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A CONVERSATION WITH RAINER STECKHAN

Washington, D.C.

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CONVERSATIONS ABOUT GEORGE WOODS  
AND THE WORLD BANK

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OLIVER: Thank you for consenting to our conversation this morning. I wonder if I may begin by asking if you would say a bit about your background, how you happened to come to the World Bank, and what you have done in general in the World Bank since you came?

STECKHAN: Well, thank you very much; it's a pleasure to talk to you, Professor, especially since you are writing about a person I very much liked.

I came to the Bank, October 5, 1964, as a Young Professional. I think that is significant, because it was a program that George Woods initiated to get young graduates from various countries without too much professional experience to join the Bank and to get their training in the Bank. As a Young Professional, I worked first in a project department, then in an area department -- The European Department, and I ended up in The Legal Department. I'm a lawyer by training. I had spent about a year in the Legal Department when Mr. Woods offered me the job of personal assistant, becoming the successor of George Wishart, who was his first personal assistant. (He had met him in the Philippines.) So I worked for George Woods for over two years and then continued with Bob McNamara for another year and a couple of months.

In my career in the Bank after leaving the president's

office in June of '69, I became the Deputy Mission Chief of our regional mission in Nairobi, Kenya, a mission that dealt with project work in twenty East African countries. I spent two and a half years working out of Nairobi, and then came back as a program division chief in charge of Central Africa, a job I held for something like five and a half years. I was later acting Program Director for West Africa. That makes for about 10 years of African experience. After a stint at the Harvard Business School, I became Director of our European office in Paris for five years -- from July of '78 to July of '83. Ever since I have been Program Director of Latin America in charge of the western half of Central and South America.

OLIVER: You have had a very distinguished career.

STECKHAN: A very varied career.

OLIVER: May we come back to the beginning and let me ask if you would say a bit about the origins of the Young Professionals program.

"I think that was started when Mr. Woods was President was it not?"

STECKHAN: That is very correct. The idea was to provide an additional infusion of new staff, younger staff, to the institution. I think the program started around 1963. The Bank had existed for almost 20 years and was mainly staffed by people who were mid-career people when they joined the Bank. I think the idea of the Young Professionals program, which was George Woods' idea, was also further to diversify the staff -- that is, to get more nationals from a greater variety of countries. I believe this was one of George Woods' greatest achievements: to make the World Bank a truly

international institution, not only borrowing from more capital markets than the U. S. capital market, which was the only national market available after World War II, but also through the recruitment of staff from developing and non-U.S. non-U.K. industrial countries.

OLIVER: I have been told that Mr. Richard Demuth also had a hand in thinking through the idea of the Young Professionals program. Can you shed light on that?

STECKHAN: Very much so. I believe Demuth was one of the founding fathers under George Woods of this program. Dick Demuth headed what I would call the "Think Tank" of the Bank at the time. He was a sponsor of many innovative ideas.

OLIVER: But it clearly started after Mr. Woods became President?

STECKHAN: That is correct.

OLIVER: It was designed not only to bring bright young people into the Bank but to make the staff more international than it had been.

STECKHAN: Very much so. I think your research will show, if you look at the share of U. K. - U. S. - Canadian citizens versus non U. K. - U.S.- Canadian citizens, that changed quite dramatically during the Woods years. You will also see that George Woods elevated some promising Part II developing country nationals.

OLIVER: Is there anything significant about the year or so when you were in the Legal Department that you would like to talk about before we talk about your work with George Woods?

STECKHAN: Not really. For me to work in the Legal Department was exciting. It was my second job as a lawyer. I had previously worked

with the Ford Foundation as a practicing lawyer in Hanover, Germany. It was also fascinating because then General Counsel, Ronnie Broches, was a very stimulating person and a very close advisor to George Woods. But I would rather talk about the Woods' years, because the Legal Department was only for one year of 21 years that I have now spent in the Bank.

OLIVER: Just one last question about the Young Professionals. I think it is true, is it not, that a very substantial number of the senior people in the Bank today are people who came through the Young Professionals program?

STECKHAN: That is very true. We now see three vice presidents in Kim Jaycox, Vice President for East Africa, Wilfred Thalwitz, Vice President for West Africa, and Joe Wood, Vice President, Financial Policies, who are graduates of the Young Professionals program; and there are a couple of directors who are graduates.

OLIVER: One of the characteristics of the program was that the person involved had an opportunity to work in several different assignments.

STECKHAN: Very much so. The principal of rotating staff every five or seven years so that you internalize the comparative advantage of the World Bank which is to be world wide was a principle of the Young Professionals program. Maybe one should say that, in addition to youth and internationalization, a third purpose of the Young Professionals program was to help breed a new group of managers.

OLIVER: Let us come to your work with Mr. Woods. How did it happen

that you as a young professional had the opportunity of working closely with the President of the Bank?

STECKHAN: I guess George Woods wanted to be consistent. One of the traditions had been that the Bank not only would have a U. S. President but also a U. K. or a U. S. personal assistant to the President. George Wishart's predecessors were from the U. S. (One may have been from the U. K.) George Woods wanted to open up that job -- to internationalize it. I don't know how many candidates there were, but I do know that how it happened is a slightly funny story.

George Woods, who was occasionally an impatient person, wanted to talk to my then supervisor, Ronnie Broches, and couldn't reach him until he found out he was in Cyprus. (Ronnie Broches later told me the story.) Woods called up Ronnie Broches and said, "I hear you have this guy Steckhan there, what type of a fellow is he?" Broches launched into a long description of my weaknesses and strengths, and Woods cut him off after awhile and said, "My question really is: Can he keep his mouth shut?" I guess that the answer was, "Yes." As a lawyer one tends to be discrete. I'm sure I wasn't selected only on that ground, but it is a funny and true story.

What happened then was that I worked alongside George Wishart for a number of months, sharing an office, which was a very useful and effective way of getting into a job which is largely undefined and needs definition both through the person of the President and his needs and through the person of his personal assistant.

OLIVER: Would you say a bit about the job itself? You were clearly

not a secretary in. . . .

STECKHAN: No. In those days the job involved a number of things: looking at Board documents, reading them for the President, marking them up, and occasionally commenting on them. George Woods, who would read every report to the Board, liked somebody (his personal assistant) to look at these first and point out certain things. That was one part. The second was to handle the mail and the written communications of the Bank. Whatever came to the President's office, I would decide what to do with it: send it to George Woods to send it to others for comments with instructions and then watch over the follow-ups, or draft an answer myself. Letters addressed to the President got answered either through the President himself or on his behalf by staff that I would pick.

A third task was to look occasionally at drafts of speeches George Woods was supposed to make. He fussed a lot about his speeches -- as many presidents do. He wanted to be sure that this was his personal message. I would comment on his drafts, for there were certain personal matters that he used to discuss with his personal assistant trying to get an independent, uninterested view. Then there were some confidential tasks, things George Woods did not want to assign to anybody but his personal assistant.

Another job was traveling with the President, preparing his trips, organizing, keeping minutes. Keeping minutes could almost be a separate activity in the sense that, at the time George Woods created the President's Council, which is now the Managing Committee, it met,

I believe, every Monday morning in his office. His personal assistant would keep minutes and keep track of things that were discussed and decided, reminding the President of certain follow-up actions that were required. I'm sure I've forgotten a lot of other functions.

OLIVER: This is the first I have heard that minutes were kept of meetings of the President's Council. Have you any idea of what happened to them? Are they in the Archives in the Bank?

STECKHAN: I have no idea what happened to them. I purposefully didn't keep copies of them for myself, nor did I keep a record of my activities with George Woods. I thought it was too personal and confidential a relationship to keep too many traces. Not that there was anything illegal, but I don't know what happened to them. They should be around the Bank.

OLIVER: I'll ask someone in the President's office who may very well know. In the Archives they seem not to be aware of any minutes, so it is possible they are simply kept by the President himself.

STECKHAN: That's quite possible.

OLIVER: This is also the first I have heard that the President's Council met on Mondays. Did it not meet other days?

STECKHAN: Yes.

OLIVER: Irving Friedman, for example, seems to believe that almost every morning when he came in there was a brief meeting in the President's Office with Mr. Aldewereld, Mr. Broches, Mr. Knapp and Mr. Demuth.

STECKHAN: I have to check my recollection. I'm pretty sure it was

not every morning. Of course, when we had Board days, Tuesdays usually, there would be a meeting prior to that. There were other occasions when Woods called the President's Council. I really don't remember the details.

OLIVER: Regardless of how often the President's Council met, perhaps you would say a word about how significant the Council was in the decision-making process in the Bank.

STECKHAN: I think Woods was sometimes perceived as a loner in decision making, which I would say is not a fair statement. At the President's Council meetings (this is now back 18 years or so), Woods gave everybody a chance to talk about his area. I think it did influence Woods' judgment and helped him make decisions. Woods could be very harsh with people, but I think it was his way of testing them. People were able to talk back to him, disagree with him. I've seen occasions when a senior official of the Bank disagreed with Woods, and Woods would say, "You are totally wrong," and the next day Woods would call him up and say, "You may have a point; I think you are right." It was his style. It was his way of testing people. To come back to your original question, I do believe that George Woods was influenced by these meetings and that they did help him make decisions.

OLIVER: Do you feel he relied rather more heavily on one or another of the members of the Council, or was it a pretty even kind of group?

STECKHAN: It is difficult to tell. The towering figure under George Woods was Burke Knapp. He was the soul of the Bank in many ways and the heart of operations. That did not mean that Woods did not take a

personal and very active interest, but Burke Knapp was probably more influential than all others. Sim Aldewereld, the financial person, had great experience, but clearly he was in a field in which George Woods was a full professional himself, having been the head of the largest investment bank in the World. George Woods would listen to Friedman. Friedman was a man that George Woods hired away from the Fund because he felt that economic work had to be pushed more and given more prominence. On matters economic, Friedman had a lot of weight. Ronnie Broches was a lawyer, and I would say George Woods had a difficult relation with lawyers. That's not to say that he had a difficult relationship with Ronnie Broches, who was a man of prominence and was, in some sense, eloquent, but, as a banker, George Woods sometimes found it difficult fully to understand lawyers. Then there was Mort Mendels, the Secretary of the Bank, the first Secretary of the Bank. Mendels had less influence, although Mendels was George Woods' link to the Board.

OLIVER: Was Mendels a full member of the President's Council, or did he simply represent the Secretary's office?

STECKHAN: He represented the Secretary's office. He came to the Board meetings. There was a time when Ronnie Broches was in charge of Administration, Personnel and the Secretary's Department, so I think you were right most of the time. Mort Mendels reported to Broches, but he was present, I believe, at President Council meetings prior to Board meetings.

OLIVER: You didn't mention Dick Demuth?

STECKHAN: Dick Demuth was also a member and, as I said, was a thinker. My feeling was that his influence was stronger at the beginning and less at the end of the Woods' years, although Woods appreciated him. He, like McNamara, occasionally had a habit of giving two people the same job without telling them, and when Woods gave a job to any member of the President's Council, Dick Demuth was likely to get the same job -- just to provide alternatives.

OLIVER: These were years in which the Bank's relationship with FAO and UNESCO and other UN organizations was increasing substantially. A fair amount of this work was carried out by Demuth under Woods.

STECKHAN: That's correct. That was his forte, not just to head up a "Think Tank," but to be in charge of international relations, meaning relations with other U.N. entities. You are quite right, that was the base for his power.

OLIVER: Let's go back to the list that the President and you had to deal with. You mentioned Board documents and mail. I'm told that Mr. Woods was himself very thorough in paying attention both to Board documents and mail. Did he take things home with him at night? Did he read quickly?

STECKHAN: Both. He did take things home. We also had a mail service. When he went to Portugal on summer vacation, he wouldn't read everything, but he read most everything. Marking up a Board document and commenting on it did not mean that he would not read it. He would read it. Yes, he was meticulous about mail. He wanted letters addressed to him to be answered quickly. I was in charge of

making sure that both contents and deadlines were up to standards.

OLIVER: Do you feel he was any different in this regard from any of the other presidents? I realize that you don't know as much personally about the activities of other presidents.

STECKHAN: Well, I worked for McNamara. I would think that McNamara may have read even more than George Woods and would get into new ideas, such as programming and budgeting, which was not a very refined activity before Bob McNamara came. McNamara was probably the hardest driving president, but I know only three: George Woods, Tom Clausen, and Bob McNamara.

OLIVER: Let me ask you about the major activity of the President's reporting to the Board. I don't fully understand the relation between the President of the Bank and the Executive Directors. Maybe you would expand on that and then say a bit about Woods' particular relations with his Board.

STECKHAN: The World Bank's Board decides on every loan and credit proposal and all the major policy questions submitted to them by the President. George Woods and Tom Clausen came from a background where their Boards were quite different. They were usually composed of people appointed by the President (I am talking about First Boston's Board or Bank of America's Board), and they met two, three, four times a year, largely as a group of wise men providing some council but approving things as a routine matter. While I was not there when George Woods first came to the Bank, I can believe that he must have had some difficulty in adapting to the Bank's Executive Directors.

Directors have a dual function. They represent share holders -- the large countries have their own Executive Directors (the U. S., U. K., Germany, France, and so forth), and smaller countries form alliances to elect Executive Directors. Directors are duty bound to follow instructions from their countries, but Directors are more in the Bank than just representatives of sovereign states; they are also Directors of the World Bank and, as such, have a responsibility to respect the Charter and perform duties that are outlined in the Charter. One point is very important in this: our Charter instructs us to make decisions only on economic grounds; no Director of the Bank should vote for political reasons: Directors can explain political reasons and constraints, but theoretically they are bound by the Charter.

OLIVER: Do you believe that they really do follow this requirement?

STECKHAN: They follow it mostly, but there are clear cases historically where countries have voted for political reasons, and there continue to be cases. . . . However, and whether that is an achievement of George Woods or was there with his predecessors, what the President has avoided is to have the Board split along North-South lines. The President has been able to keep discussions at the economic level. That is not to say there have not been political undertones, but usually the Board's discussion is a discussion on the economics of a proposal.

As you know, our Board approves every loan proposal, every credit proposal. Our Board approves all major policy changes. Our

Board approves changes in financial policies and replenishments and discusses major new initiatives like, say, international investment insurance, which in those days were discussed and are now a reality. So it is a very powerful Board. It is also a Board which has a lot of turnover, at least for most of the Directors. Most Executive Directors (maybe I should look at the figures) don't stay for more than, I would say, three years. However, there always have been some long serving members. The best known was Dr. Luis Machado, who was the Dean of the Board in the Woods years and, I suspect, in the Black years. The other long serving Board member was Mr. Van Campenhoote, the Belgian Executive Director. He used to be, I believe, General Counsel of the International Monetary Fund. There are one or two others. Kochman, the African Executive Director, became the Dean of the Board. He was already an Executive Director in the George Woods years.

OLIVER: Peter Liefertink?

STECKHAN: Peter Liefertink, you are quite right, is another old timer: The first or second Finance Minister of free Holland after World War II and the architect of the Dutch miracle who first worked for the Fund and then came to the Bank and the Fund Boards.

Another feature is that some of the Executive Directors, especially the French and the British, are also Executive Directors of the Fund and are minister counselors in their embassys. They are not only very powerful people, but also people with great career prospects in their own countries. The examples are obvious. Look at René

Larre, who was the French Executive Director in the Woods days and a friend of the Woods'. He later became Head of the Bank for International Settlements. Most French Executive Directors have made very impressive careers, and that is true also for the British.

What I am trying to say is that this is a very special Board, a very powerful Board. This is a Board with dual functions. This is a Board that changes quite quickly for the majority of the Directors. This is a Board that is mostly composed of public civil service types and is usually facing a president who comes from the private sector with a completely different notion of what "Board" means in English. OLIVER: Well, will you comment on the relations between the Board and the President during the Woods' years? Were the relationships complicated by the IDA replenishment, which was unique in a sense in those years?

STECKHAN: They were unique. They were not unique, as far as IDA is concerned, because there is a hassle over getting more IDA money everytime the replenishment comes around. The Board did get involved in this. Maybe it got more involved in the Woods' years in the allocation of IDA funds. Part of the replenishment negotiation was to give at least a negative note that there should be no more than so much for India and Pakistan, which were the major recipients. That was an important negotiation because major shareholders -- the U. S. and the U. K. especially -- had some very strong views. The French, as they became more interested in the institution, had some very strong views as to how much IDA money should go to French-speaking



West Africa.

It is hard for me to form a general impression. Woods was close to some Executive Directors. I began to mention the French Director, René Larre. Woods was close to most U. S. Executive Directors. I think he was close to one or two Latin American Directors. Overall, I think, it was a business relationship. Dr. Machado, for obvious reasons, he was very close to. Over all, it was a relationship that had its ups and downs. I can remember one Board member from Latin America who was not a Woods supporter, and there were quite some funny exchanges. One day Woods pushed through the house (I was about to say through the Board) a motion, and this gentleman got up afterwards, furious, and said, "Mr. Woods, this is irreglamentary, and Woods turned around and said, "Dr. so and so, we'll soon have simultaneous translation."

OLIVER: The Australian Executive Director for some of those years, has sometimes been mentioned as occasionally being a bit pretentious.

STECKHAN: Stone. I guess he is still alive, but retired. He was a very curt and precise person. I wouldn't think inter-personal relations were his great strength. At the Board, this came out very clearly, but I don't think it had much to do with Woods. I don't think that Stone was any more cooperative with McNamara.

OLIVER: Well, do any major events of the Board meetings of those years come to mind -- major decisions which were somewhat controversial?

STECKHAN: I remember, but only vaguely, a controversial loan to

Venezuela to support tourism, and some loans to Israel which were difficult at the time. That was after the Seven Day War, but I would have to refresh my memory.

OLIVER: Let's talk a little bit about speeches. Did many of the speeches originate with Woods in the sense that he would tell the people who developed basic material that he wanted to talk on a particular subject? Were the speeches brought to him partly done? Just how did the speeches evolve?

STECKHAN: I guess you have to piece this together like a puzzle. I remember two or three instances. One was that Woods wanted to speak about an economic subject, so he encouraged Irving Friedman to think of a person who could write a speech. I think it was Bevin Wade, who was a young economist at the time -- he is now the head of our India office -- who prepared a speech on the importance of prices. It was a good speech for a theoretician, but Woods just rejected it out of hand, because it was incompatible with his own background and had too narrow a focus. One very important speech in which he had a lot of input (I can not swear whether it was his idea) was the Grande Assize speech in Stockholm. It was a very solemn occasion. It was the Swedish Bankers Association Annual Banquet at the Grand Hotel, all in Tuxedos, a formal occasion, and a very good speech -- a speech that launched the Pearson Commission.

OLIVER: I understand that speech was particularly well received.

STECKHAN: Very much so.

OLIVER: It was widely acclaimed.

STECKHAN: Very much so, and you will find, I'm sure, the press reviews of that in some records.

OLIVER: Speaking of the Pearson Commission Report, do you happen to remember whether Pearson was Woods first choice to head that Commission? This is a bit of an aside.

STECKHAN: I believe he was. Woods must have known him. He was a former Prime Minister of Canada -- I guess a war-time Prime Minister, and you certainly know that Woods in the war was a Colonel in Washington. So maybe there had been some personal relationships during the war. Woods knew very much who he was.

OLIVER: Let us turn now to some of your own personal recollections. What do you care to say about George Woods and Mrs. Woods and your relationship with them both here in Washington and also in your travels?

STECKHAN: Well, there are a couple of points. First, Woods must have had a very tough youth and a very tough fight up hill getting to where he did get as the president of the largest investment bank in the world. I think some of this urge to fight and impose himself and to get somewhere did show in his appearance. Woods was a fighter, but I think it was only appearance; to me and to many others he was a very kind and considerate person. I have seen him on many occasions with his friends, whether they were people from completely outside, say, John North, the head of Ringling Brothers, or then Deputy Prime Minister Morarji Desai of India, who was a personal friend. With others he could be a very kind and warm, considerate person. That is

certainly one of my lasting impressions. You could also say it is quite a surprising impression, because when you first met Woods he was very quiet, but once you had a business relationship, you could also say he was a fighter. That was one part.

I was impressed how a commercial banker -- an investment banker, a hard nosed, Wall Street type -- got into the human aspects of development. Woods started the first education project that was considered a soft project. Woods didn't start the World Bank lending to agriculture, but he certainly felt this was a high priority, and so I think the key human element in development was something that he fully supported. It was also interesting to note that he probably had had no exposure, or very little, to Africa in his previous job. He had had a lot of exposure to Latin America, I believe, and some to Asia.

OLIVER: To India.

STECKHAN: India, you're quite right; he was a consultant for the World Bank to India before he came. His experience in Africa must have been virtually zero, but he did have a special interest in Africa. He had some simple feelings. One was for these emerging nations -- to say in each one of these nations there must be one resource that is evident that we should help develop as a first step. The Mauratania Mining Project was a good example. There are others. There is the Zambia Dam: Kariba, hydro power, mineral resources, plantation loans that we made to Camaroon. I think it was a very simple idea, but a very correct idea for a first step in a relationship with emerging

nations in Africa.

OLIVER: Would you guess that his interest in finding a resource which could be developed was related in some sense to the famous economic Law of Comparative Advantage, or was it a more general sort of businessman's feeling that you do the things in terms of orders of priority?

STECKHAN: I would think it was common sense, a feeling of doing things in an orderly fashion based on priorities rather than any motivation by some economic theory.

OLIVER: You, yourself, have spent a fair amount of your career dealing with Africa. Is it fair to characterize African countries as a whole as being somehow different -- I am now talking of course about Africa South of the Sahara -- from Asia or Latin America?

STECKHAN: Yes. First, they are newer. All African countries with two exceptions, Ethiopia and Liberia, acquired their independence in the early '60s. Second, the artificial boundaries of the separate tribes of nations are much more severely felt in Africa than in Latin America, where boundaries were drawn artificially 170 to 180 years ago. Third, while you will find some very sophisticated, experienced Africans, you don't find enough of them, so there is an enormous amount of training and institution building that needs to be done. That is not the case in East Asia or Latin America.

Fourth, while Africa has a lot of resources -- water, power, fisheries, mineral resources, their exploitation is much less evident and much more costly than, say, in Latin America or East Asia, because

of the missing infrastructure. I would say the population growth rate, which determines how much you have to devote to public and private consumption rather than investment, is particularly high, excessively high, in Africa as compared even to Latin America. Finally, in agriculture, you will find an enormous number of micro-climates, which means you have to do an enormous amount of detailed, diversified research to see what grows where and under what conditions. That research has not always been done.

Maybe the last point is the relationship of Africa to the outside world. It is much closer to the old Colonial powers, since independence is so recent and these colonial powers have so much influenced Africa -- in leadership's way of living and working. You cannot say this for Asians or Latins. You cannot link East Asia as much to Holland or to England as you can link the present way of life of African leadership to France or to the U. K. That's changing of course.

OLIVER: Did Mr. Woods perceive these things that you have been talking about? Would you say a word in general about what Mr. Woods did personally to help bring the African countries into the Bank, so to speak?

STECKHAN: Well, he did encourage African countries to join the World Bank. He wanted to move fast, and, since we had an insufficient data base of knowledge, we wanted to do the obvious things first. I believe it was George Woods who set up two regional offices: Ivory Coast Regional and the office I worked in.

OLIVER: The one you worked in was in Nairobi?

STECKHAN: In Nairobi. He felt that we had to do much more work in preparing projects, helping coordinate ministries, and understanding Africa than we had to do in other continents. You have to check the record, but I am pretty sure he was the man who set up these missions. He helped Africans in the Bank. I believe it was under him that we hired an African former Assistant Director General UNESCO or FAO, I am not sure which, who came to the IFC: Adomakoh. As I believe I indicated before, Woods promoted quite a few Asians in the Bank -- just making the point that the Bank had to become more international.

OLIVER: Now about Mr. Woods' travels. Did he travel a good deal in Africa?

STECKHAN: I cannot answer that fully. I think he travelled before my time to Ethiopia and to Kenya. He must have been to West Africa, and he certainly travelled to North Africa -- he was close to the King of Morocco.

OLIVER: I think he must have been in Ghana at one point.

STECKHAN: You are quite right.

OLIVER: I heard a good story about his meeting with Nkrumah.

STECKHAN: You are quite right. That's before my time.

OLIVER: What can you say in general about Woods' travels? You accompanied him on his travels. What sorts of things were accomplished? What can you tell about the pattern of travel?

STECKHAN: It was pretty much George Woods himself who decided when to go and where to go. I think his motivation, on the one hand, was

to keep closely in touch with our major money centers. That obviously was Wall Street for a long time, but he helped to open up the European markets, Germany in particular. He went to Arab countries for that purpose. In fact my first visit with him was to Kuwait. That was one concern.

The other concern was to get to know major client countries well. You mentioned Ghana. Some of the projects in Ghana were major projects. Nkrumah was a world figure, and Woods went to Ethiopia and Kenya for obvious reasons. What he liked in these visits was to speak to the heads of state, to have direct rapport with some of these leaders, which he did have. I have been with him to India, Pakistan and Kuwait, and it was quite obvious, especially in India and Pakistan, that his advice was directly sought by the heads of state. I went with him to the Annual Meeting in Brazil. [Pointing to photograph] You may recognize some people. To the right is Pierre Paul Schweitzer. Next to him is the man who was twice Planning Minister in Brazil: Delfim Neto. The man to the left is George Woods. The man in the middle is now Prime Minister of Norway. This man is Mr. Costo Blanca, then military dictator of Brazil. This is the site of the Annual Meeting. The other pictures are: oh yes, here you have -- look at this. Are you interested?

OLIVER: Sure.

STECKHAN: This is the George Woods Board. You can see to his right Mort Mendels and the General Counsel. Then Ayub, the Pakistani E.D., the Indian E. D., Mr. Coleman, the Liberian-African E. D. I am

sitting there. The Treasurer, Bob Cavanagh, sits there. This is Dr. Donner, the German E.D. at the time. This is Escobar, who became Finance Minister of Chile; he was an Executive Director at the time. This is a Spaniard, who later became a Minister in Spain. This man is Canadian. This is Kochman, about whom I told you. This is Dr. Lieftink. This is René Larre. I'm not sure who these are. This man is a Scandinavian. This man is, I think, Stone's predecessor,

OLIVER: An Australian.

STECKHAN: And you see Burke Knapp, who is always to his left. Those two were always sitting here. Here is the Secretary's Department. This is Shoab, former Finance Minister of Pakistan, who became an Executive Director. You will have seen his name.

OLIVER: He also was on the Bank staff for a time, was he not?

STECKHAN: Well, he is here as a vice president. He was in charge of IDA for awhile.

OLIVER: Very interesting.

STECKHAN: I don't know whether you will have pictures in your book.

OLIVER: That would be a good one to have.

STECKHAN: Woods' concern was to have a more international bank. Woods' concern was to turn the Bank into a development institution. Examples: agriculture and education.

OLIVER: Did Woods use that phrase himself, "Development Institution?"

STECKHAN: I'm not sure. I don't think that was part of the jargon at the time. It may have been "Development Bank," but I can check

that. Woods' concern with Africa was not always highlighted. I think there was an interest that Woods had despite his appearance and background as a tough banker: the human side of Woods. Those are some of the key things.

OLIVER: Did Woods hold grudges if he was short with somebody because of a momentary disagreement?

STECKHAN: It varied, it varied. There were examples of people that he felt he didn't get along with, but there were other examples. Peter Cargill was one of those. Peter Cargill would just say, "You're wrong," occasionally. I'm not sure whether Woods liked it or not, but he would come back and say, "Peter, maybe you were right on this one," which I think requires quite a lot. . . .

OLIVER: I was once told that there was someone in the Paris office of the Bank for a time whom Woods did not like -- the name was never mentioned, and that when Woods went to Paris, he tried to avoid going into the office on that account.

STECKHAN: You should ask George Wishart. It doesn't ring a bell. The man who was in the Paris office was Miller. Johnnie Miller, who has long since died, was a very well-known media man and, I think, a Woods appointee. My impression was that Woods had a lot of time for Johnnie Miller.

OLIVER: The story was probably wrong, or I got it wrong.

STECKHAN: McNamara had a very special relationship with the Paris office. It may be somebody else. I cannot see Johnny Miller as the person.

OLIVER: I think Mrs. Woods went along with Mr. Woods on most of his trips, did she not? And she, herself, played an important role in the social activities of the wives of the Bank. Would you say something about this?

STECKHAN: She is a very gracious woman, very people oriented, and very keen on playing a useful and human role in the years that George Woods was President. Yes, she played a role with the wives. She received regularly the wives of all new staff members, which now is impossible to do, but was possible at that time. She was quite close to some of the wives George Woods saw on his trips, and I think she had a major influence on him in these trips -- a calming influence. He discussed a lot of things with her. He was already a man who had had one very serious operation when he came to the Bank. I don't know exactly what it was, but he had to watch his health. It wasn't a bypass.

OLIVER: He had a heart attack in '54, and he had an aneurism in '63.

STECKHAN: Yes, when he was at the Bank.

OLIVER: Shortly after he came. You are quite right.

STECKHAN: I think he had a pace maker or something.

OLIVER: Well, is there something I should have asked you and haven't asked you about these years?

STECKHAN: No, except just a very personal note. For me the years with Woods and then with McNamara were probably the most fascinating of my life, and that is largely due to the personality of Woods. I'll tell you a funny but true story to conclude. On Woods' last visit to

India, when he knew it was his last visit, Mrs. Gandhi was the Prime Minister. She had organized a luncheon in his honor. She was the top person of the largest member country of the World Bank. This must have been scheduled at 1:30 in the afternoon, and, at 12:00, we went to a thing called the India Emporium, because I wanted to buy a leopard skin.

We were hanging around looking for a leopard skin, and we got a little nervous, but Mrs. Woods was there and she said, "Don't worry." Finally we bought the skin. It was very late, and we got in the car and went to what I thought was the house where the luncheon was to be held, but it turned out to be the wrong house. By the time George Woods got to this very important personal and professional luncheon, he was about 40 minutes late, I must say, and he never, never, uttered a harsh word about it, which I think contradicts a lot of impressions you will gather about him as a harsh and severe person. He had another side. He realized we all make mistakes.

OLIVER: Quite right. I think that is a very good story with which to end our conversation. Thank you very much for your courtesy this morning.

STECKHAN: It is a pleasure.