

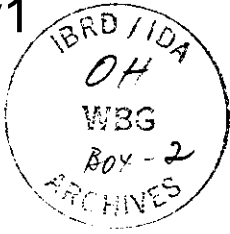
DIVISION OF THE HUMANITIES AND SOCIAL SCIENCES
CALIFORNIA INSTITUTE OF TECHNOLOGY
PASADENA, CALIFORNIA 91125

A CONVERSATION WITH HAROLD GRAVES, I
 WASHINGTON, D.C.
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CONVERSATIONS ABOUT GEORGE WOODS
 AND THE WORLD BANK

A Conversation with Harold Graves, I

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Robert W. Oliver

OLIVER: Harold, let us begin by my asking you to say a bit about yourself: How you came to the Bank in the first place; How you established the work in the Information Department; and Whatever you care to say about the history of that operation.

GRAVES: I came to the Bank in 1950. The immediate occasion for my arrival was the fact that I had gone to a Princeton Alumni Dinner with Richard Demuth who then, as later, was in the inner circle of the management of the Bank. I had at that time written a couple of pieces for The Reporter Magazine. I was a Washington correspondent for a Rhode Island newspaper, but I had written a couple of pieces for The Reporter Magazine which Dick had read and liked.

I had known Dick since 1940, but at any rate at this dinner in 1950, which Dick and I attended together, he said, "Would you be interested in coming to the Bank and writing speeches for the President and working on the Annual Report?" These were two things which Dick himself had been doing very largely single-handedly -- certainly on the speech side. I said, "Yes, that it would interest me." He said, "Well, come down to the Bank and let us talk about it." So I talked especially with Robert Garner, but I also met Black, and I met some of the department heads of the Bank. They decided that this was a good

idea, and I was glad to go to work for the Bank. The man whom I had my final conversation with and who signed my letter of appointment was Michael LeJeune who at that time was the Personnel Director of the Bank.

I came into the Bank on the 12th of July, if I remember it correctly, and began a period of study and meditation and reading all the things I could about the bank. I wrote a speech which was not received with cries of joy by the senior staff of the Bank but which Gene Black liked. He didn't give it because it was thoroughly revised, but, at any rate, he liked the draft and so that was fine.

In September, the Bank had its Annual Meeting in London. (Just as a footnote, this was a meeting which Bob Garner declined to attend, because he felt the British at that time had a Communist Government, and he wasn't going to have any part of that.) The people who went to this meeting went in various ways; but, at this time, air travel across the Atlantic was still fairly rare, and a lot of people went by ship.

Among the people who went by ship was my predecessor, a man named Ayres, Bill Ayres. And on his way to this meeting, Bill Ayres had a heart attack and was taken off the ship. He was rushed to a hospital of some kind on the south coast of England and stayed there for a time until he was ready to be moved, and he came back to the United States only to die, I think in October of 1950. Ayres had been brought into the Bank out of the financial reporting community. He understood the financial market, had worked for financial publications, and had brought something to the Bank which Black felt it needed. It needed

contact with the financial community. It needed a publications effort which would be directed very strongly at the financial community and at the sale of the Bank's bonds.

At any rate, after a period of mourning, shall we say, I was appointed to succeed Bill Ayres late in November in 1950. And my -- not my formal instruction so much as the obvious state of affairs made it clear that my directive was to establish or to strengthen the Bank's acquaintance particularly in the financial community or in those sections of the press which were read by people who were buying securities such as World Bank bonds. Bill Ayres himself had not been in the Bank for a long time at that point. I can't tell you how long he had been in the Bank.

His predecessor was a man called Drew Dudley, and Drew had been appointed the first Director of Information of the Bank by Eugene Meyer. Drew was a very charming, socially adroit, nice kind of person who knew Meyer socially. Drew was a sort of a protégé of Blanche Knopf, the wife of Alfred Knopf, the New York publisher. I think he came into the Bank by that route. When Drew protested that he didn't know anything about financial matters, Eugene Meyer said, according to Drew, "That's all right; if you can come to understand the Bank, then anyone can be made to understand the Bank." That was Drew's way of putting it.

But, at any rate, Drew didn't know the financial side of things, and, for some reason or other, he didn't appeal very much to Black. So Drew was posted off to the Paris Office along with another famous

character in the early history of the Bank, Walter Hill -- another fellow that the Bank didn't know what to do with, so he was shipped off to the Paris office too. One of the early things that I was told specifically, was, "You'd better look at Dudley" and, in effect, decide to get rid of him. I went to Paris and discovered, quite to the contrary of the impressions the management had, Drew was really doing a terrific job for the Bank in Europe. So I declined to fire him, and that decision was reluctantly accepted -- especially by Garner who had no particular use for Dudley. At any rate, what I am saying is that the indicated line of activity for me was very much the financial realm. I obviously didn't know anything about finance either, but I had some facility for writing, and I did, I think, take a big load off Demuth's shoulders.

I did have a very indispensable aid in the presence on the information staff of William Bennett, who had been a principal financial reporter for the New York Herald Tribune, who knew the whole scene very well, and who patiently indoctrinated me in the whole subject. So the Bank's public relations -- incidentally, the department at that time was known as the Public Relations Department. It had suffered or experienced several changes of names. Later on it became an Office instead of a Department and it became Information instead of Public Relations.

At any rate, this was a fairly narrow assignment, except that it extended outside of the United States and included Western Europe as well as New York and Chicago. It also, to my mind, meant that we had

to have something more than financial public relations; we had to have, as much as we could achieve in the time and with the resources that we could reasonably expect to have, the good opinion, or at least to avoid a bad opinion, by editorial pages, by journals of opinion, by people like the New York Times editorial page, and Harpers and Atlantic and Foreign Affairs and journals of that kind -- more as an antidote against any unfavorable publicity than as a promotion of the Bank. So that was the first assignment of the Bank. At that time, we had almost no relations with the United Nations system. In fact, the United Nations system wasn't as fully developed at that time as it became later on.

Black, himself, was interested in a more general kind of publicity. He had had neighbors when he was living at Princeton, Bruce and Beatrice Blackmar Gould, who were the editors of the Woman's Home Companion or one of the big magazines, and he used to talk with them about public relations. There was an unsuccessful attempt before my time to do something big in the magazine world. So Black was interested in that, and he began pushing this more general concept of public relations pretty hard. I wasn't very cooperative, I'm afraid, because it seemed to me that the essence of the whole problem was to establish a continuing relationship, to do something which you could repeat, to get in the papers once a day if possible, but certainly once a month; and that these other things were more or less one-shot efforts.

Black was pressing for things in Fortune Magazine and what not,

and he was getting impatient, I think, with the narrow scope of what we were doing. This came up in one of our Lost Weekends. As part of an informal discussion, there was a discussion of the public relations program of the Bank: what its objectives were, how it was being conducted, and where it was going. Gene raised this subject, and I said, "Well, that's fine. We'll certainly try to do this thing -- getting into a big more-or-less general publications, but I want to point out that you can only do this one time; it is not a high yield operation." Gene said, "So what, I'd like to sleep with Rita Hayworth at least once."

OLIVER: It sounds like a lost weekend all right. Can I just interrupt and ask if you would say a bit about where this term "Lost Weekend" came from?

GRAVES: I don't know, Bob. I don't think it was original with the Bank. I think it was borrowed from somewhere.

OLIVER: Wholly apart from the title, the practice of having the senior staff go off for a weekend somewhere to talk off the record, that goes back a long time in the history of the Bank, does it?

GRAVES: Well, now that a lot of time has passed, it does, but I think it was a new invention in about '51 or '52. I don't remember when the first one occurred, but I think it was new in the Bank at that time.

OLIVER: And that became standard practice once a year or something like that?

GRAVES: Once we had the first one it became an annual event, that's right.

OLIVER: And this was the source of a lot of ideas, at least letting ideas boil around in the cauldron?

GRAVES: I'm not so sure. It was certainly a useful thing to do. It was a good morale measure, for one thing -- to get all the senior boys down there and let them bask in the luxury of hotel accommodations that very few of us would have wanted to support personally. We went down to Williamsburg, we went to the Princeton Inn, and it was all very nice and deluxe. As for hatching new ideas, I think not. It was useful in letting ideas circulate, clarifying what we thought about various things. Letting Gene say that he wanted to sleep with Rita Hayworth once. That wasn't the kind of thing he would have said at a senior staff meeting. But it very well expressed his position and let me know he really did have an interest in this, and I had better damn well do something about it.

OLIVER: So you arranged one big story?

GRAVES: Oh no. What happened, the aforesaid Drew Dudley, who was very good at high-level personal relationships -- I brought Drew back to the States for the specific purpose of trying to get up in this league of publications. The financial publications, I hardly need say, were not noted for their fierce independence or their unassailable editorial integrity. They were fish in a barrel, more or less. All we needed was to go after them and show them a little human kindness and treat them with some intelligence and respect. Fortune and these other things were another matter. Anyway, we brought Drew back, and I armed him with a memo about why these people should do something about the

Bank and about Gene Black. In fact, we went at it the other way around, about Gene Black and the Bank.

Drew took this memo to New York and talked to the editors of Fortune Magazine. Fortune had then and perhaps still has an institution of the Fortune lunch. Lots of publications do this. The Washington Post has a Washington Post lunch, not regularly, but frequently -- bringing some person to lunch with the upper staff of the publication and letting them look at him and hear what he has to say and try to learn something from him. Well, Gene went through one of these lunches at Fortune at which the host was Henry Robinson Luce, as a matter of fact.

Gene just swept them off their feet, and the first thing you know we had a very good piece in Fortune Magazine written by a fella, I think, named Richard Austin Smith. But at any rate, this was part of a successful venture. Not without its difficult moments -- Gene tells the writer, I think I have his name more or less right, that he had visited fifty countries and had had dysentery in forty of them. This was a slight exaggeration. Anyway, this was an interesting, colorful remark, so that this was in the text of the article to Gene's great anguish. We were shown this piece before it was published, and this really became the biggest thing in my life -- to try to get this thing out of the text. Gene said, "This is terrible. People were kind to me. They asked me in, and here I said this terrible thing about them." So I worked very hard on that and a number of other things in the article. I don't think we got many of them out, but at any rate. . . .

OLIVER: What year was the article?

GRAVES: I think it was 1956. Anyway that happened, and then, not too long after that, Gene was on the cover of Time magazine and Newsweek magazine, as often happens in the same week. And that was about as far as one could go with this line of endeavor, I should say; and I am taking a lot of time I think in the wrong era, but the management got so discouraged about public relations that they appointed a consultant, G. Edward Pendray, to come in and take a look at the public relations of the Bank. This was useful, because Bob Garner was a man who hated to spend a nickel. Basically Bob's view of public relation or information or whatever was that, Well, you had to do this, but you really shouldn't waste much time or spend any money on this, and Bob, as you recall, controlled the budget of the Bank and decided how the money was going to be spent on the administrative side. So this is part of the atmosphere in which the information effort was carried on.

Well, bringing in this consultant was a useful thing, because it did finally convey to Garner the idea that you really should do something in this realm, and you really should be willing to spend some money on this. The Pendray report was, I thought, partly good and partly bad. It pointed out that the Bank didn't really have an adequate publications program in the sense that having a line of publications that were building up faithful audiences, and so on. In other respects, it was sort of dumb. I'm sure the consultants had written this same report for other clients, and they had just sort of put the Bank's name in the proper paragraphs. On the whole, it was a not unuseful exercise. So

that made my peace with the management, and the problem of the public relations effort did not get to be a problem again, until about a half a dozen years later in the Woods administration. Shall I go on and talk about that? or do you want to cover that in the fullness of time?

OLIVER: Well, I'm fascinated by what you're telling me about your early years in the Bank. You might say a bit about how the Information Department expanded, and what effect, if any, there was on the Department with the change of administration from Eugene Black to George Woods.

GRAVES: It was a very small department to begin with: three or four people. As a result of this Pendray exercise, the management asked me to write my evaluation of the problem and so on, which I did; and at that time, we expanded the department, if you can use that term for a pretty modest evolution. I think we built the staff from four to seven, five to eight, something on that order. And, for the first time, I had a Deputy Director of Information.

We got formal approval for some things that we wanted done with the grudging consent of Mr. Garner. We had a speaking program which Garner thought. . . . Some of it interested him. If we could talk to a group of the Investment Bankers Association of Phoenix Arizona, he was all for that. He didn't see much point in talking to a local committee of the Council on Foreign Relations in Augusta, Georgia. Well, we were doing both of these things to the extent that we could -- partly because we wanted to reach some of these people, but partly also, I must say, because we thought it was good for the staff to get

out and meet the public and find out how much they didn't know, or what they did know and thought about the Bank. We were doing this in the U. S. We then proposed, and to a certain extent succeeded, to adopt a program which would carry this kind of effort further in Europe, and so on.

When Woods came in -- I had met Woods and he had met me, and I think that he understood that I was a more or less standard part of the furniture in the Bank. I was important to him, again in the speech writing department. This was something that Woods was very interested in.

Woods didn't have very much formal education, as you are well aware, but he was very sensitive, I must say, to words. He was very, very concerned about what he said, how he said it, and was very impatient with some conventions of speech writing. Like lots of speech writers, I would say, "Now we," meaning the man who was speaking, the audience he was addressing, you know: We. Woods wouldn't tolerate this. "Who the hell is We?" I finally learned not to say "We," and things like that. There are also delicacies about this that happen in any public institution, I think. Things that you would like your audience to understand without actually saying them -- delicacies of expression, sensibilities of feeling that you didn't want to brush up against while you were saying this and that. Woods was very sensitive about all this, unless he chose to be deliberately insensitive.

I remember with anguish to this day a speech at one of the Annual Meetings. We used to do these drafts in conventional form, and then,

at the end we would put them on a jumbo typewriter, very large type, so they could be read from the podium with a minimum of peering through the eye glasses and so on. There was one page of this final text which gave George trouble, and we kept revising that page all through the minutes preceding his delivery of his speech. We kept rushing back and forth through the corridors of the Sheraton Hotel with new jumbo pages. We did four revisions of this thing. And at the end -- I saved all these pages, naturally -- I looked at the final revision and I looked at the original text, and they were identical. But the point is that George was very concerned about this.

OLIVER: Were all his speeches written, the first draft at least, in your department?

GRAVES: With the exception of the fact that the speech to ECOSOC, the Economic and Social Council of the United Nations, was, I hesitate to say always, sometimes written by Dick Demuth's department. But the rest of them, the Annual Meeting speech, all of the occasional speeches, were written in my department. Most of them until about 1960 were written by me.

OLIVER: Well, that was before Woods: 1960.

GRAVES: That's right. That's right. At that point, we had brought in a man called Nathaniel McKitterick who began writing speeches for Black and wrote speeches for Woods. That was certainly an odd couple: George Woods and Nat McKitterick.

OLIVER: A number of George Woods speeches, of course, are publications of the Bank, but a fair number are also available in his files as typed

speeches. Is it likely that the typed speeches also originated with McKitterick, let's say?

GRAVES: Yes.

OLIVER: Can you say a word about the famous Grand Assize speech in Stockholm? Can you say a word about where the ideas came from in the speeches? Did they start with Woods? -- that sort of issue.

GRAVES: Well, the Grand Assize -- this is the one that led to the Pearson Commission. William Clark spent four hours, I think, talking about this to the current Oral History Project at the Bank, so you ought to be aware of that and take a look at that material.

The Grand Assize idea, as far as I know, originated with Barbara Ward -- Lady Jackson. She got William Clark interested in this idea, and they tried to interest Woods in this idea. It is interesting to recall that at the beginning Woods really didn't see any merit in this at all. He said this would just be more words. "We've got enough words, what we need now is to do something." So in the beginning he was not very much attracted to the idea of the Grand Assize, but Barbara Ward is a very persuasive lady; and she and William Clark, who, at that time, was not yet in the Bank, got Woods to agree that this was probably a good idea.

The Stockholm speech, I wrote a few weeks after having been relieved of my duties as Director of Information. This is my recollection at any rate. George had me put into a new and different office just for the purpose of writing this speech. I had an office down in the main body of the Bank, but Woods said a different office

"would sort of put you in Siberia." I don't know if this was a Freudian remark or what, but at any rate I was pretty much in Siberia at that point. Anyway, that's where and how the mechanics of the speech were handled.

As for the speeches and where the ideas came from and that sort of thing, the Bank was probably better than most institutions in letting its spokesman and speech writers be present at management policy discussions and even to participate in those discussions, so that I knew, and McKitterick knew, pretty well what currents of thought were flowing through the Bank; what problems were considered important in the Bank at that time; what the Bank's objectives were in the field of action, in the field of persuading other people to think like the Bank. So all that material was immediately available to the person who was told to write a speech for this or that occasion. In addition to which the Information Department, to some extent, was engaged in contriving occasions for speeches with some idea in mind of what could be said on that occasion and for what purpose. Some times, not infrequently, a little committee was put together, very often under the chairmanship of Dick Demuth, to discuss a particular speech and what ought to be in it and so on. At other times, the speech writer was left entirely on his own.

I remember writing a speech about African problems. The rest of the Bank was very busy, and they really couldn't talk to me about African problems. So I suddenly became an expert on Africa. I read books on Africa, I talked to people about Africa, and I wrote a great

speech about Africa, which, since it came out of the mouth of the President of the Bank, was widely admired as being a highly expert treatment of this topic.

OLIVER: But, in general, the speeches were reflections of the ideas of the President and his senior staff as expressed in places like Senior Staff meetings?

GRAVES: Yes. And in the committees that were established to study particular problems in the Bank -- operational problems which were arising at the time.

OLIVER: Did Mr. Woods sometimes change his speeches, or change words in his speeches?

GRAVES: Oh yes, he did. I don't remember an occasion in which there was a major rethinking or recasting of a speech. It doesn't mean that it didn't happen. It does mean that I don't remember that it happened. But he did tinker with language to considerable degree.

OLIVER: Did he tinker more or less than Mr. Black had done?

GRAVES: Mr. Black tinkered almost not at all. Gene had an inferiority complex on the whole subject of language. His grandfather, Henry Grady, widely known editor of the Atlantic Constitution in the Reconstruction Era, had been a famous orator; and Gene felt that there was no way in which he could live up to the reputation of Henry Grady, so he was very modest about his attainments as a speaker -- more than he need have been, although he was not a great speaker. But his whole approach to language was: "Let somebody else do this, I don't know how." He knew what he wanted to say. One of the great strong points of

Black was that. . . . I guess it was a simpler world, but anyhow Gene really knew what he thought about the things he thought about, and one of his great merits as a leader was that people knew what Gene thought. This meant that you didn't have to have a lot of stuff written down. You didn't have to have a flow of directives and what not. You could talk to anybody down to the third or fourth level in the Bank, and they could tell you what Black thought.

It was when Woods came into the Bank, in a more complicated world with a more complicated person (although Gene was not a simple person), that we got into the business of writing a lot of things down. One of the first things Woods did, as you will have learned, was to set in motion a whole series of studies in the Bank -- about the Bank agriculture policy, the industrial policy, it's this, that, and the other; and we had paper, paper, paper on all these subjects. This had never happened in the Bank before that I could remember, not that we were not interested in all this, but this was done on an unprecedented scale; and then we wrote all this stuff down in a big policy manual, and the Bank has been writing everything down ever since: ad nauseam.

OLIVER: While we are on the subject of contrasts between Presidents, what can you say about Mr. McNamara and his speech writing proclivities? Maybe you could also say something about their extemporaneous capabilities. I take it Mr. Black was very good extemporaneously as he must have been at this Fortune magazine lunch we talked about.

GRAVES: Black was wonderful off the cuff. And not always off the cuff

either; he could talk very well from his head if it was an occasion of exceptional importance, as occasionally arose in the Board. Gene could make an extremely good presentation from a little chit of notes. He was very good extemporaneously. His formal delivery was perfectly awful. I couldn't stand to listen to Gene giving anything that I had written for him. I used to leave the hall when he gave his great annual speech, because I couldn't stand to hear Gene read it, but he was a very effective speaker in a small group. He was somewhat like Lyndon Johnson in that way. Lyndon was terrific in a small. . .; or like Senator Robert Taft who was marvelous in a group of 12 or 15 people, and who turned absolutely to stone when he got in front of a big audience. Gene was very good at extemporaneous things. Woods was a much better speaker on formal occasions than Black was. He was very effective extemporaneously. He had a very colorful flow of speech. It was a New York color rather than an Atlanta color.

OLIVER: Was there a little bit of Boston?

GRAVES: Well, the accent, perhaps; but it was a very casual, jazzy kind of monologue compared to what we'd been used to. He had these marvelous expressions about. . . , which were probably not original with him; he had heard them before. When he was talking about difficult decisions, a difficult choice between two or more alternatives, he would say, "Well, I guess we could run between the raindrops on that one," which expressed just exactly what he wanted to say. So he was quite comfortable too, quite effective.

Yes, he was a good communicator.

OLIVER: Can you add anything about Mr. McNamara.

GRAVES: Well, with Mr. McNamara, we learned for the first time, that speeches had footnotes and appendices. You look at those speeches, and you see that they do have footnotes and appendices.

I had very little to do with McNamara's speeches. I used to write the ECOSOC speech for him, but that was the only thing that I ever did for McNamara. I did not listen; I listened to him once or twice. I really am not much of a judge except. . . . The McNamara speeches, like nearly all the speeches given by Bank presidents, were understood to be for a wider audience than the audience that was in the room. We had not previously carried it to the extent of supplying appendices as well as long footnotes for the benefit of the people who were not in the room. There were two versions of every McNamara's speech. There was the published version, and then there was the version that was read. There wasn't enough time to give the whole text, so he only read excerpts from his speeches, one might say.

OLIVER: Well, you referred in passing to William Clark and to changes in the Information Department that put you in Siberia. I wonder if you could amplify that story a little bit.

GRAVES: Well, I don't know all the story. It was in 1967, in the next to the last year of Woods regime, I think it was. (This is something you can ask Michael Lejeune about.)

Woods got hold of me one day, and said "Harold I'm not happy with your department. I don't know what's wrong with it, but there is something wrong with it; and I've asked Michael LeJeune if he will look

into this and see if we can work this out." I think that the big thing on Woods' mind at that point (this is sheer speculation on my part) was the thing that was on his mind more generally: the continual problem of IDA Replenishment, and I think he felt that this Information Department should have made a bigger contribution toward helping him deal with this problem.

The Bank, for the first time really, at least for the first time in a long time, was faced with the necessity for dealing with the Congress of the United States, and Woods was meeting all sorts of people up on the Hill who had never heard of the Bank or didn't understand what the Bank was about. He thought that by this time, surely, the Bank should have been a household word on Capitol Hill. It wasn't, and so I think this was a source of concern for him, and a source of discontent. Without knowing, I think this was the major problem.

I think there were also other problems: the view that I wasn't very happy with his regime; I was critical of things he was doing. You ask me what, and I'm embarrassed to say that I would have difficulty in recalling what they were. But I was quite unhappy with the whole situation myself, and, in that last summer, I was interested in a vacancy that occurred in the presidency of something called "Franklin Books". Later I think it was called the "Franklin Book Program." This was a very interesting publishing venture which specialized in promoting the publication in other languages of American books, particularly in Third World Countries. I'm sure the word must have gotten back to George that I was interested in this, and I was talking

to people about perhaps getting appointed to this job, which I did not get. So that might have been part of it.

Another part of it was that George was not very happy with the Assistant Director of the department, a man called Lars Lind, who was a very experienced Swede who had worked in the information departments of FAO, and UNESCO, and the International Atomic Energy Agency. Lars was not as fluent in English as he might have been. He was also rather slow spoken, and I think George was rather impatient with his presence here, at least in this department. Lars Lind. He really, I think, wanted me to fire Lind. I did not want to fire Lind, who had virtues that were not apparent to George, but we never sat down for an overt face to face discussion of this problem. At any rate, those were three things -- especially the whole IDA problem.

OLIVER: It appears from the records of the Senior Staff meetings that there was a hiatus between Oct. 19, 1967, and Feb. 21, 1968, when, in the first instance, you had moved from the job of Director of Information and, at the second date, Mr. William Clark was officially announced by Mr. Woods to be the Director of Information.

GRAVES: Well, ironically, Mr. Lars Lind ran the department during that hiatus.

OLIVER: But Mr. Clark was Mr. Woods selection?

GRAVES: Well no -- ultimately of course. Woods said to Demuth, "You find us a new Director of Information." William Clark was Dick's thought. I was consulted and agreed that Clark was a very capable person and would probably be helpful to the Bank.

OLIVER: He was a close friend of Barbara Ward already?

GRAVES: Yes, oh yes.

OLIVER: So Mr. Woods had probably met Mr. Clark through. . . .

GRAVES: I'm not sure. Oh yes, sure; he had talked to Mr. Clark about the Grand Assize, I'm sure.

OLIVER: Then Clark stayed on as Director of Information under Mr. McNamara and, I guess, accompanied Mr. McNamara on trips and that sort of thing.

GRAVES: Oh yes. He was chosen by Woods in fact to be the Director of Information. He got another and higher title, as it happened, to serve under McNamara. I don't think Woods felt that Clark was going to be his (Woods') Director. This was something he was going to hand to McNamara.

OLIVER: You have no idea if he checked with McNamara on that subject?

GRAVES: I really don't. Although, I do know, or I think I know, that McNamara, after a short time, was very happy with William Clark. He thought this was great, and he was especially grateful to Woods for having made this choice in his appointment.

OLIVER: Did you travel with Mr. Black, for example, or Mr. Woods to the same extent that Mr. Clark traveled with Mr. McNamara?

GRAVES: No. I travelled somewhat with Gene, very little with Woods. McKitterick travelled with Woods at my behest. In fact, he travelled with Black at my behest, because my experience with Black had been that you learned an awful lot travelling with the President of the World Bank and watching him deal with tasks in the field; and it seemed to me

that a person who was doing the speeches (who was McKitterick) ought to have the benefit of that experience. So, for example, Mac went on a long trip into Africa with Gene toward the end of Gene's period in the Bank.

I did some very interesting things with Gene. I went with Gene to Southeast Asia at a time when the final negotiations leading up to the INDUS mediation were in progress. I watched that. I went with Gene to Cairo when he went there to try to adjudicate the problems of the claims against the Egyptian government arising out of the sequestration by the Egyptian Government of British properties at the time of the Suez Canal incident.

OLIVER: That was an incident in which Mr. Woods was involved, wasn't it?

GRAVES: Well, his involvement was a bit later and came in the. . . . Well, to talk about Woods involvement in some things that happened during Black's presidency: the first thing (that I was aware of at any rate) was the Bank's financing of the private manufacture of steel in India. There were two private companies in India. In fact, two of the private companies were Indian Iron and Steel Company and the Steel Company of Bengal, and these had adjacent facilities; they had partially interlocking directorates, and so on. From various points of view, it made sense to merge these companies instead of continuing to operate them as separate entities, and Black recruited Woods to accomplish this merger, which he did. This involved not only negotiations with management but especially with stockholders and so

on. So George did this for Black.

The sequel to the Suez Canal incident was the expropriation of the -- well, the thing that started it all off was the expropriation of the Suez Canal Company. Part of what Gene worked out with the Egyptian government was to try to regularize relations between the Egyptian Government and the West, especially the financial community in the West, to find something for the canal company to do and also some appropriate compensation for the company. Well Woods handled that for Black. There are other things no doubt that he did. Those are the two that I remember.

OLIVER: I think I interrupted you when you were telling your own story about Suez and Egypt. Were there other occasions when you were with Black that you wanted. . . .

GRAVES: I travelled with him. I went to New York with him quite often. One thing that he predictably liked to do, and which I must say I particularly liked to do, he liked to lunch with the financial press in London, when he happened to be in London -- called the City Press: The City in London. Gene enjoyed that enormously, because the City editors were a very interesting and well informed group of people, much more so than any group that you could put together out of the New York Press. So he enjoyed those occasions enormously, and I went along to help with the physical arrangements. I made up the invitation list and I saw to the seating; and I saw that Gene met these boys, and that they got private interviews if they wanted them, and so on. These were lots of fun and so I went on all of those missions. I liked them a lot.

OLIVER: You liked them a lot.

GRAVES: They were not without incident. I will never forget: One thing we did, which was not known in British circles at the time, was to have cocktails before lunch. The British Press was a very much less respected institution than the American Press and not pampered at all the way the American Press is pampered. This business of having cocktails before lunch was unknown but greatly appreciated by the City editors. Well, some of the City editors liked the cocktails better than they liked the lunch, I guess.

At one of these lunches, the senior editor was a dear little man named Norman Crump, who was the City editor of The Sunday Times. We sat down at the table, and we ate a little, and Gene made a few spontaneous remarks as he always did. Then came time for questions, and since Norman Crump was the senior editor present, he was recognized for the purpose of asking the first question. Norman, who had had a few, succeeded in uttering his question and then he put his face down in his plate, which was not yet entirely empty of nourishment, and went sound asleep. At any rate, this does lead -- and I'll dignify this story by. . . .

OLIVER: I just have to interrupt to say that it is not surprising that drinks were not offered to British reporters as often as Americans.

(Laughter)

GRAVES: It had been the practice in Mr. McCloy's time to have a weekly press conference in the Bank. Come hell or high water, there was a weekly press conference in the Bank. And there were still some

vestiges of that when I came in, which seemed to me to be tedious for everybody, because the President of the Bank didn't always have something to say and the press was not always interested in what he had to say. So we adopted the practice of scheduling press conferences when we thought there was something to be said, and even more of having informal lunches with Black at times when there wasn't any occasion at all, just for the purpose of getting the press acquainted with Black and getting him acquainted with them and letting them develop anything they had on their minds.

Despite his later concern with his problems in the public opinion field, Woods was nowhere near as conscious of the press or concerned with the press. It was difficult to get him to do press conferences, and there were some subjects on which he absolutely refused to talk. When the Bank's relations with India became very strained and very delicate, Woods absolutely refused to see the press at any time, because he didn't want to face the possible embarrassment of questions about India. And he especially refused to see the members of the Indian Press, who were individually very friendly with the Bank and might have been quite helpful in this situation. Actually he refused to see them. Gene, more and more, got to know the press and to value what the press could do for him. Woods did not. He liked reporters well enough, individually, but he didn't really care for the Press, or The Press Corps, as institutions.

OLIVER: He was, perhaps, not as outgoing a personality as Mr. Black.

GRAVES: That's right. Gene wanted to have the right to make decisions

without having to explain them, even to members of the staff. We used to have information conferences with the press, and Gene would not let the transcripts of those conferences be circulated in the Bank. That was his business with the press, and that's where that rested. Woods was even more reticent about making policy decisions and explaining why he made them. He talked a great deal, but there were subjects on which he was utterly silent or very reticent. This was one difficulty that the staff had with Woods: he did not really explain himself adequately on many occasions. This was it, and that was that.

OLIVER: Well, thank you for this first session of taping. It's been a fascinating story, and we will do one more.