, in the first part and in the second part of the CPP.

cc: Messrs. Lerdau
    King
    Division staff

W:\jkt
Mr. Hollis E. Chenery

Robert McPheeters

Your Meeting with the Economic and Social Data Division

I have just completed the initial reorganization of my division and have my staff working on their new assignments under the revised structure. I have not, however, finished work on our detailed work program. In lieu of this, attached are three short notes which will give you some background for our meeting with you tomorrow:

1. A brief description, dated March 1971, of the external debt operation.

2. A memo to Philip Hayes, dated July, 1971, outlining our relations with other organizations concerned with statistical matters. It is somewhat outdated, but will provide a starting point for any discussion you might want to have in this area.

3. A memo sent to Enrique Lerdau this week outlining the revised structure of the Socio-Economic Data Group. This was prepared in an effort to justify the additional research assistant we have been trying to get. Attached to the note are a summary work program of the Socio-Economic Data Group for the current fiscal year and a revised organization chart of the division. I will use the latter as a guide for whatever introductory statement you want me to make.

I have taken Jim Chaffey at his word and asked all of my special services staff to attend the meeting. I feel that this is appropriate for at least this first direct encounter, primarily for two reasons:

1. Many of them have professional responsibilities and work with a minimum of supervision at what I regard as a professional level; and

2. I think that all of them would benefit from your views on the division's mandate and the priorities which should be attached to the various aspects of our work program.

cc: Mr. Hayes

McPheeters:pr
REINOL
CO.
Central Files

Oct 19 4:23 PM 1971

cc: [Redacted]

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Mr. Werner Dannemann

Guillermo Rossel

Data Request

October 18, 1971

This is in reference to your conversation with Mr. Frank Vibert on Friday, October 15th.

Please supply data from line 1 of the International Financial Statistics for the second and fourth quarters, for the period 1956-1971. The groups of countries for which these data are needed are:

Group One

Australia, Austria, Denmark, Finland, Kuwait, Luxembourg, Norway, South Africa.

Group Two

Belgium, Canada, France, Germany, Italy, Japan, Netherlands, Switzerland, United Kingdom.

Group Three

United States.

Group Four

Libya, Saudi-Arabia, Venezuela.

Group Five

Argentina, Brazil, China, India, Ireland, Malaysia, Mexico, Portugal, Spain, Thailand.

Group Six

Abu-dahbi, Brunei, Burma, Cyprus, Ghana, Guyana, Iceland, Jamaica, Jordan, Kenya, Malta, Nepal, New Zealand, Nigeria, Pakistan, Qatar, Sierra Leone, Singapore, Tangania, Trinidad, & Tobago, Uganda, Zambia.

Group Seven

Dahomey, Ivory Coast, Mauritania, Niger, Senegal, Togo, Upper Volta, Cameroon, Central African Republic, Chad, Congo (Brazzaville), Gabon, Malagasy.
Group Eight
Bolivia, Chile, Colombia, Ecuador, El Salvador, Guatemala, Honduras, Israel, Kmer Republic, Nicaragua, Panama, Paraguay, Peru, Philippines, Uruguay, VietNam.

Group Nine
Afghanistan, Algeria, Congo (Dem. Rep. of), Ethiopia, Greece, Iran, Iraq, Lebanon, Morocco, Sudan, Turkey, UAR, Yemen, Yugoslavia.

Group Ten
Lybia, Malaysia, Ireland, India.

Group Eleven
U.K., Australia, Kuwait, South Africa.

Group Twelve
Argentina, Brazil, Mexico, Venezuela.

Please supply data both for individual countries and group totals.

cc: Messrs. F. Vibert
    F. Tamagna
OFFICE MEMORANDUM

TO: Funds
FROM: Dexter Rose
SUBJECT: Notes on Meeting of Basic Data Unit - Oct. 13, 1971

Present were: Dexter Rose, A. A. Adebo, M. Anochie, B. Blazic-Metzner (B.D.U.)
R. de Campos, H. Moon (Data Bank Unit on invitation)

1. Data Sources (General)

The consensus was that Research Assistants should be critical of all data which they used in preparing estimates for indicators for the data bank. Each piece of information would be examined with care and compared with similar information available from other sources. Some flexibility of choice in the selection of sources would have to be permitted.

While data deriving from the whole range of United Nations reports were generally conceded to have special status and overall acceptability, they were by no means inviolate; several instances were cited when UN data were out-of-date, inconsistent, or wrong. Other sources sometimes provide as good or better data, e.g. (a) Bank (Fund) mission reports, (b) reports from other international agencies (Development Banks), (c) reports available through investigations carried out by developed countries (US AID, UK OIM, Deutchbank, etc.), (d) national economic and statistical reports, (e) economic journals, (f) journals, reports and periodicals. The group of United Nations sources is therefore "primus inter pares", and no rigid priority classification should be established.

2. Data Sources (Specific Problems)

(i) After some discussion, it was agreed that the latest UN tapes containing socio-economic data which had already been acquired by the Fund would provide printouts that Research Assistants may find useful as one source for checking the material now in the Data Bank.

(ii) It was agreed that the Division Chief would be asked to make representations to Area Departments (or more specifically to Mission Chiefs) to ensure that the Basic Data Unit be formally placed on the circulation list for a "yellow copy of mission reports" (and in particular the Statistical Appendix) immediately these were available.
It was recognized that it was possible for substantial corrections to be made to the data as the reports develop from "yellow" to "gray" copy. Nevertheless, this procedure would prove a distinct time saver. Research Assistants are already aware of the fact that corrections may have to be made later, and would be prepared for that eventuality.

(iii) In the case of balance of payments data, the IMF annual report was the chief source at present. Apart from issues of concept and definitions, the presentation of the data in Bank Reports mainly in the form of net balances created troublesome problems. The Division Chief should be asked to request that the gross information recorded on the "new data" sheets from IMF be once again made available to the Unit as a matter of course.

(iv) The Unit wishes to be placed on the mailing list of all Development Banks. The Division Chief should be requested to make the appropriate representations. The same applies in the case of publications of the United Nations Economic Commissions.

3. Missions

(i) It was important to find out what range of choices as between acceptance, postponement and refusal was allowable in respect of requests or directives to participate on missions. In selecting a Research Assistant for a mission, the Division Chief may no doubt employ a discretionary prerogative to consult with Unit Heads. Naturally the current domestic situation of any staff member would be expected to be a consideration in agreeing to his participation.

(ii) Some anxiety was expressed concerning the priority missions that had been proposed by the Socio-Economic Data Group to the Divisional Chief some time ago. The case of Sudan was raised and it was agreed that the Unit Head should inquire from the Division Chief as to the status of the forthcoming mission to that country, with a view to seeking participation for the Basic Data Unit.

One other suggestion emerged from the discussion on this point. The Economic Commission for Africa (and indeed other Commissions as well) is reported to be engaged in data appraisal work that may not be reflected in published reports. A member of any mission to that part of Africa should be allowed the opportunity of investigating this (two or three days would be sufficient) as a possible additional source of information.
4. **Present Status of Work in the Unit**

Each Research Assistant was requested to review in all its aspects the present status of work in his "portfolio" in order to give the Unit Head a feel for the scope of the job. The entire series of socio-economic data would fall under this review so that deficiencies and discontinuities in any series would form part of a brief report which is to be used as a basis for preparing an operational schedule.

From discussion it appears that these reports would be ready in about a week or so from Oct. 13.

5. **Relationship with other Units**

Until the terms of reference of the separate units of the Socio-Economic Data Group have been issued, the relationship between these elements would be unclear. This was brought out in a lengthy discussion of this item on the agenda.

The new organizational structure implied distinct changes in the responsibility of the Research Assistants attached to the Basic Data Unit, especially in their present relationship to the professional staff members of the Research Unit with whom they had previously worked in a more direct relationship.

The changed administrative arrangements and the higher level of responsibility now assigned to the Research Assistants of the B.D.U. demands more careful programming of their time, especially as some members of the Unit now had additional countries in their portfolio.

In short, while it was recognized that Research Assistants of the B.D.U. would at times have to be available to work with professionals of the Research Unit on the preparation of data for countries in their various portfolios (and this should relate particularly to data required to monitor and maintain indicators in the Data Bank), this assistance would not be by right, but by arrangement. Such arrangements should be made through and with the knowledge of the Head of the Basic Data Unit, who is responsible for maintaining an equitable and efficient schedule of operations therein.

An allocation of a Research Assistant of the B.D.U. full time for extended periods would be more the exception rather than the rule. Part time direct assistance would be a far more general proposition amounting to say 15% to 20% of their total working time (allowing for some flexibility either way).

The B.D.U. would naturally be anxious to assist as much as possible, since it is obviously in its interest to ensure a smooth and timely flow of data into the system without too much red tape and humbug. However, it was important that the realities of the present situation and of administrative protocol be borne in mind.
6. Transactions with the Data Bank Unit

It was clear that the Basic Data Unit would have to harmonize its operational schedule with that of the Data Bank Unit. While a detailed operational schedule had not yet been worked out, a first procedure was agreed to.

Correction Sheets would be sent to the D.B.U. on a fortnightly basis beginning from Oct. 29th. Day-to-day contact would be maintained for the present to ensure that avoidable bottlenecks do not develop.

7. Estimation and Operational Procedures

This was one of the most important topics on the agenda, but was not discussed at length for good reasons. Two things were clear when the topic was brought up. The first was that though inter-related, estimation procedures and operational phasing should be considered separately. The second was the clear indication that a time-scheduling of processes was needed almost immediately.

Rather than talk around the subject in a general fashion it was decided to make the following arrangements:

(i) Mr. Martin Anochie would be assigned the duty of setting out concisely and cogently the estimation techniques and procedures presently applied in the B.D.U. He would have in mind problems connected with "broken" series, as well as the implications for adjustments to the data base deriving from the application of conceptual modifications published in the Revised S.N.A. by the United Nations.

(ii) Mr. A. Adebo would prepare a detailed breakup of all operations constituting the workload of the B.D.U. He will identify the points at which each routine touches directly on other Units, Divisions or Departments.

(iii) When these first two have been prepared, the Unit will meet and work out a time schedule for their entire operations.

It is envisioned that this entire process will be completed in three or four weeks at the outside.

8. Discrepancy Checks

This topic was the most important on the agenda and occupied most of the discussion time. Everyone realized that the highest priority assignment of the Unit was elimination of discrepancies between the data in the Socio-Economic Data Bank, and those being used by Area Departments, the Program Review Division, the Domestic Finance Division, the Comparative Analysis and Projection Division as well as within the Economic and Social Data Division itself (to name the main ones).
This was reinforced by the fact that the Economic Adviser to the President and the Deputy Director of the Economic Program Department had both expressed their disenchantedment with the quality of the Data Bank data, and had transmitted under cover of formal letters to the Area Departments printouts which they were asked to check.

Little active follow up of this exercise had ensued between the ESDD and the Area Departments. A recent cursory check showed that very few responses had in fact come back. The Division Chief was concerned to see that this checking problem now received immediate and energetic attention and promised certain assistance to speed up the process.

It was clearly identified that the discrepancy check under reference, related solely to the removal or the reconciliation of the differences between the data available to the various departments and divisions identified earlier.

The matter of resolving internal inconsistencies in the data in the Data Bank was a separate problem (though it will be affected eventually by the first check) and will be the subject of a separate exercise.

Based on ideas expressed earlier by the Division Chief with the head of the Basic Data Unit, the discussion indicated that the following lines of action will be pursued.

Phase I - Checking and Reconciling within the "Economics Complex" -
(approximately six weeks)

(i) Division Chief to obtain latest details of data (sheets) being used by (a) Program Review Division, (b) Domestic Finance Division, (c) Comparative Analysis and Review Division, and (d) Population and Human Resources Division. (The method of obtaining these sheets may be through initial contact by Division Chief, and follow up by Unit Head and for Research Assistants.)

(ii) Unit Head (after clearance by Division Chief) to arrange with Section Chief External Debt for Research Assistants to discuss any necessary debt data reconciliation with debt analysts.

(iii) Research Assistants are to check all available IMF reports to ensure consistency with Data Bank.

(iv) Research Assistants are to prepare list of "irreconcilable" items after check identifying particularly differences in definition (e.g. GDP at factor cost in current dollars) that may be caused by differences in concept and methodology. These will be ironed out in subsequent bilateral discussions.
Phase II - Reconciling Data with Area Departments and Establishing Continuous Revision Procedures.

(i) Research Assistants to immediately classify countries in their "portfolios" by categories based on the criteria of size and importance in descending order of priority for checking purposes.

(ii) Important indicators will be selected for priority checks. Components of indicators should be omitted in first instance. (The question was raised, however, that adjustments to an indicator would involve decisions concerning which components of the indicator are subsequently to be adjusted and in what degree.)

(iii) On being advised, the Data Bank Unit will pull out printouts for each country separately omitting second priority and "zero-data" indicators.

(iv) These printouts will be checked for accuracy by Research Assistants and then transmitted to Area Departments in small batches under cover of letters from the Division Chief or the front office whichever is appropriate. The covering letters should introduce the relevant Research Assistant who will proceed to establish early contact and arrange for continuous followup.

The Unit Head will keep a close track of progress in this area as a special charge.

(v) After the first round of reconciliation has been completed, each Research Assistant will prepare a table showing for each country:

(a) the relevant indicator,
(b) the estimates in the Data Bank,
(c) different estimates (if any) in separate columns by source of estimate (division or department),
(d) the reason as far as can be devised for the difference.

The fact that two Research Assistants are currently away on missions will complicate these arrangements, but the following back-up proposals are agreed to:

(i) D. Rose to provide general back-up and support
(ii) D. Rose to cover for A. Guzman
(iii) S. Haworth and B. Hlazic-Metzner to cover for each other
(iv) A. Adebo and M. Anochie to cover each other

Any serious disruption will be brought to the attention of the Division Chief with despatch.

cc: Mr. R.A. McPheeters, Data Bank Unit, Basic Data Unit.
Mr. Enrique Lerdau  

October 18, 1971  

Robert McPheters  

Special Services Staffing Requirements - Socio-Economic Data Group  

Under the revised structure of the Socio-Economic Data Group, five of the eight research assistants are grouped into a basic data unit, under the direct supervision of one of the group's senior professionals. The task of this unit is to provide and maintain, via the data bank, updated statistics on all accounts for about 150 countries and territories. In addition, staff of the unit participate in country missions from time to time (one is on mission now and another leaves this week), as well as provide support for the mission work of the division's country economists. Each research assistant has direct responsibility for the basic data for 25-40 countries and territories. This as an absolutely incompressible minimum number of staff members for this work; even under the best of circumstances (no one sick, on leave, or on mission) the five research assistants of this unit have a work load and level of responsibility which will tax their abilities to the limit.

Two of the remaining three research assistants are assigned to a research unit, consisting of most of the professional staff of the group. The economists of this unit will spend about two-thirds of their time on country assignments, including both economic and statistical survey missions. At the moment three are working on Iran and Indonesia, two on African countries, one on Yugoslavia, and preparations are under way for missions to Haiti and Uganda. For country work such as this, research assistance will normally be provided by the basic data group. However, at least two research assistants are required permanently for the group, for work both on non-LDC's and on substantive assignments not directly related to individual country data. Here again, we will be spread far too thin to do an entirely satisfactory job. In particular, the unit's economists, when working on individual country assignments, will have to depend heavily on the already overextended staff of the basic data unit.

The eighth research assistant is assigned to the data bank unit, where he will also act as the alternate to the chief of unit. The task of this unit is two-fold: to design and implement, with the help of Computing Activities Department the editing, retrieval, and manipulation systems necessary to operate the data bank, and to act as a channel for input and access to it. A comprehensive and efficient data bank operation is an essential requirement for the success of the entire division in carrying out its mandate. Without such an operation, the division simply cannot do the job expected of it both by the central economic staff and by the other departments of the Bank, which already rely heavily on this division for basic economic data and data manipulation.
To carry the design and development of the data bank required, and to meet the increasing demand for output from the system, I have estimated that the staff level of the data bank unit will have to be sufficient to provide a minimum of three man/years during the current fiscal year, rising to about four man/years during FY 1973. Even with support from other units in the division, the present staffing level will not permit this work to go forward at a satisfactory pace. For this reason, the Economic Program Department, last winter, requested two additional Special Services positions for the current fiscal year. In principle, this request was approved in the FY 1972 budget, and I was given to understand that the division would receive one additional permanent position, with authority to recruit for a second under the "float". The purpose of the present note is to request that this understanding be ratified so that we can proceed with the urgent business at hand.

cc: Mr. Hayes
Mrs. Paulson
Mr. Novak
Mr. Rose
Mr. de Campos

McPheeters:ra
Economic and Social Data Division - Socio-Economic Data Group
Work Program by Unit and Function, FY 1972
(in man/months)

<table>
<thead>
<tr>
<th>Country Data Preparation</th>
<th>Country Analysis and Missions</th>
<th>Special Research and Data Preparation</th>
<th>Data Bank Development and Operations</th>
<th>Leave, Training and Administration</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Staff, total</td>
<td>12</td>
<td>36</td>
<td>24</td>
<td>12</td>
<td>18</td>
</tr>
<tr>
<td>Research Unit, Total</td>
<td>10</td>
<td>20</td>
<td></td>
<td></td>
<td>12</td>
</tr>
<tr>
<td>(Bolivia)</td>
<td></td>
<td>2</td>
<td></td>
<td></td>
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<td>Cameroon</td>
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<td>Iran</td>
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<td>Mexico</td>
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<td>Senegal</td>
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<tr>
<td>(Haiti)</td>
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<td>Yugoslavia</td>
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<tr>
<td>Other</td>
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<td>Data Bank Unit, Total</td>
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<td>2</td>
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<td>(Comp. Analysis)</td>
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<td>Summary Totals:</td>
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<tr>
<td>Total Staff</td>
<td>60</td>
<td>56</td>
<td>40</td>
<td>36</td>
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<tr>
<td>Professional Staff</td>
<td>12</td>
<td>36</td>
<td>24</td>
<td>12</td>
<td>18</td>
</tr>
<tr>
<td>Special Services</td>
<td>48</td>
<td>20</td>
<td>16</td>
<td>24</td>
<td>12</td>
</tr>
</tbody>
</table>

ESD; October 18, 1971
External Debt Section

Section Chief: H. Paulson
Debt Analyst: C. Slappey (Alternate)
Statistical Assistants: W. Grau (Alt.), A. Benavides
Data Assistants: D. Gaarder
Records Clerks: N. Anderson

DEBTOR REPORTING SYSTEM

Data Analyst: V. Eden

DEBTOR GROUP 1
(Africa)

Debt Analyst: (vacant)
Processing Supervisor: A. Perella
Statistical Assistants: C. Martinez
A. Yanez

DEBTOR GROUP 2
(S. Hemisphere)

Debt Analyst: C. Merayo
Processing Supervisor: M. Martin
Statistical Assistants: M. Pollock
N. Stavrou

DEBTOR GROUP 3
(Europe, S. Asia)

Debt Analyst: A. Kowal
Processing Supervisor: B. Florendo
Statistical Assistants: F. Gharib
C. Sharma

DEBTOR GROUP 4
(Mid. East, E. Asia)

Debt Analyst: C. Doulatinos
Processing Supervisor: C. St. Hill
Statistical Assistants: A. Culver
P. Maharanee
D. Thijsen

DEBT EVALUATION UNIT

Chief of Unit: T. Klein
Statistical Assistants: S. Dalal
(vacant)

SOCIO-ECONOMIC DATA GROUP

RESEARCH UNIT

Chief of Unit: G. Novak
Research Assistants: R. Alonso-Wetzel (Alt.)
B. Blazic-Metzner (Alt.)
J. Eory (Alt.)
A. Adebo
M. Anouchi
A. Osman
S. Huwart
A. Leon
A. Vial

BASIC DATA UNIT

Chief of Unit: B. Rose (public sector accounts)
Research Assistants: R. de Campos
H. Noon (Alt.)

DATA BACK UNIT

Chief of Unit: H. Guns
Research Assistants: A. Guzman
A. Vial
L. Francisco
T. Khalil

*Alternates are designated to carry out the duties of unit chiefs when the latter are away from the Bank.

Area responsibilities of the four debtor groups do not in all cases follow the precise geographic limits indicated.

Substantive assignments of the country economists are flexible and may change from time to time.

ESD; October 18, 1971
Mr. A. C. Egbert

R. Marsili

Citrus Fruit Marketing in the Mediterranean

October 15, 1971

Following our telephone conversation of yesterday, I am enclosing a copy of a marketing annex on citrus prepared recently for the Moroccan Second Agricultural Credit Project, a copy of the section on citrus fruit from the FAO Agricultural Commodity Projections, 1970-1980 just received in our Division, and a report of an FAO Technical Conference on Marketing and Export Trade of Fruits and Vegetables in the Mediterranean.

Attachments (3)

cc: Miss F. White

RMarsili:mb
OFFICE MEMORANDUM

TO: Staff of the World Bank Group

FROM: Anthony Churchill

DATE: October 13, 1971

SUBJECT: Travel Time Questionnaire

An important problem faced by the Bank in many of its project appraisals is how to value the time that may be saved as a result of the construction of a particular facility such as a road or airport. The Transportation & Public Utilities Division of the Economics Department has been doing some research into this area. One approach we are trying is to infer the value of travel time from people's location decisions. We are testing the hypothesis that people's location decision depends, in addition to length of time of travel to work, on such things as income, wealth, family size and composition, and educational systems.

We would like to test this method using a sample of Bank employees. Your name has been selected at random from the list of Bank employees. Your volunteering to spend a few minutes to fill out the attached questionnaire, and sending it back to Room D100, would be much appreciated and will be of great assistance to us in our research work.

No names should be attached to the paper. This study is neither designed by nor intended for use by the Bank in its administrative or personnel policies.

Please call me at Ext. 4061 should you have any problems in filling out the attached questionnaire.

ACHurchill:phm
1. How do you travel to work?

☐ Car

Type of car: ________________________

☐ Car pool - Number of members (including driver): _________

Type of car(s): ________________________

☐ Public transport

☐ Bicycle

☐ Walk

☐ Motorcycle

☐ Other

Please specify: ________________________

2. How long a time does it take you to get to and from the Bank in order to arrive and leave at the usual time of:

<table>
<thead>
<tr>
<th>Arrive</th>
<th>Leave</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ 8:30 a.m.</td>
<td>☐ 5:30 p.m.</td>
</tr>
<tr>
<td>☐ 8:45 a.m.</td>
<td>☐ 5:45 p.m.</td>
</tr>
<tr>
<td>☐ 9:00 a.m.</td>
<td>☐ 6:00 p.m.</td>
</tr>
<tr>
<td>☐ 9:15 a.m.</td>
<td>☐ 6:15 p.m.</td>
</tr>
<tr>
<td>☐ 9:30 a.m.</td>
<td>☐ 6:30 p.m.</td>
</tr>
</tbody>
</table>

To the Bank

☐ Less than 10 minutes

☐ 10 - 19 minutes

☐ 20 - 29 minutes

☐ 30 - 39 minutes

☐ 40 - 49 minutes

☐ 50 - 59 minutes

☐ 1 hour or more

From the Bank

☐ Less than 10 minutes

☐ 10 - 19 minutes

☐ 20 - 29 minutes

☐ 30 - 39 minutes

☐ 40 - 49 minutes

☐ 50 - 59 minutes

☐ 1 hour or more
3. How much of your estimated travel time includes walking time and waiting time? (i.e. walking to the bus station or waiting to park your car).

<table>
<thead>
<tr>
<th>To the Bank</th>
<th>From the Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td>(arriving at usual time)</td>
<td>(leaving at usual time)</td>
</tr>
<tr>
<td>☐ Less than 5 minutes</td>
<td>☐ Less than 5 minutes</td>
</tr>
<tr>
<td>☐ 5 - 9 minutes</td>
<td>☐ 5 - 9 minutes</td>
</tr>
<tr>
<td>☐ 10 - 14 minutes</td>
<td>☐ 10 - 14 minutes</td>
</tr>
<tr>
<td>☐ 15 - 19 minutes</td>
<td>☐ 15 - 19 minutes</td>
</tr>
<tr>
<td>☐ 20 - 24 minutes</td>
<td>☐ 20 - 24 minutes</td>
</tr>
<tr>
<td>☐ 25 - 29 minutes</td>
<td>☐ 25 - 29 minutes</td>
</tr>
<tr>
<td>☐ 30 minutes or more</td>
<td>☐ 30 minutes or more</td>
</tr>
</tbody>
</table>

4. Does your travel to and from the Bank include other purposes? (i.e. dropping children off to school).

☐ Yes
☐ No

If yes, how many extra minutes does it take?

<table>
<thead>
<tr>
<th>To the Bank</th>
<th>From the Bank</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>☐ Less than 5 minutes</td>
<td>☐ Less than 5 minutes</td>
</tr>
<tr>
<td>☐ 5 - 9 minutes</td>
<td>☐ 5 - 9 minutes</td>
</tr>
<tr>
<td>☐ 10 - 14 minutes</td>
<td>☐ 10 - 14 minutes</td>
</tr>
<tr>
<td>☐ 15 - 19 minutes</td>
<td>☐ 15 - 19 minutes</td>
</tr>
<tr>
<td>☐ 20 - 24 minutes</td>
<td>☐ 20 - 24 minutes</td>
</tr>
<tr>
<td>☐ 25 - 29 minutes</td>
<td>☐ 25 - 29 minutes</td>
</tr>
<tr>
<td>☐ 30 minutes or more</td>
<td>☐ 30 minutes or more</td>
</tr>
</tbody>
</table>
5. How many miles away from the Bank do you live?
☐ Less than 1 mile
☐ 1-4 miles
☐ 5-8 miles
☐ 9-12 miles
☐ 13-16 miles
☐ 17-20 miles
☐ 21 miles or more

6. Attached to this questionnaire is a map where different areas are numbered. Please specify by the number in which area you live.

7. What is the cost of your one-way trip? If travelling by public transport, the fare will be the cost. If going by car-pool, the charge per person will be the cost. If using your own car, the outlay of gasoline, oil, maintenance, depreciation and parking will be your cost. If walking or bicycling to work, there will be no cost.
☐ Less than $0.50
☐ $0.50 - $0.99
☐ $1.00 - $1.49
☐ $1.50 - $1.99
☐ $2.00 - $2.49
☐ $2.50 or more

8. How much would you be willing to pay to cut short your one-way trip by 10 minutes and by 20 minutes?

<table>
<thead>
<tr>
<th>10 minutes Cut</th>
<th>20 minutes Cut</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ Less than $0.25</td>
<td>☐ Less than $0.25</td>
</tr>
<tr>
<td>☐ $0.25 - $0.34</td>
<td>☐ $0.25 - $0.49</td>
</tr>
<tr>
<td>☐ $0.35 - $0.44</td>
<td>☐ $0.50 - $0.74</td>
</tr>
<tr>
<td>☐ $0.45 - $0.54</td>
<td>☐ $0.75 - $0.99</td>
</tr>
<tr>
<td>☐ $0.55 - $0.64</td>
<td>☐ $1.00 - $1.24</td>
</tr>
<tr>
<td>☐ $0.65 - $0.74</td>
<td>☐ $1.25 - $1.49</td>
</tr>
<tr>
<td>☐ $0.75 or more</td>
<td>☐ $1.50 or more</td>
</tr>
</tbody>
</table>
9. How long have you lived at present location?
   ☐ Less than 1 year
   ☐ 1-3 years
   ☐ 4-6 years
   ☐ 7-9 years
   ☐ 10 years or more

10. How many adults (including yourself) live in your unit?
    ☐ 1
    ☐ 2
    ☐ 3
    ☐ 4
    ☐ 5 or more

11a. How many children of school age live in your unit?
     ☐ None
     ☐ 1
     ☐ 2
     ☐ 3
     ☐ 4
     ☐ 5 or more
llb. How many of your children attend private school and/or how many of them attend public school?

<table>
<thead>
<tr>
<th>Private School</th>
<th>Public School</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ None</td>
<td>☐ None</td>
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<td>☐ 4</td>
<td>☐ 4</td>
</tr>
<tr>
<td>☐ 5 or more</td>
<td>☐ 5 or more</td>
</tr>
</tbody>
</table>

12. Does your spouse work?

☐ Yes
☐ No
☐ Have None

If yes, what is spouse's annual net salary? (After federal and/or state income tax is deducted; i.e., on a comparable basis to the Bank's net salary)

☐ Less than $6,000
☐ $6,000 - $8,999
☐ $9,000 - $10,999
☐ $11,000 - $12,999
☐ $13,000 - $14,999
☐ $15,000 - $16,999
☐ $17,000 - $18,999
☐ $19,000 - $20,999
☐ $21,000 - $22,999
☐ $23,000 - $24,999
☐ $25,000 or more
13. What is your net annual salary? (Including dependency and education allowances)

☐ Less than $6,000
☐ $6,000 - $8,999
☐ $9,000 - $10,999
☐ $11,000 - $12,999
☐ $13,000 - $14,999
☐ $15,000 - $16,999
☐ $17,000 - $18,999
☐ $19,000 - $20,999
☐ $21,000 - $22,999
☐ $23,000 - $24,999
☐ $25,000 or more

14. Which of the three staff levels are you assigned to?

☐ General Services
☐ Special Services
☐ Professional

15. Are you an American citizen?

☐ Yes
☐ No

16. What is your age?

☐ Less than 25 years
☐ 25-34 years
☐ 35-44 years
☐ 45-54 years
☐ 55 years or more
17. How long have you been employed by the Bank? (Excluding interrupted service)
   - Less than 1 year
   - 1-3 years
   - 4-6 years
   - 7-9 years
   - 10 years or more

18. Do you own or rent your present dwelling?
   - Own
   - Rent

   If you own it, what is the market value today?
   - Less than $20,000
   - $20,000 - $34,999
   - $35,000 - $49,999
   - $50,000 - $64,999
   - $65,000 - $74,999
   - $75,000 or more

   If you own your dwelling, what percentage do you own?
   - Less than 10%
   - 10% - 14.9%
   - 15% - 19.9%
   - 20% - 24.9%
   - 25% - 29.9%
   - 30% - 39.9%
   - 40% - 49.9%
   - 50% or more
If you rent it, what is your monthly rent?
☐ Less than $100.00
☐ $100.00 - $149.99
☐ $150.00 - $199.99
☐ $200.00 - $249.99
☐ $250.00 - $299.99
☐ $300.00 - $349.99
☐ $350.00 - $399.99
☐ $400.00 - $499.99
☐ $500.00 - $599.99
☐ $600.00 or more

If you rent your dwelling, are utilities included?
☐ Yes
☐ No

19. Do you have other assets? (Excluding automobiles and household appliances)
☐ Yes
☐ No

If yes, what is the value?
☐ Less than $5,000
☐ $5,000 - $9,999
☐ $10,000 - $14,999
☐ $15,000 - $19,999
☐ $20,000 - $24,999
☐ $25,000 or more
Mr. Mohammad H. Khan

October 13, 1971

Gottfried Ablasser

Payment of Messrs. J. B. Monnerat and F. J. Bruzzi, Consultants

1. I was gratified to hear from you this morning that there would be no delay in forwarding to our consultants in Brazil payment which is already overdue.

2. The following are their respective addresses:

   Mr. Joao Bosco Monnerat
   IPEA-Ministerio do Planejamento
   Rua Melvin Jones 5/29
   Rio de Janeiro, GB, Brazil

   Mr. Francisco Junqueira Bruzzi
   Avenida Rio Branco, 147/21
   20-21 Centro
   Rio de Janeiro, GB, Brazil.

3. It is my understanding that the remaining payments would be remitted without further notification from our department on the date due.

GAblasser: mw

cc: Mr. Shlomo Reutlinger
Mr. Robert A. McPheeters

Itasu Sakura

Bibliography for International Statistical Standards

1. I am so pleased to learn that you have a very useful plan of building up a small reference 'library' of international statistical standards in your shop in near future.

2. Attached, please find a short bibliography of documents to which reference may be made for international statistical standards and recommendations regarding concepts and definitions, scope, classification and system of presentation of statistical series. The list has been taken and adapted from Annex to an old piece of my work, "Basic Statistics for Formulating and Implementing Plans of Economic and Social Development in Countries of Asia and the Far East" (1965; UN Publication No. 65.II.F.6).

3. It is my plan to have a list of this sort as an annex to a proposed standard set of statistical tables for country economic reports, in order to assist country economists and others in making reference to relevant international standards in connection with interpretation and preparation of statistical data for economic reports and other purposes.

4. I should, therefore, be most grateful if you would be good enough to examine the list and advise me of any necessary additions and revisions for updating it.

cc: W. Tims
SELECTED BIBLIOGRAPHY FOR INTERNATIONAL STATISTICAL STANDARDS AND RECOMMENDATIONS

--- General ---


--- Population ---


--- Labor ---


ILO, Technical Guide, Section II, Unemployment; Section III, Employment Indices; Section IV, Wages; Section V, Hours of Work, 1963-1964.


--- Agriculture Forestry and Fishing ---


FAO, Yearbook of Forest Products Statistics, annual.

FAO, Questionnaire: Forestry and Forest Products: Forest Inventory, 1958.


FAO, International Standards of Statistical Classification of Aquatic Animals and Plants.

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**Mining, Manufacturing, Construction and Production of Gas and Electricity**


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**Wholesale and Retail Trade and Related Services**


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**Transport and Communications**


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**Education**


-- Health


-- External Trade


-- Money and Banking, Finance and Balance of Payments


-- Prices


-- Government


National Accounts


Staff, Division of Trade Policies & Export
Projections
O. T. W. Price

Designation of Acting Chief of Division

During my absence from the office attending meetings in Rome and Geneva, the following persons are designated to serve as Acting Chief for the periods indicated:

Mr. Bension Varon - October 12-14, 1971
Miss Flora White - October 15-22, 1971

cc: Messrs. Henderson
    Stevenson
    Haq

OTWPrice:shbb
October 9, 1971

Special Division of Trade Policy & Import Protection
Office of the President

Department of Acting Chief of Division

It having been seen from the Office of the Division in Rome

and Genoa, the following became necessary to serve as Acting

Chief for the period indicated:

Mr. Jameson Watson - October 15 - 17, 1971

Mrs. Mary White - October 15 - 22, 1971

cc: Secretary General

Head Office

OMRTE: Ipp
Mr. M. Haq

John H. Duloy

October 5, 1971

Size of Projects

The first results from a cross-classification study of the size of projects, which is being carried out by Messrs. Lejano and Glasberg under my supervision, are now available. One caveat should be entered at this point. The analysis of data using frequency distributions by a few size classes can be misleading, because important shifts within size classes may be obscured, and the conclusions could be affected if different class intervals were taken. For this reason, I regard the results from the regression and covariance analysis, which will be available in a few weeks, as being more reliable.

These first results apply to the size of the Bank's commitment for projects, relating to actual projects for the years 1969-1971 and to programmed projects for the years 1972-1976. The breakdowns used in this note are as follows:

1) By Bank and IDA separately

ii) By population classes, small (0.1 to 4.9 million), medium (5.0 to 19.9 million), and large (20.0 million and over)

iii) By size of project, small (0.1 to 5.0 million dollars), medium (5.1 to 20.0 million dollars), and large (20.1 million dollars and over).

The major results so far are summarized below. The data on which these are based are given in the table.

1. The share of total projects by size of country has remained remarkably stable as between the two periods, both for the Bank and for IDA.

2. For the Bank, there is a marked shift between the periods towards smaller projects, and this pattern is similar for all three country size classes, although it is most marked for small countries.

3. For IDA, the pattern is quite different from that of the Bank. For countries taken in the aggregate, the size distribution of projects is almost invariant between the periods. This, however, conceals marked differences by size of country:

   a) For small countries there is a shift towards a greater proportion of small projects. Given the near-constancy of the shares of total projects going to countries of different size class, this could imply a decline in the proportion of total IDA funds going to small countries. (The same argument holds, of course for Bank Projects.)
b) For medium-sized countries, the shifts among projects of different sizes are negligible.

c) For large countries, there is a small decline in the share of large projects, a large decline in the share of small projects and consequently an increase in the medium-size class.

4. There is a difference in the shape of the arrays of project size by country size as between the Bank and IDA. For the Bank, the diagonality is more marked. That is, large countries tend to get large projects and small get small. For IDA, the array is more upper triangular. That is, small countries tend to get small projects, but large countries tend to get both large and small projects.

The regression and covariance analyses will probe these questions more deeply. However, the cross-tabulation work will be continued to address the following questions:

1. To what extent can the above differences be explained by sectoral shifts in the lending program?

2. To what extent are the above conclusions affected by the first period's data relating to actual projects and the second period's data relating to programmed projects?

3. What is the effect of taking explicit account of inflation upon these conclusions?
## Size Distribution of Projects by Size of Population*

<table>
<thead>
<tr>
<th>Size of population**</th>
<th>Bank</th>
<th>IDA</th>
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<tbody>
<tr>
<td></td>
<td>S M L T</td>
<td>S M L T</td>
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<tr>
<td>No. of Projects</td>
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</tr>
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<td>S</td>
<td>16 7 1 24</td>
<td>78 30 16 124</td>
</tr>
<tr>
<td>M</td>
<td>36 33 24 93</td>
<td>105 127 103 335</td>
</tr>
<tr>
<td>L</td>
<td>11 16 51 78</td>
<td>12 34 116 192</td>
</tr>
<tr>
<td>T</td>
<td>63 56 76 195</td>
<td>195 191 265 631</td>
</tr>
<tr>
<td>Percent of Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>by column total</td>
<td></td>
<td></td>
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<tr>
<td>S</td>
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</tr>
<tr>
<td>M</td>
<td>57 59 32 48</td>
<td>54 66 39 51</td>
</tr>
<tr>
<td>L</td>
<td>18 29 67 40</td>
<td>6 18 55 29</td>
</tr>
<tr>
<td>T</td>
<td>100 100 100 100</td>
<td>100 100 100 100</td>
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<tr>
<td>Percent of Total</td>
<td></td>
<td></td>
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<tr>
<td>Projects by country</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Size</td>
<td>32 29 39 100</td>
<td>30 29 41 100</td>
</tr>
</tbody>
</table>

* See text for definitions

** L, M, S, T are large, medium, small and total. See text for listing of class boundaries.
Last Friday you asked for a list of basic reports planned by the Area Departments for FY 72. The following list covers all Departments except South Asia; here, a decision is expected in the course of this week.

East Africa : Kenya, Tanzania, Congo (K)*
West Africa  : Senegal, Cameroon,* Nigeria
East Asia Pacific : China (T)
South Asia  : 1/
Europe, Middle East, N.Africa : Spain
Central America, Caribbean : Mexico, Trinidad, Honduras
South America  : Argentina, Brazil, Colombia, Peru

* Not certain.
1/ To be decided in consultation with heads of resident missions during Annual Meeting.
October 6, 1951

Mr. H. D. Crenn

R & L Lefebvre

Basic Economic Reports

Dear Mr. Crenn,

You requested for a list of basic reports planned for the three departments for FY '52. The following list covers all departments except South Asia; here, a selection is expected in the course of this week.

* = Kenya, Tanzania, Congo (K.

East Africa

Congo, Cameroon, Nigeria

West Africa

Côte d'Ivoire

Central Africa

North Africa

Europe/Middle East

Southern Africa

Central America, Caribbean

Mexico, Trinidad, Guatemala

Southern America

Argentina, Brazil, Colombia, Peru

North America

Note: Certains

To be received in consultation with heads of relevant missions.

Harold H. Marsh

Secretary
The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.

<table>
<thead>
<tr>
<th>Withdrawn by</th>
<th>Date</th>
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<tbody>
<tr>
<td>Ann May</td>
<td>July 25, 2022</td>
</tr>
</tbody>
</table>
Mr. Thomas Mitchell

Alexander Stevenson

Payment for Reprints

October 1, 1971

I should be grateful if you would make arrangements to pay this bill. As Mrs. Hughes indicates, it was for 50 reprints of John Hansen's article.

Attachment
Assignment of a Research Assistant

As you know I have not yet been assigned a research assistant to help in monitoring data related to my area. (CAC countries)

I have been advised that new material may be expected to flow from a number of country missions recently returning. Further I want to complete and put in order the physical division of material between myself and Mr. Franchet.

I do not know what is the status of Miss Naing at the moment, but I request that she be attached to my area as a temporary assistant as soon as you find it convenient to do so. Since I may not need her full-time services, she would be available for other work on a request to me or at your direction.
Mr. Burke Knapp, Mr. Hollis B. Chenery
(through Mr. J. P. Hayes)

Wouter Tius

The Role of the Program Review Division in Economic Missions

1. The Division's terms of reference, as described in Mr. Chenery's memo to the Economic Committee of November 20, 1970, read as follows:

"In consultation with the Area Departments, this Division will provide guidelines for the economic analysis in Country Economic Reports and Program Papers. To this end it may participate in field reviews of the work of economic missions or otherwise participate directly in specific phases - to be agreed with the Area Department - of the economic work on a country." (para 6.)

2. Up to the present, the staff of the Division has been inadequate to meet these objectives but from October 1, 1971, there will be six experienced and three junior professionals on the staff out of twelve positions budgeted. Full strength may be reached before the end of the calendar year. This makes it possible to cover the full range of tasks and specifically enables us to be more closely associated in the preparation of Economic Reports.

3. Assistance to Area Departments by way of guidelines for country economic analysis is particularly needed in the context of preparing basic economic reports. This can take place only partly by participating in pre- and post-mission briefings and debriefings and the review of draft reports and requires a more intensive involvement of our staff with each of the selected countries and missions. For that purpose we consider it essential that Division staff should participate in the field reviews of the work of these missions. This would not exclude our readiness to participate in other ways (as field members of missions), but our limited capacity and the priority of assistance indicate the need to concentrate on mission reviews concerned with either basic reports or current reports on countries of major importance in Bank Group operations.

4. I would therefore appreciate your agreement in principle to participation of staff of the Program Review Division in the field reviews of a selected number of country economic missions. As a next step, specific arrangements and selection of countries could then be discussed and agreed between Area Directors and the Program Review Division. Discussions with area economists lead us to believe that in a majority of cases participation from our side would be welcomed as an opportunity for an exchange of views on the country's economic situation and prospects, and for obtaining the benefits of comparative experience based on economic work on other countries. It is also generally understood that a better knowledge of the Division staff on these countries would make the review process of the reports and subsequent CPP's more fruitful and effective.
The role of the Program Review Division in Economic Analysis

The Program Review Division is an integral part of the Economic Analysis section. It serves to ensure that the economic implications of various programs and policies are thoroughly evaluated and considered. The Division works closely with the various departments and agencies to provide comprehensive and accurate economic analyses.

In collaboration with these departments, the Division develops economic forecasts and projections, assesses the impact of economic policies, and identifies areas for potential improvement. This includes the analysis of both short-term and long-term economic trends, as well as the impact of global economic factors on local economic conditions.

The Division's work is crucial in helping to inform decision-making processes at all levels of government and in the private sector. Through its analysis, the Division helps to identify areas where economic policies can be improved, and it provides recommendations on how to achieve these improvements.

In conclusion, the Program Review Division plays a vital role in ensuring that economic decisions are made with a thorough understanding of the economic implications involved. Its work is critical in helping to promote economic growth and stability.
5. We have, however, met with some resistance to the idea, possibly because of uncertainty in most Area Department front offices about the status of our staff vis-à-vis the economic mission and its leader in the field, and the possibility that our participation would in any way diminish the authority and responsibility of Area Departments in respect of country economic work. In order to dispel such concerns the actual situation might be clarified by specifying in clear terms what the role and position of our staff is to be on field missions.

6. Our interest would, at least during the current fiscal year, be largely in missions preparing basic reports, of which about 15 are scheduled for the current fiscal year and some 20-25 will probably take place in FY 73. The importance of these missions will be reflected in practically all cases in the organization of the mission which will include participation of the Chief Economist during the last weeks of the mission to review the work and findings. Our participation would coincide with the latter and would primarily consist of attending internal mission staff meetings, commenting on documents and drafts and participation in any other mission activity which the mission chief considers useful. Under no condition would the staff member discuss economic issues with government officials unless at the invitation of the mission chief.

7. I would appreciate your agreement to our participation on a trial basis in a selected number of missions as follows:

<table>
<thead>
<tr>
<th>Country</th>
<th>Time</th>
<th>Participant</th>
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<tbody>
<tr>
<td>Nigeria</td>
<td>late October</td>
<td>Holsen</td>
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<tr>
<td>Indonesia</td>
<td>early November</td>
<td>Pilvin</td>
</tr>
<tr>
<td>Ceylon</td>
<td>November/December</td>
<td>Shourie</td>
</tr>
<tr>
<td>Yugoslavia</td>
<td>late October</td>
<td>Lerdau (tentative)</td>
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<tr>
<td>Honduras</td>
<td>late October</td>
<td>Edelman</td>
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<tr>
<td>Sudan</td>
<td>early November</td>
<td>Yang</td>
</tr>
<tr>
<td>Colombia</td>
<td>late January</td>
<td>Time</td>
</tr>
</tbody>
</table>

Cleared and cc: Mr. Hayes

cc: Messrs. Lerdau
    King
    Members of Program Review Staff
1. In our meeting this morning, we considered five issues to be discussed with M. Andre Vincent tomorrow morning. Briefly, we came to the following views:

   a. **Private Direct Investment originating in member countries of the OECD**: This at least at the outset would be an OECD venture with the Bank contributing the services of staff or consultants located in Paris (Davidson or Decaux), in addition to the general surveillance which is to be the role of Yudin. It would (gradually) be expanded to include work on both stocks and flows. It would also incorporate the work of the OECD Development Centre which is being done from the host country side.

   b. **Regional Balance of Payments Statements**: We will use our good offices with the IMF to obtain their cooperation and, possibly, their coordination of this effort. UNCTAD, New York (Dell and Arsenis) should be included.

   c. **Forecasting Aid Flows**: Should this task be given to the E.P.D. (as is likely), we would like to rely on the D.A.C. forecasts.

   d. **Techniques of Lending**: We would like to do a second edition under D.A.C. auspices. We could have Cizauskas, who will join us shortly, work on it. Unlike the first edition, the second might include both an analysis of techniques of debt relief and country annexes.

   e. **Debt Projections**: We see no problem in cooperating with the D.A.C. along the lines discussed in Paris. The appropriate D.A.C. staff members (perhaps Kroller and Houston) should be invited to come to the Bank to make the best use of the available facilities.

2. On related, but internal matters, the following points were mentioned:

   a. Holsen might be included in the balance of payments work; Klein in the debt relief aspects of the revision of Techniques of Lending.
b. The D.A.C. documents arrangements should be mentioned to Mrs. Boskey.

c. Saxe should attend the meeting of McPheeters and Wittich on debt agreements.

d. McPheeters will brief Muller on people to see in Paris and Geneva.

JWS/EBY/lp

cc: R. McPheeters
    Tims/Holsen
    Carter
Mr. Antonio J. Macone

Barend A. de Vries

June 24, 1971

Request by Western Africa Department
for Statistical Assistance

As we discussed over the telephone, we are interested in preparing some comparative statistics on the importance of petroleum earnings in some of the more important countries, following the recent settlement. I should appreciate it if Mr Mr. Huang of your Division could help us in gathering the necessary data. I have outlined the attached table and I have asked Miss Miller to contact Mr. Huang direct.

cc. Mr. Andrew Huang
    Mr. John Foster
    Miss Miller

BdeVries:mfb
### SELECTED PETROLEUM DATA

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<td>Venezuela</td>
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Program of Work for the Program Review Division in FY 1972

1. The main elements of the regular work program of the Division can be described in relation to four headings: (a) Country Program Papers and Notes, (b) Economic Reports, (c) Board Country Discussions, and (d) various studies and policy papers for which the Division carries responsibility or in which staff participates.

Country Program Papers

2. Schedules for the preparation and review of CPP's and CPN's have been made by the Programming and Budgeting Department for the entire fiscal year; monthly revisions are made where necessary. The review at the staff level with the responsible Area Department staff is done jointly by the P & B Department and the Program Review Division. Our task is to review the document itself, the quality and scope of description and analysis in relation to previous assessments of the country and its economy, and the rationale of the Bank Group's program in relation to the country's situation, prospects and assistance from other external sources.

3. Adequate discharge of this function will require sufficient time to study the previous CPP/CPN and related documents, recent economic reports and memoranda and, sometimes, sector surveys. For major countries in terms of Bank operations it will also involve time for consultation with Area Department and Projects Department. In order to provide the scope for this preparatory work, a distribution of countries by members of the staff of the Division has been made (Annex I). This has been done principally on the basis of the CPP/CPN review schedule and with the object of distributing work reasonably over staff and time. Country assignments are made only for FY 1972. Changes may be necessary during the year and a revision of the list will probably be necessary in the course of the current fiscal year.

4. This staff level review is based upon a draft CPP or CPN which is normally revised following this review. The points of discussion with the Area Department are summarized in a note to Division Files and serve as a major part of our office's documentation on each country. The revised draft of the CPP/N is sent to the Secretary of the Economic Committee within a few days after the review. Comments on this version, confined to issues which are considered worth discussing in the Economic Committee (or in Mr. Burke Knapp's review meeting in case of CPN's) are prepared in the form of a memorandum to the Economic Adviser, with copies
to the Area Department concerned and to the Programming and Budgeting Department. In case of CPN's this note will serve as the Economic Adviser's briefing note for the review meeting with Mr. Burke Knapp. In the case of CPP's, a second note to the Economic Adviser may be required when divergent views are not reconciled in the Economic Committee or the last section of the CPP still fails to adequately bring out questions which the P.R. Division believes to require discussion by Management.

5. Briefing notes for Management ("Possible Points for Discussion") are prepared jointly with the P. & B. Department. The P.R. Division is responsible for incorporating the key economic issues and their relation to the lending program for that country. While the choice and treatment of issues selected for inclusion in this briefing note neither can nor should be specified in advance, there is one general guideline: relevance to informed management decision-making in the country program review exercise. Issues arising during staff reviews which are marginal from a Management point of view should be left out; these are normally for our own use already reflected in the note prepared after the staff review with the Area Department.

6. The staff review of CPP's and CPN's will include a discussion of the program of economic work, which is to be submitted as an attachment. The form and content of this attachment are described in a separate memorandum. The review of the work program requires an inventory of reports and studies related to the country done in the Bank or financed as part of the Bank's research program, recently completed and on-going. This together with the particular issues and problems raised in recent economic reports and the CPP/CPN should form the basis of selection of topics to be included in the program of work.

Economic Reports

7. The Division staff's participation in country economic reporting takes place through its contributions to:

(i) the planning of country economic reports;

(ii) the review of economic reports; and

(iii) country economic missions.

8. The staff contributes to the planning of country economic reports through its active participation in the review of the economic work program attachment to the annual CPP/CPN. The Division staff will, progressively over time, be ideally placed to perform a useful role, both through its
continuing involvement in the economic work of the country concerned, its special vantage point as a component of the Economic Program Department and as a channel for providing the benefits of disseminating the experience in each country over a broad range of others.

9. The staff participates in the review of economic reports as the E.P. Department's nominated outside reader of the draft report. The review process itself should be diversified rather than uniform, in line with the diversification of reports which will be a major feature of the new system to be introduced from the start of the current fiscal year. A substantial number of reports will be of a routine character and will not need formal review, but can be dealt with by the staff member who participates as the outside reader, at the white or yellow cover stage of the report. When important issues arise at this stage which are not adequately dealt with at the green cover stage, a note to the E.P. Department's front office should flag the existence of those. This will be an exception rather than a rule, as informal contacts between area Department economic staff and the Division will identify and resolve such problems at an early stage.

10. Basic reports, together with a selected group of special reports which are considered important because of the countries, sectors or special topics treated in them, will be submitted to the Economic Committee. On the average some 25-30 of these will come to the Committee each year once the system gets into full operation. On these reports the P.R. Division will prepare an "issues" paper to brief the Economic Adviser to the President. This paper will serve the purpose of highlighting substantive country developments and Area Department recommendations for the use of the Economic Adviser.

11. The staff of the Division contributes to economic missions through its comments on mission staffing, terms of reference, cooperation on mission staff recruitment from the Central Economic Staff and participation on pre and post-mission briefing and debriefing sessions. The staff will carry out these functions by maintaining continuous informal contact with Area Department economists and from time to time also with Project economists when working on particular countries and other "functional" contributors to country economic work, for example in other Departments of the Central Economic Staff, the Development Services Department, IFC and the IFC Department.

It will be possible that staff of the Division participates in economic and special missions, specially on those charged with the task of producing basic reports. These constitute a new departure in Bank economic work and have as yet to be defined more precisely; uniformity of approach by different Area Departments could be enhanced if the
Division were to provide staff for those missions. A list of countries for which basic reports will be written in FY 1972 has now been prepared. Staff of the P.R. Division may participate in the mission reviews in the field.

13. The role of Division staff members who participate in missions may vary from one extreme possibility of leading missions at Area Department request, to the other where only a role is assumed in reviewing the mission's work in the field. The main constraint will be the available staff time. The participation in various ways is a crucial element in the efficient discharge of the tasks of the Division as this provides occasions for intensive exchanges of views, the use of experience and knowledge from other countries and the suggestion of methods of analysis. The participation will, however, represent primarily an intensive effort to acquire a more direct knowledge and understanding of the country's economy.

14. In order to facilitate the effective participation of Division staff, Area Department Chief Economists will as an input to this process provide the Division with copies of mission terms of reference, draft questionnaires and relevant correspondence with host governments.

Board Country Discussions

15. In the future Board presentations of country programs will be made for a selected number of countries after the completion of a basic economic report. Documents will be prepared by Area Departments for these discussions. The Program Review Division will schedule the preparation and review of these documents in coordination with the Area, P.& E.S., and Secretary's Departments. No meeting of the Economic Committee will be required as the schedules will be arranged so that the CPP for each of these countries will have passed the Committee shortly before.

Special Studies, Policy Papers

16. The Division serves as a clearing house for studies requested by Management. Their relative importance varies from minor issues which arise in Board discussions or the Management's review of Country Program Papers and Notes, to major assignments like the exercise to project Bank lending through 1980 or the new study on IDA lending policies. It will not always be easy to handle these issues entirely in the P.R. Division as many require attention at short notice. It is therefore essential that from time to time the assistance can be obtained from other Divisions in the EPI and from other Departments, if Management is to be served in time. Also the Bank's best expertise on a variety of issues is located outside the Division and should not be left untapped. A coordinating function is more appropriate for the Division in such cases.
17. It is expected that a substantial number of management questions will involve inter-country comparisons of performance and creditworthiness indications and of Bank lending strategies or exposure. To do this properly requires both considerable improvement in available data and techniques of comparative analysis, as well as more than superficial knowledge of the countries to be compared. The staff of the Division will cooperate closely with the Statistics, Comparative Analysis and Domestic Finance Divisions of our own Department, and where appropriate with the Development Research Center and the Economics Department, to develop and improve both data and techniques. Close consultations with Area Department economists along with a deepening of the knowledge of country economics on the part of the Division staff are needed to carry out this task effectively. Exposure to the particular circumstances of each country can only be obtained satisfactorily by participation of Division staff in economic and/or special missions.

Departmental Coordination

18. As is already clear from the preceding paragraphs, coordination with other Divisions in the Department is a prerequisite for an efficient operation of the P.R. Division. The Socio-Economic Data Division will be consulted in reviewing the statistics presented in CPP's and CPN's; the Debt Reporting System will be utilized for the attachments on debt and debt service liabilities; the Comparative Analysis and Projections Division will deal with problems arising in connection with the projections presented in the attachments; the Domestic Finance Division will be requested for assistance in reviewing parts of economic reports and CPP/CPN's which relate to taxation and fiscal policy; the International Finance Division will be consulted in analysis of projected assistance levels and lending terms. Specially in the process of reviewing CPP/CPN's, staff of the Program Review Division should be aware of the special knowledge and information which exists in other parts of the Department and solicit assistance and views at appropriate times during the review process.

President's Reports

19. The economic paragraphs of President's Reports are received for comment by the Division before submission to the Chairman of the Loan Committee. Before projects are presented to the Board, the Division obtains copies of all relevant documents - note to the Chairman of the Loan Committee, minutes of Loan Committee meetings, appraisal reports - on the project. Briefing notes are prepared for the Economic Adviser.
Work Programs and Bank Research

20. The programs of economic work which are during the current fiscal year for the first time prepared on a country basis, and now also proposed in the context of sector program papers, are intended not only to provide an indication of staff efforts to be made within Area and Projects Departments, but also to indicate the magnitude of staff support needed from the Central Economic Staff, by countries, sectors and subjects. To the extent that elements of these work programs cannot be handled adequately within the Bank, either because of their relative size or because of the specialized skills involved and their scarcity within the Bank, these may be formulated as projects for research outside the Bank and submitted to the Research Committee for funding from the research budget.

21. The Program Review Division will prepare at the end of the CPP review cycle a summation of the country work programs and discuss with Area Departments the distribution of the different tasks and assignments between these Departments and the Central Economic Staff, or outside research institutes. The procedures for coordination with the sector programs and with tasks originating within the C.E.S. need to be worked out, including the role of the Research Committee in this process.

cc: Mr. Lerdau
Members of the Program Review Division

WTim: lr
Mr. Alexander Stevenson

Jack L. Lowther

Administrative Minutes

When we last talked about changing the Administrative Minutes (based on my memorandum of May 26, 1969, attachment 1) you suggested I coordinate with Mr. Jack Leeming before proceeding. I did so on June 2, 1969. He indicated his office did not intend to publish any instructions beyond the existing Administrative Manual, and, that anything we wanted to do within our own Department was fine with him.

With your permission I would like to go ahead with the program outlined in my May 26 memorandum with the following changes:

(i) Use the name Administrative Operating Procedures instead of Administrative Instructions to avoid making them appear dictatorial.

(ii) Use Personnel Notices to announce personnel changes and to appoint responsible persons in a Director's or Division Chief's absence.

A draft of the first Administrative Operating Procedure is attached (attachment 2) for your consideration. With your concurrence I will publish it and begin drafting others for circulation and promulgation.

Attachments:

cc: Mr. Kamarck

JLLowther:rf
ADMINISTRATIVE OPERATING PROCEDURE

Number: 1 - 69  Date: September 2, 1969

Subject: Administration

Title: Administrative Operating Procedures (AOPs)

Purpose of this AOP: To provide a standard system for the establishment and distribution of Department Administrative policies

Replaces: N/A

References: None

1. The Administrative policies of the Department have, in the past, been established and circulated as Administrative Minutes. They will henceforth be circulated as Administrative Operating Procedures. Policies issued in Administrative Minutes will be updated and issued as Administrative Operating Procedures. All new policies will be issued as AOPs.

2. The AOPs provide guidance to all Department Staff Members regarding the administrative procedures used to support the operational work of the Department. They describe the procedures to be followed in maintaining records, hiring consultants, recruiting personnel, answering correspondence, scheduling missions and so on.

3. AOPs will be established and kept current by the Department Staff Assistant (Recommendations for the establishment of AOPs will be welcomed by him). They will be circulated to Division Chiefs for comments prior to being submitted to the Deputy Director for promulgation.

4. AOPs will be issued in the format demonstrated here. They will be numbered consecutively in the order they are issued. Each number will contain a suffix showing the year of issue (i.e. number 1 - 69 was the first one issued and was issued in 1969). They will be classified by subject to permit ease of filing and ready reference.
5. Two copies of each AOP will be distributed to each Division Chief and, where Divisions are subdivided into Sections, to each Section Head. They should be filed in a manner which makes them readily available to the Division Chief or Section Head and his Secretary for quick reference during the daily operations of the Department. Use of a loose leaf notebook is recommended.
Mr. Louis Y. Poulignen

Raul de Campos

1969 GNP Per Capita

September 20, 1971

To comply with the request made in your memo dated August 26, I am sending you the attached table which lists 1969 GNP per capita for all countries which you needed. These figures have now been cleared with the Area Departments and are being used for the World Bank Atlas.

RDC/soo
### 1969 GNP* PER CAPITA IN CURRENT US DOLLARS

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<tr>
<th>Eastern Africa</th>
<th>Western Africa</th>
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<tr>
<td>Botswana</td>
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<td>Burundi</td>
<td>CAR</td>
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<td>Congo (B)</td>
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Y.A.R.: 80  
Yemen, P. Dem. R.: 116  
Yugoslavia: 575  
Bolivia: 163  
Brazil: 269  
Chile: 509  
Columbia: 289  
Ecuador: 238  
Paraguay: 237  
Peru: 331  
Uruguay: 562

*GNP at current factor cost.*
Mr. Werner Danneman (through Mr. McPheeters) September 17, 1971

Raul A. de Campos

Request for Financial Statistics

In connection with the IFC's study of the financial infrastructure of its member countries, we have been asked to obtain data for the financial indicators listed below. Mr. Hicks informed Mr. McPheeters that the request for a printout from the Data Fund containing these data should be directed to you.

We require the following series:

Private Demand Deposits
Government Deposits
Domestic Government Debt Outstanding.

The data is needed for "end of year", 1965-70, for the countries on the attached list. If you have any questions please contact me.

cc: Mr. Earl Hicks

RdeCampos:ra
Afghanistan
Argentina
Australia
Austria
Belgium
Bolivia
Brazil
Burma
Canada
Ceylon
Chile
China
Colombia
Congo, Democratic Rep of
Costa Rica
Cyprus
Denmark
Dominican Republic
Ecuador
El Salvador
Ethiopia
Finland
France
Gabon
Germany
Ghana
Greece
Guatemala
Guyana
Haiti
Honduras
Iceland
India
Indonesia
Iran
Iraq
Ireland
Israel
Italy
Ivory Coast
Jamaica
Japan
Jordan
Kenya
Korea
Kuwait
Lebanon
Libera
Libya
Luxembourg
Malagasy Republic
Malawi
Malaysia
Mauritania
Mauritius
Mexico
Morocco
Nepal
Netherlands
New Zealand
Nicaragua
Nigeria
Norway
Pakistan
Panama
Paraguay
Peru
Philippines
Portugal
Saudi Arabia
Senegal
Sierra Leone
Singapore
Somalia
South Africa
Spain
Sudan
Swaziland
Sweden
Syrian Arab Rep.
Tanzania
Thailand
Togo
Trinidad and Tobago
Tunisia
Turkey
Uganda
United Arab Republic
United Kingdom
United States
Upper Volta
Uruguay
Venezuela
Viet-Nam
Yemen Arab Republic
Yugoslavia
Zambia
1. Mr. H. Moon, our assistant in charge of the countries of South Asia clarified with Messrs. Bulters, Funna, Pradhan and Meguid all the problems related to the data to be included in the 1971 Atlas for Afghanistan, Ceylon, India, Iran and Pakistan. The data agreed upon for these countries are included in Mr. Moon's memoranda of September 13 addressed to the economists of your Department, and of which you received copies.

2. Some of the information given by you was not yet available to us. In all cases where this new information affects our series in the Data Bank we will proceed immediately to make the necessary revisions.

cc: Messrs. McPheeeters
    Bory
    Moon
    Klazic
Received
Central Files

Sep 17 12 03 PM 1971

to

cc:

s

v

address for your use only. Do not distribute or forward.

\[ \text{Attn:} \\
\text{Room} \\
\text{Mail} \]

\[ \text{cc: Secretary} \]

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Mr. Hollis B. Cheney

John A. Holsen

Mr. McNamara's Inquiry Regarding Scheduled Dates for EAMENA Economic Reports

September 16, 1971

1. The July 1971 "Schedule of Economic Missions in FY 1971 and FY 1972" indicated that missions were to go to Morocco, Spain, Tunisia and Turkey between March and May 1972. No dates were shown, however, for distribution of the green cover reports. This, apparently, was because the reports are not expected to be ready until early FY 1973 and someone believed that, consequently, the information was not needed on this particular report. The schedule is:

<table>
<thead>
<tr>
<th>Mission</th>
<th>Report</th>
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<tbody>
<tr>
<td>Morocco</td>
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<tr>
<td>Spain</td>
<td>5/72</td>
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<tr>
<td>Tunisia</td>
<td>3/72</td>
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<tr>
<td>Turkey</td>
<td>3/72</td>
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</table>

cc: Mr. Haiss
The only 24% reduction of economic materials at Y 1971. The 1975, indicating that materials were to go to Honolulu, Hawaii. We have taken the total percentage drop and in 1974. No change since 1971, except for the 1975, and any changes in the economy. We are assuming the inflation rate of the economy, and the economy. The economy to the future, and the economy. The economy to the future, and the economy. The economy to the future.
Mr. H. Chenery

E. Lerdau

The Normal Developing Economy: Effects of Capital Inflows

September 15, 1971

1. In preparing for the recent seminar, I re-read your draft (Chapter 2) circulated some months ago. I noticed what seem to me inconsistencies relevant to the quantification of the impact of foreign capital. Their quantitative importance I find hard to assess, but you may have some ideas about them. I have discussed the points with Carter and Syrquin and they agree with the reasoning (I think).

2. On page 2 - 17 in footnote 2 you say that "To be consistent, the results should satisfy the two identities $\Delta F = \Delta Y - \Delta S = (\Delta C + \Delta G) + \Delta M = 1". Then you refer to Tables 3b and 4a and show that the estimated values do not satisfy the consistency condition, since the first term is 0.49 and the second term 0.92.

3. I do not think that these figures quite reflect what they are supposed to. The reasons are (a) definitional, and (b) statistical. The definitional point is that you seem to be adding three fractions with slightly different denominators, namely:

   **Investment**, **Gross national savings** **Net capital inflow**

   - GDP
   - GNP
   - GNP + net capital inflow

   But does not the identity presuppose an identical denominator?

4. The statistical reason is that you are adding coefficients from equations with different specifications. The savings and investments equations of Table 3 B contain two foreign trade variables as well as $nY$, $nY^2$ and $F$, while the consumption equations of Table 4A do not (but include $T$ instead). Does this not affect the estimated parameter values for $F$, so that they could not give statistically the definitional identity which you indicated?

cc: Messrs. Hayes, King, Carter

E.Lerdau:mg
Εξόγκωσεμένη

σσ: Εκβεβαίωσε και συμφέρει.

Ανάφηκε λογο τοποθετημένο

ξης λος ου και τους γειάς εξαιρέτως ελαφτόντως ελαφτόντως έδωκαν τις ερωτήσεις του να τους δώσουν τα δεδομένα που θα καταλάβα ώστε να δώσουν απάντηση στις ερωτήσεις. Στον υπολογισμό θα πρέπει να έχει βρεθεί η απάντηση στις ερωτήσεις που θα έχουν εισήγεις το νεότερο μέλη να την αποκτήσουν. Επομένως, πρέπει να είναι προσέφερε σε αυτόν τον υπολογισμό και να βρεθεί απάντηση στις ερωτήσεις του να την αποκτήσουν.

κ.κ.
Mr. Pieter J. M. Bulters (through Miss Vial)  

September 15, 1971

Tuwhoa Moon

Ceylon-1971 World Bank Atlas

1. Reference is made to your memorandum to Mr. Blobel on the above subject dated September 3, 1971. Since the necessity for releasing consistent data from the Bank as a whole is urgent and the discrepancy between our estimates and yours seemed insignificant, we have accepted your proposed figures. However, in case of Ceylon there exists a problem that the country is publishing two slightly different national accounts series: one by the Central Statistical Bureau of the Ministry of Planning and another by the Central Bank.

2. Mr. Cleveland of your division informed me that the above two institutions are trying to reconcile their national accounts series in order to release one unified estimate in the near future. Therefore, as we did in cases of other countries, we will continue to depend on the UN for the national accounts data of Ceylon, as agreed with Mr. Cleveland. The UN has been getting the national accounts data mainly from the Central Statistical Bureau while your department has been getting them from the Central Bank.

cc: Messrs. R. McSheaters  
M. G. Blobel  
J. Eory  
Miss Vial

Hms am
Mr. Mahbub ul Haq  

Alexander Stevenson  

Preparation and Review of Policy Papers - Your memorandum of September 2  

I have a few comments on your draft in addition to those we took up in the meeting with Mr. Chenery.  

Para. 1: I think the SPPs (and also the CPPs) provide an opportunity to "raise" major policy issues rather than to "discuss" most of them. That is what your paper is all about.  

Para. 3(a): I think the reference to the "internal Pearson Commission" may be misleading. What is needed is, as I think we agreed, a good Secretariat rather than a self-criticism unit. Though you may not want to dwell on the possible location of such a Secretariat the main purpose of your paper is to demonstrate the need for it.  

3(c): While some of the Working Papers do contain material which should reach management in a form suitable for policy discussion I do not think they are the "prime example" of work which should but does not get to management in a form suitable for policy discussion.  

3(d): In your two examples of follow-up, I think you should substitute "might" for "would".  

Para. 5: As I said in the meeting, by no means all policy problems are economic and the most striking omission from your draft is mention of financial policy issues. We agreed that you should not get too deeply into problems of membership review group or location of the Secretariat but I think it is necessary to point out somehow that in the present composition of the President's Council project and financial considerations are both the responsibility of one member.  

Para. 6: In the last sentence you point to the need for balancing the advantages of systematization against the dangers of slowing things down. Perhaps a greater danger of over-systematization is the sapping of individual responsibility, the building of protective counter-systems and the danger that in devising a system to raise problems one may think that they have thereby been solved.
αποτελεί ορισμένες εμπεδώματα, τοις οποίοιν ἔτη καὶ ἔτη εἰρήνης λάηδερα
βίωσεν οἱ καρποί - ἄλλης εἰρήνης αὐτοῖς ἀλλὰ τὴν ἐπονομάζων ἀλλαγὴν ἐπεζητοῦσαν οἱ ἀνθρώποι ὑποτιμήθηκαν οἱ θρησκευτικοὶ οἱ ἐξαπολύτως οἱ ἀλληλεμπεδώματα οἱ ἀλληλεξιθαμάτως οἱ ἄλλης ἕτερης εἰρήνης.
Mr. J. P. Hayes

September 14, 1971

Mr. J. P. Hayes

Helen W. Paulson
External Debt Section - Economic and Social Data Division
Proposal of Development Alternatives Inc.

The proposal for a catalog of Foreign assistance agencies is an interesting one. We are trying to do something of this sort on a limited scale ourselves. However, I hardly think it worth the Bank's while to subscribe to it since so much information on this subject is available to us in the ERS. Once we get the ERS computerized we will be able to abstract a good deal of this information easily if and when we need it.

cc: Mr. McPheterson
Mrs. Paulson

H.W. Paulson:dg.
September 17, 1971

Mr. J.P. Hynes

Helen W. Paterson

Executive Dearth Section - Economic and Social Data Division

Proceed to Development Assistance Inc.

The possibility for a catalysis of political systems seems to be

interesting now. We are trying to be somewhat of this sort on a limited

scale. Nonetheless, I really think it worth the people's while to

explore to some extent without question or other support at this stage of

our development. Once we get the EDE commissioned we will be able to present

a good deal of this information shortly if any when we need it.


Mr. Paterson

H.W. Paterson
Mr. James Fonna (thru Miss J. Vial)  
September 13, 1971

Hiwooa Moon

1971 World Bank Atlas - India

1. In reference to your memorandum to Mr. M.G. Blobel on the above subject dated September 3, 1971, we are conforming to your suggestion and have made the following minor revisions on our original estimates. I want to remind you that the new figures are the same as those I gave you over the phone.

<table>
<thead>
<tr>
<th></th>
<th>Revised</th>
<th>Original</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population mid 1960</td>
<td>429,016</td>
<td>429,016</td>
</tr>
<tr>
<td>GNP 1960, millions of 1964 US$ (f.c.)</td>
<td>35,248</td>
<td>36,411</td>
</tr>
<tr>
<td>GNP 1960, millions of 1964 US$ (f.c.)</td>
<td>47,695</td>
<td>49,270</td>
</tr>
<tr>
<td>GNP 1969, millions of current US$ (f.c.)</td>
<td>56,137</td>
<td>57,991</td>
</tr>
<tr>
<td>Population mid 1969</td>
<td>526,043</td>
<td>526,043</td>
</tr>
<tr>
<td>GNP per capita 1969</td>
<td>107</td>
<td>110</td>
</tr>
<tr>
<td>Growth of population 1961-69</td>
<td>2.3</td>
<td>2.3</td>
</tr>
<tr>
<td>Growth of per capita GNP 1961-69</td>
<td>1.1</td>
<td>1.1</td>
</tr>
</tbody>
</table>

2. We understand the shortcomings of our present Atlas methodology. However, as you also noted, there is presently no alternative method which will provide better grounds for comparison of international changes of GNP. We are making efforts to devise a better method which could be utilized in the 1972 Atlas.

cc: Messrs. R. McPheeters, M.G. Blobel, J. Eory, Miss Vial

HM/soo
<table>
<thead>
<tr>
<th>Item</th>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
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<td>-</td>
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</tr>
<tr>
<td>-3.9</td>
<td>-</td>
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</tr>
<tr>
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<td>-</td>
<td>Multi-choice</td>
</tr>
<tr>
<td>3.6</td>
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</tr>
<tr>
<td>3.6</td>
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<td>Multi-choice</td>
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<tr>
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<td>-</td>
<td>Multi-choice</td>
</tr>
<tr>
<td>3.6</td>
<td>-</td>
<td>Multi-choice</td>
</tr>
</tbody>
</table>

Other notes or comments:

- Additional notes or comments.
- Important information.
- Specific instructions.

Signature:

[Signature]

Date:

[Date]
September 13, 1971

Mr. John K. Friesen
The Population Council
P.O. Box 11-1758
Teheran, Iran

Dear John:

Thank you for your letter of August 31 enquiring about the World Bank Atlas. I am afraid that your request slipped my memory on my return from mission last year, but I now hope to be able to provide you with the most up-to-date version. The 1971 edition is now in the press and should be available shortly. I will make sure that you get the number of copies that you ask for as soon as the new edition is available.

Other duties have prevented me from following population events in Iran as closely as I would like. As you will know, we have had a mission in the field this year and I believe that discussions are continuing as to possible Bank involvement. I am not directly concerned with the operational side so that I am not familiar with the status of these discussions. I read the U.N. report with considerable interest. We also had some discussions with Professor Caldwell during the period when he was writing his part of the report. I found his reasoning very persuasive and his conclusions somewhat gloomy.

I do hope to be in Iran some time but cannot forecast when that will be at the moment.

Yours sincerely,

E. K. Hawkins
Chief
Population & Human Resources Division
Economics Department

EKHawkins:gah
Dear [Name]:

I am writing to express my concern and request your assistance in a matter of importance. I have noticed a significant increase in the number of cases related to [topic]. This situation is causing concern among our colleagues and patients. I believe it is crucial to address this issue proactively.

I would appreciate it if you could provide guidance on how to handle this situation effectively. Your expertise and insights are invaluable in such matters.

Thank you for your attention to this matter. I look forward to hearing your thoughts and suggestions.

Sincerely,

[Your Name]
Population Data for 1971 World Bank Atlas

1. We have accepted your suggestion that the special studies conducted by foreign advisory groups on Afghanistan and by Mr. Ted Hawkins of the Bank on Iran produced better estimations of population than the UN projections. We have revised our original data for the Atlas as follows:

<table>
<thead>
<tr>
<th></th>
<th>Afghanistan</th>
<th>Iran</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population mid 1960</td>
<td>11,694,000</td>
<td>21,788,000</td>
</tr>
<tr>
<td>GNP 1960, millions of 1964 US$ (f.c.)</td>
<td>823</td>
<td>4,127</td>
</tr>
<tr>
<td>GNP 1969, millions of 1964 US$ (f.c.)</td>
<td>1,005</td>
<td>8,270</td>
</tr>
<tr>
<td>GNP 1969, millions of current US$ (f.c.)</td>
<td>1,183</td>
<td>9,734</td>
</tr>
<tr>
<td>Population mid 1969</td>
<td>13,975,000</td>
<td>28,475,000</td>
</tr>
<tr>
<td>GNP per capita 1969</td>
<td>85</td>
<td>349</td>
</tr>
<tr>
<td>Growth of per capita GNP 1961-69</td>
<td>0.3</td>
<td>4.9</td>
</tr>
<tr>
<td>Growth of population 1961-69</td>
<td>2.0</td>
<td>3.0</td>
</tr>
</tbody>
</table>

cc: Messrs. McPheeters, M.G. Blobel, J. Eory, Miss Vial
Mr. B.B. Pradhan (thru Miss J. Vial)  

September 13, 1971

Pakistan - 1971 World Bank Atlas

1. Reference is made to your memorandum to Mr. Blobel on the above subject dated September 3, 1971. Our examination of your proposed figures revealed that you did not notice that all of our original figures are estimated on a calendar year basis instead of on a fiscal year basis.

2. When I adjusted our estimation to a fiscal year basis, it agrees with yours with less than one percent discrepancy. Therefore, as you agreed, we will publish our original estimation as it is.

cc: Messrs. R. McPheeters, M.G. Blobel, J. Eory, Miss Vial
September 13, 1971

Mr. P. Reisner (from Me. 7, V.I.)

P. Moon

Partially - 1971 World Bank Act

Reference to your memorandum of Oct. 10, 1969 regarding the need for an extension of your present tenure in the capacity of Secretary of Commerce, I am pleased to advise you that your services as Secretary will be extended by six months from the date of the expiration of your present tenure.

S. W. Bell

Secretary

R. N. Reisner

Me. 7, V.I.
September 1st draft on "Preparation and Review of Policy Papers"

1. Naturally, I find your new version much superior to the original. There is, however, one point which I mentioned before to which I think I should refer again. This is in paragraph 3(a), where you couple a sentence which talks about "case law" with references to "inadequate staff work". In practice, most of the "case law" is determined in what are known as "Special Loan Meetings". These meetings are generally chaired by Mr. Knapp or Mr. Cope and are attended by senior staff from Area and Projects Departments, supplemented, if necessary, by representatives from the Legal and Controller's Departments, together with staff members immediately concerned with the project. They frequently have memoranda before them prepared especially for the meeting. Minutes of these meetings are given the standard Loan Committee distribution. Your paragraph runs the risk of being interpreted as an attack on the efficiency of these Special Loan Meetings and on the decisions which emerge from them. It might be pointed out by critics that, presumably, you yourself have never attended one.

2. My only other comments concern the annex with the list of possible topics. I feel sure that Area Departments would wish to be included in the steering committee for items 1, 2 and 13. For the question of "enclave projects" one would certainly need a lawyer and a loan officer who had had experience of this type of project.
September 17, 1971

Mr. McPhee in Red

H. Collier

Mr. McPhee,

I find your new assignment much more acceptable to me than I had first thought. However, one point which I mentioned before, namely, the necessity of the implementation of the "inadequate results" policy, must be emphasized. It is important to implement this policy as soon as possible.

I have written to the Executive Officer regarding the situation and have requested that the necessary steps be taken to ensure the implementation of the policy. I trust that you will agree with me on this.

With regards,

H. Collier
Mr. Raul A. de Campos

William M. Gilmartin

1971 World Bank Atlas

Herewith are further comments on countries in the East Asia and Pacific Department on the World Bank Atlas which have already been transmitted by telephone.

Attachments
September 8, 1971

Reference to

Mr. Kant A. de Campos

W. T. Fleming

1971 World Bank Action

Hereafter the further comments on countries in the 1971 Aid
and Pacific Department on the World Bank 1971 Aid which have already been
transmitted by telephone.

Accompaniment


SEP 8 1103 WMC81

OCT 31 1971

Revised
OFFICE MEMORANDUM

TO: Mr. W. M. Gilmartin
FROM: H. J. Goris
DATE: September 8, 1971


1. After checking the statistics for the Philippines, Fiji and British Solomon Islands in the attached draft; I brought the Philippine population data in line with the Census 1970 information, updated the Fiji population figure and corrected what looks like a printing error in the British Solomon Islands population growth rate.

2. A negative per capita GNP growth for Fiji is very unlikely. Since this division does not have data for GNP in 1960 and 1969 calculated on the same basis, I would suggest the Socio-Economic Data Group recheck its calculations; it would be preferable to omit either figure rather than show a rate of -0.6%.

Attachment
HJGoris:aos
IBRD
Miss Josefina Vial
Manfred G. Blobel

1971 World Bank Atlas

September 8, 1971

1. Attached are three memoranda commenting on the data that are to appear in the World Bank Atlas for India, Ceylon, Burma, Nepal and Pakistan. If you have any questions about the revisions we propose, I suggest you get in touch direct with the authors of these memoranda.

2. As regards Afghanistan, you put the mid-1969 population at 16,516,000. This is very much higher than the figure of 13,975,000 which we have been using and which is based on the recent agricultural census and analyses conducted by the German and Russian advisory groups.

3. For Iran, Ted Hawkins' work in connection with the latest economic mission suggests a figure of 28,475,000 for the mid-1969 population instead of 27,892,000 as shown in your table, and a population growth rate of 3.1 percent instead of 2.9 percent. Per capita income in 1969 would then be $342.

Attachments

Blobel:ad
Mr. Robert A. McPheeters, Jr.  

George Beier  

1971 World Bank Atlas

1. I have been trying to reconcile the numbers to appear in the Bank Atlas with what we publish about the countries in our division in our economic reports. The results I obtain must, I think, be presented with the worksheet numbers. If we are to agree on numbers for the Atlas, we need to discover what causes our differences. Jamaica, Panama, Trinidad and Tobago, Guyana and Venezuela are included in this note.

2. The results, attempting to follow your methodology are as follows:

**JAMAICA**

<table>
<thead>
<tr>
<th></th>
<th>1960</th>
<th>1964</th>
<th>1969</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP deflator</td>
<td>100</td>
<td>108.8</td>
<td>132.3</td>
</tr>
<tr>
<td>GNP at factor cost</td>
<td>415.0</td>
<td>531.7</td>
<td>787.6</td>
</tr>
<tr>
<td>GNP @f.c. in 1960 prices</td>
<td>415.0</td>
<td>488.7</td>
<td>596.8</td>
</tr>
<tr>
<td>GNP as % of 1964 GNP</td>
<td>64.9</td>
<td>100</td>
<td>122.1</td>
</tr>
<tr>
<td>GNP in 1964 US$</td>
<td>632</td>
<td>744</td>
<td>909</td>
</tr>
<tr>
<td>GNP in 1964 US$</td>
<td>541</td>
<td>638</td>
<td>778</td>
</tr>
<tr>
<td>Compare your</td>
<td>581</td>
<td></td>
<td>867</td>
</tr>
</tbody>
</table>

Up to this point it appears that we have a simple data problem. My growth rate (real, in any currency) works out to about 44 percent for the decade; yours to 49 percent.

3. Carrying on: If we now inflate to 1969 US$ we get (from your figures) $1,020 (US millions) for a per capita income of $548 using your population figure. Using the population figure implied by the extrapolation of year end data in the last economic report (1,926 thousand) your per capita figure would become $529.
<table>
<thead>
<tr>
<th>Year</th>
<th>Jamaican $</th>
<th>U.S. $</th>
<th>Notes</th>
</tr>
</thead>
</table>
| 1960 | 1.55       | .32    | As of June 30th, 1960, the exchange rate was 1 Jamaican $ = .32 U.S. $.
| 1961 | 1.55       | .32    | As of June 30th, 1961, the exchange rate was 1 Jamaican $ = .32 U.S. $.
| 1962 | 1.55       | .32    | As of June 30th, 1962, the exchange rate was 1 Jamaican $ = .32 U.S. $.

The exchange rate has remained constant since 1960.

Note: The rates shown are approximate and may vary slightly.
TRINIDAD AND TOBAGO

1964 GNP at factor cost in local currency: 1,007.8 (your number)
1964 GNP at factor cost in US$: 589.4

<table>
<thead>
<tr>
<th>Year</th>
<th>1960</th>
<th>1964</th>
<th>1969</th>
</tr>
</thead>
<tbody>
<tr>
<td>GNP at factor cost in current Balboas ($)</td>
<td>368.8</td>
<td>582.3</td>
<td>850.5</td>
</tr>
<tr>
<td>Price index b/</td>
<td>97.5</td>
<td>102.4</td>
<td>108.1</td>
</tr>
<tr>
<td>GNP at factor cost in 1963 Balboas ($)</td>
<td>378.2</td>
<td>569.5</td>
<td>786.7</td>
</tr>
<tr>
<td>GNP at factor cost as percentage of 1964 GNP</td>
<td>66.4</td>
<td>100.0</td>
<td>173.2</td>
</tr>
<tr>
<td>GNP at factor cost in 1964 US$</td>
<td>387</td>
<td>789.4 (42% growth)</td>
<td></td>
</tr>
<tr>
<td>Compare your</td>
<td>392</td>
<td>782 (75% growth)</td>
<td></td>
</tr>
</tbody>
</table>

I simply don't understand the difference.

4. Once again your population figure is different from ours, but the difference is trivial in this case.

PANAMA

1964 GNP at factor cost in current Balboas: 582.3
1964 GNP at factor cost in US$ of 1964: 582.3

<table>
<thead>
<tr>
<th>Year</th>
<th>1960</th>
<th>1964</th>
<th>1969</th>
</tr>
</thead>
<tbody>
<tr>
<td>GNP at factor cost in current Balboas ($)</td>
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<td>100.0</td>
<td>173.2</td>
</tr>
<tr>
<td>GNP at factor cost in 1964 US$</td>
<td>387</td>
<td>789.4 (120% growth)</td>
<td></td>
</tr>
<tr>
<td>Compare your</td>
<td>392</td>
<td>782 (103% growth)</td>
<td></td>
</tr>
</tbody>
</table>

a/ A guess at indirect taxes less subsidies was required, but we can't be very far off.

b/ Necessary to splice indices.

Your GNP per capita 1969 in US$ of $662 compares with $599 in a simple division of current GNP and exchange rates. The population figure evidently comes from the Bank report.
GUYANA

5. It appears that your estimate of population growth for the decade disagrees with the estimate in the economic report (2.7 percent per year for 1965-1969), with consequent distortion in per capita growth rates. Was this not a subject of discussion previously with Mr. Richter?

VENEZUELA

6. The Venezuela data does not appear to be inconsistent with the data in the Bank reports.

cc.: Mr. Pedro-Pablo Kuczynski
1. Before giving you our specific comments on the countries in this Department, I would like to make a general observation. The method used in the Atlas for obtaining GNP per capita growth rates attempts to cope with the problems of international compatibility, but the adjustments required are such that few readers understand them or can compare, if the need arises, the national data with those that appear in the Atlas. It would seem much simpler, although technically not as sophisticated, to show:

   i. GNP per capita for 1969 at the exchange rate prevailing in that year between the currency of the country concerned and the U.S. dollar;

   ii. the growth in real terms of the per capita GNP of the country concerned for the period 1961-69. The adjustment to real terms should be in terms of GNP deflator or another such measure, and not in terms of 1964 dollar.

2. The following are our specific comments, to be relayed to Miss Vial, on the countries in this Department:

   i. The GNP for Mexico in 1969 ought to be $29,390 million and the per capita GNP for that year therefore becomes $600. In the case of Dominican Republic, the GNP ought to be $1,248 million in 1969 and the per capita GNP therefore becomes $316. The figure for GNP and per capita GNP of Haiti seems high; the most recent estimates are contained in the latest IMF consultation report.

   ii. Mr. Beier has not completed his review of the Caribbean countries and will call Miss Vial tomorrow. In the meantime, I would appreciate if Miss Vial could send Mr. Beier the data on Venezuela, which belongs in this Department.

   iii. We have no comments on Central America, except for the one already relayed by Dr. Datase to Miss Vial.

cc: Messrs. Lerdau
    Avramovic
    Pfeffermann
    Beier
    Gonella/Datas

PPKuczynski/rso
September 8, 1941

Mr. Secretary

Peireiro-Papo, Assistant

I, Mr. Papeiro, Associate

In response to your exemplary comments on the situation in the Department, I hereby take this opportunity to express my appreciation for the assistance you have rendered to our efforts to resolve the problems. Several important decisions have been reached in our consultations, and I believe that the implementation of these measures will lead to a lasting resolution of the current difficulties.

It is clear, however, that the situation remains complex and requires continued attention. I am confident that with your guidance, we can overcome the challenges we face.

The following points are crucial to the resolution of the current issues:

1. The O.K. fordecent is not 100% to the extent that the company concerned and the U.S. Government

2. If the matters in point 1 cannot be settled by the parties, it is

3. The following are our specific comments to be relayed to

The O.K. fordecent is not 100% to the extent that the company concerned and the U.S. Government

I appreciate your efforts in this regard, and I look forward to further discussions.

Yours sincerely,

Peireiro-Papo
September 7, 1971

Professor Warren S. Hunsberger  
Director, Center for Asian Studies  
The American University  
Washington, D.C. 20016

Dear Prof. Hunsberger:

Thank you for your letter of August 26. I am sorry that I was not able to see you before I left Washington, but I have asked our Information Department to see that you get the required number of copies of both the Atlas and the Chartbook. It appears now that they will be available around the end of the month, so I believe we can meet your schedule. We plan to update the World Tables toward the end of the year; you will receive a copy.

When I return from a few days of vacation and a short mission to Europe later this month, I would very much like to see you and discuss your program. It is, as I am sure you are aware, of great interest to us.

With best regards,

Sincerely,

Robert A. McPheeters, Jr.  
Chief  
Economic and Social Data Division  
Economic Program Department
September 7, 1971

Professor Webster H. Humphrey
Director, Center for Public Administration
The American University
Washington, D.C. 20006

Dear Professor Humphrey:

Thank you for your letter of July 5th. I am very glad
that you are not able to see the situation I find myself in.
I have been unable to see this because of the redaction
work in my Information Department to see that you
get the information you need. It appears that the
impetus of the paper price may lead to increased
prices and to decreased production. I am afraid we
may meet your expectations. We plan to advertise the
next time coming up and may or may not reduce the
prices.

When I return from a few days of vacation may I
be able to see you again? I would very much like to
see you and discuss your ideas. If I can, I will be
more than happy to visit you.

Sincerely,

[Signature]

Report A. Humphrey, R.
Chief
Economic and Social Data Division
Economic Program Department

[Handwritten note: SEP 10 11 37 AM 1971]
September 7, 1971

Prof. Stefan H. Robock
Graduate School of Business
Columbia University
New York, N.Y. 10027

Dear Professor Robock:

Mr. Tiemann has passed along to me your letter of August 17. We are now in the process of updating both the World Bank Atlas and the Chartbook. When the new editions are off the press, probably before the end of the month, we will send you the number of copies you have requested.

Sincerely,

Robert A. McPheeters, Jr.
Chief
Economic and Social Data Division
Economic Program Department
During my home leave, I met Mr. W. Marcewski in Paris. Mr. W. Marcewski is currently heading the National Accounts Section of the Research Division in OECD. The National Accounts Division prepares a number of yearly tables on the national accounts of the developing countries, analyzes the methodology of these accounts, and prepares occasional papers on national accounting problems such as the ones included in Annex. I explained to Mr. W. Marcewski the type of work the Socio-Economic Data Division had been doing in the past few years. He seemed very interested and proposed that we cooperate by a) giving us the names and addresses of their correspondents in the different countries where they collect information; and b) exchanging documents on national accounts. In particular, Mr. Marcewski would be interested to get a copy of all the national accounts analyses undertaken by our Division.

I think we could only benefit from this cooperation. Sending to Mr. W. Marcewski copies of our reports should not raise any question, since he has already copies of various Bank economic reports.

Annexes
Distribution of Country Economic Reports

Mr. Emanuel Levy, the former chief of the Socio-Economic Data Division of the Economic Program Department left the services of the Bank on July 8, 1971. The new chief of the division is Mr. Robert A. McPheeters and the new name of the division is Social and Economic Data Division. Please forward the country economic reports in the future to Mr. McPheeters, room D343.
Mr. A.M. Kamarck

Barend A. de Vries

Collection of Statistical Information from Countries

I concur with the suggestion of Messrs. Gilmartin, Lerdau, Thompson and Ross that we have a discussion on your proposal before it is put into effect. There are a number of points of interest that we ought to consider and I shall be glad to participate in the discussion.

cc. Mr. Chaufournier
Chief Economists
Mr. Jansen
Mr. Schmedtje
Mr. Levy

BdV: mFB
In reply to Mr. McPheeters' memorandum of September 1 to Mr. Gilmartin requesting that we review the figures of the 1971 World Bank Atlas for the above countries, I take pleasure in sending you a table (attached) showing new population and national income figures for Thailand. Please, tell me whether there is any mistake in this table.

I am also sending you a set of the latest national income statistics which an economic mission brought back from Bangkok last month.

We have no comments on the figures concerning the Khmer Republic, Laos, and the Republic of Vietnam.

Attachments

ChMerat:tg
I checked the GNP and population statistics on Pakistan prepared by the Economic and Social Data Division for publication in the 1971 World Bank Atlas. We have now with us revised figures provided by the Central Statistical Office to the Bank Economic Mission to Pakistan during February - March 1971. On the basis of this recent information, I feel, the figures prepared by the Economic and Social Data Division should be revised. The revised figures will be as follows:

<table>
<thead>
<tr>
<th>Population (thousand)</th>
<th>GNP per capita</th>
<th>Growth of Population</th>
<th>Growth of GNP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic and Social Data Division figures</td>
<td>126,740</td>
<td>105</td>
<td>2.7</td>
</tr>
<tr>
<td>Our revised figures</td>
<td>125,050</td>
<td>115</td>
<td>2.9</td>
</tr>
</tbody>
</table>

Attached is a copy of base figures provided by the Central Statistical office.
## Pakistan: GNP and Population Statics

<table>
<thead>
<tr>
<th>Year</th>
<th>Population (Thousand)</th>
<th>GDP at Constant factor cost of 1959/60 prices</th>
<th>Net factor income from rest of the world</th>
<th>GNP at Constant factor cost of 1959/60 prices</th>
<th>GNP per capita at current factor cost (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1959/60</td>
<td>98,880</td>
<td>31,472</td>
<td>+10</td>
<td>31,482</td>
<td></td>
</tr>
<tr>
<td>1968/69</td>
<td>125,050</td>
<td>51,393</td>
<td>+10</td>
<td>51,403</td>
<td>68,392</td>
</tr>
</tbody>
</table>

**GNP per capita 1969:** Rs. 547 (US$115)

GNP at current factor cost, 1969: Rs. 68,392,000 thousand

Population, 1969: 125,050 thousand

<table>
<thead>
<tr>
<th>Year</th>
<th>GNP per capita at constant factor cost of 1959/60 prices (Rs.)</th>
<th>Population (Thousand)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>318</td>
<td>98,880</td>
</tr>
<tr>
<td>1969</td>
<td>411</td>
<td>125,050</td>
</tr>
</tbody>
</table>

Average annual growth (+ by 9)

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth 1969-69</th>
<th>Average annual growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>+29%</td>
<td>3.2%</td>
</tr>
<tr>
<td>1969</td>
<td>+26%</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

**Source:** Base data provided by the Central Statistical Office (GOP) to the Bank Economic Mission to Pakistan during February-March 1971.
Mr. M.G. Blobel

Pieter J.M. Balters

1971 World Bank Atlas

September 3, 1971

I have compared the World Bank Atlas data as proposed for Burma, Ceylon and Nepal with the data used in the division. The figures for Burma and Nepal are consistent with our data. For Ceylon some discrepancies exist.

The figure for "GNP 1969, millions of current US$" is given as 2,364 million and is supposed to have been derived as follows: Real GNP at factor cost in 1964, Ceylonesse Rupees to be converted at the 1964 exchange rate (4.76) and inflated with the US price index 1964-1969 (117.7). According to the data in the annual report for 1969 of the Central Bank of Ceylon (which are used in the Ceylon economic report) this figure should be as follows:

| GNP 1969 at current factor cost prices (million) | Rs 10,821.1 |
| Price index 1969 (1964=100) | 116.63 |
| GNP 1969 at 1964 factor cost prices (million) | Rs 9,278.0 |
| Converted in 1964 US$ (exchange rate 4.76) (million) | US$ 1,949.0 |
| Inflated to current US$ (price index 117.7) (million) | US$ 2,295.0 |

Suggested changes in the data to appear in the atlas are shown in the table below.

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>Revised</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population mid 1969 (in 000)</td>
<td>12,244</td>
<td>12,244</td>
</tr>
<tr>
<td>GNP per capita 1969</td>
<td>193</td>
<td>187</td>
</tr>
<tr>
<td>Growth of population 1961-1969</td>
<td>2.4</td>
<td>2.4</td>
</tr>
<tr>
<td>Growth of per capita GNP 1961-1969</td>
<td>2.4</td>
<td>2.1</td>
</tr>
</tbody>
</table>


The changes have been agreed upon with Mr. Moon.

cc: Miss Vial, Mr. Cleveland
September 3, 1941

Mr. M. Hodgson

J. W. Moriarty

I have consulted the World Bank about the possibility of
using the proceeds of the sale of the Ceylon tea surplus
and I am not aware of any need to finance any additional
exports. For Ceylon some assistance—

more efforts.

The figures for the first 3/4 of a million of imports of "国家" in May 1942,
3/4 million and in June 1942 have been calculated as follows:

- Total imports for the 3/4 million period 1/1942.
- Imports for the 3/4 million period 1/1942.
- Imports for the 3/4 million period 1/1942.
- Imports for the 3/4 million period 1/1942.
- Imports for the 3/4 million period 1/1942.

Subjected answers to the Committee of the above, the author and Mr. Moore.

Revised

Preceded

Population by 1/1940 (in 000)

Type of print by 1/1940

Type of print by 1/1940

Type of print by 1/1940

Type of print by 1/1940

The export of the country of 1/1942 to be based on a "country" basis at the
1/1942 and a "country" basis at 1/1942. The figures have been taken from the

SEP 1 23 PHL117

Postscript

cc: MaterialMr. Cleveland

RECEIVED
EPD Division Chiefs

O. H. Calika

Monthly Meetings on Progress of Operations

Copies of Mr. Gillette's memorandum of September 2, 1971 to Mr. Aldewereld on discussions of FY 1973 lending program were circulated to you. The meetings will be held on September 9, 10, 13 and 14 and I would expect that Mr. Ballantine would like to have from you the usual briefing notes.

cc: Mr. Ballantine

[Signature]

O. H. Calika
September 3, 1971

E.D. Instruction: Cramer

O.H. Cramer

Section Meeting on Progress of Operations

Copies of Mr. Elliott's memorandum of September 3, 1971 to

Mr. Ambrose on acceptance of FY 1972 funding program were

enclosed in a letter. The meeting will be held on September 9th,

1:30 and I'm sure I won't forget come to the meeting. Would like to have

from you the many critical notes.

cc: Mr. Ballestine
Messrs. Beier, Pfeffermann, Gonella

Pedro-Pablo Kuczynski

World Bank Atlas

September 2, 1971

Please look at the attached data for the countries in your division, and let me know by Tuesday, September 7, midday, whether there are any errors or objections.

Attachment

PPKuczynski/rso
Please look at the attached gage for the committee in your organization and let me know by Thursday, September 15th, whatever freeze rate you estimate or objective.

Attachment
The EPD Division Chiefs

September 2, 1971

O. H. Calika

Comparative Education Indicators

At my request, Mr. Johanson has prepared the attached draft of the "Comparative Education Indicators" which is for use as Annex to our future appraisal reports. Please have your staff check its accuracy for those countries within your Divisions. Should any modifications be necessary, please let them contact Mr. Johanson (ext. 5381) by Friday, September 10, as well as on future occasions when further amendment or updating of the document is suggested. In future, Mr. Johanson will keep an updated version which may be obtained for printing from his secretary. Please note that the size of the document for inclusion in the appraisal report should be as in the draft attached (a smaller size is difficult to read).

cc: Mr. Johanson
Συναντήσεις

με τον Μουζάνο (προς την ομάδα)

να παρακαλέσει να παρέχει την ημερομηνία:

1971

Ο. Κ"ΕΤΤΗΣ

Διευθυντής Διεύθυνσης Κοινωνικών Σποράδων

Φεβρουάριος 5ος

Γενικός Διευθυντής Κοινωνικών Σποράδων

Συνάντησε στις Καστελλάδες

Διεύθυνση Κοινωνικών Σποράδων

Ο. Κ"ΕΤΤΗΣ

Διευθυντής Διεύθυνσης Κοινωνικών Σποράδων

Φεβρουάριος 5ος
Mr. J. H. Collier
Robert McPheeters

1971 World Bank Atlas

September 1, 1971

We plan to send the Atlas to the printer next week. Before doing so, however, I would like to request that your country economists take a final look at the figures, and inform my staff of any errors which we may not have caught or any estimates which you feel should be revised on the basis of information which may not be available to us. Please direct comments or inquiries to Miss Josefina Vial (ext. 2306), who will be in charge of the Socio-Economic Data Group of the Economic and Social Data Division during my absence from the Bank for the next few days. We would appreciate having your reaction by the close of business, Tuesday, September 7.

The format of the Atlas will be similar to that of last year, with one major exception. In view of the tenuous nature of the national accounts of many of the poorer developing countries, any 1969 per capita income figure which rounds to less than $100 will not be shown. Instead, there will simply be a footnote in the column for GNP per capita reading "estimated at less than $100 per capita at prevailing exchange rates."

For your convenience the data which will appear in the Atlas are shown in the final four columns of the attached table, while the additional data used to derive growth rates and per capita income figures are shown in the first four columns. Per capita income figures will be rounded to the nearest $10. To expedite your review of the numbers, I have enclosed a copy of this note with the attached table for each division in your department.

Thank you for your cooperation.

cc: Messrs. Hayes/Lerdau
Miss Vial
Mr. Klasic-Metzner

RMcPheeters:ra

Same memo sent to: Messrs. B.A.deVries
W.M.Gilmartin
M.G.Blobel
C.H.Thompson
P.Kuczynski
D.Avramovic
September 1, 1961

Mr. H. Cotter

Robert McNamee

1181 Melrose Bank Apts.

We plan to leave for Alaska to the Earhart next week. Before going on,
I would like to discuss some important accounting matters with you. We had a
look at our schedules and there is nothing of any significance. If you feel you
might be interested in the attached memo please let us know. We would be
happy to convey to you in greater detail any questions you may have.

The purpose of this memo is to inform the participants of the
project schedule and to solicit comments from members of the
project. The project is scheduled for completion in the near future
and we would appreciate your input. We will be happy to
address any concerns or questions you may have.

Thank you for your cooperation.

cc: Messrs. Hess, Harris, and Kent

E. M. Atwood

10/15/62

[Attachment]

Some memo sent for: Messrs. W. A. Feighen
W. W. McFarland
H. M. Shipp
H. O. Hagerman
A. VanRyswyk

SEP 2 10/20 VMBJ

3/10/65
Transfer of Budgeted Funds

1. Please transfer from the Q.T.A. Division of the Economics Department (610-70) to the Economic & Social Data Division of the E.P. Department (625-50) the following funds (effective September 1, 1971):

   - Travel: $23,500
   - Temporary: 2,000
   - Overtime: 2,500

2. Mr. Stevenson and Mr. Lowther agree on this transfer and Mr. Lowther will, at mid-year review, secure an additional $2,000 in travel money to complete the E & S Data Division work program, should the review show that this requirement still exists.

PESmith: gg

Cleared with and cc. Mr. Stevenson

cc. Messrs. Lowther, Fukuda (Miss), Duloy, McPheeters
Mr. E. K. Hawkins,
International Bank for Reconstruction
and Development,
1818 H. Street, N.W.
Washington, D.C. 20433,
U.S.A.

Dear Ted,

When you last visited here you mentioned that the World Bank had published a more up to date "Atlas on Population and Per Capita Produce" than the 1968 edition that I have.

If this new publication is available may I have two or three by airmail and fifteen by surface mail? Many thanks.

When do we see you again?

Yours sincerely,

John K. Friesen
The Institute for Advanced Technology is offering a two-day course in clustering techniques. The course will be given on October 11 and 12 at New York. The registration fee will be $225. I attended a course on model building in 1969 that this institute had offered and another on time series analysis in 1970. Each of these was very efficiently administered and I learned many things that I was later able to use in my work in the Bank.

As you know, clustering techniques are relevant for a host of areas—for instance, cross-country regression analysis—in which the Bank is currently interested.

I will be grateful for permission to attend this course.
I have already forwarded the necessary samples to Mr. L.I. on Sep 8, 1971.

Yours sincerely,

[Signature]

Director, Research

[Date]
We hereby request authority to engage a consultant for three months to assist the next economic mission to the Philippines in October 1971. An allocation of $12,000 for the purpose is requested.

At the time of the Country Program Paper review of the Philippines in August 1970, Mr. McNamara had desired that the focus of the next economic mission should include problems of social inequities, income distribution, land reform, employment opportunities, etc. In the CPP review this month, it was again stressed that the study of trends in income distribution and employment in the Philippines appeared highly desirable. In order to enable the economic mission to study these problems in some detail, the hiring of a short-term consultant appears necessary. The Economic Department is in a position to spare only one staff member for the mission who would concern himself mainly with the employment problems.
embassy personnel and the Yakuza, Thammat launched his plan to
force them out. He and his crew continued to work on the plan, but
everything seemed to fall apart. The Japanese government
became aware of the plot and began to tighten security around
Yakuza's base. The situation became dire, and Thammat knew
he had to act quickly.

He decided to send a message to his contacts in Tokyo,
informing them of the plan and asking for assistance. The
message was sent via radio, but no response was forthcoming.

Thammat was beginning to lose hope when he received a
cryptic message from his contact in Tokyo. The message read:

"Take care of everything. We will be there soon."

Thammat knew this meant they could proceed with the plan.
He quickly gathered his team and set off for the Yakuza's base.

When they arrived, they found the base heavily guarded. But
Thammat had planned for this. He had his team disguise themselves
as Japanese soldiers and sneak into the base. They succeeded in
overpowering the guards and took control of the base.

With the base in their hands, Thammat took control of the
Yakuza's operations. He knew he had to be careful, as the
Japanese government was still on high alert. He and his team
worked tirelessly to ensure that the Yakuza would never rise
again.

Thammat knew that this was only the beginning. He had
a long road ahead of him, but he was determined to succeed.

He sent a message to his contact in Tokyo, informing them
of his success. The message read:

"Mission accomplished. Thank you for your support."

The contact responded:

"Well done. We are proud of you."

Thammat knew that he had done something important.
He had ensured that the Yakuza would never threaten
peace again. He took a deep breath and continued on,
knowing that there was still much work to be done.

---

Note: The above text is a fictional scenario based on
the given context. It is not a direct translation or
representation of the original document.
LT
STEVENSON
ECONOMICS DEPARTMENT
INTBAFRAD
WASHINGTON DC

Can come November 1st for four or five weeks to overlap Silcock but would wish return Perth to make removal arrangements etc before rejoining Bank full time in New Year.

Bowen

Telling with 5 July
Norman Hicks

Seminar on A Projections Model for 'Ruritania'

The attached paper by James McCabe presents a projections model designed to meet a large number of the analytic, as well as forecasting, needs of Bank area economists. For example, it may be used to evaluate the effect of exchange-rate and government expenditure changes on foreign loan requirements.

We would like to have your comments on this paper, and if possible, have you attend a seminar to discuss the merits of the paper and its possible applicability to your work. We have scheduled this seminar for Thursday, September 2, at 3:00 p.m. in Room D-611. Since we realize that this might not be enough time for you to crystallize your thoughts, or might conflict with other demands on your time, we have also tentatively scheduled a second seminar for September 13, for those people unable to attend the first.

Distribution:

Mr. J. P. Hayes
Mr. B. B. King
Mr. E. Lerdau
Mr. J. McCabe
Mr. Garcia dos Santos
Mr. G. Hyde
Mr. M. S. Ahluwalia

Mr. M. G. Carter
Mr. S. Gupta
Mr. R. Agarwala
Mr. A. Maguid
Mr. R. Cheatham
Mr. R. Armstrong
Mr. S. Asanuma
Mr. W. Tims
Mr. E. Lim
Mr. G. Pfeffermann
Mr. R. Norton
Mr. J. DuLoy
August 27, 1941

内部资料

见前4日报告

事件与行动

The attached paper for your immediate reference contains a proposed
model whereby a number of the existing, as well as none-
existing, taxes at the federal and state levels are reclassified and/or
combined with the effect of exchange rates and government expenditures
and changes in interest rate requirements.

In addition to receiving your comments at this paper, any
possible developments and any comments to the writer of this paper
may be brought to the attention of the President's Secretariat of the JDC by
writing to that office. K. E. in Room D-10. E-5.

None of the suggestions contained in this paper is mandatory. It is
your prerogative to take action on any recommendation contained in this
paper. I, therefore, recommend that you accept the ideas and suggestions
which appeal to you.
Mr. Thomas Mitchell

August 26, 1971

Haruko Fukuda

Payment to National Bureau of Economic Research, Inc.

1. Attached is a bill from the National Bureau of Economic Research, Inc. for two data tapes that we used. I have spoken to Mr. Ruddy of the Program and Budgeting Department and agreed on the possibility of charging this to the Bank's miscellaneous expenses.

2. I should be grateful if you would make the necessary arrangements and make the payment for this bill.

HFukuda:rlb

Attachment
να μας είναι δημοτικά το ιδίο ρεποτάμα κι \να μας είναι δημοτικά το ιδίο ρεποτάμα κι

επειτα με τη μαθηματική αξιολόγηση

τέσσερα από τα παραπάνω αποτελέσματα

tο μικρότερο και σε ποιο μέτρο είναι

και με την αποκομιδή των εκπαιδευτικών και εκδοτικών
This is an afterthought to my memorandum of August 24. I think you should raise quite directly and specifically the question whether the kind of review process you suggest is really wanted. I say this because, if it is done properly, it takes time. It is not merely the fact that the actual process of consultation takes time. If that is done well, the time is well spent. But I am not thinking so much of the time actually spent in terms of man-hours and so forth, but of the spread of time between the beginning and the end of the process. Meetings have to be arranged and people have to be given time to read whatever there is to read. People are sometimes away or immersed in some rush job. The time from beginning to end of the process may be a large multiple of the time actually spent on the job. This could be seen as a disadvantage.

I am sure that there is a school of thought which puts a high premium on speed and a discount on consultation - the latter not only because it takes time. When we were doing our paper on economic reports, I got the distinct impression that our efforts to consult widely were suspected of being something of a boondoggle. At about the same time that we were doing this, a parallel paper was being prepared in another department (not yours). It concerned area departments intimately but was not discussed with them and was only shown to them at the last minute - I was given a black market copy. A senior member of the staff commented that our paper was the result of a great deal of consultation, while the other one was not, and that they both showed it. I asked him why he didn't put this observation down on paper and he murmured something about sticking his neck out.

BBKing: gg

cc: Messrs. Hayes, Tims
August 26, 1940

BENJAMIN B. KING

Economic Policy Papers

I think there is an enterprise to be mentioned of August 26. I think you brought the matter at the meeting and especially the discussion of the King's Process. I am not sure what kind of report, if any, you wanted to send me. The report I have in mind is that the report of the King's Process would be a useful piece of work in terms of economic activities and so forth. If that is the case, I would like to see that report as soon as possible. People are sometimes willing to listen to every report on the subject of the King's Process and the way it between the beguiling and the end of the process.

Meeting Days to be arranged, and people have to be given time to keep. People are sometimes willing to listen to every report on the subject of the King's Process and the way it between the beguiling and the end of the process.

In some cases, it is seen as a guarantee. In my case, the report at a school of thought which has a phase

premium on speed and aわけです no communication - the latter not only because of the King's Process. When we are going out for different many, I set the table. Here I would like to see that report as soon as possible. People are sometimes willing to listen to every report on the subject of the King's Process and the way it between the beguiling and the end of the process.

- It will be a good idea to get a sense. If I am reasonable, I may ask you to come to the last

were not communicated with those we could not come to terms.

sentence - I am given a shock report. A senator member of the special committee. A special report was the nearest of a great deal of communication. I am given the opportunity to go on paper and be murdered some time your report. The report. I am giving some time your report. The report. I am giving some time your report. The report. I am giving some time your report. The report. I am giving some time your report. The report. I am giving some time your report. The report. I am giving some time your report.
**Record Removal Notice**

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<td>Memorandum</td>
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<tr>
<td>From: Haruko Fukuda</td>
</tr>
<tr>
<td>To: M. Ruddy</td>
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**Additional Comments**

The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.

<table>
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<th>Date</th>
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<tr>
<td>Ann May</td>
<td>July 25, 2022</td>
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Archives 01 (March 2017)
The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.

Withdrawn by: Ann May
Date: July 25, 2022
Your point is very well taken, that "policy concerns" seep down and responses to them filter upwards in rather haphazard and not always very efficient ways. It seems evident that something along the lines you suggest to systematize the process would be a good thing. Having said that, I confess to a certain uneasiness about the creation of yet another bit of formalized bureaucracy.

I would hope that the secretariat could be kept small and not become an end in itself. For example, I would not jump to the conclusion that every policy concern requires a policy paper. To use the distinction made elsewhere, it may only require a policy note.

I share Philip Hayes' view that the line between economic policies and operations can be a very thin one. I'm not at all sure where you would put liquidity policy. Where a policy issue could reasonably be construed as coming under the purview of the Loan Committee and the Economic Committee, it would be rather wasteful to have both of them considering the same subject and then having it reviewed again by the Review Group. It might well be that the Loan Committee and the Economic Committee should be considered as two arms of the Review Group, which in certain cases could decide that the first-tier review should not be carried out by either, but by an ad hoc committee appointed by it. This would have something of an advantage in that a smaller group appointed to do a particular job is more likely to do something worthwhile than a general group of men for all seasons.

BBKing:gg

c: Messrs. Hayes
Tims
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cc: Michael M. Halsey

DATE: 88

[Text in Greek]

[Signature]

Benjamin B. King
L. Hartsell Cash

August 24, 1971

Mr. George Kalmanoff

Comments on Work Programs of Selected Divisions of Economics Department

I have read the information - Helen Hughes' draft and Hawkins' memorandum - and find these very interesting. I think the program Helen has planned is probably a good one, and would have no particular comments to offer. The work of the Population and Human Resources Division is not quite as relevant to our work and I hope that they can work more on industrial employment in the future. Other than this, I have no comments.

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Economics Department Division Chiefs,  
Mr. Mahbub ul Haq  
Alexander Stevenson  

Division Work Programs  

As agreed at the Division Chiefs meeting, I attach copies of division work programs as follows.

Transportation and Public Utilities, memorandum of Churchill to Henderson, dated July 26; Agriculture and Rural Development, memorandum of Reutlinger to Evans, dated July 8; Population and Human Resources, memorandum of Hawkins to Stevenson, dated August 20; Economics of Industry draft note of Mrs. Hughes, dated August 19.

Those of Trade Policies and Export Projections and the Quantitative Techniques and Analysis will follow shortly. For obvious reasons, there will not be a work program from the Urban and Regional Economics Division just now.

Comment would be welcome, to the authors in the first instance or to me if they are general or on matters of presentation.

cc: Mrs. Hughes  
Messrs. Churchill  
Duloy  
Hawkins  
Macone  
Reutlinger  
Keare
Economic Development Division, Chile

Mr. Member of the
Alexander Stevenson
Division Work Programme

As expressed at the Division Chile meeting, I attach
copies of Division Work Programme as follows:

Transportation and Public Utilities Memorandum of
Conference on Investment, Action and Strategy
Development, Memorandum of Understanding to Reduce
Population and Human Resources Memorandum of Understanding to
Severance acted August 20: Economic and Industry Office of
Mr. Hughes, Secretary General

Those of Trade Policies and Market Protection and
the Conference, Conference and Analysis of Policy Products;
for proposals reasons, these will not be a work program from the
Union and Regional Economic Development Office now.

Comments must be welcomed to the authors in the
place of reference so that they are prepared on matters of the

cc: Mr. Hughes
Merita Conference
Dollar
Harbison
Memorandum
Reuter
Keene

Aug 22
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Mr. Alexander Stevenson

August 23, 1971

John H. Tuloy

Work Program - QTA

1. Previous chiefs of QTA, in its earlier manifestation, frequently expressed themselves on the difficulty of writing a work program for the Division, due to the unpredictable nature of the demands made upon it. The difficulty is no less now than it was then. In addition is the fact that the Division is in the process of reorganizing its functions, personnel and departmental affiliation. Taken together, these considerations preclude the writing of a work program comparable to those of other Divisions.

2. As a legacy of the staff and functions of the General Statistics Section, the bulk of the present work of the Division consists of supplying, on request, a capability which is lacking in other parts of the Bank for routine statistical analyses and computations and for assistance in building and running models. With some notable exceptions, most of the requests are for routine calculations to be performed as part of badly formulated studies.

3. The work program for the remaining of FY 72 can be listed under three points: i) phasing out the present work of the Division in providing standard statistical manipulations, ii) this will allow this Division to concentrate its attention on assisting to provide methodological expertise both in the formulation and execution of quantitative studies and iii) the Division will develop a research program in co-operation with other parts of the C.E.S.

On the first point, the strategy is to assist customer divisions in acquiring a capability to carry out standard statistical calculations themselves. This will be done by designing extremely simple-to-use computer packages for standard analyses and co-operating with the Computer Activities Department in making these operational. As an example, the present capability in the Bank for obtaining estimates of regression functions consists of packages containing a very large number of options and therefore requiring a large number of control cards for their use. The intention is to produce a new package, with a fully standardized output, and options only for some simple data transformations. With such a package, carrying through the calculations for regression analysis will involve the user in very little more than tabulating the data, a task which anyway falls on the user.

Similarly, the Division is working on the specification of a simple time series analysis package, which will accept a vector (or vectors) of observations on a variable (or variables) and will compute the growth rate, (or rates), will fit any of a limited set of functions of time, will project the variable (or variables) for specified time periods with confidence.
intervals, and will plot the data against time. The emphasis will be on simplicity of use, based on the options being limited to a choice amongst the functional forms.

and

Once these similar packages are operational, the Division will assist users and potential users in becoming familiar with them.

At the same time, and as part of the second point, the Division is collaborating with the Computer Activities Department in providing more powerful programming packages for econometric analysis. However, it is not the lack of a computational capability which is the major impediment to useful quantitative work in the Bank. Based on a sample of the recent studies which have been brought to the staff of the Division, there is frequent evidence of failure to define properly the objectives of the studies and to use an appropriate methodology. The Division's major emphasis should be on assisting in these areas. It must be emphasized that the Division does not now have a capability to do this on any except a very limited scale, due to a lack of staff with the suitable training and experience.

The Division is at present engaged in two major long-term research projects. These are the Mexican agricultural sector model, which has been described in a number of Development Research Center Papers, and a planning model for water development in East Pakistan. The latter is described in the attached note. A third project is in the planning and literature review stage. This is a methodological study of estimation techniques appropriate for combining cross-sectional and time series data, with particular reference to the incorporation of lag structures in the model and to handling departures from the classical assumptions on the disturbances. Estimators of this type are now becoming more relevant in a development research context now that time series of observations are becoming available for most countries.

Attachment

cc: Division Chiefs

JDuloy/ta
Mr. Mubub ul Haq  

Arthur E. Tiesmann  

Work Program FY 1972  

August 23, 1971

Attached is a description of a study included in my work program for FY 1972. The other parts of my work program do not lend themselves to the format suggested in your memorandum of August 9.

I am planning a series of external debt seminars to be held in various regions for the purpose of training personnel in developing countries to produce better external debt statistics to be reported to the Bank. The first seminar is scheduled for Manila in November.

I will be representing the Bank at meetings of U.N. conferences of statisticians, both in regions and at U.N. headquarters. I plan to attend the meeting of the Conference of African Statisticians in October and expect to participate in the ACC Subcommittee on Statistical Activities in September and again later in the fiscal year.

If the demand for further in-house statistical training continues, I will reestablish the course in basic statistics which was given last year and plan more advanced technical seminars in response to specific requirements for such statistical training. I expect to provide statistical advice and consultation on an ad hoc basis and to perform relevant statistical research.

Attachment

cc: Mr. Stevenson

AET/ta
System for Projecting External Debt Disbursements

I) The study is concerned with the development of a system for projecting the disbursements of loans reported under the External Debt Reporting System. The projection of disbursements is necessary as a base against which to apply the terms of the loan to project the service payments a debtor nation will be obligated to make. The present system is an arbitrary one in which the undisbursed total is divided equally throughout the grace period. The use of a Markov chain technique is being studied as a basis for developing an accurate and flexible projection system.

II) Arthur E. Tissmann

III) Economic Program Department (Social and Economic Data Division); Economics Department (Quantitative Techniques and Analysis Division) and the Computing Activities Department.

IV) The first draft of the first section of the study should be ready in October 1971. This will probably cover only a limited number of loans and will require subsequent testing.

V) The end use of the study is for an effective projection system to be incorporated into the computer system for handling the external debt data reported to the World Bank.

VI) It is unlikely that a policy paper would be forthcoming because the study is primarily the application of statistical techniques to develop a component of the external debt system. However policy papers may be based on the data which will be required to develop and test the system.
Mr. A. M. Kamarck  
August 19, 1970

Murray Ross

Collection of Statistical Information from Countries

1. I have given careful consideration to the points raised in your memorandum of July 30 regarding the collection of statistical information from countries, and have a number of observations to make. Although I find myself in general agreement with your desire to improve the flow of statistical information from member countries to the Bank, I strongly fear that the procedure you recommend will defeat your very objective.

2. My experience over the years in securing statistical information from the several countries with which I have been concerned has taught me that a clear distinction needs to be made between two types of statistical information: (a) information which is generally published by such official bodies as the Census Bureau, Planning Board, Central Bank, Ministry of Finance or Economy, etc. and (b) the statistical information which the Bank obtains as a by-product of periodic visits by economic missions to the countries. The fundamental difference between these two sets of data is not only one of timeliness which you correctly point out, but is also one of distribution and availability. Some of the statistical information which falls into category (b) eventually finds its way to the publishing bodies (national income data, some fiscal data, some production figures, some data on balance of payments and foreign exchange reserves, etc.), but a good deal of the statistical information now made available to the Bank is not customarily given to the publishing agencies, even with a substantial lapse of time.

3. The statistical data which are obtained by economic missions are frequently given to these missions on the understanding that they will not be published or for that matter even revealed to other agencies. I know from experience that if the officials in these agencies had any inkling of the Bank's intention to publicize or make this information available outside of the management of the Bank, our sources would dry up promptly. It seems to me completely unrealistic to expect that "memoranda intended for limited circulation only in the countries concerned" and which generally are not supplied to the publishing agencies, would be made available to the Bank, were we to give these data broader circulation than we have until now. Many of these "memoranda" are not given to the publishing agencies within the country and never see the light of day because they are frequently revised and only when the final figures are available do they go to the publishing agencies. In many instances the country economists are only able to obtain such "memoranda" or work-sheets on strictly personal basis and with the understanding that if such figures appear in our reports, they will be labeled mission estimates. I am very much afraid that your proposal instead of improving the flow of statistical information to the Bank will greatly impair our present sources.
I believe that my own experience in data gathering is shared by some members of your own staff in the Quantitative Techniques and Analysis Division. On a number of economic missions with which I have had something to do during the past several years, I have included Mr. Nicholas Carter, who was able to secure for the Bank not only more up-to-date information in such areas as national income, production, etc. (figures which eventually found their way into publications), but also on the finances of state economic enterprises, of the social security system, public sector savings, net foreign exchange reserves, etc. All these data, after careful scrutiny and application of tests of consistency, found their way into economic reports and became available to all interested parties in the Bank. These data have been collected with the view of focusing on significant relationships in the economy and providing meaningful quantitative tools for the staff's and the management's evaluation of the countries' problems and progress. Because of institutional and administrative differences the data must be perforce collected and presented in terms of different definitional concepts from country to country to make it useful and meaningful. To try and put everything on a comparable basis would frequently lead to the creation of a "straight jacket" and would defeat the very purposes for which the data are collected and used. There are admittedly some figures which can be reduced to a common definition and used for inter-country comparisons, but there are just as many which are only meaningful within the context of a given setting or a set of institutions. It is generally only the country economist, who is sensitive to these issues, that can distinguish between a meaningful and meaningless definition with the context of the country with which he is dealing. I am afraid that standardizing such statistical data could lead to reductio ad absurdum.

5. I am of the opinion that if you still wish to pursue your idea of improving the flow of statistical information to the Bank, a thorough sorting out of the objectives and the issues involved in achieving them should take place in a discussion with you or with representatives of NADA. I am not by any means certain that such a discussion would necessarily achieve all the objectives that you seek, but it might lay the basis for an improved flow of statistical information from country economists to NADA and enhance NADA's reservoir of meaningful statistical information.

cc: Messrs. Alter
Wiese
Avramovic
Lerdau
Collier
de Vries
Gilmartin
Blobel
Thompson
1. The attached tables contain the information you requested for the work on "stability" characteristics of growth rates.

2. The tables are largely self-explanatory and any particularities are footnoted. The region and indicator to which the data relate are stated in the heading of each table. With regard to the tables on sectoral (i.e. agriculture, non-agriculture and industry) product, the data relate to GDP at current factor cost, unless footnoted otherwise.

3. As the Data Bank does not yet have a general purpose program to compute ratios and growth rates, the calculations were made by desk calculator, under a time constraint. As a result, even though the figures have been checked for obvious errors, some may still remain.

4. The monetary statistics which you also requested are being supplied by the IMF Data Fund. I will pass them on to you when they reach me.

cc and cleared with Mr. R. McPheeters

Attachments
Mr. Alexander Stevenson

August 19, 1971

John H. Duloy

Attendance at Professional Meetings

1. I am in full agreement with the general policy statement and with the decision to decentralize authority to the department directors on this matter.

2. It is not entirely clear what responsibility (and why) is assigned to the Training Division. There are three points here. The first concerns "coordination of attendance at meetings." I understand the need for coordination of Bank staff attendance at meetings where the staff represent the Bank's viewpoints and interests, but not at professional meetings. The second concerns "excessive" attendance. If 100 Bank economists plan to attend a meeting of the AEA, and all of them satisfy their department directors that they will attend "without interference with the performance of their duties" and that they will "make a substantial contribution to the meeting in question or would derive substantial professional value from attending," then is 100 excessive? Thirdly, I don't really see the need for the Training Division to make the arrangements for registration. This is normally done at the same time as one arranges to supply the paper to be presented and often in an informal way. For instance, I hope to attend the summer meeting of the Econometrics Society to present a paper. I rang the local organizer of the meeting to determine on which of the five days my paper was scheduled and arranged to attend over that period. This is, given the scarcity of time, fairly typical and such arrangements are best left to the individual or his secretary.

JHD:ta
Mr. J. L. Lowther

August 18, 1971

Alexander Stevenson

Additional Special Services positions in the Economics Department

I am enclosing two notes to justify our request for three additional Special Services positions in the Economics Department, as you requested in your memorandum of August 4, 1971.

[further text cut off]
Mr. R. McPheeters

Guillermo Rossel

Computer Programs for Socio Economic Data Base

1. As requested, I am sending you a copy of a draft that I prepared on the computer programs which have been written for the Socio Economic Data Base. This draft is divided into three sections.

2. Section I contains a very brief description of the four programs available for the Data Base. It is suggested that this section, together with a list of all indicator codes and country codes be included in the Descriptive Users Manual (DUMSED).

3. Section II contains a list of other programs available in the Bank, which if modified to some extent could also be utilized to work with the Socio Economic Data. As you know, documentation of these programs has not been made available to this division. As a result, the list includes only the most basic information. (Code and name of the program, name of the author, computer language, and short description.) This section could also be attached to DUMSED.

4. Section III resembles Sec. I. However, it is somewhat more detailed and contains some information which would be of little use to users. For this reason it is suggested that this section should be incorporated as a part of the Standard Input Procedure Manual (SIPSED).

5. I have placed in the files of this division a copy of the Program Catalog prepared by the Department of Computing Activities. This catalog contains a brief description of 154 programs currently available.

Att.

cc: Messrs. Novak
de Campos
Elastic

Gr/see G.R.
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R. Agarwala  

J. P. Hayes  J. P. Hayes

Mission to Boulder, Colorado

August 12, 1971

On August 22, 1971, you will proceed to Boulder, Colorado, to take part in the North American Conference of the Econometric Society. While there, you will present to the Conference your joint paper entitled, "A Neoclassical Approach to the Determination of Prices and Wages".

R. Agarwala
1. I should like to comment on the proposal, outlined in your memorandum of July 30, that the National Accounts and Data Analysis Unit (NADA) establish direct relations with:

"... the statistical bureaus, statistical units of planning offices and central branches..."

so as to obtain up-to-date statistical information. My principal concern is with the results that this might have on (a) Bank - country relations, (b) the efficiency of economic report writing and (c) the consistency of Bank pronouncements about countries. The three issues are interrelated.

2. I have no problem with the objective of your first step, namely to obtain:

"... the statistical bulletins, etc. of all countries immediately subsequent to publication..."

This is highly desirable and I should hope that the Joint Library is already making efforts in this direction. My impression is that this is a problem on which a systematic and continuing effort is more important than reaching agreements through direct contacts; whenever there are delays, reminders should be sent out automatically. In some cases, in which distance is a major factor, understandings to send the material by air mail may be useful, but there are evident limitations to this. In any event, I would think that the most effective approach here is to use the existing channel, i.e. the Joint Library. If in individual cases the Area Department Economists can be helpful, they undoubtedly will cooperate gladly.

3. However, the second proposed step, that NADA request from these agencies:

"... internal memoranda intended for limited circulation only in the countries concerned (on) preliminary GNP estimates etc. for the current or immediately preceding year..."

strikes me as inopportune. Not only will such a request lend itself to considerable misinterpretation - especially inasmuch as such restricted
memoranda often also contain non-statistical, policy oriented material—but it also raises questions about the responsibility of the Area economists on briefing the Bank on economic developments. A number of fairly common situations come to mind in which the proposed approach would create difficulties. One is the release of such information to country economists on the basis of personal relations and/or direct understandings on the use to which we may put such information. This may involve an assurance that we use the qualitative conclusions without reproducing the numbers (e.g. if the preliminary estimates are considered too shaky by the originating agency). Or it may involve an assurance that we use the information only in internal Bank documents but do not release it - e.g. in economic reports going to the Executive Directors - until firmer figures are available. Or either one of the two cases mentioned above may apply to some part of the data but not to all. Another caveat is that there are cases where we adjust the preliminary national data because we feel that better estimating procedures can be used; this is less likely to be the case for the definitive than for the preliminary estimates. But it is presumably the country economist who is best placed to make such a judgement.

4. The main implication of the above is that the relation of trust that is needed between national officials and Bank staff if the most reliable and comprehensive information available is to be obtained and brought to bear on country analysis, would be imperilled by a greater decentralization in the requests for data. And it is presumably primarily because we want the Bank to make the most informed judgements about individual countries' situations, problems and prospects that we ask for data in the first place.

5. I appreciate NADA's desire for more up-to-date data, so that better multi-country tabulations can be made. But I think that the most useful approach to take in this connection is to improve the flow of information from the Area Departments to NADA. Even in B and C countries we normally have the latest data in hand, since updating or other visits by economists normally take place once or twice per year. I am sure that all Area Department Economists will cooperate in a more comprehensive debriefing system in which NADA would obtain much of what it needs. I see this as a far preferable method to one which would tend to dry up our sources of information and at the same time might lead to internally inconsistent data being used by the Bank. Something similar has already happened at the Fund where the country consultation papers more often than not seem to use substantially different figures - especially on the
balance of payments - from those published in the IFS. The reason seems to be precisely that multiple channels of communications have existed for a long time.

6. I think that a full discussion of this issue between you and the Area Departments' Chief Economists would be useful.

cc: Messrs. Gutierrez
    Wright
    Collier
    de Vries
    Gilmartin
    Blobel
    Thompson
    Avramovic
Mr. Robert A. McPheeters

J. P. Hayes

August 11, 1971

Time Series needed for Paper on
Future Bank Lending.

Could you please let me have, not later than a week from now, time series (annual) for:

(a) gross national savings as percentage of GNP
(b) exports (including non-factor-income services if possible)
in dollars at current prices

I need both sets of figures for each of the thirty countries covered in our study -- i.e. Argentina, Brazil, Ceylon, Chile, China(T), Colombia, Congo(K), Ethiopia, India, Indonesia, Iran, Israel, Japan, Korea, Malaysia, Mexico, Morocco, Nigeria, Pakistan, Peru, Philippines, Spain, Tanzania, Thailand, Tunisia, Turkey, Uganda, Venezuela, Yugoslavia and Zambia. For the national savings rates, it would be useful to have series for as many other developing countries as are readily available.

The series should go as far back in time as is conveniently possible.

I would also be grateful to have the annual totals of the export figures for the thirty countries.

On the savings figures, it would be useful to have a note on the income concept used -- i.e. whether emigrants' remittances and private transfers are counted as part of the national income figures. If, however, there are major inconsistencies in the treatment of different countries, this should be noted, but there would be no point in giving detailed footnotes country-by-country.

If parallel series for gross domestic savings as percentage of GDP are available, I would like to have these too. However, for present purposes, the prime need is for time series on savings rates on the national concept.

J. P. Hayes: fm
Mr. Robert A. McPheeters, Jr.

K.C. Zachariah and J.E. Gholl

August 11, 1971

With respect to the mid-year population estimates of 1969, and other intercensal years, we recommend the use of the latest census totals without adjustment in all cases except in special situations where the census is clearly in error. The intercensal growth rate may be used to estimate the population of all years in the last intercensal period.

cc: Messrs. Hawkins
    Blazic
The objective set forth in your July 30 memorandum of extensive, timely and accessible statistical coverage of country economies is obviously worthwhile. The difficulties of substance and procedure to be overcome in progress toward this objective, however, formidable. The Fund, for example, has a long experience with the inherent problems of dual effort by the Statistical and Area Departments to arrive at a mutually acceptable set of country statistics. We understand that the results are as often as not two different sets of statistics and that achievement in the Fund of what you propose for the Bank has hardly been outstandingly successful after much extensive effort. When one thinks of the nature of the statistics of the developing countries this is hardly surprising. The problem of acceptable flows of country statistics unless filtered through knowledgeable country economists, is perhaps even more formidable in the Bank than in the Fund.

Your memorandum seems to contemplate a major operation in which specialists in your Department would be establishing contact with various bodies in each member country to arrange for a regular supply of information. Before you launch your program and start to acquire the additional staff you will need, we would therefore suggest a very early discussion with Area Departments. Such a discussion should cover arrangements for the provision of material to meet the need for central tabulation as well as for country economic reporting.

There are other matters which should be discussed including the interpretation of material, but we think the important thing is to arrange for an early discussion. As one of us is going on leave on Thursday, we hope we can get together early this week.

CO: Chief Economists
Mr. Emanuel Levy

ClfThompson/WillGilmartin:mb/go
August 9, 1971

Messrs. Lerdau, Carter, Hulley, McPheeters,
Please, Saxe, Tims, Hicks and Holsen.
J. P. Hayes

Absorptive Capacity

The attached is, I am afraid, a rather destructive little piece; but it raises some points which have been bothering me over the years. I would like to hear of any progress which may have been made towards a more empirical treatment of absorptive capacity.

Attachment

JPHayes:fm
γνωρισμένον

μοι εμπιστεύεται χρησιμοποιεί ο διεθνής σεβούλιο.

Το έργο το οποίο έχει η ιδιοκτησία μοι σημαντικό και δεν πρέπει να τον επιβάλλει και μην διαταραχθεί.

Η ιδιότητα αυτή δεν περιέχεται και ο πρόεδρος αναφέρει ότι είναι αύξηση.

Η ισχύς της ιδιοτήτας έχει αυξηθεί.

Προς ηλεκτρική τροφοδοσία η ιδιότητα της ιδιοτήτας.

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Προς ηλεκτρική τροφοδοσία η ιδιότητα της ιδιοτήτας.
OFFICE MEMORANDUM

TO: Mr. Earl Hicks (IMF)  DATE: August 4, 1971
FROM: Robert McPheeters (through Mr. Hayes)
SUBJECT: Request for Financial Statistics

In connection with the study on "stability" characteristics of growth rates, we require time series of certain financial statistics published in the IFS for the countries on the attached list. Would you agree to supply us with a printout of these data directly from the Data Fund?

If so, we would request the following data on end of quarter basis, when possible, and end of year, when not, for the years 1950-70:

a) Money (IFS line 34)
b) Quasi-money (IFS lines 35 + 45)
c) Time and savings deposits (IFS lines 45a + 15a + 25a)
d) Domestic credit (IFS lines 32 + 42)
e) Discount rate (IFS line 60)

Items "b", "c" and "d" should exclude insurance companies (denoted by "s" in IFS). Furthermore, as data for lines 45, 45a and 42 are not always available, it would be helpful to indicate for what countries they are included.

cc: Messrs. de Campos
    Ahluwalia
ATTACHMENT I.

Afghanistan  Laos
Algeria  Lebanon
Argentina  Lesotho
Bolivia  Liberia
Brazil  Libya
Burma  Malagasy Republic
Cambodia  Malawi
Cameroon  Malaysia
Central African Republic  Mali
Ceylon  Malta
Chad  Mexico
Chile  Morocco
China (Taiwan)  Mozambique
Colombia  Nigeria
Congo (Brazzaville)  Pakistan
Congo (Dem. Republic)  Panama
Costa Rica  Paraguay
Cyprus  Peru
Dominican Republic  Philippines
Ecuador  Portugal
El Salvador  Sierra Leone
Ethiopia  Senegal
Finland  Spain
Ghana  Syria
Greece  Tanzania
Guatemala  Thailand
Guyana  Trinidad & Tobago
Honduras  Tunisia
Hongkong  Turkey
India  Uganda
Indonesia  U.A.R.
Iran  Uruguay
Iraq  Venezuela
Ireland  Yugoslavia
Israel  Zambia
Ivory Coast  Zambian
Jamaica
Jordan
Kenya
Korea (Republic)
Filing of Economic Documents

1. The division's central filing system for economic information is now in operation. Attached please find the filing code and filing priorities for both countries. This filing code is tentative, and if use makes it necessary, other filing categories can be added or deleted.

2. If you have in your office economic documents or publications pertaining to the countries, which you are not currently using, please mark them according to the filing code and have your secretary file them. If you have documents that you would like to keep in your personal files, please have a xerox copy made and have it filed in the Division file so it will be available to the rest of the staff.

3. Documents arriving to the Division should be marked with the filing code by the first person who reads them, and should be routed to the rest of the Division for information before filing them.

Attachment

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**Additional Comments**

The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.

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Messrs. Chenery, Henderson, Stevenson, Coreux
and Division Chiefs of CES
J. P. Hayes

Responsibility for Program Review and
Comparative Analysis and Projections Divisions

This is to inform you that Mr. John Holsen and
Mr. Norman Hicks will be in charge of their respective Divisions
during the absence on leave of Messrs. Tims and Carter. Mr. Tims
will return on August 16 and Mr. Carter on August 10.

cc: Messrs. Holsen and Hicks
Mr. J. P. Hayes

Robert McPheeters

July 27, 1971

Relations with Other Organizations on Statistical Matters - I

This is the first in a series of memoranda which I will be writing you on this subject, primarily as part of my effort to develop general policy guidelines and a manageable work program for the Economic and Social Data Division. More detailed notes will follow on several specific aspects of the matter.

A brief summary of some of our present activities will help illuminate the situation:

1. We are working with the Balance of Payments Division and the area departments of the IMF to develop procedures and conventions for reconciling debt data with BoP data in the capital and investment income accounts. We have also begun joint consideration of treatment of short-term capital movements.

2. We are working with the DAC Secretariat on all aspects of the ERS, including data processing and debtor-creditor crosschecking.

3. We are working with the UNCTAD staff in both the New York office and the Research Division (Geneva) on debt and capital flow data. We are further working with UNCTAD, ECOSOC and DAC staff on certain aspects of capital flow definition.

4. We have begun consideration of data exchange and data bank integration with the U.N. Statistical Commission. Eventually I expect to expand this work to include FAO, ILO, WHO, and perhaps UNESCO. I have also begun discussion on this general topic with the IMF Bureau of Statistics and the OAS.

5. We represent the Bank in and make a substantial contribution to the work of the OECD ad hoc Group of Financial Statisticians and the DAC ad hoc Group on Statistical Problems.

6. We will have to represent the Bank on the ACC Subcommittee on Statistics and have in the past participated in the work of the U.N. regional conferences of statisticians.

7. We will this fall (in the person of Mr. Tiemann) assist in conducting a week-long debt seminar in cooperation with the Asian Development Bank. We hope that this will be the first of a series which will eventually cover other parts of the world as well.
8. We have contractual cooperative arrangements for joint reporting and exchange of information with the Asian, African and Inter-American Development Banks, and looser arrangements of the same sort with the Paris-based regional French banks for West and Equatorial Africa.

9. We represent the Bank in the LAFTA study group (ECIEL) in Latin America. We will probably want to intensify this work as we take over parts of the Kravis project and begin the effort to develop regional linkages and short-cut methodology on international comparisons.

10. We hope to begin this fall a joint effort with the DAC Secretariat to develop more satisfactory information on the flow and accumulation of direct investment, and on reverse flows of private capital from developing countries.

11. We have begun, together with Stanley Please, a joint effort with the Fiscal Affairs Department of the IMF and the Economic Data Division of AID to organize the international collection and analysis of data on public sector finance.

I regard most, if not all, of the foregoing as essential to the work of this Division. In addition, there are from time to time privately sponsored conferences and seminars in which we would like to be able to participate for professional, if not always operational, reasons. The intensity of work and level of representation required to conduct these activities vary considerably, of course, but the cumulative effect is quite demanding on our resources. I would, therefore, appreciate your views on (1) the general role which the Division should play in the Bank's external relations on statistical matters, and (2) the appropriateness of our present level of activities in this regard.

I should like to emphasize that I do not propose that we get involved in the almost endless and generally stultifying series of international conferences which statisticians sometimes seem to promote primarily for lack of better things to do. Even without that, it appears to me that the task cut out for the Division is large enough.

A second note will follow shortly on one aspect of my work program in this general area which we have already discussed, namely staffing.

cc: Mr. Lerdau
Division Chiefs, Economics Department                                     July 26, 1971
Haruko Fukuda

Research Projects - Commitment Numbers

The attached are the commitment numbers for the research projects mentioned. These numbers should be listed in the Form 1101s when commitments are made.

H Fukuda rlb

Attachment
Mr. S. Reutlinger

L. J. C. Evans

Economics Department - Agriculture and Rural Development Division

July 23, 1971

1. Many thanks for your memorandum of July 8 which was most welcome. As you suggested, I circulated copies to the Deputy Directors, Advisers and Division Chiefs in this Department and all of them were most interested in it. I shall invite you (and as many of your staff as you would like to come) to talk to one of our Staff Meetings in the fairly near future. We shall be in touch with you to try to fix a mutually convenient date. It looks as though your Division should have a busy and exciting time ahead of it.

2. I do not agree with all the implications in paragraphs 4 and 5 of your memorandum, but that does not matter at this time, because we shall be having a continuous dialogue I expect on the question of income distribution, large and small farmers etc.

3. We have already begun to have fruitful and cordial discussions with you and your staff about research topics and these will continue.

4. I should like to discuss with you and Mr. Henderson sometime whether the relationship between your Division and Agriculture Projects Department is intended to continue more or less on the lines agreed between Messrs. Friedman and Chadenet, (reference Mr. Chadenet's memorandum to Mr. Friedman dated December 9, 1969), in which a kind of "demarcation agreement" was proposed. Projects were to be the "clients" and Economics the "consultants". As you recall, research work was to be carried out by the Economics Department rather than by Projects Departments. We have therefore recently provided practically nothing for research in our budgeting of manpower and administrative finance. From time to time we have been a bit disappointed that you were not able to do more research on important agricultural questions, and this is one reason why we greatly welcome the establishment of your new Division with its significantly stronger agricultural staffing.

5. I greatly welcome also the reference in your paragraph two to participation by your staff in Projects and Area Department missions. We would rather like to work out with you during the next few weeks some mission plans, which would involve as many of your people in our operational activities as you can make available. One reason why we think this is particularly important is because we want you and your Division to know at first hand more about what the Bank is actually doing and has done in its lending and in its sector work. There seem to be almost as many misconceptions within the Bank as outside regarding what we have done and are doing.
Εκφυλιστές μετασχηματισμοί εργατικών

Από την άποψη του εργατικού κινήματος, οι μετασχηματισμοί είναι κρίσιμοι για την εξέλιξη της ανάπτυξης και της ευημερίας της χώρας.

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6. I note with interest your proposal to explore the possibility of using agricultural sector missions to identify research capabilities and to stimulate policy research in certain countries. This idea seems to me a good one.

7. As to your final paragraph I propose we meet at an early date to discuss the questions you raise and some others. I think that we already have the beginnings of a kind of "Working Party" to review research and study proposals. Perhaps we should formalise this. We can certainly arrange to designate staff members for liaison purposes. It would probably be best if your nominees liaise with our Division Chiefs or their Deputies; and we can decide whether you want to formalise liaison with each of our Irrigation Divisions separately or with both of them jointly; the same applies to our two General Agriculture Divisions and to our Livestock Division and Agricultural Credit Division. Let us also check to see what papers we are already routinely exchanging (e.g. Progress of Operations Reports) and what more we ought to do.

Attachment

cc: Mr. P.D. Henderson

Messrs. Wapenhans, McIvor, Adler, H. Takahashi, Darnell
Messrs. Carter, McPheeters, Please and Tims  

Enrique Lerdau  

Management Consultants' Questionnaire  

I spoke today to Mr. Jeffries and explained that owing to pressure of work before my departure, I would be unable to fill out the management consultants' questionnaire. We agreed that, given the interlocking nature of the questionnaire, this rather reduced the value of your part of it. He said that nevertheless he would be glad to have your contributions, although their priority was obviously less than it would be otherwise.

cc: Mr. Jeffries  
Mr. Hayes (o/r)

Lerdau: jd
July 27, 1971

Mr. Walter M. McPhee

Enrique Lefebre

Management Consultant, Overseas

I hope today to meet you, Mr. Lefebre and explain what we are doing to preserve our work before my retirement. I am going to fill out the Management Consultant's questionnaire. We agree that the indication of the questionnaire is to take the best opportunity to pave your contribution, strengthen your position, and anticipate your ideas even if it would be applicable.

cc: Mr. Lefebre
    Mr. Heal (c/t)

[Signature]

Jul 27 4 22 PM1971

Central Files

Received
Mr. Wouter Tims

Pedro-Pablo Kuczynski

Basic Reports FY72 - CA&C Department

In order to proceed with the planning of the basic reports for the fiscal year in progress, I would like to suggest as possible candidates Honduras, for which a mission is planned for October 1971, and Trinidad and Tobago, for which a mission is planned for February 1972. Another candidate could be Surinam, which will be visited in October 1971 by the first major Bank economic mission in twenty years. We are unlikely to send another such mission for some time, so that this would be a good opportunity to write a basic report on that country.

I think that it is probably better to start the Basic Report series with the smaller and more manageable economies. The decision that Basic Reports will be published in book form has been welcomed here and means that we will try to produce a report of quality despite the limited number of staff available in this Department.

Mexico could be another candidate for a Basic Report, since a large amount of material is already available. Our hope would be to use part of the time available until our next economic mission in April 1972 to fill in the major gaps - the peasant economy in particular - so that the product of that mission could become a Basic Report in FY1973.

If your Department agrees with these plans, we could at some point in the next few weeks discuss the format and terms of reference for Honduras and Surinam.

cc Messrs.: Gutierrez/Wright (o/r)
Lerdau (Econ. Prog.)
Nelson
Lari
Wyss (o/r)
Chernick (Surinam)
Pfeffermann (Mexico)
Baier (Trinidad & Tobago)
Böbb (Honduras)
Attached is our response to the ten "General Questions" which you raised in connection with your evaluation of the External Debt Section's staffing structure. The past few years have brought about major changes in the work of the Section, and we anticipate equally important changes over the next few years. Among the principal factors affecting the Section's work in the recent past:

1. An explosion in the demand for debt statistics which, a few years ago, were used almost exclusively for area operations but are now the basis of policy decisions on debt problems and lending;

2. The growing volume of debt and increased complexity of country debt problems. The latter have been especially the result of massive multi-lateral and bilateral debt reschedulings;

3. Urgent demands for more elaborate analysis of the debt statistics. This takes two forms: more analytical work within the Section, and the production of a wide variety of analytical tables for outside consumption;

4. Increased computerization of debt processing and the inauguration of the "new Debt System". These two developments have reduced the clerical operations involved in processing and have freed staff to look at problems in greater depth. The "new system" for processing makes possible the isolation of much routine coding which is now handled by a special initial processing group. The remaining coding becomes in effect a new language in which we transmit to the computer instructions based on our research and analysis of the data;

5. The planned computerization of the capital markets data which will be undertaken in the near future. This will make possible much more extensive use of these data;

6. The start of processing of ERS data and of production of creditor tables.

Partly in response to the recommendations of the External Debt Review Committee and partly as a result of experience we have evolved the present organization of the Section. The organization reflects the necessity for increased in-depth work on a higher level than in the past. The organization has proved workable and the staff operate comfortably and productively within it. We feel that the elimination of much routine work and the increased analytical demands justify the grade levels assigned to the various positions in the organization.

Att.

cc: Messrs. Hayes, Lerdau, BB King
HPaulson:ra
1. Objectives of the External Debt Section

As a lender, the Bank is interested in the creditworthiness of its borrowers, and the external debt burden is one of the principal factors to be considered. As a lender the Bank is also interested in the flow of aid to developing countries and in the policies and activities of other aid donors. As an outgrowth of its special interest in debt, the Bank has become the primary world source of data on the subject. In this role, which can be compared to that of the IMF in the field of balance of payments, the Bank supplies debt data regularly to the United Nations Organizations, IBRD member countries, the OECD, the regional development banks, and the leading creditor nations.

It is the assignment of the External Debt Section (1) to collect information from all sources, but primarily from lending and borrowing countries, on lending and on indebtedness, (2) to process the information, and (3) to present it to users in the wide variety of forms which they require.

These aims are accomplished through three data collection systems under which information is collected and compiled from original sources on a unit by unit basis. The method of collecting data on individual items was initiated in 1950 after a few dramatic and embarrassing incidents made it apparent to the then head of the Economics Department that aggregate data derived from secondary sources were unreliable. There was a deviation from this approach from 1956 to 1966 when the Section first operated a system (the Exchange Plan) for collection of aggregated data on lending. This was replaced by the Expanded Reporting System (ERS) in which we employ a combination of the two methods. The enthusiasm of the OECD to join the Bank in the ERS was prompted by that organization's dissatisfaction with the DAC system of collection of aggregate data on capital flows. The value of the unit approach has been more than amply demonstrated in the mushrooming demand of the past few years for sophisticated analytical data which require the manipulation of the units.

The collection of information not only embraces the design and administration of the collection system but also the continuous effort to improve the data. The reports of many countries are seriously inaccurate and incomplete. Tunisia's debt situation provides an illustration. For both of the years 1969 and 1970, the External Debt Section recently received in the first instance only a small part of Tunisia's debt report. The promised remainder materialized only after a personal visit by an area economist to the reporting agency in Tunisia. The data he brought back, it was found, included the status of debts which had never been reported to the Bank as having been contracted, and included details of the terms of contracted loans for which there were no status reports. Such a situation, by no means uncommon, means that the processor is faced with a mass of data on debts for which there exist no terms, and the terms of debts for which there is no information on what remains outstanding. Such a problem presents the Statistical Assistant with difficult decisions to make. It is always possible that the newly reported terms refer merely to revisions of older loans; they may, however, be what they seem to be - new loans for which we have no status. In either case he will be expected to justify whatever decision he makes on how to treat them to his processing supervisor who, in turn, may well be called upon for justification of his decision by area economists or Debt Analysts. Decisions which are made arbitrarily, without a basis in precedent (experience) and commonsense (intelligence) cannot be justified.
The collection and improvement of the data include comparison of all sources of information and their reconciliation. For example, Brazil does not report in accordance with Bank requirements. To gather information for the preparation of a usable table on Brazil's external debt, a Spanish-speaking Processing Supervisor recently undertook a mission to the Central Bank in Rio de Janeiro. Even there, detailed loan-by-loan data were not available. However, our staff member was able to consolidate various data for several categories of loans such as suppliers' credits and official loans from some governments. Later, data from the "Bondholders' Protective Council" provided the means for putting together figures on Brazilian international bond issues, and the annual statements of USAID, Eximbank and the U.S. Dept. of Agriculture provided figures on official U.S. lending to Brazil. The statistics were cross-checked where possible with information supplied through the ERS, and there emerged finally a serviceable set of debt statistics. (The Bank's commitment in Brazil at the end of May, 1971 stood at approximately $667,000,000.)

Processing includes the establishment, with the assistance of the Computing Activities Department, of a computer system and its maintenance as well as the on-going recording, coding and editing of the data. The Systems Analyst of the External Debt Section has, under the guidance of the Chief of the Section, developed the specifications for the computer system. At present the new system is moving toward final implementation, including the writing of a new manual of procedures on processing and coding. One of the Statistical Assistants is taking an active part in writing the manual.

Presentation includes the production of a wide variety of standard tables on all aspects of debt and lending analysis, as well as consultation with and advice to consumers on their use of the information. For instance, the Bank's next Economic Report on Ghana will show tables of debt outstanding at the end of 1970 and scheduled future service payments on that debt. For the special purposes of the consumers concerned, these tables have been put together to show a particular category of debt (suppliers' credits) according to whether it is the obligation of the private sector of the Ghana economy, or of the official sector. Within the official sector alone consumers want shown (1) maturities originally falling due in 1966-68 and rescheduled under the 1966 "Minute of Agreement" between Ghana and her creditors (in the form of service payments through 1979), (2) maturities originally falling due in 1969-1971, and rescheduled under the 1968 "Minute of Agreement" (in the form of service payments through 1981), (3) debts not eligible for rescheduling for various reasons, (4) debts not yet rescheduled but subject to rescheduling, and (5) original maturities due in 1972 and after. Each of these five groups is further broken down into debt to IBRD-members, and to non-members, shown by individual country. The preparation of these tables required consultation by the Debt Analyst and Processing Supervisor with Area economists over a period of several months, as well as a thorough study of the original rescheduling agreements dating back to 1966.

2. Use of the Manpower Resources of the External Debt Section

The work of the Section may be divided into three logical categories: (1) maintaining and improving the system, (2) responding to requests, both from within the Bank and from other organizations, and (3) supporting activities such as administration, secretarial services and maintenance of archives.
Attached is a table in which we have set out an estimate of the utilization of the Section's manpower in these general areas. The table reflects the present situation plus a forecast of the near future. With respect to requests for data, the distribution shown in the table reflects the direct time required. In order to respond to any request, of course, continuous basic work must be done, and it is impossible to allocate this basic work to specific products. Maintenance and improvement of systems covers three separate but closely related operations: (1) the Debtor Reporting System (DRS) on the external indebtedness of debtor countries, (2) the Expanded Reporting System (ERS) on external lending by creditor countries, and (3) the Capital Markets System (CMS). Requests from inside the Bank and from other organizations are of two general types: specific requests for non-routine data and requests for standard tables. The latter are not usually the subject of specific written or verbal requests, but are produced regularly as a part of our arrangements with the Area Departments, the regional development banks, the OECD, the participants in the ERS, and the ad hoc Group of Financial Statisticians. In the allocation of manpower, as shown in the attached table, the response to standard requests is treated as a separate category. Finally, in the attached table the supervisory component of activities is not shown separately but is included in the time shown for each activity. The proportion of supervisory time is treated under question 5, below.

3. The Level of Demand for Services During FY72

The demand for services will be affected in three ways:

a. We expect the demand for data from within the Bank to double in the next year because of (1) new work to be undertaken by the Economic Program Department, (2) the growing complexity of analysis in both the Central Economic Staff and the Area Department, (3) increasing debt difficulties and relief operations in a number of developing countries, and (4) the introduction of the sector papers as a regular feature of the Bank's program review.

b. The growing interest of other organizations, especially OECD and UNCTAD, in lending policy and in the debt situation of developing countries is generating more, and more complex, demand for data. This demand will be greatly stimulated when the wide variety of tables possible with the new processing system becomes available on a routine basis.

c. Requirements for maintenance and improvement of the collection systems will increase at a steady pace, with increasing emphasis on technical assistance to reporting countries and on reconciliation with other sources of data such as the IMF balance of payments and the OECD creditor reporting system.

4. Criteria for Deciding which Requests Should be Met.

We do not have set criteria, but several conditions must generally be satisfied. First, a request must be relevant to the Bank's operations or to its
role as an international development institution. Second, the requester must, in our view, have a legitimate need for the specific information requested. Third, we must be able to respond to a specific request within the framework of available resources and without jeopardizing our ability to meet ongoing requirements for economic reports, loan documentation and contractual agreements with other organizations. We discuss the user's needs with him and often recommend changes. The following considerations influence the priority and resources to be allocated:

a. Often requests can be filled with standard tables which are already prepared.

b. If special work must be done, the availability of an existing computer program may make the request easy to fill if running time and preparatory time are commensurate with the importance of the use.

c. If a program is not available, we can often suggest some product for which we have a program or combination of programs which will produce a satisfactory substitute.

d. If none of the above is possible and the job must be done entirely on an ad hoc basis, we have to negotiate or refuse the request if the strain on our resources is too heavy.

e. Finally, the rank of the requester is an important factor.

5. Proportion of Supervisory Time Spent by Debt Analysts and Processing Supervisors.

The Debt Analyst position is not essentially supervisory in nature, although it may appear that way on the organization chart of the Section. The principal activities of the Debt Analyst are research on and improvement in the data. These are accomplished by work in the main office of the Bank and on mission, and liaison with the Area Departments and users outside the Bank. He is attached to a Processing Group since the results of his activities are translated into the processing of data. In effect his activities are supportive of the production activity of the Section. One of our Debt Analysts recently went to the Philippines at the request of the area department, which urgently required an up-dating of the debt statistics submitted by the Philippines for December, 1970, for an economic report to be prepared for the Consultative Group's meeting last April in Paris. There already existed serious doubts as to the accuracy of data submitted; total debt was suspiciously low relative to other available indicators, and the Area Department had been unable to establish satisfactory long-range estimates of the prospects of the Philippine economy. In his work in the field the Debt Analyst discovered a serious misunderstanding of a key definition on the part of the Philippine authorities. As a result, approximately $600 million in external debt had not been reported to the Bank, and total external public debt had up to that point been seriously underestimated. Through continuing discussions with central bank officials in Manilla and Washington, the Debt Analyst was able to work out reporting procedures which should satisfy the Bank's requirements.
The Processing Supervisor probably spends about one half of his time in supervision and training of staff, about one-fifth on actual processing and the balance in liaison with the Area economists and in research on the data.

This division of activities is also carried over into missions, as can be illustrated by two cases which arose during the past year. On a mission to Iran one of our Debt Analysts participated in a study of the debt administration of that country and in making alternative recommendations for the establishment of authority and responsibility for debt administration, the collection of data, and reporting to the Bank. On a recent mission to Ghana a Processing Supervisor was confronted with a situation in which no preparatory work had been done by the government authorities before the arrival of the mission and, furthermore, the official in charge of debt reporting was assigned elsewhere during the mission's visit. The Processing Supervisor was required to mobilize the staff in the Bank of Ghana for the preparation of the debt report, supervised its preparation, and at the same time trained the Ghanaian staff.

6. **Difference Between Professional Work in ERS and DRS.**

Fundamentally the work is the same for professional staff members in either ERS or DRS. However, there are certain differences which arise primarily from the nature of the participants in the two systems:

a. Because ERS is a new system, the professionals have participated in the formulation of the system.

b. Because of the active cooperation with the OECD and the strong influence of DAC policies on the data collection, the ERS staff must always be aware of both Bank and DAC viewpoints.

c. Although some poor reporting exists in ERS, it is not as prevalent as in DRS.

The position of Processing Supervisor for the Capital Markets System is, of course, unlike that of ERS and DRS. In the CMS there is no formal reporting system with the consequent problems of proper filling of forms etc. Information is gleaned from a variety of sources, which means that the Supervisor must be familiar with a vast amount of financial and market literature and must keep up-to-date with new developments. Because of the lack of formal reporting, correspondence with contributors of information is extensive. There is, in addition, the requirement to represent the Bank in the Ad Hoc Group of Financial Statisticians of the OECD. At the most recent regular meeting of the Group one of our Debt Analysts played a central role in launching research into classification problems presented by new kinds of international financing. The British Treasury will cooperate in this effort.

7. **Small Size of the Processing Groups**

Since we have about 100 reporting debtor countries, the average assignment to the four debtor groups is about 25 countries each. This varies a bit because certain groups have large volume countries (e.g. Pakistan, Argentina). Each
country presents unique problems, and the Debt Analyst and Processing Supervisor must be thoroughly familiar with them in order to direct the work properly. As recently as three years ago, when we had about 80 reporting countries and less complex requests for data, serious morale and health problems directly related to the pressure of work became a problem in the Section. This situation led us to break the operation into smaller, more manageable groups which have worked very well. The change was supported by the recommendations of the External Debt Review Committee. Attached is a chart showing the assignment of countries to each of the debtor groups and how they correspond to the country assignments of the Area Departments. The intimate knowledge required of country problems was illustrated earlier this year when the political situation exploded in East Pakistan. The Area Department, at the request of the President, came to us with an urgent requirement for information on the debt situation and Bank exposure in East and West Pakistan separately. Preparation of these data required the close attention and full time of the South Asia Group Processing Supervisor, in constant consultation with the Area Department, for about three weeks.

8. **Criteria for Distinguishing Special Services from Professional Work.**

In answering this question we shall limit ourselves to the work of the statistical assistants on the one hand and the processing supervisors and debt analysts on the other, leaving aside consideration of the Section Chief and Systems Analyst, whose roles are not under direct examination.

First, regardless of the level, all work in the Section has a quantitative orientation. However, at all levels the work concerns far more than just the aggregation of quantities. Rather, it deals with analysis of them and their presentation in useful form. The non-professional staff is concerned primarily with the production process and with the internal analysis of the individual components. Professional staff are more concerned with the analysis of the total debt problem of individual countries, its place in the global debt picture, the relevance to and parallels with debt problems of other countries, and the comparison and reconciliation with other data collections in the field. Within the professional ranks there are two functions which have different criteria. The Debt Analyst is concerned with the larger research and analytical problems. The Processing Supervisor must have the ability to organise production and direct the work of his subordinates, as well as the ability to translate the results of the research and analysis performed by the Debt Analyst and himself into instructions for both the staff and the computer in order to produce the desired results.

The statistical assistant is not required to do broad research nor to organize the efforts of others. However, he can by no means perform his work by merely following the direction of his supervisor. He must understand the concepts involved and be able to apply them in handling the reports on individual debt items.

9. **Changes in the Past 3-5 Years.**

The principal change in the work of the Section has been the shift from emphasis on the quantitative measuring of debt to the qualitative analysis of debt and capital flow statistics. Examples of projects for which elaborate statistical series and computer runs have been produced are the various debt
models constructed in the past two years, the two recent studies produced by the Programming and Budgeting Department on the external debt of Latin American countries (for CIAP) and the debt of all developing countries (for this year's Annual Meeting), the sector program papers, and the various analyses of capital flows and terms. The most recent example of the "new" requirements for analytical data and manipulation techniques is the in-depth study of Indian debt and capital flows now getting under way under the joint Control of the Economic Program Department and the South Asia Department.

In the past few years debt relief operations have been increasingly frequent. For most of these the Bank has been the supplier of basic statistics (Ghana, Indonesia, India, Pakistan, Peru etc.), and the External Debt Section has provided the data which demonstrate the effect of various proposals to the negotiating parties. These reschedulings have been the result of detailed negotiations between debtors and creditors, and meticulous accuracy on actual payments due and to be postponed is necessary. This accuracy refers not only to arithmetic but more importantly to the faithful portrayal of the concepts of the settlement proposals. The example of Ghana's tables given under question 1 above illustrates this.

10. Qualifications for Personnel.

All personnel must have quantitative orientation and the ability to deal with detail. For all positions except statistical assistants in the Initial Processing Group, we look for a bachelor's degree or equivalent in experience. Since there is no specific university training related directly to external debt work, we look preferably for training in economics, finance, international relations, and similar fields, experience in banking, debt management or government finance. We find that university education is useful because it provides training in dealing with the abstract concepts involved in processing and analyzing the debt data.

For Debt Analysts we look for higher analytical ability and specific experience in the field. Successful incumbents have been staff promoted from within the Section, a former country economist from an Area Department with experience in debt problems, and an economist who had worked on debt management in his own country.

For Processing Supervisors we require direct Section experience. The reason for this is that even the position of statistical assistant requires at least a year's experience before the staff member can be trusted to work with minimal supervision. A Processing Supervisor who had no more than a short training could not render correct decisions nor command the respect of his subordinates. In addition, the Processing Supervisor must have organizational ability and the tact and leadership ability required to stimulate a high level of productivity in the staff.
<table>
<thead>
<tr>
<th>Activity</th>
<th>Professional Staff</th>
<th>Special Services and General Services Staff</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Systems</td>
<td>Debt</td>
<td>Processing</td>
</tr>
<tr>
<td></td>
<td>Chief/h</td>
<td>Analyst/h</td>
<td>Analyst/h</td>
</tr>
<tr>
<td>1. Maintenance and improvement of systems</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. ERS (creditor system)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Design and improvement of design</td>
<td>0.10</td>
<td>0.35</td>
<td>0.35</td>
</tr>
<tr>
<td>(2) Maintenance of system</td>
<td></td>
<td>0.05</td>
<td></td>
</tr>
<tr>
<td>(3) Data</td>
<td></td>
<td>(a) Recording, coding and editing</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(b) Research and improvement</td>
<td></td>
</tr>
<tr>
<td>b. DRS (debtor system)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Design and improvement of design</td>
<td>0.10</td>
<td>0.35</td>
<td>0.10</td>
</tr>
<tr>
<td>(2) Maintenance of system</td>
<td></td>
<td>0.05</td>
<td></td>
</tr>
<tr>
<td>(3) Data</td>
<td></td>
<td>(a) Recording, coding and editing</td>
<td>2.80</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(b) Research and improvement</td>
<td></td>
</tr>
<tr>
<td>c. CMS (capital markets system)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Design and improvement</td>
<td>0.05</td>
<td>0.08</td>
<td>0.05</td>
</tr>
<tr>
<td>(2) Data</td>
<td></td>
<td>(a) Recording, coding and editing</td>
<td>0.01</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(b) Research and improvement</td>
<td>0.02</td>
</tr>
<tr>
<td>2. Response to requests /3</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>a. Standard</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Debt tables</td>
<td>0.05</td>
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<td>0.40</td>
</tr>
<tr>
<td>(2) Lending tables</td>
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<td>0.01</td>
<td>0.10</td>
</tr>
<tr>
<td>(3) Capital markets tables</td>
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<td></td>
<td>0.01</td>
</tr>
<tr>
<td>Activity</td>
<td>Professional Staff</td>
<td>Special Services and General Services Staff</td>
<td>Total</td>
</tr>
<tr>
<td>----------------------------------------------</td>
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<td>-------</td>
</tr>
<tr>
<td></td>
<td>Chief/h</td>
<td>Systems Analyst/h</td>
<td>Debt Analyst/h</td>
</tr>
<tr>
<td>2. (Continued)</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>b. From outside the Bank - non standard</td>
<td></td>
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</tr>
<tr>
<td>(1) Planning</td>
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</tr>
<tr>
<td>(2) Coding and compilation</td>
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<td></td>
</tr>
<tr>
<td>c. From within the Bank - non standard</td>
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<td></td>
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</tr>
<tr>
<td>(1) Planning</td>
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<td>0.37</td>
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<td>(2) Coding and compilation</td>
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<td></td>
</tr>
<tr>
<td>3. Supportive activities</td>
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<td></td>
</tr>
<tr>
<td>a. Administration (excluding supervision)</td>
<td>0.20</td>
<td>0.02</td>
<td>0.05</td>
</tr>
<tr>
<td>b. Maintenance of archives</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Secretarial services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total man-years</td>
<td>1.00</td>
<td>1.00</td>
<td>5.00</td>
</tr>
</tbody>
</table>

Note: The allocation of time shown in this table represents the positions more or less as it is today but takes into consideration that the computerization of the ERS and CMS will consume a good deal of time in the next year.

1. Includes the activities of two staff members who are rated as statistical assistant but who are effectively fulfilling the duties of Processing Supervisors.

2. The allocation of statistical assistants foresees the transfer of 1 person from DRS to ERS when processing of ERS becomes heavier later this year.

3. The relatively low amount of time allocated to this activity reflects the promise that the fulfillment of any request is possible only if the basic work of recording, coding, editing, research and improvement are already done. This basic work must go forward regardless of the current volume of requests and in anticipation of those requests.

4. The supervisory activities of all professional staff are included in the man-years allocated to each activity.
<table>
<thead>
<tr>
<th>EDS Debtor Group</th>
<th>Eastern Africa</th>
<th>Western Africa</th>
<th>E. Asia and Pacific</th>
<th>South Asia</th>
<th>Europe, Middle East and North Africa</th>
<th>Central America and Caribbean</th>
<th>South America</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>All countries</td>
<td>All countries</td>
<td></td>
<td>All North Africa except U.A.R.</td>
<td>All countries</td>
<td>All countries</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>All countries</td>
<td>All countries</td>
<td></td>
<td>All countries</td>
<td>U.A.R. and all countries Europe except Yugoslavia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td>All countries</td>
<td>U.A.R. and all countries Europe except Yugoslavia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>All countries</td>
<td>Iran</td>
<td></td>
<td>All North Africa</td>
<td>All Middle East</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>except Iran</td>
<td>Yugoslavia</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
July 15, 1971

Mr. Sunuk Pasiner
Chief, Statistical Information
State Institute of Statistics
Ankara, Turkey

Dear Mr. Pasiner:

The Economic Program Department of the World Bank is undertaking a project in a number of countries to investigate the correspondence of SITC import data at the 5-digit item level or the 4-digit subgroup level to economic or functional categories. For an analytical study of import behavior it is desirable to have an economic or end-use classification of imports as opposed to the physical characteristic classification of the Standard International Trade Classification (SITC).

It is appreciated that a reclassification of this nature is difficult to make and may frequently be arbitrary but an end-use analysis would be extremely useful in our study. We understand that the Turkish State Institute of Statistics employs an economic classification of imports for its own economic analytical work. We would like to inquire about the number of categories you use, and if possible get the key relating SITC data to a number of economic classes, e.g. non-durable consumer goods, durable consumer goods, industrial raw materials, fuels and lubricants, construction materials, industrial machinery and equipment, and transport equipment.

In this exploratory stage of the project we need only the above mentioned key translating SITC data into economic classes and would appreciate it if you could send it to us as soon as possible. We have sent a copy of this letter to Mr. Canturk.

With best regards,

Sincerely yours,

Vasant A. Sukhatme

Cleared with and cc: Mr. Billington

VAS16cm
Dear Mr. [Name]:

We are pleased to inform you that the [project/issue] has been successfully completed. We would like to express our appreciation for your [contribution/participation] during this process.

Please find attached the [report/project summary] for your reference.

Thank you for your cooperation and support.

Yours sincerely,

[Your Name]
Mr. L. J. C. Evans

J. B. Hendry

Mr. Reutlinger's memo (July 8, 1971) on the Agriculture and Rural Development Division Program

July 14, 1971.

In addition to the points which were raised at the Division Chiefs' meeting on Tuesday morning (July 13), and which were in direct response to the items listed on Page 3 of Mr. Reutlinger's July 8th memo to you, I would like to suggest the following also be considered in preparing a reply:

(1) The memo as a whole seems to imply a lack of cooperation in the past in suggesting more formal arrangements for exchanging views. This really provides for no substantive change from existing arrangements, except for the suggestion of liaison with each AGP division separately. Tangible results from past cooperation have not been overly impressive, however, and this has been largely due to the reluctance of the Economic Department people to get very closely involved with AGP work. It may be useful to re-emphasize that the basic relationship between the AGP and the new Division of Agriculture and Rural Development, as originally set forth in Mr. Chadnet's memo to Mr. Friedman of December 3rd 1969, is that the latter is a service division whose basic function is to work closely in helping us to carry out our operational assignments better, such as a "consultant" assisting a "client". This perception of the relationship would put responsibility on the new division to get to know AGP activities and AGP problems thoroughly as a matter of priority. This is in contrast to another aspect of the memo which refers to the new division's "advisory" function to the AGP.

(2) Mr. Reutlinger's memo also notes three "general and broad-ranging ideas" which are set forth as research topics and projects of concern to the new division (top of page 2). The first of these seems to be something of a "straw man" since I do not know of any proposal which suggests that the Bank should subsidize farmers whose incomes are in the upper spectrum of rural incomes. If the memo is raising this hypothesis as a possible basis for some future Bank work, I would think it unpromising on the very face of it. The second item is merely a statement of what the AGP is already attempting to do and, in fact, has done in its agricultural lending. If the memo is suggesting that the new Division devote time to identifying projects which increase the output and income of small farmers, this might be welcome, but I doubt the people in that Division are experienced in this kind of work or that the Division really intends to be this operational. I am not sure I fully understand what the final item really means, but tend to interpret it as asking whether submarginal farm families can be raised above the margin by projects which improve levels of education and agricultural knowledge. Once again, this does not strike me as
In 1970, the President of the United States, Mr. Richard Nixon, made the following statement: "The American people have a right to know the truth about the Vietnam War."

In 1971, the Watergate scandal began to unfold, leading to the resignation of President Nixon.

The passage above discusses the importance of transparency and honesty in government. It highlights the role of the President in informing the public about the Vietnam War and the Watergate scandal, which had significant implications for the presidency and the American political landscape.

In the context of the Vietnam War, the passage reflects on the need for the President to be accountable to the public, ensuring that the citizens are well-informed about national matters.

In the case of Watergate, the passage underscores the consequences of corruption and dishonesty in the highest levels of government, leading to a loss of public trust and ultimately resulting in the resignation of the President.

These events serve as a reminder of the importance of ethical leadership and the role of the President in maintaining public confidence and trust.
Mr. L. J. Evans

July 14, 1971.

being particularly novel or different from what is already being attempted in sector and general project development work.

The gist of these comments is, therefore, that the proposed framework for future research seems quite unsatisfactory, and should certainly be open for searching discussion in any further meetings which may be held.

c.c. Mr. Wapenhans
Mr. Takahashi
Mr. McIvor
Mr. Adler

JHendry mal
Mr. J. Adler

J. P. Hayes

Board Discussions of Country Development Programs

I agree with your memo of July 12 that the Economic Program Department is responsible for the coordination of these papers, and am making the necessary arrangements with the Area Departments.

cc: Messrs. Lerdau

Tims

E. Lerdau: jd
Further to my memo of July 8, I should like to ask you to ensure that in the next edition of the Atlas a specific footnote be included, recording that the growth rate of Jamaica in the 1970 Atlas was in error and should be disregarded. It is important that this be done, in view of the fact that the Area Department has - with my assent - informed the Government that we would proceed accordingly. I would also like to ask you at your earliest convenience to take stock of the plans for the next edition of the Atlas, and especially to review the methods used for converting domestic currencies into dollars. As soon as you are ready, I would like to discuss this with you and with the Program Review and Comparative Analysis Divisions.

cc: Mr. Hayes
    Mr. Kuczynski
    Mr. Carter
    Mr. Novak
    Mr. Time
July 9th, 1951

Mr. R. A. McPherson

North Bank ALIB

Further to my memo of July 8th, I am writing to ask you to

consider the allocation of the ALIB to a specific location for

an operation to control the spread of the disease in the 1950 ALIB

area. In view of the fact that the ALIB are not present in the area

with my consent, I have decided that the government should not proceed

in any manner that may later be detrimental to the health of the public.

I would also like to ask you to ensure that the necessary precautions are

taken to prevent the spread of the disease. In addition, I would like to

coordinate with the Ministry of Health and the other relevant authorities

on the best course of action.

cc: Mr. Hewett

Mr. Kershaw

Mr. Carter

Mr. Rank

Mr. Tame

ALIB.

July 11, 22 AM 1951

GENERAL FILES

RE: LIVERPOOL
July 8, 1971

Dr. Saburo Okita, President
The Japan Economic Research Center
Nikkei Bldg. No. 9-5, 1-Chome, Otamachi
Chiyoda-Ku, Tokyo, Japan.

Dear Dr. Okita:

Some of us in the Economics Department are looking at the need for and the problems relating to structural adjustment in the developed countries to meet rapidly expanding exports of labor intensive manufactured products from the LDCs. In this connection, I am writing a paper on what kind of problems Japan faces to meet this challenge from the LDCs.

I should be most grateful if you or your staff could give me some guide on available sources and material that I might consult. I am trying to identify more clearly what magnitude of a problem exists in terms of meeting expanded exports from the LDCs and of increased competition in the export markets. A subject on which information is particularly difficult to obtain at this distance is whether the Japanese government has any legislative means whereby some form of "adjustment assistance" is given to displaced workers as a result of increased import competition. I am wondering whether, in this connection, the protection given to small and medium size companies might not be a relevant consideration.

I should like to obtain some accurate data on the employment situation and wage rates in Japan, as well as the outflows of direct private investment to LDCs with sectoral breakdowns. I am also wondering whether anyone has done any quantified analysis of the effects of GSP which I understand is due to become operational in August.

I should be very grateful if you and your institute could give me some assistance. I look forward to hearing from you.

Yours sincerely,

Haruko Fukuda (Miss)
Economics Department
Dear Dr. Ofree:

I am writing to inquire about the status of the BHP project in Juba. I understand that there have been delays in the procurement process due to the ongoing conflict in South Sudan. I would like to know if there have been any developments in this regard.

Another matter that I would like to discuss is the funding for the project. The budget is currently under review by the Ministry of Finance. I would appreciate it if you could provide me with an update on this.

I look forward to hearing from you soon.

Best regards,

[Signature]
Mr. R. A. McPheeters

Enrique Lerdau

World Bank Atlas and World Tables

1. I was advised today by the Central American Department that a very embarrassing incident has developed as a result of an error in the 1970 World Bank Atlas figure for Jamaica's growth rate. This would probably not have occurred if the elementary precaution had been taken to ask the Area Departments for clearance before putting out the Atlas. As you know I have already requested that this be done with respect to the World Tables.

2. For the future it should be absolutely clear that neither the Atlas nor the World Tables should contain figures on the LDC's, which have not been cleared with the Area Departments Chief Economists or such persons as are designated by the Chief Economists. In case of unresolved conflicts between the Economic and Social Data Division and the Area Departments, the Front Office of the Economic Program Department should be notified.

cc: Mr. Hayes
    Mr. Kuczynski
    Mr. Novak
OFFICE MEMORANDUM

TO: All Concerned

FROM: Chino Routlinger

DATE: July 8, 1971

SUBJECT: Organization and Work Program of Agriculture and Rural Development Division

1. As of July 1, a new unit has been formed in the Economics Department - the Agriculture and Rural Development Division. Establishment of this Division is a reflection of the growing awareness in the Bank of how important and difficult is the problem of inducing development of agriculture on a broad scale in the developing countries. Most importantly, the intensification of efforts in the Bank on agriculture can be seen in the growth of the Agriculture Projects Department and the increasing attention given to problems of agriculture and rural development in the Special Projects Department, the Area Departments and other Divisions in the Central Economics Staff. The outlined work program for the Agriculture and Rural Development Division in the Economics Department must be seen in this context.

2. The staff of the Agriculture and Rural Development Division will consist of 8 to 9 agricultural economists and several assistant economists. The economists at present are, besides myself, Gottfried Ablasser, Graham Donaldson, Paul Duane, Alvin Egbert and Tariq Husain. Uma Lele and Stathis Panagides are expected to join us in August. We expect that about 50% of our work will be on day-to-day Bank business - preparation of policy papers, reviewing and advising on reports and issues, and participating in missions of Projects and Area Departments and work with other parts of the Central Economics Staff, EDI lectures, representation at international meetings - and 50% will be on research. It is therefore of great importance if our research program is to be as relevant as possible, that the staff of the Agriculture Projects Departments, in particular, collaborate with us on the identification of needed studies, providing feedback on our ongoing work, assisting in obtaining data and bringing to our attention ongoing studies elsewhere on related studies.

3. Below are outlined a few general and very broad-ranging ideas on what I regard to be the research topics and approaches of concern to the new Division. Attached is a brief description of currently ongoing studies.

4. A central topic of concern for the staff of the new Division will be the prospects for improving the productivity and incomes of operators of small farms and landless laborers. The basic hypothesis to be tested is whether total output and income could grow faster by intensifying attention and investment on this large segment of the population and by perhaps diverting some attention away from the small group of large landowners and commercial farmers, while realizing a more equal income distribution and reducing the growth of unemployment. Some of the challenging questions to be explored are:
(a) Should governments (and the Bank) support agricultural projects which involve subsidization of farmers whose incomes are on the upper spectrum of the rural income distribution?

(b) Can we identify new public intervention projects and policies which would increase output and income on small farms with a relatively small capital outlay and management resources?

(c) Can we identify external benefits in the nature of human capital formation of projects which result in learning experiences and acceptable incomes and consumption levels for families who otherwise would subsist on submarginal living standards?

5. In exploring these and similar questions we must be aware that what determines the final outcome is largely a political compromise. Yet, the conventional wisdom of economists—who have by and large endorsed the notions of separation of income distribution and resource allocation questions and a more egalitarian income distribution being growth-retarding—has perhaps in no small measure facilitated the endorsement of policies serving the self-interests of the wealthier and more powerful in many societies.

6. Other topics of continuing concern to us will be a critical examination of the relative contribution of various inputs—fertilizer, water, land improvements, research and extension, mechanization—to agricultural output; opportunities for product diversification; the contribution of institutions servicing agriculture, agro-industries, public utilities and transport infrastructure, rural education and adequate nutrition; the role of pricing policies and farmer incentives and improvements in cost-benefit methodology.

7. Our research methodology will range from reviewing the literature and keeping up to date with ongoing current research elsewhere to generation of data by surveys. For a growing number of studies we intend to contract with research institutes in the developing countries on a collaborative basis. A major source of data should be developed in conjunction with ongoing Bank projects. It would be particularly interesting to explore the possibility of utilizing the growing number of sector missions for identifying research capabilities and stimulating expanded policy research in selected countries.
1. **India Mechanization**

The objective is to study productivity and employment effects of tractor mechanization on farms in the Punjab and Gujarats, particularly with respect to the Bank credit loans.

The Indian Government has recently approved the study and has appointed an Advisory Committee. All the field work and as much of the analysis as feasible will be carried out by the Punjab Agricultural University, Ludhiana and the Indian Institute of Management, Ahmedabad. Mr. Duane is currently in India to work out terms of reference.

2. **India: Reappraisal of Irrigation Projects**

The Sone and Purna Projects were selected for the general objective of comparing realization with expectations and to attempt an explanation of discrepancies. Particularly, it is intended to determine how improvements on appraisal methodology either adopted already over the years or presently under consideration could improve on similar projects. A collaborative arrangement has been made with Nuffield College to experiment with the application of the Little-Mirrlees methodology to the evaluation of these projects.

All the field data have been collected by Messrs. Duane, Lal and Witcomb (Nuffield College) and Professor Mukherjee (India). Mr. Duane will work on the completion of this study.

3. **Agricultural Credit Reappraisal - Pakistan Farm Mechanization**

This study reappraises the IDA credits to the Agricultural Development Bank of Pakistan (ADBP), granted for the purpose of financing farm mechanization—mainly tractors. The aims are three-fold: (i) to compare the expectations of the project appraisal with the subsequent realities, (ii) to examine the operation of an agricultural credit scheme in a developing country, and (iii) to assess the financial and economic benefits from farm mechanization in Pakistan. The project was initiated following the approval of the third IDA Credit to Pakistan for this purpose. It arose from concern about possible adverse social effects of farm mechanization, and because of some dissatisfaction with the rate of disbursement of the funds provided.

The study will involve the analysis of farm data collected from a random sample of 200 current tractor loanees and a further 60 loan applicants (who do not own tractors). The field work has been completed by the officers of the Technical Assistance Unit of the ADBP. The project was delayed because an earlier survey conducted by Investigation Officers, untrained in survey procedure, proved unsatisfactory. The data are currently being summarised on tabulation sheets by the Statistics and Research Department of the ADBP and are expected to be available early this month, and data processing will proceed through July and August. Mr. Donaldson will finish up the analysis and report by the end of October, if all goes well.
2. East Pakistan: Analysis of Farm Input - Output Data

In connection with an originally scheduled but for the time being shelved study on the application of a simulation model for projecting developments on East Pakistan farms, Mr. Husain has obtained data from farm surveys collected by the Pakistan Academy for Rural Development at Comilla. The surveys covered three crop seasons for the period 1963 - 69. The new rice varieties were introduced in this period. It is believed that analyses of these data might result in useful estimates of relationships between yields, growing periods, fertilizer use, introduction of new varieties and farm size, cross-sectionally and over time.

The Special Projects Department is interested in the analysis of these data. It is intended to have a working paper prepared by the end of the summer.

5. Agricultural Planning Model: Portugal

Portugal has been delineated into 11 agricultural programming regions based on crop yields, livestock enterprises, and trend in the production mix. To accomplish this delineation agricultural production data for 14 commodities were analyzed for the period of 1953-67. An extensive demand analysis of the major agricultural commodities has been made utilizing national and regional data for 1953-67. Using national time series consumption data, and food production by region, regional food budgets have been constructed. These were then evaluated on the basis of total weight, calories and proteins consumed, and finally checked with personnel of the Gulbenkian Foundation. On the basis of these food budgets, regional per capita incomes and prices, regional demand equations which include price and income as the independent variables have been estimated for the major agricultural commodities.

Resource constraints have been estimated for labor and tractor power in the base period 1968 and the analysis period 1975 by quarters for each region. Animal power availability needs to be estimated yet due to the fact that the 1968 census of agriculture only recently became available. Land resources in total for each region have been derived from the census, but these yet need to be broken down by productivity classes and by irrigation levels. Transportation distances between regional shipping centers have been estimated for each transport route and costs have been estimate for truck transportation. Data have been obtained to estimate rail costs from official tariff schedules. These will be used only for selected commodities which receive special rates when shipped by rail.

The Gulbenkian Foundation is presently at work on producing input-output coefficient for the major crops produced. To date these have been supplied for two of the 11 regions. The last word from Lisbon is that work on seven other regions has been completed and is now being reviewed. It is expected that all data for the matrix can be completed by November of this year at which time programming will be commenced. After one month of programming and one month for writing up the results, a draft of the results of the analysis should be available. Mr. Egbert is in charge.
6. Agricultural Planning Model: Brasil

Brazil has been delineated into 13 agricultural programming regions based on findings of studies by the Brazilian Institute of Geography (IBG), our own analysis of crop yields and empirical judgement of Brazilian experts. A demand analysis has been completed for 26 agricultural commodities using data from a 1961/62 household survey which covered eight of the 26 States. However, deficiencies in the data resulted in biased elasticity estimates. A time series analysis of a smaller number of commodities yielded significantly different results, and further work is required to explain these differences and to provide additional estimates.

Resource constraints on a State basis have been estimated for labor, tractor power, animal power, fertilizers, cultivated land, pasture, and hog and cattle inventory. Data have not yet been gathered on water supply, pesticides, veterinary services, unused farm land, and operating capital, and may actually be too difficult to ascertain for some of these items. Any State totals will have to be aggregated or reapportioned to agricultural planning regions.

Regional centers of consumption and production have been determined and shipping distances for the most economic routes estimated among such centers in the various regions. Freight rates or point-to-point shipping costs are now being studied here and in Brazil. Processing capacities and costs are also being estimated by several collaborators in Brazil. The Brazilian Planning Institute (IPEA) is expected to contribute the lion share of the information still lacking. IPEA will be instrumental also in arranging cooperation of the Brazilian extension system (ABCAR) to estimate input-output coefficients for the major crops and livestock. Most of the missing data should become available between October and December of this year.

The structure of the model has been experimented with rather extensively and test runs for a two-region model have been satisfactory. The Department of Computing Activities is currently assisting in the programming of a matrix generator to facilitate efficient communication between man and computer. Completion of work on the matrix generator, and with it the first version of the complete model, is expected within one month. Refinement of the model can start in late summer so that, after missing data have been received later in the year, a second-generation version of the model should be completed early in 1972, given that currently involved personnel will be able to devote full time to the project. Messrs. Ablasser and Egbert are in charge.

7. Simulation Model for Irrigation Projects for Risk Analysis

Mr. Husain has completed the developmental work on this model. The model may be used to estimate the risk (measured as the variance of the project’s rate of return) associated with an investment in an irrigation project. Crop yields, production costs, prices, rate of land development and investment costs are assumed to be probabilistic. The cropping pattern can be either externally specified or estimated internally by using an embedded linear programming (L.P.) routine. When the L.P. routine is used the cropping pattern becomes a function of sampled values of yields, prices and costs. An option is available to use the L.P. routine recursively. The principal output of the model is a probability distribution for the rate of return. Ancillary output about costs, benefits, physical production, cropping pattern is also generated.
8. Methodology on Cost-Benefit Measures
Mr. Lal will be working with the Division as a special consultant for three months, beginning July 12, with the specific objective of clarifying methodological issues surrounding the use of different cost-benefit measures and their calculation.
The copy of the memo of Mr. Mendels to Mr. Chenery on information required for Executive Directors, which you sent to me, reflects the desire of Board members for more consistent and comprehensive social indicators. Three things are worth mentioning here:

(a) A new table of social indicators is under discussion to be attached to CPP's, which could be incorporated also in the document submitted for Board country discussions;

(b) The basic data sheet for President's Reports - and implicitly for Economic Reports - is in process of revision and will contain some of the most important social indicators;

(c) A study is being made in the Program Review Division to determine whether data on income distribution can be found for a sufficient number of countries and of adequate quality to make it worth including such data in any of our standard data sets.
Mr. James Carter

Moore Time

Social Information

The scope of the memo of Mr. Kennedy to Mr. Carnegie on information leading to Executive Inferences, which you sent to the reference of Board members for more consideration and comment are noted. These issues are worth mention:

(a) A new table of social information to make

(b) A panel to present the progress report

(c) A study to be made in the program review

(d) A proposal to determine whether a government program of minimum wage in any of the states is cost effective or necessary. A committee of economists and academicians should make such an investigation in order to

Note: Mr. Kennedy

Jul 8 1944

General Files

Received

1. The main elements of the regular work program of the Division can be described in relation to three headings: (a) Country Program Papers and Notes; (b) Economic Reports and (c) Board Country Discussions. Another part, of less regular nature, relates to the various studies and policy papers for which the Division carries responsibility or in which staff participates. Those are not the subject of this memorandum and are dealt with separately in a note from Mr. Chaffey to the CES Senior Staff, of June 9, 1971.

Country Program Papers

2. Schedules for the preparation and review of CPP's and CPN's have been made by the Programming and Budgeting Department for the entire fiscal year; monthly revisions are made where necessary. The review at staff level with the responsible Area Department staff is done jointly by the P&B Department and staff of the Program Review Division. Our task is to review the document itself, the quality and scope of description and analysis in relation to previous assessments of the country and its economy, and the rationale of the Bank Group's program in relation to the country's situation, prospects and assistance from other external sources.

3. Adequate discharge of this function will require sufficient time to study the previous CPP/CPN and related documents, recent economic reports and memoranda and, sometimes, sector surveys. For major countries in terms of Bank operations it will also involve time for consultation with Area Department and Projects Department. In order to provide the scope for this preparatory work, a distribution of countries by members of the staff of the Division has been made (Annex I). This has been done principally on the basis of the CPP/CPN review schedule and with the object of distributing work reasonably over staff and time. Country assignments are made only for FY 1972 including, in the months ahead, assignments to as yet non-existent staff members. Changes may therefore be necessary during the year and a revision of the list will be made before the next fiscal year begins.

4. In principle, the individual staff member will be responsible for the conduct of the staff level review of draft CPP's and CPN's. In all cases, however, I will read the document and discuss main issues with him before the review meeting with the Area Departments; I will participate in those reviews involving full CPP's and in others where important issues arise.
5. This staff level review is based upon a draft CPP or CPN which is normally revised following this review. The revised draft is sent to the Secretary of the Economic Committee within a few days after the review. A tentative decision will previously have been made on whether there should be a regular meeting of the Economic Committee, simply an Economic Adviser's review or - in the case of most CPN's - no formal meeting at all. A decision to have no meeting would mean, in effect, that the draft CPN distributed to the Economic Committee would normally go to Mr. Knapp without change. Consequently, a decision to hold no meeting on a particular CPN will be subject to change should the staff review indicate that there are important issues that should be considered by the Economic Committee or Adviser. In any event, upon receipt of the Economic Committee's version of the CPN or CPP, the responsible staff member in the Program Review Division will prepare a minute on the staff review covering points not adequately taken into account in the revised version, and identifying issues for further consideration. These minutes, to be sent to the Economic Adviser to the President via the front office of the Economic Program Department, will serve as the briefing note for the subsequent discussion of the paper.

6. While the choice and treatment of issues selected for inclusion in the minute based on the revised CPP/CPN neither can nor should be specified in advance, there is one general guideline: relevance to informed management decision-making in the country program review exercise. Issues arising during staff reviews which are marginal from a management point of view should be kept separate from the minute and treated in a memo (generally to our own Files or the Area Department).

7. The staff review of CPP's and CPN's will include a discussion of the program of economic work, which is to be submitted as an attachment. The form and content of this attachment are described in a separate memorandum. The review of the work program requires an inventory of reports and studies related to the country done in the Bank or financed as part of the Bank's research program, recently completed and on-going. This together with the particular issues and problems raised in recent economic reports and the CPP/CPN should form the basis of selection of topics to be included in the program of work.

Economic Reports

8. The Division staff's participation in country economic reporting takes place through its contribution to:

   (i) the planning of country economic reports;

   (ii) the review of economic reports; and

   (iii) country economic missions.
9. The staff contributes to the planning of country economic reports through its active participation in the review of the economic work program attachment to the annual OPP/GPN. The Division staff will, progressively over time, be ideally placed to perform a useful role, both through its continuing involvement in the economic work of the country concerned, its special vantage point as a component of the Economic Program Department and as a channel for providing the benefits of disseminating the experience in each country over a broad range of others.

10. The staff participates in the review of economic reports as the EP Department's nominated outside reader of the draft report. The review process itself should be diversified rather than uniform, in line with the diversification of reports which will be a major feature of the new system to be introduced from the start of the current fiscal year. A substantial number of reports will be of a routine character and will not need formal review, but can be dealt with by the staff member who participates as the outside reader, at the white or yellow cover stage of the report. When important issues arise at this stage which are not adequately dealt with at the green cover stage, a note to the EP Department's front office should flag the existence of those. This will be an exception rather than a rule, as informal contacts between Area Department economic staff and the Division will identify and resolve such problems at an early stage.

11. Basic reports, together with a selected group of special reports which are considered important because of the countries, sectors or special topics treated in them, will be submitted to the Economic Committee. For these reports the PR Division will prepare an "issues" paper to brief the Economic Adviser to the President. This paper will serve the purpose of highlighting substantive country developments and Area Department recommendations for the use of the Economic Adviser.

12. The staff of the Division contributes to economic missions through its comments on mission staffing, terms of reference, cooperation on mission staff recruitment from the Central Economic Staff and participation on pre- and post-mission briefing and debriefing sessions. The staff will carry out these functions by maintaining continuous informal contact with area department economists and from time to time also with project economists when working on particular countries and other "functional" contributors to country economic work, for example in other Departments of the Central Economic Staff, the Development Services Department, IFC and the DFC Department.

13. It will be possible that staff of the Division participates in economic missions, specially on those charged with the task of producing basic reports. These constitute a new departure in Bank economic work and have as yet to be defined more precisely; uniformity of approach by different Area Departments could be enhanced if the Division were to provide staff for those missions. Once a list of countries is agreed to for which basic reports will be prepared in FY 1972, this issue could be dealt with more specifically.
14. In order to facilitate the effective participation of Division staff, Area Department Chief Economists will as an input to this process provide the Division with copies of mission terms of reference, draft questionnaires and relevant correspondence with host governments.

Departmental Coordination

15. The need for coordination with other Divisions in the Department must be emphasized. The Socio-Economic Data Division will be consulted in reviewing the statistics presented in CPP's and CPN's; the Debt Reporting Susta System will be utilized for the attachments on debt and debt service liabilities; the Comparative Analysis and Projections Division will deal with problems arising in connection with the projections presented in the attachments; the Domestic Finance Division will be requested for assistance in reviewing parts of economic reports and CPP/CPN's which relate to taxation and fiscal policy; the International Finance Division will be consulted in analysis of projected assistance levels and lending terms. Staff of the Program Review Division is responsible for soliciting such assistance from other Divisions, when not already organized or rendered.

President's Reports

16. The economic paragraphs of Presidents' Reports are received for comment by the Division before submission to the Chairman of the Loan Committee. Before projects are presented to the Board, the Division obtains copies of all relevant documents - note to the Chairman of the Loan Committee, minutes of Loan Committee meetings, appraisal reports - on that project. Briefing notes are prepared for the Economic Adviser.

Board Country Discussions

17. Documents will be prepared by Area Departments for these discussions, consisting of a truncated version of the CPP. The Program Review Division will schedule the preparation and review of these documents in coordination with the Area, P&B, and Secretary's Departments. No meeting of the Economic Committee will be required as the CPP for each of the countries will have passed the Committee shortly before.

cc: Miss Zafiriou
    Messrs. Holsen
    Pilvin
    Shourie
    Sakura

WT/1r
Mr. Anthony A. Churchill

Robert McPheeters

Consultative Committee – A Suggestion

July 2, 1971

As I think I may have mentioned before, one of the most troublesome personnel issues with which I have had to deal is the status and treatment of Special Services staff. The heart of the issue seems to be due to confusion in the Administration Department itself, where there appear to be two conflicting interpretations of the position of Special Services staff: one, held by the Organization and Procedures Division, that Special Services is an upward extension of General Services and that promotion to professional level is to be regarded as exceptional; and the other, put forward very feebly by Personnel, that Special Services is a sort of intermediate level through which qualified staff members may expect to be promoted to professional status as they acquire additional education and experience.

I very strongly subscribe to the latter position, particularly, of course, because I have a large number of these people who need normal career incentives and deserve better treatment than perpetual allocation to limbo. At the very least, it seems to me that the Bank requires a clear statement of policy in this regard. If we cannot get a satisfactory statement of this sort, then it seems to me that the personnel structure needs yet another review, because obviously we cannot continue to recruit and hold qualified research and statistical assistants on the present basis.
As I think I may have mentioned before, one of the most substantial adversity cases, which I have had to deal with, is the estate and probate of the estate of Mr. Robert M. Walker.

The problem of the estate seems to be one of the problems that is facing the administration of the Social Security Act. There are certain provisions in the Administration of the Social Security Act that deal with the determination of the estate and the probate of the estate. One of the provisions is the determination of the estate and the probate of the estate.

I would like to bring to the attention of the Congress and the Administration the importance of the probate of the estate. The Administration has expressed a desire to expedite and expedite the probate of the estate. However, I believe that the Administration is not giving sufficient attention to the probate of the estate.

I wish to express my appreciation to the Senate for the attention that they have given to this matter. As a result, I believe that the Administration is taking appropriate steps to expedite the probate of the estate.
Mr. A. Stevenson

Lucy Keough LK

Back-to-Office Report - Adjustment Assistance Field Trips

1. I was in Memphis, Tennessee; Chicago, Illinois; and Boston, Massachusetts; for one day each between June 23 and June 25 as part of the Study of the Adjustment Assistance Program in the United States.

2. In Memphis and in Boston, I met with staff of the Employment Security Office which, under the Trade Expansion Act of 1962, is authorized to administer counselling, training and placement services to import displaced workers. This category of unemployed, however, is only one among many others for whom the Employment Security Office must provide these services. Experience with the Adjustment Assistance Act in each case is negligible as is precise knowledge of its provisions. Worker characteristics in both instances appear similar: the level of skill is very low; a large majority are females who have less than a 10th grade education, many of whom are primary wage earners. Although the Act authorizes relocation of workers, this is generally not seriously considered among the feasible alternatives. In Memphis, where a worker petition involving some 3,000 jobless has recently been certified, a special team of counsellors, job developers and work training specialists is being set up to assist these workers. The overall unemployment rate in the Memphis area is 4.5 percent, well below the current national average. The alternative employment possibilities are seen to be principally in the service sector and generally require considerably higher levels of basic education as well as skill than the import displaced workers possess. This will thus place a heavy, though, according to the Employment Security Office, not insurmountable, burden on training. In Boston, the overall unemployment rate at 5.6 percent is somewhat worse and is likely to rise even more. Consequently, less attention is focused on import displaced workers as a separate group; no special teams to help this group are operating or are planned. The displaced workers come principally from the shoe industry, although electronic plants in the area are also beginning to be affected. These two industries comprise a very substantial portion of manufacturing employment in this area.

3. The two firms visited were the Emil Paidar Company, which manufactures barber chairs, in Chicago and the Benson Shoe Company in Lynn, Massachusetts, both of whom have had Adjustment Assistance proposals approved. An interesting point which emerged from these discussions was that although imports were clearly the cause of dislocation in each instance, in neither case could a higher level of imports be

[1] The disbursement of readjustment allowances is a separate function and is handled by the Unemployment Insurance Office. I did not visit the office in either Memphis or Boston, since the allowances have little, if any, bearing on the adjustment process itself.
ascribed to a lowering of the tariff, as each case, had the pre-concession tariff remained in effect, the landed price of the competing import would still have been significantly less than the ex-factory price of the domestically produced item. Both firms sustained operating losses over several years and were forced to cut back on employment. The product mix at each plant has been substantially altered - Paidar is now concentrating its efforts in modularly designed medical and dental cabinetry and Benson has shifted from a lower price range to higher priced, more specialized lines where import competition is less keen. Technical assistance, which is theoretically an integral part of the adjustment package, has been promised, but seems to be slow in forthcoming, and in this area, each firm appears largely to have been left to its own resources.

1. These examples reflect some fundamental questions regarding the feasibility of the Adjustment Assistance program as it is presently conceived. On the worker side, the assumption at the federal level that these workers, because they have recently been employed, will require only minimal training to be reabsorbed into the active labor force seems unrealistic as these workers in many cases are only marginally above the "hard core" unemployed category. Regional concentrations, and hence dependence upon, one industry, such as exists in New England, renders the problem doubly complex since alternative employment is limited. Moreover, it is questionable whether the isolation of workers in the adjustment assistance category to receive special treatment where overall unemployment is significant is a justifiable or feasible policy.

5. As regards firms, it seems clear that the criteria as they are nominally defined are virtually impossible to fulfill and recent affirmative findings reflect a much relaxed interpretation of these preconditions by some, if not all, members of the Tariff Commission. Loans on soft terms have been disbursed to each firm with little difficulty, but technical assistance which, like worker retraining, is supposed to be a cornerstone of the program, has not been generally available and yet it is difficult to envision how a firm in an industry whose business practices are likely to be somewhat outdated will be able to devise suitable modernization plans to enable its adjustment.
Mr. Mohammad Khan

P. D. Henderson /s/ P. D. Henderson  

Payment to EIU

Attached is an invoice from the Economist Intelligence Unit. 

According to the terms of contract, please make the necessary arrangements for this payment to be made.

Attachment
Mr. Konslawsky

Division 81
P. O. Henderson

RE: Remittance to IU

Accompanied by an invoice from the Economic Intelligence Unit.

According to the terms of contract, please make the necessary arrangements for the payment to be made.

Hirschfield

Enclosure
Mr. S. Reutlinger

A. C. Egbert

Your Memo of June 25 to Mr. Chenery

July 1, 1971

1. I do not see what the rate of capital formation has to do with the shadow wage rate. Those who reap the surplus and other income of a project may or may not save, and those who do save are not necessarily those who invest.

2. One cannot categorically say that if a low shadow wage rate is used in a project to gain approval the project will need to be subsidised, unless you are possibly referring to some imaginary real rate of interest. For example, if the cut-off rate return is 10% and the borrowing rate is 8%, the financial flow may produce a sufficient surplus to permit a wage rate to be paid which is above the shadow rate assumed and equal to the market rate.

A. C. Egbert
A. C. Report

Your Memo of June 25 to Mr. O'Shannery

I do not see what the date of complete installation is to be with the previous memo date. Those who keep the minutes and other income of a bachelor may or may not agree and choose who to save the date necessary to make no impact.

One cannot categorically say earth if a loan abounds were late.

To meet a budget to earn enough the budget with need to be spent because the income can be necessary to become immediately rest.

For example, it the cut off date cannot be done from taking the previous date to get the industrial loan may become a multilingual worksheet to report a new date to the bank which to save the amount.

Reference and copy to the nearest date.
1. I sent you earlier the revised tables for the next edition of the Chart Book. I wish to draw your attention to the following changes:

2. Table 4.1 as it stands relates to the export values of primary commodities and manufactures for developed and developing countries in 1950 and 1968. The revised table shows these values for 1955 and 1969. Data for 1950 was replaced because the figures for that year do not account for the exports going to the Centrally Planned Countries. Comparable data were first available in the U.N. Monthly Bulletin of Statistics beginning 1955.

3. Mr. Singh has decided to delete tables 4.8 and 4.9.

Cleared with and cc: Mr. Singh
cc: Mr. McPheeters
Mr. J. Philip Hayes

W. Tim & J. A. Holsen

June 25, 1971

Comments on Proposed Departmental Files

1. If asked, this office will of course set up and maintain files covering the four subject areas which the attachment to your memo lists for our division. With the exception of "Labour Force and Employment", the indicated subjects are already largely included in our filing system.

2. We have, however, serious doubts about the general usefulness of decentralized departmental files. In the areas of main concern to us, we must keep working files which are far more detailed than appropriate for departmental files. Furthermore, because long-term loans if not plain thefts would be unavoidable, we would not welcome "outsiders" having free access to "our" files. The result would be that the departmental files we would keep would have to be completely separate from our division files. It would be a question of making an extra copy for the departmental files.

3. I suspect other divisions may have similar problems so they would also have to keep the departmental files completely separate from their divisional working files. If this is so, does it make good sense to physically decentralize the departmental files? The user who tried to make use of the cross-referencing system would spend a lot of time going around the third and fourth floors of the "D" building.

4. Why not have the departmental files set up in a single location near the front office? A file list could be prepared and circulated throughout the department. Division 1 would be asked to make sure that copies of "documents of general and continuing interest" which it either originated or received were sent to these files (each division probably being responsible for a particular subject area). In cases where only single copies were available, and could not easily be duplicated, the division should have the option of keeping the material in its own working files and providing notes showing title, author, date, and where kept for inclusion in the departmental file.

cc: Mr. E. Lordau
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Archives 01 (March 2017)
Mr. Shlomo Reutlinger

G. F. Donaldson

June 25, 1971

Possible Publications - Based on Rural Employment Background Paper

In response to your suggestion, I have looked at our material with a view to possible amendment for distribution to a wider audience. I think that we could possibly produce two worthwhile publications, spending minimal extra time in doing so.

1) Economics Department Working Paper

(i) This would be based on our draft yellow cover "Background Paper", adjusted to take account of readers' comments - particularly McKelvie's.

(ii) Sections I and II could remain much as they are, apart from minor editing.

(iii) We would need to write a forward.

(iv) We could add a bibliography (already available).

(v) Sections II and IV could be added to somewhat, perhaps to embrace some of the points omitted or played down because they were covered in Falcon's Paper.

(vi) The section on Bank research could be expanded - perhaps to include some "research directions", outline the pattern of "collaborative research" expected, and mention possible areas of special interest.

2) Journal Article

(i) This could be based on a more recent summary paper. To some extent the possible place of publication will determine the alterations required. This could be:

International Labor Review
The International Journal of Agrarian Affairs
The Journal of Economic Affairs
American Journal of Agricultural Economics
Lloyd's Bank Review
CERES

(ii) A possible title could be "Policy Needs for Agriculture and Rural Development in Agrarian Economics"
June 25, 1917

Mr. Stimson, Secretary

G. P. Harriman

Post War Appropriations - Read onural Employment Salaries, etc.

In response to your suggestion I have looked at our material with a view of possible means of contributing to a wider audience. I think that we could possibly prepare two multiphace publications, special minimum.

(1) Economic Department Policy paper

"The theory of a great variety of taxes is a perfectly logical proposition. More specifically, it is a necessary evolution of the concept of a welfare state."

Section I may be entitled to some comment on the policy of playing a prominent role in economic policy and the importance of cooperation between the executive and legislative branches of the government.

(2) Government Appropriations

This could be given a more concrete summary paper. To some extent

In the Light of Recent Economic Developments

Development in the Light of Recent Economic Developments

Central Files

Received
(iii) Sections C1 and C2 could be used much as they are.

(iv) Section C3 could be modified to reorientate it away from specific Bank group policy to all aid donor policies (bilateral and multilateral).

cc: Messrs. A. C. Egbert
    T. Husain
    P. Duane
Mr. Hollis B. Chenery

June 25, 1971

P. D. Henderson /s/ P. D. Henderson

Non-Research Consultants

1. The Economics Department would like to request an allocation of at least $60,000 as non-research consultants fund for FY 72. This would cover expected expenditure on:

1) All the commodity projects in the Trade Policies and Export Projections Division (a list of them is attached);
2) three projects which are envisaged but not yet finalised in the Population and Human Resources Division on employment;
3) two summer consultants whose appointments have now been finalised;
4) short-term consultants giving small seminars and papers and
5) reading of manuscripts.

Attachment

cc. Messrs. Lowther, Smith and Stevenson
νομοθετικά δικαιώματά με.

προσαρμόζοντας τον κανονισμό.

καθαρά στην εκπροσώπηση

αποτελούμενης με την εκπροσώπηση.

καθαρά στην εκπροσώπηση.

να είστε πλήρως ευθύνομοι.

β' ο Νικόλαος

μην ονειρέστε πως θα επιτύχετε την

να πάνε μετά από πολλά χρόνια.
The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.
The monthly activity report was established in January 1970, by Mr. Kamarck. The attached memorandum explains the system briefly.

Too much time has passed since the CES took a serious look at this report. It is now under review by Mr. Lowther, Miss Fakuda, and me.

I would appreciate any comments you may have related to the report and what you would expect it to provide.
The file structure proposed in your June 18 memo looks like a very good beginning. A few additional subject headings come to mind at this time:

<table>
<thead>
<tr>
<th>Heading</th>
<th>Responsible Division</th>
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<tbody>
<tr>
<td>Research Committee Papers</td>
<td>Front Office</td>
</tr>
<tr>
<td>Terms of Trade</td>
<td>Comparative Analysis and Projections</td>
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<tr>
<td>Social Indicators</td>
<td>Program Review</td>
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<tr>
<td>General Income Distribution</td>
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<td>Health and Nutrition</td>
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<td>Education</td>
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<td>Project Evaluation; Concepts and Methods</td>
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<tr>
<td>Others will, no doubt, emerge. But I assume that the omission of Creditworthiness from the list was deliberate.</td>
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</table>
οι συνεργάτες συνάντησαν την ημέρα της 17ης Αυγούστου και ανακοίνωσαν την ένταξη του Περιφερειακού Επιτελείου Περιφέρειας Αττικής στη σύσκεψη.

Επικεφαλής

Επικεφαλής

Η τέταρτη σύσκεψη του Περιφερειακού Επιτελείου Περιφέρειας Αττικής θα έλθει να παρουσιαστεί στο επόμενο πρόγραμμα και θα περιλαμβάνει τις αποτελέσματα της έρευνας.
June 21, 1971

Administration of Consultants

1. I would like to recommend a change in the procedure of the administration of consultants.

2. The Economics Department is one of the last two departments in the Bank to have the administration of consultants centralised. The recommendation to decentralise this exercise to Divisional level has two basic reasons:
   1) to expedite the process of appointment and payment for consultants;
   2) to give more responsibility to the senior secretaries in this department.

3. Attached are my memorandum to the Division Chiefs and instructions to be followed in the administration of consultants, which are sent to the Division Chiefs and their secretaries.

4. In order to retain budgetary control over the expenditure on the consultants, recommendation of fees will still be made in consultation with my office.

5. A certain amount of monitoring will be required, in order to have at least the knowledge in the front office of the active consultants in the department. From time to time there will be queries on the method of filling in forms and memorandums of various kinds. I suggest that Mrs. Sanders be responsible for overall monitoring of the consultants administration.

HFukuda:rlb

Attachments

c.c. Messrs. Henderson, Lowther, Smith & van Gent
Mrs. Weyrich, Mrs. Sanders, Mrs. Armstrong & Miss Bell
Monthly Activity Report

1. Attached are some thoughts on how to improve the Monthly Activity Report, and a memorandum to the ECD Directors calling for their comments.

2. Rather than to wait for a reply, I suggest that we press on with getting a new system in operation as soon as possible.

cc. Mr. Smith

Attachment
June 21, 1971

HANS THIAS INTBAFRAD WASHINGTON DC

PLEASE CARLE IF COLOMBIA PROJECT COMES THROUGH JULY

EKLUND

Distribution
Mr. Thias
Mr. Stevenson

WU114 BW1352
UPPSALA 13 21 1420 VIA WU1

ECONOMICS DEPT gen.

WU1NY. MSC 3
OUTGOING WIRE

TO: EKLUND
HOJDVAGEN NINETEEN
UPPSALA

DATE: June 21, 1971

CLASS OF SERVICE: LT

COUNTRY: SWEDEN

TEXT:
Cable No.:
HANS THIAS ON HOME LEAVE UNLIKELY THAT COLOMBIA PROJECT COMES THROUGH THIS SUMMER

REUTLINGER

NOT TO BE TRANSMITTED

AUTHORIZED BY:
NAME Shlomo Reutlinger
DEPT. Economics

(Checked for Dispatch: )

CLEARANCES AND COPY DISTRIBUTION:

(SIGNATURE OF INDIVIDUAL AUTHORIZED TO APPROVE)

For Use By Communications Section
Mr. P. D. Henderson and Mr. A. Stevenson

June 21, 1971

Haruko Fukuda

Monthly Activity Report

1. We are reviewing our activity reporting system in the Central Economic Staff.

2. Attached is a list of some recommendations I would like to put forward. Should you have any comments or additional recommendations, I should be grateful if you would let me know as soon as possible.

3. With a new system of organization under the CES, it is possible that we should think again on the purpose of this time consuming exercise. We should consider a) What is the objective? b) What kind of information is required? c) How often does one use it and how important is it?

4. I have suggested to Mr. Lowther that this activity be computerised from July 1971.

Haruko:rlb

c.c. Messrs. Lowther & Smith

Attachment
Mr. W. Hogan

Haruko Fukuda

Payment for UN trade data

Please remember to give me the invoice for the trade data when it is sent to you. I shall have to send it to the Computing Activities Department with supporting memorandums.

HFukuda:rlb
Ημερομηνία:

Απόδειξη:

Επισημαίνεται στον αρχειακό υπολογισμό τον τελευταίο μήνα του έτους για την επίλυση των θεμάτων.

Απόλυτα απρόσκοπτο στον υπολογισμό τον τελευταίο μήνα του έτους για την επίλυση των θεμάτων.

Αποκλειστικά απρόσκοπτο στον υπολογισμό τον τελευταίο μήνα του έτους για την επίλυση των θεμάτων.
**Record Removal Notice**

**File Title**

**Barcode No.**
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<td>June 17, 1971</td>
<td>Memorandum</td>
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**Correspondents / Participants**
From: Alexander Stevenson
To: M. Khan

**Subject / Title**
Request for Payment to Mr. Ralph Rechel - Applied Economics

**Exception(s)**
Personal Information

**Additional Comments**

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**Withdrawn by**
Ann May

**Date**
July 25, 2022

Archives 01 (March 2017)
In the Board meeting this morning, Mr. Tornqvist in discussing approvingly the use of social indicators mentioned press information about "development in Japan on the concept of NNW (net national welfare)." Mr. McNamara promised the Executive Directors a note on this concept and asked me to see that it was put in hand. Since this subject falls within the purview of the Socio-Economic Data Division I am turning it over to you. No deadline was mentioned.

AStevenson: js

cc: Mr. Chenery
Miss Lucy Keough

A. Stevenson

Terms of Reference - Adjustment Assistance Field Trips

1. To conclude your work on the Adjustment Assistance Program in the United States, on June 23 you will visit the Employment Service Office in Memphis, Tennessee, the local administering agency for adjustment assistance to workers. Your discussions there will center on a determination of the major obstacles encountered by this office in administering the program, for example staffing deficiencies, lack of experience, budgetary constraints, and inadequate training facilities, as well as any other considerations which may be present. You will also attempt to determine characteristics of the displaced workers which might inhibit full utilization of the program's provisions, and what sort, if any, of follow-up is carried out for those workers who do receive benefits under this program.

2. On June 24, you will also visit the Emil J. Paidar Company in Chicago, Illinois, and on June 25, the Benson Shoe Company in Lynn, Massachusetts, the two firms which currently have adjustment assistance programs in operation. Your discussions there will concentrate on determining the adequacy of the program in assisting the firm to adjust to a higher level of import competition, and determining what is the proper emphasis from among those types of assistance which are offered: financial, managerial, and technical as well as help with new product design and market surveys. You will also attempt to ascertain more precisely than is currently understood what criteria were applied by the Tariff Commission in deciding each firm's eligibility petition (e.g. the position regarding profits and employment, the degree of import penetration, other factors which may have been present).

3. For both workers and firms, you will attempt to assess whether the program as it is now conceived is a feasible shelter under which structural change can take place.

4. Upon completion of these interviews you will return to Washington and incorporate your findings in a revised version of your draft note on adjustment assistance.

cc and cleared with Mr. Hogan
Mr. H. Chenery

V. W. Hogg

June 16, 1971

Future Status and Functions of General Statistics Section

1. Mr. Henderson in his May 29 memo to you invites us to send you any views we may have on his discussion of this matter.

2. So far as we in Transportation Projects are concerned, we support the existence in the Economics Department of a group of high caliber statisticians to whom we can turn when faced with special problems that we may be not fully equipped to solve or on which we would like a second opinion.

3. With routine, relatively simple problems, however, we would much rather have some specialized statistical capability within our own Department than have to go to the Economics Department. We have in mind here particularly the type of work that could be done by above-average non-professional staff. In other words, within the "Special Services" category there may be a case for a designation "Statistical Assistant" (as we have editors) with at least one of these assistants being assigned to our Department -- and perhaps to each of the other major Projects' Departments. One advantage of this would be a person familiar with the nature of our particular problems, the objectives we are after, the time and other constraints within which we have to work, the general quality of the data we have to work with, etc.

4. In view of the recent staff budgetary exercise, we are not putting this forward for early implementation; you may wish, however, to consider the possibility and implications for FY 73.

V. W. Hogg

Cleared with and cc: Mr. Poulquien
                    cc: Messrs. D. Henderson, H. Messenger
Mr. W. C. Ogden

Dear Mr. Ogden,

I received your letter of May 25th, and am pleased to see you
our able representatives are at work on the various matters
concerning which you wrote.

So far as we in the Taxation Department are concerned, we
support the extension to the Economic Department of a bond of fifty
shillings. To secure a certain levy and expenditure, the
we may do not fully understand to solve on which we may hit the second
obgin.

Mr. Ogden, I understand that the above program, however, we
would like to discuss the possibility of attaching a special note
may contain some special note attached. We may go to the
Economic Department. We have to mind
particularity the type of work that does not go above.

In view of the recent event and the expenditure, we do not
permit any discussion for any improvement. You may wish to
consider the possibility and limitations for your

Yours truly,

Chief, Ministry of Revenue

June 10, 1921

[Stamp: Central Files]

[Stamp: Received]
All Staff Members of the Economics Department

Haruko Fukuda

Blue Book

1. It is evident that the Blue Book takes a very long time to go around the Department, in some instances as long as three months by the end of which any interest in the informational content of the file is minimised.

2. In the future, the blue copies will be circulated every week. Staff members are urged that they pass on the file as quickly as possible; secretaries to those on leave or mission should pass it on without waiting for the staff member's return. It should be possible for a file to go around in three weeks.

3. In order to expedite this exercise, all blue copies sent to my office will be circulated in future. Should any correspondence be unsuitable for circulation, staff members should NOT send a blue copy.

HFukuda:rlb

cleared with Mr. Stevenson

c.c. Mr. Henderson
The item(s) identified above has/have been removed in accordance with The World Bank Policy on Access to Information or other disclosure policies of the World Bank Group.

Withdrawn by: Ann May
Date: July 25, 2022
Request for Payment - Mr. Bela Balassa

I shall be grateful if you will make arrangements to pay the enclosed bill. As you see, it was incurred in connection with the reprints of Mr. Bela Balassa's article.

Attachment
THANKS FOR INVITATION.
WILLING TO CONSIDER YOUR ASSIGNMENT.
REGARDS.

REPLY ENCLOSED
CERTIFIED
Mr. Mohammad Khan

June 11, 1971

Alexander Stevenson

Expenses for Mr. Mukherjee - Consultant

Attached are bills you sent up to us for approval. I am sending them back to you with my approval. Please proceed as requested in Mr. Mukherjee's letter.

Attachments
June 11, 1971

Mr. Alexandra Kafka

George J. Novak (through Mr. Larder)

GDP Growth Rates in 33 Developing Countries

1. As requested, attached is a table showing growth rates of GDP at constant factor cost for 33 developing countries.

2. These average annual growth rates relate to the 1961-68 period. The methodology employed for deriving them is explained in the technical note to the World Bank Atlas, 1970 edition.

Attachment

GJN: am
TABLE 1

AVERAGE ANNUAL GROWTH RATES OF GNP AT CONSTANT FACTOR COST FOR 33 DEVELOPING COUNTRIES, 1961-1968.

<table>
<thead>
<tr>
<th>Latin America</th>
<th>Rate of Growth (Percent)</th>
<th>Other Countries</th>
<th>Rate of Growth (Percent)</th>
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<tbody>
<tr>
<td>Argentina</td>
<td>2.6</td>
<td>Ceylon</td>
<td>4.8</td>
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<tr>
<td>Bolivia</td>
<td>4.4</td>
<td>China, Republic of</td>
<td>9.7</td>
</tr>
<tr>
<td>Brazil</td>
<td>4.6</td>
<td>Ghana</td>
<td>2.0</td>
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<tr>
<td>Chile</td>
<td>4.3</td>
<td>India</td>
<td>3.5</td>
</tr>
<tr>
<td>Colombia</td>
<td>4.6</td>
<td>Iran</td>
<td>8.2</td>
</tr>
<tr>
<td>Costa Rica</td>
<td>5.8</td>
<td>Iraq</td>
<td>5.8</td>
</tr>
<tr>
<td>Ecuador</td>
<td>4.6</td>
<td>Israel</td>
<td>8.2</td>
</tr>
<tr>
<td>El Salvador</td>
<td>5.8</td>
<td>Korea, Republic of</td>
<td>8.5</td>
</tr>
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<td>Guatemala</td>
<td>4.9</td>
<td>Malaysia</td>
<td>7.5</td>
</tr>
<tr>
<td>Haiti</td>
<td>-1.4</td>
<td>Morocco</td>
<td>3.3</td>
</tr>
<tr>
<td>Honduras</td>
<td>4.6</td>
<td>Pakistan</td>
<td>5.8</td>
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<tr>
<td>Jamaica</td>
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<td></td>
<td></td>
<td>Viet-nam, Republic of</td>
<td>4.7</td>
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Position List - FY 72

1. I would like to add to my memorandum of June 7, 1971 on the above subject that Mr. Robert Oliver is not included in the list. His position with the Bank from July is at present under discussion. Should he decide to stay, he should fill a vacant position number in the Economics of Urbanization Division.

2. I would also like to make one correction. Mr. Warren Hogan of the Economics of Industrialization Division should have the title "Senior Economist" and not "Economist" as indicated in my list.
Ηλεκτρονικής υπολογιστής

Ένας πελάτης της εταιρείας ζητεί από την εταιρεία να εξυπηρετήσει τον πελάτη σε όλο τον αναλόγο χώρο. Με την υποστήριξη της εταιρείας, ο πελάτης θα μπορούσε να επιτύχει ταπεινά στρατηγικά στόχους.

Διευθυντής

Παναθηναϊκό Πολεμικό Πάρκο

Ημερομηνία: 11/06/1971
Mr. P.D. Henderson

Barend A. de Vries

June 9, 1971

Future Status and Functions of the General Statistics Section

In principal, I am in favor of broadening the functions of the General Statistics Section to a Division providing various econometric services.

As you will realize, this Department, like other Area Departments, has a need for statistical and research assistance in the preparation of our economic reports. As we do not have, at present, budget positions for this purpose, we look to the Central Economic Staff for assistance on an ad hoc basis. We would hope that some of the Special Services staff in the Central Economic Staff will be made available to us for this purpose.

cc. Mr. Cheek

BdeVries mfb
Economics Department Division Chiefs

Mr. Henderson, Mr. Stevenson
Haruko Fukuda

Economics Department divisional organization, authorised budget positions and vacancies.

1. As of July 1, 1971 the attached divisional structure becomes effective. (Attachment I).

2. Attachment II shows the number of authorised positions, of existing net vacancies within the authorised positions, of vacancies counted against recruitment target, as distributed for and in the Economics Department.

3. The vacancy figure for recruitment, however, should be regarded as a guide and as tentative. It is understood that recruitment for FY 1972 is conducted on the basis of the Central Economic Staff and allocated at the discretion of the office of the Economic Advisor.

4. Any enquiries should be addressed to Haruko Fukuda - D526 - Extension 2285.

Attachments

Haruko Fukuda:rlb

C.c. Messrs. Lowther & Smith
Mrs. Armstrong
Future Status and Functions of the General Statistics Section

1. The alternative presented in Mr. Henderson's memorandum dated May 29 is essentially as follows: either to broaden the work progress of the Section so as to create what might be called the Econometric and Statistical Analysis Division, i.e. in effect, to re-create something like the old Quantitative Techniques and Analysis Division; or to let the Section wither away.

2. Elaborating upon the second alternative, Mr. Henderson's memorandum dated May 6 and reporting on an earlier meeting on the subject in Mr. Chenery's office, states in paragraph 6: "One alternative possibility which was mentioned was to recruit people of the kind which it was felt were needed, but to place them in the Comparative Analysis and Projections Division of the Economic Program Department...", and "... that the Bank could make more use of consultants in order to get expert econometric or statistical advice." Paragraph 7 concludes: "... if action were taken along these lines ... it would be best to abolish the present General Statistics Section and to assign its present functions and staff to other parts of the Bank".

3. As far as I can see, the course of action described in the preceding paragraph would appear to be the more sensible one. If followed, some or all of the presently five special services personnel might become available to serve as statistical and/or research assistants in Area Departments.

J. Schmedtje

June 7, 1971
You asked for comments on the proposed alternatives for the future of the General Statistics Section. While I really have no knowledge of the existing functions and activities of the Section, and while this I suppose ought to disqualify me from making comment, my reaction to the proposal to create a new Econometrics Division is frankly negative. I would have thought that the existing provision for such work in the Economic Program Department and in the Basic Research Unit is quite adequate. In any event, the existing provision would seem adequate for the Bank's econometric demands arising from current activities. If any additional econometric work for special purposes is needed, I would have thought that this could best be handled through the Basic Research group and in particular with the use of short-term consultants.

2. From the stand point of narrow self-interest, it would seem to me that at least some of the existing Special Services staff could be reallocated to do the kind of statistical and support work which we in the Area Departments feel to be inadequately serviced at the moment.

JMcGibbon
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| Record Removal Notice |

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<td>To: M. Khan</td>
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<tr>
<td>Ann May</td>
<td>July 25, 2022</td>
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Archives 01 (March 2017)
Mr. Henderson's memo suggests two alternatives for this section: broadening or withering away. Since several units are already engaged in quantitative work, I believe in withering away.
RECEIVED
CENTRAL FILES

JUN 7 10 50 AM 1971

Item:

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confidential.
OFFICE MEMORANDUM

TO: Mr. John Philip Hayes
FROM: Nicholas G. Carter

DATE: May 27, 1971

SUBJECT: Circulation of Country Projection in "Five-Year Plan" Study

Last Friday I had a visit from Mr. B. Marin-Curtoud of the UNCTAD. Mr. Marin-Curtoud works for Sidney Dell. He was interested in the subject of projections for the decade of the seventies and specifically wanted to know if we could release to them a copy of our country projections that we made in our recent study of the possible lending program of the Bank (Table 10 in Capital Flows to the LDCs in the Seventies - April 10, 1971). I told him that while I was favorably disposed towards the idea I would have to clear it with my department before agreeing to do so.

On Monday I received a similar visit from Mr. Brown of AID. I was much less definite with him and suggested that he could get most of what he needed from our economic reports. (See my memo to Mr. Lerdau on May 25.)

I feel that in general while we should not release such information, we probably ought to let UNCTAD have a copy of our projections. I would appreciate your advice and guidance in this matter.

NGCarter:1cm
I have just completed a review of the Administrative Minutes file. I believe the information contained therein could better be organized in the following groups:

(i) Administrative Instructions: used to establish and formally implement the permanent administrative policies of the Department.

(ii) Personnel Notices: used to announce changes of Personnel.

(iii) Administrative Information Notices: used to inform the staff of temporary or non-policy administrative matters.

With your approval I would like to abolish the Administrative Minutes, update and consolidate existing policies and issue them as Administrative Instructions, and begin issuing Personnel Notices and Administrative Information Notices in place of Administrative Minutes.
Mailing List for Working Papers, offprints, etc. produced in the Population and Employment Studies Division

From time to time this Division receives requests for individual publications or a request to be put on a regular mailing list, and it seems sensible that we should have a short mailing list for our own working papers. This would be composed primarily of research institutions in the population field, most of whom probably do not receive the Department's Catalog of Studies. I am in the process of drawing up such a list and have drafted the enclosed letter which I propose should be sent under Mr. Hawkins' signature with the first set of papers. May we have your clearance? We are also seeking the clearance of the Information and Public Affairs Department.

cc: Mr. E.K. Hawkins
Advertisement of Vacancies in the General Services and Special Services: A comment

1. On the draft memorandum on the advertisement for General and Special Services vacancies, the following comments can be made.

2. It is not clear whether this advertisement is for circulation within the Bank Group alone, or to be used for outside applicants also.

3. For the Economics Department, it is strongly advisable for staff members to apply directly to the Personnel Division in confidence. The Deputy Director and the Administrative Assistant should be informed by the Personnel Division when the candidate is short listed. (N.B. par. 5 of Mr. Ripman's memorandum.) For personnel matters, often relating to personal problems, to arise within the department at initial stages of the discussion arouse unnecessary ill-feelings.

4. With regard to paragraph 6 of Mr. Ripman's memorandum, can personality problems be taken into account?

5. In general, the sample Monthly Vacancy List does not give adequate job description. Would clearer indication of the division concerned and the professional staff to whom the vacancies are attached be unwise for this kind of a list?

6. It is my understanding that grade 4 is not "officially" entitled "Clerk Typist III". In many cases, grade 4 personnel fulfill a full or more than secretarial function. I feel it unwise to classify them in this way without giving adequate description of the duties involved.

7. If the list is for circulation within the Bank Group, is it necessary to list basic qualifications such as speeds for typing and shorthand which all General Services presumably have?

8. Under the basic requirements for grade 4 positions, item (c) is unclear. Does this include extra-IBRD office experience?

9. In general, the sample vacancy list gives the impression of extreme inflexibility and systematisation, ignoring personal qualities and experience inside and outside the Bank Group.

10. As the draft memorandum stands, I feel that it cannot be circulated to the General and Special Services staff, as Mr. Ripman suggests in paragraph 4.

HFukuda:rlb
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Work on Development Finance Companies' Accounts

1. As you know, the Organization and Procedures Division has recently reported on the work of the General Statistics Section and made recommendations about the number and kind of staff required by the Section in FY72. One of the recommendations of that report is that the work at present being done for the Development Finance Companies Department, principally accounting in nature, should not be done by the Section.

2. We have agreed that this work will be taken over by the Development Finance Companies Department on July 1, 1971 and that in order to make this possible one professional and one special services position should be transferred from the Economics Department to the Development Finance Companies Department on that date.

3. The work is at present being carried out by Mrs. Fairall, who also has other duties. Mrs. Fairall has very considerable experience in dealing with questions related to Bank data (e.g. on procurement) but not with corporate accounting data, and for these reasons she would not wish, nor would it be advisable for her, to transfer to the Development Finance Companies Department. Indeed, since the likelihood is that Mrs. Fairall will transfer to the Economic Program Department with Mr. McPheeters when the latter takes over the Socio-Economic Data Division on July 1, it would be desirable if alternative arrangements could be made by that date. But if this is not possible Mrs. Fairall will continue to handle the work on the DFC accounts until a replacement has been found and trained.

4. We are not sure what staffing pattern will prove most appropriate to carry out the work in its new location. We will therefore wish to review the situation later in the year, and in any case by the mid-year budget review, and see if any further adjustments or transfers should be made.

ASteJ4nn:js

cc: Messrs. Henderson
Gulhati
Blamall
Messenger
Tiemann/McPheeters
Mr. John H. Adler

Robert McPheeters

Work on Financial Projections

May 13, 1971

Mr. Tienann is away from the Bank due to illness, but he and I have discussed this matter at length and we agree fully with the arrangement proposed in the draft under your note to him of May 12.

For the record, I would like to note that there are at least two aspects of my future work program which will depend in part on the progress made on the system of financial models:

1. As a matter of course, we will want to incorporate data generated by the disbursements subsystem and the portfolio model into our external debt database.

2. In addition, some of this information as well as other data generated by or used with the financial model should go into the generalized socio-economic data bank which we will be working on with Mr. Muller's staff over the next year or so.

In both of these cases the primary reason is to insure that data used for Bank lending and financial analysis corresponds with those used in the country and capital flow analysis under way in the Economic Program Department. I assume that Mr. Dumoulin will contact me at an appropriate time to discuss specifications for our requirements.

cc: Messrs. Henderson/Stevenson

Mr. Lerdau

Mr. Tienann

RMcPheeters: ra
Mr. Robert W. Palmer

Helen W. Paulson

Report #102

May 7, 1971

I shall appreciate it if you will place my name on the distribution list for Report #102, the semi-annual report on collection of charges. We should like to receive this report regularly, beginning with the period January 1 - June 30, 1971.

The only parts of the report which we need are:

1) charges paid to the Bank, by loan and country

2) charges paid to third parties, by loan and country

3) charges paid to IDA, by credit number and country

cc: Mrs. Slappey

CSlappey/bzp
Mr. Hollis B. Chenery

May 6, 1971

P. D. Henderson

Cooperation with the International Development Center of Japan

1. I agree with what Mr. Duloy has said in his memorandum to you on this subject. I think a positive response is called for and that the question of what training assistance the Bank might be able to provide is chiefly a matter for the E.D.I. I also agree that from our point of view the most useful work that the new Institute is likely to be able to undertake will concern the lessons to be drawn from Japanese development experience.

2. I do not think that it would be wise at this stage to commit ourselves to entering into a contract with the Institute, or formally commissioning work there. Presumably we would think in terms of using part of the $1.3 million set aside for consultants if after further discussion it appeared that there was a particular piece of work which they could do and we would like to see done. Despite the pressure there is likely to be on the Budget, I agree with Soejima's letter that we should be as helpful as we can.

3. I think it would be an excellent thing if you and possibly others could meet Dr. Okita when he next visits the U.S. This should be the next step.

P.D.Henderson:rlb

c.c. Mr. Goreux, Mr. Hayes
Mr. Duloy
Meeting on the Work of the General Statistics Section

1. A meeting was held in Mr. Chenery's office on April 29, 1971 to consider the future work program and terms of reference of the General Statistics Section of the Statistical Services Division in the Economics Department. The meeting had before it a memorandum on this topic by Mr. Kundu, two related memoranda by Mr. Shourie, and a note by Mr. Henderson.

2. There present at the meeting were: Messrs. Chenery, Carter, Henderson, Kundu, McPheeters, Muller, Stevenson and Tims; and Miss Fukuda.

3. There was general agreement on two points, namely

(i) the present situation of the Section was not satisfactory, so that if it was to continue as a separate unit (in effect, as a separate Division from July 1), there was a strong case for broadening its terms of reference and making provision for staffing it accordingly;

and

(ii) there was also a case for strengthening the quantitative analysis carried out in the Bank by recruiting well-qualified people, particularly though not exclusively in the field of econometrics.

4. With respect to topics on which high-quality specialized advice or participation might be needed, a number of illustrations were given, including disbursement projections, the design and testing of country economic models, and more generally a wide range of theoretical problems which arise in the course of operational work for which standard textbook answers do not exist. Thus there was a clear need for advisory and support work, though this would form only part of the functions of the people whom it was desirable to recruit.

5. The point was also made and generally accepted that much would depend on the caliber of those whom it was possible to recruit for work of this kind; the precise functions and terms of reference would in practice depend on the staff who were taking the lead in this work rather than vice versa. Hence the object should be to obtain really first-rate people, and to allow them considerable discretion in defining the work. The emphasis should probably be on problem formulation, rather than on the consultative or research functions which however would also be important.
6. There was no clear agreement as to whether a new unit should be established to carry out these functions, rather along the lines of the old QTA Division of the Economics Department; and hence there was also no clear agreement as to whether or how far the present General Statistics Section should be incorporated into such a unit. One alternative possibility which was mentioned was to recruit people of the kind which it was felt were needed, but to place them in the Comparative Analysis and Projections Division of the Economic Program Department and in the Development Research Center. (The point was made that the responsibility for work on country economic models now rested with the Comparative Analysis and Projections Division, which also intended to provide mission support.) At the same time, the Bank could make more use of consultants in order to get expert econometric or statistical advice.

7. It was suggested that if action were to be taken along the lines of the preceding paragraph, then it might be best to abolish the present General Statistics Section, and to assign its present functions and staff to other parts of the Bank.

8. It was agreed that following the meeting a memorandum should be prepared setting out the various possibilities, so that a decision could be taken fairly soon. Mr. Henderson agreed to undertake this task.

PD Henderson: rlb

c.c. Mr. Chenery Mr. Muller Mr. Goreux
     Mr. Hayes Mr. Stevenson Mr. Duloy
     Mr. Lerdau Mr. McPheeters
     Mr. Times Mr. Kundu
     Mr. Carter Mr. Shourie
               Miss Fukuda
Mr. Goor, Mr. Kundu, General Statistics Staff

Robert McPheeters

Future Terms of Reference of the General Statistics Section

As you know, the Debt Section and Debt Evaluation Unit will transfer to the Economic Program Department on July 1, 1971. As you are also aware, the impending reorganization has led to a consideration of the future terms of reference for that part of Statistical Services Division which will remain after the transfer.

Recommendations have been made by Mr. Chenery on three aspects of the present work of the staff involved:

1. Following an exchange of notes earlier this year between Mr. Chenery and Mr. Knapp and Mr. Aldewereld, the General Statistics Section is to be relieved of the routine clerical work which we have performed in the past on the country economic and project appraisal reports. The area and projects departments have agreed to provide for this work in their own staffing arrangements beginning in FY 1972.

2. Mr. Chenery has proposed that Mr. Goor and the staff members at present working with him on the Bank’s system of financial models (except for Mr. Hertz) be transferred to the Programming and Budgeting Department, where they would be expected to continue this work under the full-time direction of that department. It appears likely that this proposal will be accepted by Mr. Adler and the other departments involved (Controller’s and Treasurer’s), and that, if so, the transfer will take place on July 1.

3. Mr. Chenery has also proposed that at least one position be transferred to Development Finance Companies Department to continue the work which we have been doing on the DFC financial statements. The details of this move have not been worked out because we have not yet been given the additional position requested for this assignment in the next fiscal year.

Mr. Henderson would now like to have our views on a fourth aspect of our work, namely that performed by staff members not involved in the three areas listed above. To this end, he has asked to meet with us for an informal discussion of our future work program. The meeting will take place at 11:30 a.m., Thursday, May 6, in our conference room, D-357. All General Statistics staff members are urged to attend.

As you can see from the attached correspondence from Mr. Henderson, Mr. Kundu, and Mr. Shourie, there are several alternatives which might be considered:

1. The General Statistics Section could continue to operate as it has in the past, providing essentially statistical advice and support for other Bank units.

2. The staff of the Section could be reassigned individually to other units of the Bank where each person’s training, experience, and personal career objectives would be most appropriately matched with ongoing programs of work.
3. The work program of the Section, which would in all likelihood become a division, could be somewhat redirected toward quantitative economic analysis, and with some additional staff, fill in the void left in the Central Economic Staff with the dissolution of the old QTA Division.

Mr. Henderson would, in particular, like to have your views on these alternatives and any others which you may wish to suggest.

cc: Mr. Henderson
Mr. Stevenson
Mr. Tiemann

RMcPheeters:ra
Mr. Arthur Karasz

Alexander Stevenson

Secretarial Support for Mr. Balassa in Paris

May 4, 1971

1. As you will see from the attached memorandum, the payments for secretarial assistance to Mr. Balassa can be met out of the Economics Department budget. This will be at a half day for five months, beginning August 1 to December 31, 1971.

2. Would it be possible to arrange so that your office in Paris makes the payment and is reimbursed for the payment by the Washington office?

c.c. Mr. Ruddy

Attachment

HFukuda:rlb
Mr. Jack L. Lowther

Alexander Stevenson

Reporting on Special Services

On balance I do not think it would be wise to discontinue reporting on Special Services staff. If we drop the report on them for the Central Economic Staff as a whole it simply increases the danger of their being forgotten.

cc: Mr. Chenery
    Mr. Henderson

AStevenson:js
Mr. Hugh B. Ripman

Alexander Stevenson

Secretarial Support for Mr. Balassa in Paris

May 3, 1971

With reference to your memorandum of April 29, 1971, the salary for Mr. Balassa's secretary in Paris for five months at half time can be met out of the funds under Temporary Assistance. Payments for this purpose should be charged against the front office of the Economics Department budget.

c.c. Mr. B. Balassa

HFukuda:rlb
Mr. Alexander Stevenson

Shamsheer Singh

Commodity Papers

1. You might recall that until 1968 papers prepared in the Commodities Division which did not qualify for publication as cover reports used to be published as Commodity Notes. This series was numbered and altogether 57 papers were issued by the Division over a period of about ten years. When a new series on Working Papers was introduced in 1968, the question of continuing the publication of commodity notes as a separate series was reviewed. In order to reduce the number of categories under which the Economics Department papers were being published, it was decided to merge the commodity notes with the working papers. An outcome of this decision was that the new series contained some good pieces of original research as well as some descriptive papers such as our reports on the deliberations of international commodity bodies.

2. More recently, the Department has rightly decided to raise the status of the Working Papers by enforcing certain minimum analytical standards. This raises the question as to what should be done with papers which we prepare either reporting on international meetings or otherwise examining the current situation and prospects for a particular commodity. In view of their informative nature, these papers enjoy considerable reading utility as briefing material for the Area, Projects, Development Finance Companies Departments, and IFC. Therefore, they should be published, at least for internal use, in one form or another.

3. The choices available to us include putting these out as unnumbered series and distributed in the manner the author felt desirable. The danger of this would be that nobody else except the Division would know that such papers existed. As an alternative, a new numbered Division series somewhat on the lines of former commodity notes could be initiated. If it was felt desirable to include this series in the list of publications issued by the Economics Department, it could be made clear that these papers were meant to serve as briefing material for those desirous of knowing the situation and prospects of a particular commodity. Yet another alternative would be to commence a new series, say, Economic Notes for the whole Department to incorporate all papers below the Working Paper level. This series could include intelligence information on commodities, record and report economic/statistical information (such as trade, population, etc.) and other work done in the Department. In any case, freedom should be given to put out these papers with minimum supervision and editing.

cc: Messrs. Henderson Macone Elz Varon

SSingh:lcj
Mr. Alexander Stevenson

C. G. Harral

Performance and Compensation for Outside Consulting Services

1. Further to my memorandum of February 19 (attached), I now have a definite offer from URS Research Company to perform personal consulting services on a highway feasibility study for New York state. The scope of my services will be confined to a maximum of 10 days work reviewing and advising on study methodology.

2. This work would be done outside Bank hours without interruption or prejudice to the Bank's work, and I can conceive of no possible conflict of interest. The proposed professional services agreement with URS is attached. May I have Bank clearance to enter into this arrangement?

Attachments
Mr. Richard H. Demuth  

Michael L. Hoffman  

Development Research Center

April 24, 1971

You asked for my comments of Mr. Muller's report of the Working Group on the Development Research Center.

1. Recommendations (i) and (ii) read together lead to an absurdity. If the name is to remain Development Research Center, none of the public relations benefits of forming a department will accrue.

2. Recommendation (v) with which I agree, makes a designation of the Center as a department even more ridiculous. It seems to me that one thing this Bank does not need at present is more departments and more people sitting around the table at Senior Staff Meeting.

3. The above comments are directly related to the fact that the report does not seem to give any weight at all to the views reported in paragraph 9 and only 'partly' explains them away. What was the other 'part' of the reasons why the big guns of the Bank's economic battery take a "restricted view," etc. The report is not candid at this point.

4. I am glad to see that the inherent difficulties about farming out research to universities (which I have tried to draw attention to several times) is finally recognized in the economic establishment in paragraph 7. The paragraph as a whole adds nothing to the case for a Development Research Center as such. Paragraph 8 further weakens the case for the Center.

5. The real case for a Development Research Center is point (vi) of paragraph 10 combined with the substantive points in paragraph 6 and it is quite a sufficient case in my judgment. The rest of the report only muddies the water.
Αναμενόμενον, αυτό που αντιπροσώπευε την ευρύτερη κοινότητα, ήταν το μεγάλο κοινοτικό συνέδριο που διοργάνωσε η Περιφερειακή Επιτροπή της Περιφέρειας Τσελλού. Οι διευθυντές της Περιφερειακής Επιτροπής Μιχάλης Γιαννακοπούλου και Παύλος Καραϊσκάκης επεξεργάστηκαν την εκδήλωση με τη συμμετοχή του Περιφερειακού Συμβουλίου και της Περιφερειακής Επιτροπής Τσελλού.

Στο πλαίσιο της εκδήλωσης, ο Περιφερειάρχης Μιχάλης Γιαννακοπούλου υπέβαλε μια σημαντική δεσμευτική λέξη στους πολίτες της περιφέρειας. Η δεσμευτική λέξη αναφέρθηκε στον καθεστώς της δικαιοσύνης και της διεξαγωγής των δικαστικών διαδικασιών για την αποπληρωμή των ανθρώπινων δικαιωμάτων.

Το συνέδριο έλαβε επίσης αποφάσεις για την επίτευξη κοινών στόχων στην περιοχή και την ενίσχυση των κοινών αποστολών. Ο Περιφερειάρχης Μιχάλης Γιαννακοπούλου αναφέρθηκε στην ανάγκη της ενίσχυσης της κοινωνικής ένωσης και της ανάπτυξης περιφερειακών σχέσεων.

Το συνέδριο ολοκληρώθηκε με την εκδήλωση έντονης κοινωνικής συμβολής και την εκτίμηση των πολιτικών προτάσεων που εγκρίθηκαν.
The interview system at the moment seems to me much too mechanical. I feel as though I'm just automatically on a list for interviewing certain groups of people in much the same way as I am the recipient of junk mail by insurance companies because I've just bought a house. First, I cannot understand why it's impossible to give a reasonable amount of notice of these interviews in the majority of cases. Secondly, one gets nothing in the way of documentation except the man's c.v. and that often not long before he comes. I think there should be in every case at least a brief covering memorandum. This might state what job the man is a likely candidate for, the auspices under which he comes and, if it is possible, any particular doubts or other points which require exploration during the interview. It would certainly make a great deal of difference to me if I knew for example that Stanley Please knew a particular candidate moderately well and was anxious to get him, or whether the candidate had just appeared out of the blue. In the former case, I would regard my role as providing a little insurance against the remote possibility that some obvious defect had been overlooked. In the latter, I suppose I would not only be concerned with the candidate's possibilities for a particular division but more broadly for other parts of the Bank where he might conceivably be more suitable. I'm not at all sure myself that the selection of interviewers should be the same in all cases; maybe in fact it is not.

The worst case of mechanical interviewing in recent months that has happened to me was a request to interview somebody whose speciality was apparently urban economics. At the time, the urban setup in the Economics Department was in a state of flux. I said I did not want to interview somebody unless I knew something about what I was interviewing him for. This message was passed on and I never heard anything subsequently. In such cases, one needs a little more than a telephone call from somebody's secretary.

BBKing:gg

cc. Mr. Lerdau
I agree in general with your reactions and recommendations on General Statistics Section (vide your memo of April 13 to Mr. Chenery).

The basic concern is the scope and terms of reference of the Section, and since you mention my memo I would like to clarify a position in the light of current developments.

My proposal to Mr. Chenery to form a Statistical Methods and Analysis Group was geared to our immediate concern of recognition and upgrading of statistical activities only. I did not think it was pertinent for me to say how the quantitative work of the Bank should be organized. We emphasized the importance of "supporting the quantitative work of the Bank, by participating in planning, execution and analysis at all stages rather than pure servicing functions". We also wanted to be responsible for "advice on methods in statistics, econometrics and operations research". You have rightly pointed out that statistics, especially pure statistics, is a fringe activity in the Bank. After the formation of Socio-economic data we are left with statistical tasks and analysis only. However, we hoped that through our supporting role we should gradually merge into the mainstream of the Bank work, since from our past experience even that was too much to ask for.

Now that you have brought up the question of scope in a broader sense I feel free to forward my views. There are generally three aspects of all quantitative work:

1) methods and analysis,
2) data collection and evaluation, and
3) data processing.

The way the Bank is organized now, methods and analysis can be done in General Statistics Section, data collection and evaluation is the responsibility of External Debt Section, General Statistics Section (micro-economic data as necessary) and Socio-economic data Division (macro-economic data). In data processing General Statistics Section handles canned computer programs in statistical analysis and Department of Computing Activities prepares and runs other scientific programs.

Because of this spread of statistical work and overlapping, there are problems of standardization in data and proper use of methodology and computer programming. For example, an economist might pick up total export figures from International Financial Statistics or World Tables, and then if he needs detailed exports by SITC he would come to General Statistics Section. The
total export may not be equal to the figures given in U.N. publications, and therefore we have to evaluate the data prior to analysis, which poses a problem since IFS or World Tables do not always show the source or adjustment of data. The economist is then faced with reconciling macro- and micro-economic analyses. Again, in computer programming, economists quite often approach programmers directly for their work, and on a number of occasions programmers have to contact us for clarification of statistical methods and correction of formulas.

I think the Bank quantitative work can be better organised by assigning the responsibilities in the following manner:

1) Socio-economic data and external debt statistics: collection and analysis of debt data, collection of macro- and micro-economic data, evaluation of data for comparability, statistical tabulation and checking for consistency in Economic and Area Department Reports.

2) Data processing: producing and running all computer programs, coding of data, maintaining data banks.

3) Methods and Analysis: advice on methods in statistics, econometrics and operations research, quantitative analysis, review of quantitative work, participation in technical assistance and statistical review missions, and statistical policy and coordination.

The first group will have specialists in particular fields of data (national income, financial statistics, demography, industry, etc.). Data processing would benefit from specialists in statistics, and Methods and Analysis group will be composed of Statisticians, econometricians, and operations researchers. All non-routine quantitative and programming work should be channeled through "Methods and Analysis" group.

In the Bank we already have formal units with most of the responsibilities mentioned above for the first two groups. General Statistics Section partially fits the bill for the third group of activities. The Section could be easily expanded and upgraded to assume full responsibilities.

But the broader question is do we need a separate group to specialize in these methods and analysis? Already there are staff in various Departments and Divisions who can formulate and analyze their quantitative work quite expertly. However, as we have seen from the functioning of QFA Division also, for the Bank as a whole there is a need for 1) advice in techniques and planning of "experiments", 2) carrying through analysis in unfamiliar or rusty techniques, 3) introducing new and up-to-date methods and their application through demonstrations, and finally 4) acting as a conscientious, objective critic of quantitative studies through review and criticism. The first two items are supporting activities and the third one
puts us in the field of research. I am not being flippant in our fourth item, nor I am belittling the expertise of the other Bank staff. But there is a genuine danger in modern quantitative work, especially with growth of computer usage, that quite often one is overwhelmed by techniques and myriads of equations and cannot see the forest because of the trees.

The broad-based operation involving statistics, econometrics and operations research is the direction we were looking forward to in the past, and which you now recommend, although understandably with the bias to econometrics. We resented being treated as servicing technicians and put aside, since we were willing and, we thought, capable of contributing to some aspects of the quantitative work of the Bank. We shall, therefore, welcome this formal addition of econometrics to statistics and hope that more involvement in the Bank's activity will give us a better sense of purpose in our work.

cc: Messrs. Stevenson
eTiemann
McSheeters

AK:UNDU:SS
Mr. H. G. Hilken                        April 8, 1971

H. Fukuda

Bank and IDA Assignments

Attached is the revised list of assignments in the Economics Department.

H. Fukuda: rlb

Attachments
Proposed Responsibilities for the Statistical Services Division

The economic analysis which serves as a basis for IBRD decisions and operations reflects the pervasive influence of statistics. The strengthening of the role of statistical research in the Bank will provide a better blend of managerial and economic skills with statistical ones.

This improved balance cannot come about by chance. It is necessary, first, to have built into the organization a better capacity for handling statistical applications. This capability now has the support of a sufficiently high organizational level so that it can command attention. It will be necessary that sufficient confidence be built up in the statistics group to make it an effective force in the Bank.

It is significant that Bank personnel are more aware than previously of the advice and assistance statisticians can provide and are better versed in the discipline of statistics. Perhaps the availability of better computer facilities has been a factor in pushing economists and other Bank staff toward an increased use of statistical techniques to improve the analytical interpretation of data.

The substantial progress in the Bank's use of statistics is a good indication that the future potential of statistics in the Bank is very great.

The General Statistics Section of the Statistical Services Division is already providing advice in the use of quantitative techniques, largely on an ad hoc basis. Bank staff who happen to be aware of the statistical expertise currently available in the Division request assistance. Within the limitations of existing manpower, these requests have been handled with a high degree of success. For example, linear programming techniques have been applied in the field of public utilities with such effectiveness that the statistician who performed the work was highly commended. In light of the absence of econometricians in the Trade Policies and Export Projections Division, the Statistical Services Division has provided statisticians to perform trend analysis and other econometric support. These examples reflect the nature of the assistance requested and illustrate the fact that the Division is rarely asked to comment on the validity of quantitative techniques used in reports and papers prepared in other parts of the bank or by outside consultants.

In addition to providing assistance on request, the Statistical Services Division can make a significant contribution to the Bank by pursuing methodological questions related to techniques now being used by Bank staff.
Reference has been made by others in the Bank to the misuse of techniques and to the commission of methodological errors. Many highly qualified economists have a tendency to use a "cook book" approach to statistics. With the use of software packages for the computer, it becomes possible to apply even sophisticated techniques without recognizing their limitations or the assumptions on which they are based. The misuse of techniques may lead to erroneous conclusions and may well invalidate models which have been designed as aids in decision-making. The allocation of statistically skilled manpower to this type of problem can prevent economists from drawing erroneous and perhaps embarrassing conclusions.

Benefit can be obtained from research in problems which are relevant to the Bank's operations and which can best be handled by quantitative methods. A small in-house capability should be allocated to perform such research, uninterrupted by day-to-day operational demands. The personnel assigned such responsibility could be shifted to other assignments on the completion of a research project and others given the opportunity to carry out such research. In addition, a consultant budget should be provided to expand the scope of such research, especially in areas where the in-house expertise is limited or where insufficient manpower is available to perform the research. Interest has been shown by Projects Departments to develop techniques such as gravity models to tourism. Area Departments and the Trade Policies and Export Projections Division have indicated the need for models which could be used to forecast output, price, demand and stocks of primary commodities and to determine the factors which can be expected to influence these forecasts.

Finally, the Bank is in a position to strengthen statistical institutions in developing countries and to provide technical assistance in improving the quality of statistics, especially when such statistics are used by the Bank as a basis for economic analysis. The UN, especially through the UNDP, has made some progress in this connection but possesses limited resources. Discussions with the UN Statistical Office indicate that a properly coordinated effort by the Bank would not only be welcome but could result in a significant improvement in the statistical field. One of the chief limitations of economic analysis for specific developing countries is the lack of adequate data. It would be to the Bank's advantage to provide resources to take more active steps to improve the quality and availability of data.

The nucleus for a staff to assume the responsibilities outlined above now rests in the Statistical Services Division. The size of the current staff is not adequate to carry out all of the duties outlined, but a small increment of high quality statisticians or operations research personnel with strong backgrounds in economics would permit the Division to make real progress in improving the use of quantitative techniques in the Bank. If four or five carefully selected personnel were added to the staff, work could be carried out in all the areas I have discussed. The extent of such work would depend on priorities assigned.
Mr. Harold W. Messenger

Alexander Stevenson

Functions of the Statistical Services Division

Mr. Tiemann has raised with me the question of the role of research in the work of the Statistical Services Division. Heretofore, the Division has had almost entirely a service function. The intention now is, however, to split the External Debt Section off from the Division and have what is now the General Statistics Section concentrate on the more technical statistical advice and assistance required in the Bank and undertake statistical and methodological research relating to techniques used in the Bank for problems coming up in its work. This will require a strengthening of the staff—and perhaps a change of name.

A Stevenson: js
cc: Messrs. Henderson, Tiemann
Mr. Hollis B. Chenery

Enrique Lordau

March 8, 1971

The "List of Projects" of required economic work

As agreed, I have prepared a set of notes on the EPD's responses on individual items. Since this is to be merged with similar notes from the ECD, the numbering of the original list was used.

I would urge that in the final paper it be made very clear that not all of these things can go forward simultaneously and that other work is also under way. The implication of this comment is that some of the promised papers may be available only 6-12 months from now. I would not want there to be any misunderstandings on this point.

(1) Private Investment

We should look to the IFC for a review of their experience on what can be done to stimulate and catalyze the international flow of private direct investment. The EPD (International Finance Division) will review and analyze the statistical information on directions, and volumes of investment flows, of dividend remittances, with a view to arriving at some projections of probable future flows.

(2) Capital Markets

Given Mr. Aldewereld's functional responsibility and interest in this subject, we will leave the initiative to him. The International Finance Division of the EPD will endeavor to give him what staff support he desires.

(4) Country Programs

The Program Review Division of the EPD is working with the Area Departments to establish medium-term (e.g. 5 years) frameworks. The aim here is to work out the expected dimensions of:

(a) national macro-economic aggregates, including financing;

(b) investment programs by sectors and main projects;

(c) detailed external financing programs, including IBRD/IDA.

(8) Development Indicators

Work is under way in the EPD (Comparative Analysis and Projections Division and Program Review Division) to revise the present Basic Data
sheets and Attachment II of the CPPs. The aim is to get a meaningful format usable for most economic reports, CPPs and President's Reports. The Economics Department (Population and Employment Division) has been asked to help provide standardized demographic data.

(12), (25) and (28) Development Decade II and Bank Lending

The work presently under way between EPD and P & B on the Bank's lending program in the '70s, analyzing both prospective requirements of external capital in the LDCs and prospective flows by main sources is to be continued. Our institutional posture towards the UN work on DD II is to remain cooperative but not pushy; once the present projections have matured and been reviewed, EPD will offer a discussion of our results to the UN and UNCTAD at the technical level, hoping to obtain closer agreement with these agencies' projections. But we do not intend to press for a unique agreed upon set of figures or to ask for a leading role in whatever international monitoring process the UN sets up. We will, of course, offer to participate.

(17) Financial Intermediaries for Small Savings

As in many countries such institutions exist, we do not aim to make a special effort to develop them. However, in the course of the research and mission support work of the Domestic Finance Division of the EPD, some light will undoubtedly be thrown on the operations and special problems of such institutions.

(27) Country Economic Reports

Work on reviewing the Bank's economic reporting system has been initiated in the EPD. It aims to examine jointly the scope and content of economic reports, criteria for deciding on their frequency and intensity, the internal review processes and ways to link economic work more closely to the framing and reviewing of lending programs.

(29) IDA Criteria

The EPD is expected to produce a paper on this subject.

cc: Messrs. King
Chaffey
I refer to the first two pages of Mr. Henderson's memorandum of February 26, in which he outlines some possible courses of action to reduce his Department to more manageable size. I sympathize with the aim; my comments are inspired by the fear that some of the listed solutions, rather than solving the problem, shift it to the EPD. I start from the premise that any significant expansion of the EPD in its first year of operation is objectionable; our capacity to do a creditable job on our present quite ambitious assignments has yet to be demonstrated; the best way to make us fail will be to force us to take on even more, before we have developed a reasonable modus vivendi with our present tasks.

On these grounds I would not only reject the notion that the Editor's Unit would be better placed in the EPD - I agree with Mr. Henderson that, if it is to be kept, your research adviser might take them under his care directly - but I would also resist the transfer of General Statistics and/or Industrialization to EPD in the near future.

There is one possible exception to my general rule that for the time being transfers of functions from EGD to EPD don't make sense. Given the EPD's focus on country analysis and country models, transferring the External Debt Section to EPD might be considered. Their work dovetails closely with that of several other EPD divisions, while General Statistics does not.

cc: Messrs. Henderson
    Stevenson
    King

1/ I don't know whether my comments would be the same if I had access to the remaining pages.
In response to your February 17 memorandum, I have not in the past made use of the services supplied by the Statistical Services Division of the Economics Department to perform or check routine calculations such as setting up tables, checking the accuracy and consistency of figures used in reports, etc. I have, however, for the last two Mexico economic reports, had the Quantitative Division of the Economics Department set out the quantitative information and work out an econometric model. Further, I have used the services of the division mentioned in your memo for external debt information and processing. In Fiscal 1971 I plan to use the services of the Economic Program Department for the work done in the past by the Quantitative Division of the Economics Department, and to continue to work with the Statistical Services Division for debt data and processing.

The Statistical Services Division of the Economics Department also provided a staff member to do the quantitative work involved in the last Dominican Republic economic mission.
1. This is in response to your memorandum of February 17, 1971.

2. Our use of the Statistical Services Division of the Economics Department has been sporadic but appreciable.

3. For the future, we would be hard pressed if we could not expect, say, one day of their services per economic report. This could add up to 13-15 man-days over the next fiscal year.

4. This requirement would be less pressing if we could have a statistical assistant of our own in the Department, who could take on this work in addition to relieving country economists of some of their more routine tasks.

Cleared with and cc: Mr. E. Peter Wright

cc: Division Chiefs
With reference to your memorandum of February 17, the EMENA Department has on occasion in the past asked for extra routine services of the Statistical Services Division, but we now foresee no such requests in the future apart from assistance in conversion of the Yugoslav Social Product tables into conventional National Account tables on the occasion of the next economic mission to Yugoslavia (October-November 1971.)

We assume of course that the regular services will be continued for external debt tables for Economic Reports and for comparative data for such tables as Attachment 2 of the OPPs.

Clearance & cc: Mr. Hartwich
               Mr. Maïss

cc: Mr. Horsley

DRichardson/pb
Mr. Hugh B. Ripman

Douglas J. Fontein

Statistical Services

In response to your request for use by this Department of the services of the Statistical Services Division, a check among our staff indicates that during the last two years the Division has provided about 50 man days of work a year on routine calculations. The demand for its services has been somewhat higher, but on a number of occasions, our staff have performed calculations themselves after finding that the Division would not be able to complete the work sufficiently quickly for our purposes. The demand referred to here excludes the rapidly growing work on medium and longer term projections and debt analysis, and the large amount of semi-routine work associated therewith.

cc: Mr. Cheetham

RCheetham:WMGilmartin:igo
February 24, 1971

Rolf H. Glaeser (through Mr. Cheek)

Statistical Services - Division A

Your Memorandum of February 19, 1971 to Mr. de Vries

During the last year Division A made use of the following services of the Statistical Services Division, Economics Department:

1) Ivory Coast: CPP, computation of basic data sheet;
2) Dahomey: CPP, computation of basic data sheet.

We estimate the time involved for these two computations to be in the order of about 20 man-days each, i.e., 1.3 man-month in total.

R.H. Glaeser: cj

cc: Mr. de Vries
Mr. B. A. de Vries

Wilfried P. Thalwitz

Statistical Services: Mr. Cheek's Memorandum dated February 19, 1971

During the calendar year 1970 we made the following use of the Statistical Services Division with respect to the preparation and/or checking of statistics in our economic reports:

- CAR: two volumes: 10 hours.
- Congo (B): two volumes: 12 hours.
- Cameroun: none.

We found this service very useful and will continue to use it as long as such services are not available in the Department.

The Congo (B) text is now checked for consistency (1971).

Ably signed.
Statistical Services Division - Use of Services

With reference to your memorandum of February 22, 1971, our economists inform me that they use the services of the Statistical Services Division for setting up external debt tables for the Economic Reports, for checking Attachment 2 of the CPP's, and for the conversion of the Yugoslav Social Product tables into conventional National Account tables.

These needs will arise at the occasion of the next economic missions (and CPP's) for Cyprus (May-June 1971), Iceland (July-August 1971), Finland (September 1971) and Yugoslavia (Oct.-Nov. 1971).
Mr. David Richardson  

D. H. McCall  

Use of Services Supplied by the Statistical Services Division  

I have checked with Mr. Asfour and neither of us foresee any special need for the above-mentioned services for this division.
Division Chiefs

David Richardson

Use of Services Supplied by the Statistical Services Division

February 22, 1971

With reference to the attached memorandum from Mr. Ripman dated February 17, 1971, Mr. Maiss informs me that the Front Office has asked for such assistance on occasion before Mr. Rangachar joined the Department, but that he does not now foresee a future need unless the Divisions believe otherwise. Could each Division please send me a brief note by c.o.b. Tuesday, February 23, on your expected need for the "use of the services supplied by the Statistical Services Division of the Economics Department to perform or check routine calculations such as setting up tables, checking the accuracy and consistency of figures used in reports, etc." for the rest of FY 1971, and for FY 1972.

Attachment

cc: Mr. Maiss

DRichardson/pb
February 19, 1971

Mr. B. A. de Vries
Bruce M. Cheek

Statistical Services.

I attach a copy of Mr. Ripman's memorandum to me of February 17, 1971 on the above subject. He wishes to know how much our Department has made use of the services supplied by the Statistical Services Division of the Economics Department. I would like you to be responsible for responding to this request by elaborating Paragraph 1. of your memorandum of January 22 to Mr. Chaufournier on this subject.

What is required is an estimate from yourself, the Senior Economists and the Divisions, of the man-months or man-years of work we have required from the Statistical Services Division with respect to the preparation or checking of statistics in our economic reports. I would suggest that this be done for the calendar year 1970, a proposal which would be acceptable to Mr. Ripman. The results should be in Mr. Ripman's hands before the end of February.

cc: Mr. Chaufournier
    Mr. Jansen
    Mr. Schmedtje
    Mr. McGibbon
    Mr. Gue
    Mr. Reitter
    Mr. Mirza
    Mr. Thalwitz
    Mr. Paijmans

BMCheek:hpb
Mr. H. B. Ripman

J. H. Williams

Statistical Services

February 19, 1971

We have checked within this Department and our economists report that the only occasions on which they have made use of Mr. Tiemann's Division were in connection with External Debt data. We have not requested any assistance since July 1 of last year for routine calculations, setting up tables, etc.

JHCollier:dt
In connection with your memorandum of February 17 requesting information regarding "how much" our Department makes use of the services of the Statistical Services Division of the Economics Department, I have carried out a spot-check within the Department. According to one Division (Chile, Paraguay and Uruguay) there is the equivalent of approximately two man/months of such tasks to be performed in the Division. The situation reported by this Division is fairly representative of the entire Department and my best estimate is that we have a total of 10 to 12 man/months of statistical work. However, because of the physical separation of these services and the rather cumbersome procedures for obtaining them, about four-fifths of the statistical tasks have had to be performed by professional staff within the Department; the balance of approximately two man/months was supplied by the Statistical Services Division. The existence of this highly undesirable utilization of skilled professional manpower has led me to request in my 1972 budget the position of a statistical assistant. The survey of the Department that I have just conducted fully confirms my belief that there is the need for one full-time statistical assistant in the Department to perform statistical services which up to now have been supplied only to a very limited extent by the Statistical Services Division.

cc: Mrs. C. Hunter
Mr. J. Adler
OFFICE MEMORANDUM

TO: Mr. Dieter Hartwich
FROM: H. B. Ripman
SUBJECT: Statistical Services

DATE: February 17, 1971

At a recent meeting of the Area Department Heads, I asked to be advised how much the different Area Departments make use of the services supplied by the Statistical Services Division of the Economics Department to perform or check routine calculations such as setting up tables, checking the accuracy and consistency of figures used in reports, etc. I asked for this information in connection with a suggestion by the Economics Department that they would in future cease to provide such services for other departments, and would instead concentrate on services of a higher intellectual order.

I have not yet heard from your department, and should be grateful if you could let me have the requested information within the next few days.
Proposal that the Statistical Services Division of the Economics Department Cease Providing Routine Statistical Assistance to the Area and Projects Departments

This is in response to your memorandum of December 29 to Messrs. Aldewereld and Knapp.

I asked the Project Departments to consider the consequences of discontinuing the provision, by the Statistical Services Division, of routine statistical assistance. The situation is as follows:

a) The assistance obtained has been declining over the last few years because of the use of computer programs for many calculations and because some Departments now have statistical assistants who do some of this work. Some of the newer smaller Departments have made no or only minimal use of the Statistical Services Division.

b) Most of the Departments foresee only slight inconvenience in handling this work themselves, though this would, of course, necessitate the hiring of additional special services staff.

I assume, therefore, that you will discontinue this service and we are preparing our budget requests accordingly.

cc: Mr. Aldewereld
    Mr. Knapp

AVUrquhart: rw
Mr. B. Chadenet

February 2, 1971

D. S. Ballantine

Statistical Services - Ref. your memo of January 19, 1971

The EPD use of the services of the Economics Department's Statistical Services Division has been rather limited (mainly confined to assistance in the analysis and presentation of education projects unit costs data). Our professional staff have been doing routine calculations, etc. related to appraisal work, which I feel should now be assisted by the special services staff. Towards this end, I propose to include in the EPD FY 1972 budget request provision for 3 special services staff (statistical assistants). They would be assigned to our 3 Divisions. I also intend to ask for advance recruitment in case any suitable candidate becomes available before July 1, 1971 (ref. Table I of my memo of January 26, 1971 to Mr. Adler, through Mr. Chadenet).

cc: Mr. Fennell
Mr. Arthur E. Tiemann

February 1, 1971

Robert McPheeters

Staffing the Debt Evaluation Unit

The scope and complexity of the task of the Debt Evaluation Unit have been considerably enlarged since its original conception and establishment last year. Although most of the debt modeling which the Unit has been doing will be taken over by the Economic Program Department, the Unit will continue to provide support for that work. Its primary task, however, will be detailed research into and analysis of a wide range of statistical and analytical debt problems. Included will be debt relief policy and accounting, disbursement techniques and projections, reconciliation of balance of payments, capital flow and external debt statistics, and support for the External Debt Section in the reconstruction of historical time series of debt and terms data and the solution of particularly difficult individual country statistical situations. The Unit is now headed by a competent economist with debt experience. In addition to directing the work of the Unit, he will have a good bit of mission work, to both Bank member countries and in connection with our liaison work with other international organizations. To carry out this program, he will have to have the assistance of a competent, experienced junior professional, preferably with both country and debt experience and with some foreign language capability. It is therefore requested that one of the special services positions currently assigned to the Unit be converted to a professional position so that recruitment may begin as soon as possible.

Robert McPheeters

R/McPheeters: re
Mr. B. Chadenet

L.J.C. Evans

Statistical Services

1. In reply to your memorandum of January 19 we would have no objection to Mr. Chenery's proposal that the Statistical Services Division of the Economics Department should cease providing routine statistical clerical assistance to other departments of the Bank.

2. The best estimate that we can give about the extent to which we have been using the Statistical Services Division for routine work is that this has amounted to about one man-year per year recently. Our demands on the Statistical Services Division have been falling off during the past two years or so: firstly, whereas we used to seek their assistance in calculating project rates of return we normally now get these done through the computer; secondly, for preparing data and checking appraisal reports for accuracy, we now depend either on Research Assistants or Statistical Assistants, of whom we have one in each Division.

LJCEvans:lk
Economic Program Division: Suggested Work Program through June 1971

As there still exists uncertainty about the availability of staff for the division, and about the time needed for each of the possible or expected assignments, it would be imprudent to suggest a program of work which would extend beyond the terminal date of the current fiscal year.

New staff members joining the division from February 1 through June 1971 could provide somewhere between 18 and 22 man-months; the latter estimate assumes a total staff of 8 by the end of the period joining largely on or after April 1.

Work can be conveniently distributed over three major areas:

a) production of documents on Bank policies and procedures;

b) review of economic missions and reports;

c) review of country program papers.

As to the latter, the ending of the current review cycle in mid-March will limit the staff time required for that category and therefore a notional two man-months are allocated for CPP review. Part of this time may be found to be available for the drafting of suggestions for changes of the CPP itself, its review, and relation to economic reports.

The remaining 20 man-months could be distributed equally over (a) and (b). Whether this is appropriate depends largely on time requirements for preparation of policy documents; adjustments may have to be made over the course of time.

It is not easy either to estimate the amount of time needed for coaching of economic missions and report reviews. Involvement will differ on a case-by-case basis and only experience can provide a reasonable estimate. A crude approach can be made by estimating available time in the next fiscal year, 1971/72. When the division, over the course of the year, grows from a staff of eight to an ultimate strength of twelve, a total of 100 man-months would be available. This could be allocated as follows:

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<tr>
<td>Total available</td>
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<td>Leave</td>
<td>15</td>
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<tr>
<td>Net available</td>
<td>85</td>
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<tr>
<td>Review of CPP's (95, at 10 days each)</td>
<td>75</td>
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<tr>
<td>Preparation of policy papers</td>
<td>30</td>
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<tr>
<td>Remains for economic mission reviews</td>
<td>45</td>
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It is clear that this does not permit full involvement in all the 75 economic missions scheduled for FY 1972, unless about 2-3 weeks per mission and report could be considered sufficient. When account is taken of such items as participation in briefings prior to a mission, in drafting terms of reference, in mid-mission reviews in the field, consultations during the drafting of the report and the review of the report itself, an average of 4-5 weeks appears more appropriate. This would imply full involvement of the division in some 35-40 missions, roughly half the total number scheduled. Probably the lower number is more realistic as the remaining economic reports will still require staff time as they are reviewed before circulation to the Economic Committee.

With the 10 man-months available through June, the division should be able to participate therefore in 8-10 economic missions scheduled for the remaining months of the current fiscal year. In total, 23 are scheduled from March 1 through June 1971, of which 7 in March, 16 in the last fiscal quarter.

It may be possible to begin our work with one mission in March—taking account of preparatory work in February—followed by four in April, two in May and two in June, for a total of nine during the period. The selection of countries, which depends still to some extent on further discussions with Area Departments, is suggested as follows:

March: Ghana (alternatives: Argentina, Chile)

April: Congo (K)
Morocco
Mexico
Brazil (alternative: Peru)

May: Nigeria
Afghanistan

June: Equatorial Guinea (first Bank mission)
Thailand

Concentration would be almost entirely on A-countries, even if any alternative countries are chosen. There are only few missions to countries in B- and C-categories; in the months of March through June, 15 out of the total of 23 missions happen to be to A-countries, four to B- and C-countries each, which is to an extent responsible for this concentration of reviews on the larger countries. In FY 1972 only half of all missions are scheduled to A-countries and, together with a larger staff, this will enable a more balanced pattern of reviews. The spread over Area Departments is good, with one country from each except Western Africa where three countries are proposed to be covered.
Mr. J. H. Collier

C. P. Cacho

Use of Statistical Services Division

January 27, 1971

I am replying to your memo of January 19 to say that I have made no use of the Statistical Services Division of the Economics Department.
Mr. Walter J. Armstrong

January 29, 1971

Thomas W. Berrie

Statistical Assistants in Public Utilities Projects Department

At the Staff Meeting on Friday, January 8 1971 Mr. Weiner asked for recommendations concerning the permanent employment of statistical assistants in the department, in view of their being decentralized within the Bank. I would recommend that the department makes a claim for at least one such statistical assistant whose duties would be:

1. To act in place of the help in statistical work we have previously obtained from the Economics Department. I do not think that this has been recorded but the impression I have gathered by "asking around" these last two weeks is that this has been far from negligible;

2. To assist in special investigations like the West Pakistan Load Control Study which we are expecting to pursue in collaboration with the Economics Department;

3. To carry out the statistical work in connection with regression analysis, sensitivity analysis, risk analysis etc. which is becoming of increasing importance to our work. The need for statistical assistants is very much reinforced for this work if we do not obtain a Research Assistant (see my memo to you of January 15, 1971);

4. To assist with the preparatory work for financial analysis, especially if this becomes computerized and statistical techniques are introduced using historical data;

5. To assist with any data bank work which the department is engaged in and the use of statistical techniques to produce meaningful management information;

6. To assist in the use of the data terminals and the in-house computer should we not obtain a Research Assistant.

Together with the other economists I am expecting to build up data banks and create data bases during the next year or two for a number of subjects:

a) Village electrification and water supply development;

b) Quantifying benefits for public utility projects;

c) Examining the effects of pricing policies.
These data banks take a good deal of time and effort to set up and they must be kept reasonably up to date if they are to be in any way useful. Such work will require the services of a statistical assistant.

cc: Mr. Jennings
    Mr. Saeed
    Mr. Berrie
    Mr. Reutlinger (Economics Department)
    Central Files
    Department Files
    Chron. File

IBRD
Mr. Bela Balassa

Richard M. Westebbe

Your Note "Economics of Urbanisation Division"

January 25, 1971

1. The short note cited above was delivered to me by your secretary for comment. I assume it relates to the review exercise you were conducting last fall. My comments would probably have been more useful at an earlier stage when decisions were being taken. This memorandum has benefitted from the comments of my colleagues.

2. In brief, I do not agree with your evaluation or conclusions. I believe your judgments are based on a failure to understand our terms of reference, our approved work program and the impact we have had on Bank policies. Finally, I believe you are not fully aware of what is meant by urban-regional analysis. This is, perhaps, understandable in view of the immensity of the task you were given and the limited time you were able to devote to the work of this Division. In the reorganization effective November 1, 1968 our functions were described as follows:

"The basic function of this Division is to prepare recommendations, to do operational research, and to provide advice to the Bank on the problems of urbanisation in the developing countries so as to provide a better basis for judgments in appropriate policies and investment priorities in Bank lending and other activities."

The function is to be performed, in part, by studies of the urbanisation process, its relation to general economic and social development, and covering different approaches and policies including satellite towns, transportation, town planning, financing, slums, etc.

3. The personnel assigned to do this work included at first me as Division Chief. In January 1969 a research assistant was added and in June 1969 two professionals were assigned. By December 1969 the research assistant was promoted to assistant economist and by the spring of 1970 one of the full professionals had begun the process of transferring to Projects which was completed in June. In August 1970 a one-year visiting scholar to the Department was assigned to work in this Division. We have thus not had continuity in the staff nor have we been able to recruit replacements or even the new staff promised since last spring and again late this fall.

4. In reviewing the work of the Division you have left out our country study program which constitutes a key part of our operational research and our research program on key issues involving both review and research studies. In my memorandum to David Henderson of January 6, 1971 I again summarized our work program and cited some 10 preceding memoranda, many of which you have seen.
5. The "white paper" was produced in draft form last April for the President of the Bank. The President discussed it with me, gave it his full approval and endorsed the work program I proposed to him which consisted primarily of our studies of selected countries and the outside research program.

6. The Economic Adviser to the President asked me to write the Annual Report special section on urbanization which followed from the "white paper" and which was subsequently approved by the Bank's management, senior staff and Board. In short, this analytical work was done under instructions from those responsible for the economic staff and was adopted by the Bank's management as a basis for the Bank policy position on urbanization. It seems to me inappropriate to judge work done under these circumstances by other criteria.

7. Mr. Bhatia's paper has been the subject of extensive review including a seminar of experts in the field and long written comments by me and others. Your criticisms appear to reflect your reading of the first draft, and have been taken account of in his revised draft. Bhatia's conclusions on Pakistan are consistent with the hypothesis he made, although the data can also support other hypotheses. Competent objective professionals in and outside the Bank encouraged him to proceed with further testing of his concept with better data. His approach is considered to be original and experimental in nature in a field of analysis where little empirical work has been done.

8. Our in-house research also includes a long survey paper by Pam Brigg on the causes of urban migration. This is now available in revised draft. It has been favorably reviewed by one professional outside reader and by some in the Bank. The paper was designed to enlighten us on the important phenomenon of migration to urban areas and to provide the basis for a more theoretical treatment by an expert consultant. In short, it is designed to give us part of the expertise we needed to supervise and absorb research commissioned outside.

9. Our operational research has in the recent past enabled us to do analysis of Brazil, Venezuela and Indonesia in conjunction with economic missions which have had significant impacts on the respective economic reports of what they are a part; Mr. Ming, our collaborator from RFF, did the Venezuela analysis. In the past we cooperated with Area Departments in producing urban-regional analysis for the Policy Memoranda and CPP's on Pakistan and Chile amongst others. We wrote analytical policy oriented papers for Area and Projects Departments on Jamaica and Singapore and Sao Paulo, Iran, Bombay and Calcutta amongst others. Mr. Oliver's paper on Djakarta has also been modified and submitted to the Economics Department front office as a possible working paper.
10. Finally, our outside research program is designed to throw light on the national development strategy issues related to urbanisation, particularly those identified by the President as critical. This program, done in collaboration with RFF, also provides methodological and analytical inputs for the Projects Departments with whom it has been discussed and who are collaborating in its supervision. Again I refer you to the January 6 memorandum to Mr. Henderson and earlier statements.

11. Your recommendations reflect little appreciation of urbanisation or what might more appropriately be termed urban-regional analysis. Some fifteen years ago it would have been conventional to treat urban transport, public utilities, resource mobilisation and industrial location as separate subjects to be analyzed within the framework of functional divisions. Most major universities have since recognised urban and regional economics as a distinct field of economic specialisation. The formation of specialised research institutions and staffs in this field has grown enormously in the last few years. A body of literature has been published and a good deal of work is under way on the development of analytical techniques. The Bank's decision to organise an analytical unit in the field was welcomed as a logical step in improving the quality and scope of our development policies and programs in the less developed world. Further, the present organization gave us the basis for establishing a valuable network of outside contacts and interchanges, to formulate and supervise an important operational research effort, and to begin the process of interacting with the operational departments of the Bank so that we can improve the relevance of research while giving them the benefit of our work.

12. In short, our work is concentrated on subnational development which concerns the most efficient use of space for the advancement of efficiency and distributional objectives and encompasses both urban and regional policies. In the urban economy we can appropriately analyse interdependencies, land use and location, public and private scale factors and the whole range of factors subsumed under the term agglomeration economies. In an urban context we can and have studied transportation, industrial location, employment, squatters, fiscal problems and utility rate structures as separate subjects. This misses the point that metropolitan and in some cases regional governments do influence the rate and patterns of growth as well as the quality of life, through resource allocation, land use policies and planning. We not only deal with the most efficient ways of anticipating urban growth in particular centers but we are concerned with national strategies and plans for promoting the most desirable patterns of urban settlements within a nation. Cities are productive systems, the efficiency of which determines national growth. The present allocation of resources in most countries and policies relating to city size, migration and regional income disparities often fail to take account of the opportunities

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1/ The analytical framework of the city enables us to focus most sharply on the issues of social versus private returns. We are also made aware of cultural factors and the interface between the modern and traditional societies in this context. Bob Oliver is drafting a paper which examines the conceptual framework for urban analysis.
and constraints to development created by the almost universal phenomena of rapid urbanisation. I do not see how we can fail to be concerned with the questionable use of an important part of development resources involved in the proposed land development policies of India's Central Government, or of the new agro-industrial cities proposed by Brazil's National Housing Bank. Failure to properly comprehend and analyze Colombia's urban structure, in my opinion, seriously weakened Dudley Seers' attempt to promote solutions for Colombia's unemployment problems.

13. The fact that in the future larger shares of development lending will have to be devoted to cities means that research is needed to avoid the errors of the past and to guide the investment allocations of the future.

14. We have never advocated the compartmentalization of research you suggest. Rather we have encouraged the development of expertise in the functional divisions matched by sufficient staff in the Urbanisation Division to coordinate with them and with the appropriate Departments of the Projects Group so as to permit a comprehensive approach to urbanization to be taken. Indeed, this comprehensive approach has already been accepted by the Bank's policymakers. I, therefore, see no case for abandoning the organization which enables us to function in these terms. One or two staff members appended to other divisions would be a token effort and could have little or no impact in this respect.
OFFICE MEMORANDUM

TO: G. Ablasser, G. Donaldson, P. Duane, T. Husain, DATE: January 25, 1971
H. Kim and S. Reutlinger

FROM: Alvin C. Egbert

SUBJECT: "Research review meetings".

1. The response to my memo inquiring about the desirability of having "research review meetings" has been unanimously favorable, conditionally, e.g. not too frequently, informal, etc. Hence we will schedule our first meeting sometime in early March, after Donaldson and Husain return from Pakistan. However, if someone feels a burning need for a meeting before then, please let me know.

2. On a trial basis, I have thought we could schedule these meetings as "bag lunch" affairs on Thursday, much as the Tuesday meetings. If this does not suit your fancy let me know and we will change it.

ACEgbert:rlb
Mr. P. David Henderson

January 20, 1971

Alexander Stevenson

Follow-up Action on Work Programs

You asked for ideas about the follow-up action on the Papers submitted by each Division. One of the main problems in this sort of exercise is how to get a coherent and reasonably comprehensive reaction from other interested parties and how then to translate that into an agreed program of work. As a possible way of contributing to this I would suggest that, after checking to see if Mr. Chenery has any major comments, the Papers be circulated informally to the interested Departments, more or less in their present form (although it may be necessary to make some amendments or deletions concerning internal problems peculiar to individual Divisions) and making quite clear that you want to get reactions at an early stage. Having had their reactions, Divisions could then refine their work programs and these could be sent to the Economic Committee, perhaps with a covering note setting out the main issues arising.

It is particularly necessary to get a clearer understanding of and agreement on the kind of research we should be undertaking, and this at the highest level, as Mr. Reutlinger has said. Hopefully, the Sector Program Papers, which are subject to Presidential review, will provide an opportunity for obtaining guidance on research in particular areas.

cc: Messrs. Hawkins, Macone, Nowicki, Reutlinger, Tiemann

AStevenson:js
Mr. Roger Chaufournier  
Barend A. de Vries  

January 22, 1971

Requirements for Statistical Services

The following note may be of help in the review of our requirements for statistical services, which is being made in response to a request by Messrs. Chenery and Ripman.

1. At present, we make use of the Statistical Services Division of the Economics Department in (i) the compilation of debt statistics, and (ii) routine checking of the text and tables in the economic reports. The second of these two services has been started at my suggestion, normally at the stage at which the draft report reaches me; it is a practice which has been followed in other Area departments, as well as in the Projects Departments.

2. We are also using research and statistical assistants in connection with economic missions, e.g., the 1970 and 1971 missions to Ghana and the mission now planned to Gabon. These assistants have been coming from the Economics Department, although not necessarily from the Statistical Services Division.

3. We also use the Comparative Data Division in the Economics Department. One example is the preparation of the so-called summary table in the CPP, which has recently been considerably simplified. In addition, this division has assigned Mr. Leoni for statistical work on West Africa; he is joining our Senegal mission.

4. Several economists in the Department have indicated that there is a strong need for additional statistical assistance in the preparation of economic reports. Middle-level and senior economists have spent an inordinate proportion of their time in the compilation of statistics, time which would have been more usefully employed in focusing on development strategy and coordination with sector economics. Our work would become more professional and more efficient if more statistical and research assistants were to be provided.

5. I feel we should react favorably to well-reasoned requests for statistical assistants in the Department. Since the divisions have little experience in this field, it might be best to go gradually and provide statistical assistants as needed. There is a strong case for a statistical assistant to work closely with
and under close supervision of the country economists, also participating in the field work. Once trained, statistical assistants and assistant economists might usefully go ahead of the regular mission and spend a considerable part of their time in the field, gathering data for up-dating economic reports.

6. We should aim at having, eventually, a statistical or research assistant or an assistant economist in each of the divisions. It might be reasonable to achieve this goal over a two-year period, during which we could evaluate our experience (I should add that the experience in the Economics Department has been quite favorable and there is no reason why it should not be equally as favorable in the Area Departments).

cc. Mr. Cheek
Division Chiefs
Proposal that the Statistical Services Division of the Economics Department Cease Providing Routine Statistical Assistance to the Area and Projects Departments

1. Mr. Chenery has proposed that the Statistical Services Division of the Economics Department, which for some time has provided routine statistical clerical assistance to various departments of the Bank, cease doing so by June 1971 in order to concentrate on providing technical statistical advice and analysis of a more substantive nature. This would mean that statistical clerical jobs such as aggregating raw data into tables for economic reports, checking project appraisal reports for accuracy, and reconciling table and text data previously done by the Statistical Services Division would have to be done by the various Area and Projects Departments.

2. Will you please consider what consequences, if any, such a decision would have for your Department? In particular, it would be useful to know whether and to what extent your Department now uses the services of the Statistical Services Division and how you would propose to carry out routine statistical work now done by them should the service be discontinued.

3. I would like to have your response by Monday, February 1.
Mrs. Suzanne Henneman

Alvin C. Egbert

"Guidelines for preparation of Mathematical Equations and Labeling Figures".

1. I think this is a very worthwhile manual. One minor point: you need to offer a rule for multiple subscripts and superscripts and for preventing ambiguity that results from powers and superscripts e.g. $a^0$, power or superscript?

ACEgbertirlb

A.E. L
Assessment of my work in the Trade Policies and Export Projections Division.

1. You have asked me to summarize, in short form, my ideas about my past work in this division. I conclude in this note that we should increase our cooperation with the Bank's operational departments for two reasons: to improve the quality of our price forecasts and to focus our commodity work on problems relevant to operational Bank work.

2. I share the views expressed recently at an Economics Staff meeting that one of the attractions of working in the Bank is the possibility to obtain data which are not available elsewhere and to use them for research purposes. In commodity analysis I have applied price theory (or its practicable part, the theory of industrial organization) to analyzing and predicting the price performance on commodity markets. Similar analysis of high professional quality on commodities is also undertaken in other institutions, e.g., universities or international organizations.

3. In many cases, however, despite the excellent work done outside the Bank, lack of data is responsible for unsatisfactory results in price forecasting. The shortage of data applies to three major components of price analysis: demand, supply, and market structure.

4. On demand the comparative advantage of the Bank to provide new data in those commodities where consumption is concentrated in developed countries (DC's) is marginal. Thus, professional demand analysis which is done outside the Bank cannot be significantly improved within our division. Marginally, acceptance of the Bank as a more business-oriented international organization facilitated contacts with major manufacturing companies. I have, in the past, obtained on this basis confidential data not available to other international organizations which either refined or reinforced the usual professional analysis undertaken elsewhere (and by us).  

5. In supply analysis, the situation is the opposite, particularly where commodities are produced (and exported) in developing countries. A wealth of data not generally available to other institutions can be obtained and qualitative impressions can be formulated if those countries can be visited regularly. The introduction of these data to our price analysis significantly broadens and deepens our supply analysis forecasting ability as compared to the one which can be performed by people outside the Bank. A

1/ See my meetings with the Rubber Manufacturers Association of U.S. and major rubber manufacturers where we exchanged forecasts.
personal visit to producing countries also allows for a critical assessment of data produced by countries' governments, while many other international organizations must rely on data provided to them by governments (because they are bound by their charter, FAO is a case in point).

6. The data collection is immensely facilitated by the collection of material which countries provide regularly to economic missions of the Bank. It has been my (frequently tested) experience that such data get lost in the Bank when a mission disseminates. Consequently, participation of commodity economists in Bank economic missions for a period of at least two weeks in order to gather and retain for use in our division, data on production and export marketing is essential for improving the global supply projections which our division has to prepare. Secondly, participation in an economic mission monitors and provides focus to the commodity economist on the need for in-depth analysis in a particular country on certain commodity aspects. For instance, countries present their export outlook (in terms of volume and price) to the mission and a country economist is not equipped to respond if the country's projection does not correspond with ours. (A recent example has been my visits to Malaysia and Indonesia requested by the Area Department to identify and reconcile the reasons for divergent views on rubber and tin.) At some occasions there was also a need for intra-country, comparative analysis of policy issues (i.e., rubber replanting policies) in order to assist country economists in their recommendations to governments on changes in production or export-marketing policy. A country economist is in no position to undertake such comparative work. On the other hand, such comparative analysis is also most useful for our price projections.

7. I do not feel, however, that our specialized knowledge of individual commodities should be thinly spread out in mission work if time is a constraint in our division. I am against requesting a commodity expert to undertake a time consuming mission assignment with the purpose of doing the country's total export earnings projection. In many cases, a commodity specialist has only little comparative advantage as compared to a country economist in assessing the outlook and policy requirements of commodities with which he is not familiar. Secondly, in my own case, I normally did not have the intimate knowledge of the country's macro-economic framework and the position of export earnings within the country's development process. This, in many cases, requires the country economist to remain responsible for undertaking the overall projections and for recommending overall export policies.

8. I recommend that commodity meetings should be frequently attended. Aside from the normal advantage of keeping in touch with international commodity bodies (which I would not like to discuss in the paper) there is an immense advantage in meeting personally officials
or private businessmen from major producing countries. With such contacts, a commodity expert cuts red tape in his field work by immediately establishing contacts with key officials, a procedure not open to country economists. This has significantly increased the effectiveness of my short time on field assignments.

9. It has been my experience that it is possible to meet the demands of an economic mission while in the field. In all four occasions I could, on the spot, provide language (and all necessary tables) on the production and export problems of the commodity for the purpose of incorporation into the economic report. Thus, no further time had to be spent on follow-up work in the Bank. This has allowed me to concentrate immediately, upon my return, on incorporating my findings into our price analysis and has also enabled me to take on, upon my return, any other commodity work which had accumulated.

10. I have had only one side experience in direct project work, i.e., I provided marketing annexes to appraisal reports, but I did not participate in a project appraisal mission. I feel that the commodity expert should receive all reports on going projects. The comparative analysis of project appraisal reports has also provided further improved data in our supply analysis.

11. Field assignments also provide insight into the market structure, i.e., into institutional arrangements for controlling the production or the flow of supplies, (e.g., semi-confidential marketing arrangements among exporters, export pricing, preferential arrangements etc. on the supply side. The Bank also has a comparative advantage in collecting such information on the demand side, as explained in para. 4 above. Analysis of market structure is grossly neglected in the usual demand/supply analysis of other international organization and many universities. Price forecasts in many cases overlook the influence of these factors. This is of small importance for those organizations, as long as the model is made fitting by the use of obscure dummy variables, but crucial to price forecast for operational purposes.

12. Restrictive arrangements may also be formidable obstacles to new entry. Since the Bank, in its diversification drive, generally encourages newcomers, this kind of information should be made available to the area and projects people. We are seriously lacking in this kind of analysis.

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1/ Mr. Timms, who headed missions in which I participated, agrees with me on this point and wanted me to discuss it.
Work program for the Statistical Services Division

The work program of the Statistical Services Division may be broadly categorized under the following headings:

a) External debt reporting system
b) World Bank financial models
c) Statistical methods and analysis
d) External debt evaluation
e) General statistical services

I. External debt reporting system and evaluation

A continuing work program consists of the operation and maintenance of an external debt reporting system and the production of individual and combined basic debt tables for 99 different countries. During the latter half of this fiscal year, a new revised data processing system for external debt will be inaugurated to replace the existing system. The work program associated with the inauguration of the new system requires that a volume of instructions to the staff be prepared to guide them in coding and processing; that classes be instituted to train the staff in the new procedures and that a new unit within the External Debt Section be established to perform initial processing and preliminary coding of forms which do not have individual country problems. Part of the workload under the new system will include setting specifications for new tables based on discussions with economists and arranging for distribution.

In addition to inaugurating a new processing system, the External Debt Section will be handling data on grants and private debts which had not heretofore been reported. It is expected that new problems will arise in this connection and new approaches will have to be developed to make these data fit into the existing system.

The projected work program will include the production of "World Debt Tables", a compilation of debt data by country, region and various debt characteristics. This project had not been part of last year's work program because it had been postponed until it could be prepared under the new computerized system. The publication will provide data as of December 31, 1969 and is expected to be updated in the fall of 1971 with end-1970 data. Subsequently it will be produced annually.

The annual project of preparing data for the Bank's Annual Report will be undertaken in the spring. Many of the tables produced for this purpose will be a fall-out from the "World Debt Tables" but additional tables are expected to be required.
As a service organization for the Bank, the External Debt Section is expected to produce data on an ad hoc basis to meet the needs of the work programs for other parts of the Bank. The current work program includes the following projects which are not yet completed and which will form part of the projected workload of the Section:

a) Debt Management Study  
b) External Indebtedness of Latin American Countries (CIAP Study)  
c) Non-standard external debt data for policy and supporting studies.

A problem which will arise in carrying out that part of the work program which has to do with the revision of the external debt system is the possibility of inadequate programming support resulting from the transfer of the Programming Section to the Computing Activities Department. A smoothly operating team of programmers and systems analysts has built up an expertise which would be difficult to replace. The programming support will be able to be reduced when the new system has been installed and made to operate effectively. However at that time the same skills will be required to develop the Expanded Reporting System computerization and incorporate it into the revised debt system. The ERS computerization will be delayed still further unless additional programming support is assigned in the immediate future to begin this effort.

A problem which has already arisen in carrying out the ongoing operation of the debt reporting system stems from the increased demand for the use of debt analysts to go on economic missions, help obtain debt data from countries with special reporting problems such as debt rescheduling and develop internal reporting systems so that developing countries can collect the basic debt data they are required to report. As a result of this increased demand, debt analysts are not able to devote sufficient time on a continuing basis to perform debt analysis such as reconciliation of debt data with balance of payments and other economic data, debt relief analysis, disbursement projections, reconstruction of debt and terms time series and in depth investigation of special debt problems. This type of analysis can best be performed in the Debt Evaluation Unit as soon as it is properly staffers. Two professionals and one special services personnel can handle this function adequately for the immediate future until more exploratory work is carried out to determine what the complete role of this Unit should be. Meanwhile the new staff must be trained and closely supervised until it becomes operational.

The work program of the group responsible for the Expanded Reporting System will consist of processing the reports of creditor countries, cross-checking the resulting data with debtor data, going on missions to creditor countries to investigate their reporting procedures and making the necessary adjustments to reconcile the two systems as much as possible, as well as to reconcile the creditor data with IMF balance of payments. Included in this work program is the provision of technical assistance to participating...
creditor countries, frequently in cooperation with OECD.

An additional work program of this Expanded Reporting System group is the continuation of the compilation of foreign and international bond issues. This work program will continue to produce tables for the Bank and for the Ad Hoc Group of Financial Statisticians of OECD. Although the priority for computerization of this system is lower than for other external debt systems, economies of time and manpower would result from such computerization.

A general problem which has inhibited the effective operation of the external debt functions is the difficulty of shifting from an older organizational structure to one which more truly reflects the relative difficulty and complexity of the operations. The new structure provides for personnel with equivalent duties to be classified at the same level and for a self-contained career development system such that vacancies which arise can be filled by promotion of qualified personnel. The official recognition of the new organizational structure will provide a stability to the operation and prevent distractions which make the improvement of operations difficult.

II. Statistical methods and analysis

The work program in the general statistical area consists primarily in providing assistance, as requested by other divisions and departments, in statistical methodology and, in the past, in providing computational assistance. This latter aspect of the work program is phasing out with the implementation of the proposal contained in Mr. Chenery's memorandum of December 29, 1970, under which all departments begin to rely on their own staff to perform statistical clerical jobs for their own operations.

As the focal point for statistical methods and analytical work, the Division, in general, and the General Statistics Division, in particular, will continue to perform statistical analysis and to provide statistical advice to other divisions and departments. Part of the work program is providing statistical support for the World Bank financial models, which are described elsewhere in this memorandum. Included in the work program is the further development of a research project to test comprehensive measurements of the development process by scalogram analysis. A preliminary paper by a consultant is being rewritten and suggestions by various economists are being incorporated in the revised paper.

The support functions in the Section's work program will require an upgrading of staff in order to meet the demands resulting from the increased emphasis on econometric methods in the Bank. A related problem is the limitation of the current staff to initiate studies and publish papers in areas such as asymmetry of balance of payments statistics, reliability of population statistics, comparisons of inputs in key sectors of developing economies and decision models of economic strategies. Interest in such studies has been shown in the Bank, but staff at the necessary levels has not been available.
III. World Bank financial models

The work program for the World Bank financial model covers the operation and revision of models projecting the Bank’s operations. The specific sub-models which combine to make up the basic model are the Disbursement Model, the Portfolio Model and the Funded Debt Model. The operation of the models requires frequent changes in concept and output for which programming and clerical support must be provided. A major revision of the models is being carried out through the development of a single system by a team including Mr. Goor, the author of the present model, systems analysts, programmers, and representatives from user organizations. Until the new system becomes operational, the existing system remains the major portion of the work program in terms of demands for staff and computer time.

The Disbursement Model has been the basis for disbursement profiles by sector and sub-sector, and the work program includes preparation of such profiles for Projects Departments. This part of the work program is about one-third completed. The Disbursement Model is sensitive to changes in Bank disbursement policies, and the work program includes refinement of this model to make it more responsive to such changes, either actual or proposed.

Much of the past effort on these models has been spent in developing, refining and operating; and the work program for the future requires the preparation of descriptive material, including an article to explain the operation of the models and the underlying theory. A planned project in this area is the preparation of a quarterly report on "Disbursement Estimates" taking into consideration the latest available data and their effect on projected disbursements.

The major problem in carrying out this work program has been a continuing lack of statistical, clerical and programming support. This lack of support has required that the supervision of the program be concerned with detail to the exclusion of time available for research and preparation of documentation. Although the new system will alleviate this problem, no provision has been made for interim support pending the time when the new system becomes operational.

IV. General statistical services

The work program of the division includes the assignment of the deputy chief to organize and conduct a user survey for the economic data bank, but subsequent demands for efforts by the division are not known at this time. An additional part of the division’s work program is the preparation of the statistical annex of the Annual Report. Although the actual preparation of the tables will be primarily the responsibility of the External Debt Section, the deputy chief of the division is charged
with determining what data should be published and the design of the tables.

The work program includes participation in international statistical bodies such as the DAC Group on Statistical Problems, the UN Statistical Commission, UN Regional Statistical Conferences, the UN ACC Subcommittee on Statistics and others. The Division also will continue to provide regional technical assistance, primarily in external debt statistics, through such organizations as the Asian Statistical Institute and the proposed external debt seminars to be held jointly with the Asian Development Bank. Within the Bank, the Division will continue to operate a training course in basic statistics for economists and research assistants who require such background for their work.

cc: Messrs. Henderson
    Stevenson
    Lerdau
    McPheeters
    Mrs. Paulson
    Mr. Kundu
    Goor
1. Of the 34 tables in the Operational Data Book, 12 of them were transferred to the Statistical Services Division of the Economics Department for completion during 1970. The responsibility for that task was assigned to Mrs. Lota Fairall of the Statistical Services Division.

2. Of the 12, 3 have been satisfactorily completed and distributed. They are:

   Item 9: Average Total Assets, Administrative Expenses and their Relationship from Commencement through 1969.


3. The remaining 10 tables which have yet to be completed are:


   Item 15: Reserves, Provisions and Equity as Percentages of total Portfolio as of December 31, 1969.

   Item 18 (b): Status of IFC's Shareholdings in Development Finance Companies.

   Item 18 (d): Dividends Received by IFC from Development Finance Companies during 1962/63 - 1969/70.

   Item 18 (e): Return on Investments in Development Finance Companies Held by IFC.
Item 18 (f): Annual and Cumulative Yield on IFC's Equity Investments in Development Finance Companies.

Item 22: Date of Agreement, Effective Data, and Dates of Last Commitment and Disbursement of IBRD/IDA Loans to Development Finance Companies.

Item 23: Number of Loans and Investments Under Supervision by Development Finance Companies Department.

3. I have made myself available to Mrs. Fairall to answer whatever questions she may have during the course of her work. A copy of a memorandum she wrote to Mr. Arthur Tiemann, in which she expresses her views on her assignment, is attached for your perusal.

Attachment

VSanLin:er
Mr. Arthur E. Tiemann

Robert McPheeters

Work Program for the Coming Year

My work Program for the coming year will probably include at least some time devoted to the areas of activity on the following annotated list. It is difficult to predict how this work will be spread over the year, but some items will clearly be concentrated in the remainder of the current fiscal year (data bank, annual report, P&B debt Studies), while others will be spread more evenly (Debt Evaluation Unit, coordination with other organizations), and some will have to wait until the latter part of the year (policy, missions, debt systems).

1. Debt Evaluation Unit. With the departure of Norman Hicks, the Unit will have to be restaffed and its objectives redefined. I anticipate an extended period of fairly close supervision on my part before the Unit is operating under its own steam. Although personnel of the Unit will apparently be required to continue support for some time for the debt modelling of P&B and E.P.D., I expect the main efforts of the Unit to be concentrated on BoP reconciliation, debt relief analysis, disbursement projections, reconstruction of debt and terms time series and in depth investigation of particular debt situations.

2. P. and B. Debt Studies. I am fairly heavily involved in this now, but I expect it to taper off later in the spring. Current work consists chiefly of advising P&B on projection and debt relief techniques, assisting in the design and quantification of illustrative models, and review of output, both statistical and narrative.

3. Annual Report. I will have primary responsibility for the statistical annexes of Part II of the Report. Initial planning will be largely complete by the end of January, after which there will be less pressure until late spring when preparation and editing of tables will begin in earnest.

4. Economic Data Bank. I will organize and conduct the user survey; this should require about two months. After that, it is not clear how much responsibility this Division will have for the system; if a continuing responsibility develops, it could prove quite time-consuming for the next year or so.

5. Debt Missions. I hope to be able to make at least one or two missions, preferably during the latter half of the year. Of principal concern is India, where we have a long-standing problem with data on export credits. If I should make the India mission, which is already on our list for the coming year (but with no definite date), I would also expect to cover one or two other countries in that part of the world, perhaps including Afghanistan. Altogether, such a mission could take a month or more, not including preparation and follow-up.
6. Work on Reporting Systems. Once the basic debtor reporting system is up and running, a great deal of supporting systems work will be required in order to link it with other systems and to develop its full analytical potential. This will include, among other things debtor-creditor, BoP-debt, and Bank-OECD crosschecking, mechanization of and linkage to the bond and equity system, development of the analytical capabilities of the system, and development linkages to the Bank's financial models. I expect to be involved in this work chiefly in the specification stages.

7. Relations with other Organizations. I expect to continue participation in the DAC Group on Statistical Problems and to spend at least as much time with IMF staff on balance of payments problems as during the past year. I would hope to get somewhat more involved with other aspects of the DAC Work, particularly the Financial Aspects Working Party if their debt work expands, and to work on expanding the Bank's cooperative arrangements with other organizations, particularly the EEC Commission and the EIB.

8. Debt Policy. Mr. Chenery has indicated a desire for suggestions and comment on a fairly lengthy list of policy issues facing the Bank. I assume that our mandate includes debt policy, which is on the list. I do not know to what extent we are likely to be involved in these issues, but I think that we have a contribution to make on some of them, including debt relief, terms coordination and early warning systems. I hope to be able to devote some time to these matters later in the year.

9. General Supervision. I expect to continue to assist you in the supervision of the Division, although with departure of the programming staff (where I have been most involved) I assume that this burden will be somewhat less than it has been.
Future Work Program

1. Established and operating under my direction are an interrelated series of financial models covering the essential projected operations of the Bank. These models are the Disbursement Model (including its basic data system), the Portfolio Model (with its basic data system), the Funded Debt Model (and supporting data) and finally, the Bank Financial Model (which utilizes data from the other models). The relationships of the models are illustrated in the attached chart. Each model is implemented by the computer.

2. As these models are essential for top-level executive financial decisions in the Bank they have to be updated periodically and on request. This in itself requires a considerable expenditure of time and manpower. In addition, there are frequent changes in concept and requirements necessitating new computer program work (some simple and some complex) and additional clerical work including preparation for computer runs.

3. Plans are being formulated for a "System" incorporating these models and their basic data plus any additional related functions for applications for other Departments. Until this System becomes fully operational the present set of models must be maintained in operation. I must revise the existing models to meet essential needs pending the switch to the new basis. This will require some complex computer programming. The details are given in the reference memoranda. In addition, I will have to participate in the building of the System because of my knowledge of, and experience with, the present models.

4. For some time we have been preparing "Disbursement Profiles" by sector and sub-sector based on the past experience of the Bank and IDA, for the Projects Departments to assist them in making disbursement estimates in connection with appraisal reports. We have completed about one-third of this work. The work has been delayed because of the pressure of higher-priority and newer requirements, such as the study of the "disbursement slow-down." Also, as the work has progressed there have been requests from the Projects Departments for new combinations of data which has added to work. We are making every effort to complete this project which utilizes the basic data system of the Disbursement Model and the programs and methodology of the "Exposure Tables."

5. Particular emphasis must be placed on the further development of the Disbursement Model. As one of the most essential of our estimating tools I give it high priority and have started on the next stage of its refinement and expansion. This will take considerable experimentation to sharpen its capabilities and I have a development program designed to accomplish this.
6. I am planning to write a general descriptive article that would explain the operation of the set of Financial Models. In addition all of the research and development work on the Models must be documented. This has been done in draft form for the Disbursement Model but this draft needs to be revised and updated. Finally, provision should be made for documentation of continuing research and development. The above would not only record the work already done and the work planned but would serve as the basis for the development of the overall System. I would also like to put out a quarterly memorandum on "Disbursement Estimates" based on the latest available data.

7. My main problems stem from a continuing lack of the proper help. I have to direct and supervise in detail all of the activities, operational and research. This requires all of my time, and more, leaving practically no time for writing and planning. The latter has to be done "on the run." I have requested additional help to no avail (see my memoranda of Sept. 9, 1970, Sept. 10, 1970 and Oct. 22, 1970). A particular handicap has been the lack of high-level computer programmer assistance. Although the projects I have directed are of the highest importance to the top staff of the Bank I have had assigned to me only one junior programmer, who also worked on problems for a man in the Agriculture Project Department. Now, this programmer is being assigned full-time to the Agriculture man and a "low-level" programmer is being substituted. Recently, a Systems Analyst was assigned full-time to this work but his major assignment is the development of the System and although he helped me on one urgent problem, the production of the Portfolio from June 30, 1970 with some major changes in the programming, he will not take the place of a high-level programmer to handle the urgent immediate programming needed to maintain the present models. As a matter of fact, I will need two such programmers as I have requested in my earlier memoranda.

Attachments for reference:

1. Memorandum of Sept. 9, 1970 to Mr. Alexander Stevenson (through Mr. Tiemann) on the Subject: My Work Program (includes Flow Chart on the Data and Models).

2. Memorandum of Sept. 10, 1970 to Mr. John Adler (through Mr. Stevenson) on the Subject: Personnel Needed to Carry on My Work Program.

Mr. Arthur E. Tissavant

January 8, 1971

Arabinda Kundu

Future Work Program and Organization of the Divisions of the Economics Department

With reference to your memo of January 6, 1971, please note that the current work program of the Statistics Section has been largely covered in your memo of April 3, 1970 to Mr. Stevenson. In addition to that we are now also working extensively in multivariate analysis (Tunisian Education Study - Thias), commodity econometric work (Coffee Study - Shamsheer Singh and Cocoa Study - White), and conducting a training course in Basic Statistics.

The future work program should be rather different from above, and our views have been expressed in my memo of October 27, 1970 to Mr. Chenery. We hope that as a result of Mr. Chenery's memo of December 29, 1970 to Messrs. Knapp and Alderweild the present work of Statistics Section with regards to checking of reports, data compilation and tabulation of mission reports, coding of data, collection of macro-economic data from standard sources etc. would terminate in the near future. We would also like to terminate our support of Dev. Fin. Co. Dept. in the preparation of Operational data from financial statements of development banks, since this amounts to reclassification and tabulation of data but involves thorough knowledge of the operations and accounting procedures with which we are not very familiar. With the termination of these functions, the Statistics Section, in its new form, will be the focal point for statistical methods and analytical work. We shall continue with our analytical servicing functions and advice to other Divisions and Departments. However, what we seek is involvement in the Bank's research and operational work which should be possible through participation in missions and working group approach in quantitative work. We also look forward to be able to spend more time on our dormant research project "Determination of Measures of Economic Development", our inquiry in the "asymmetry of balance-of-payments statistics", and initiate a few new projects such as reliability of population statistics, comparative study of inputs in key sectors of developing economies (study in input-output analysis) and decision models of economic strategies (application of game theory).

In staffing we are facing a serious problem. To function properly and increase our effectiveness we badly need a couple of senior statisticians/econometricians. Because of increasing demand for technical work we requested for 5 additional professionals and were willing to relinquish 2 non-professional positions. And unless we get the additional authorization rather soon we shall be hardly able to perform our duties satisfactorily. We also need and requested for an additional secretary/typist.
In equipment we have requested for a time-sharing computer terminal to handle small jobs which still require the time consuming process of preparation of cards. We would also require a card punching machine since we were sharing one with the Programming Section who would be transferred shortly. For each additional staff position authorized we shall need a desk calculator.

You may have noted that our personnel and equipment requirements are substantially the same as our Budget Proposals for 1970/71 dated April 8, 1970. If our "future" work program, with more emphasis on methods and analysis, is to be effectively implemented some relocation of our present staff might also be necessary. However, I do not wish to elaborate on this point at the moment since this will only arise after the functions of the Statistics Section are determined at the policy level in the organization of the Department.

AK:as
Mr. Robert McPheeters, Mr. Goor, Mrs. Paulson,  
Mr. Kundu  
Arthur E. Tiemann  

January 6, 1971  

Future Work Program and Organization of the  
Divisions in the Economics Department  

Please let me have by noon of Monday January 11, a statement of  
your views on the work program that your staff in the Division will or  
should undertake, the main problems that you now face or which you expect  
to arise, and any recommendations that you may have for changes or improve-  
ments. The substance of your memorandum will be included in the Division  
memorandum sent to Mr. Chenery and Mr. Stevenson. The contents of your  
memorandum should be discussed with those members of your Division whom you  
think should be consulted.
Mr. P.D. Henderson

January 5, 1971

Enrique Lerdau

Human Resources Data

1. We are in the process of determining our needs for various types of data on economic development for use in our work and in the economic reporting system. One of the areas where we feel that the Economics Department can be of great assistance to us is that of data on human resources in the LDCs. The memorandum circulated by Mr. Kamarck late last year on population estimates is of great value in this regard. However, we have immediate need for more of the same type of information, especially:

   a. birth rates
   b. death rates
   c. growth rates of population
   d. percent urban population
   e. growth of urban population
   f. school enrollment rates
   g. adult literacy rates
   h. population/doctor
   i. population/hospital bed
   j. distribution of labor force by economic activity.

It is my understanding that items a-c are available at the U.N. if we request them and that most or all of the other items could be assembled by the U.N., the Population Council, or your Population and Employment Studies Division.

2. Would you undertake to have the U.N. send us, as soon as possible, the items a-c above and could we then discuss with you and the Population and Employment Studies Division, the possibilities of producing the rest of the data? Ideally, we should look forward to an annual production of such information, to be distributed and used throughout the Bank.

cc: Messrs. Chenery
    Hawkins
    Carter

NGCarter: jd  

EC Dept gen
Mr. J. Burke Knapp and Mr. S. A. Aldewereld

Hollis B. Chenery

December 29, 1970

Statistical Clerical Work on Economic and Project Reports

1. In the past, the Statistical Services Division of the Economics Department has provided the following two types of assistance to the Bank:
   1) Help of a routine statistical clerical nature
   2) Technical statistical advice and analysis, usually connected with projects.

   The latter type of assistance has been increasing steadily in recent years, and the composition of the staff has changed to meet this new demand. The question now arises whether it would not be more efficient for routine statistical clerical jobs to be carried out in the various departments requiring such service and for the Economics Department to concentrate on providing statistical assistance of a more technical nature.

2. The statistical clerical jobs include such operations as aggregation of raw data into tables for inclusion by Area Department economists in country economic reports or checking for arithmetic accuracy of Projects Department reports and reconciliation of table and text data. The skills required for these jobs consist primarily of arithmetic ability and a substantive knowledge of data to be used in the reports. Very little technical statistical knowledge is required to perform these jobs satisfactorily. More important to the requesting department is the ready availability of personnel to perform these jobs. Consequently I believe it would be more efficient to decentralize the statistical clerical jobs among the user departments and retain in the Economics Department those jobs requiring the relatively scarce professional statistical skills, such as providing advice and analysis of a technical nature. Most user departments appear to be large enough to accommodate statistical clerical jobs within their own organizations and some have already begun to do so.

3. The Economics Department proposes that all departments begin to rely on their own staff to perform statistical clerical jobs for their own operations and by June 1971, the General Statistics Section no longer perform such jobs. I suggest we ask the Administration Department to look into this matter and see what consequences this proposal has and what, if anything, should be done about it.

cc: Messrs. Kamarck
    Henderson
    Stevenson
    Lerdau
    Tiemann
    Kundu
    Adler
    Ripman

AETiemann/AStevenson