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WITHDRAWAL SHEET

Ronald Reagan Library

Collection: WHORM Subject File

Archivist: cas/cas

File Folder: IT023 (411000 - 503321)

Date: February 14, 1997

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. letter (474141)	Beryl Sprinkel to Don Regan re desirable characteristics in a World Bank President (2 pp.)	12/31/85	P5, P6 MSJ 12/15/00

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P-1 National security classified information [(a)(1) of the PRA].
- P-2 Relating to appointment to Federal office [(a)(2) of the PRA].
- P-3 Release would violate a Federal statute [(a)(3) of the PRA].
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA].
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA].
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA].

C. Closed in accordance with restrictions contained in donor's deed of gift.

Freedom of Information Act - [5 U.S.C. 552(b)]

- F-1 National security classified information [(b)(1) of the FOIA].
- F-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA].
- F-3 Release would violate a Federal statute [(b)(3) of the FOIA].
- F-4 Release would disclose trade secrets or confidential commercial or financial information [(b)(4) of the FOIA].
- F-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA].
- F-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].
- F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA].
- F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].

THE WHITE HOUSE

WASHINGTON

JV

CJ

411339

April 24, 1986

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PF00201

Dear Bill:

Mr. Regan asked me to respond to your letter of April 3. While I am presently his Executive Assistant, I worked on World Bank matters extensively in the past including for Mr. Regan at Treasury. You are correct that national quotas, etc. are important factors in applying for positions at the Bank.

There are at least two people that I think you should talk with regarding your interest in the Bank. One is Hugh Foster, the U.S. Alternate Executive Director (i.e., representative) at the Bank, and the other is Jim Conrow, Deputy Assistant Secretary at Treasury for Developing Nations. They are well-versed in the ins and outs of the application process and could be helpful. At this point, though, I'm not sure that a letter of reference is what is particularly needed.

I don't know what your travel plans are in terms of visiting Washington, but I do think such a visit would be all but essential. I would have to be frank, though, in telling you that it is the case that prospects for Americans at the Bank are limited. Please feel free to get in touch with me for any questions or when you visit.

Sincerely,


Thomas C. Dawson

✓
Mr. William Acker, Jr.
Home Farm House
33 High Street
Chipstead, Nr Sevenoaks
Kent, England

P.S. Tom and Ruth are doing very well. They have three children and one on the way. Their address is 1251 Waterside Lane, Venice, Florida 33595

✓ cc: Hugh Foster
Jim Conrow

Home Farm House, 33 High Street, Chipstead nr Sevenoaks, Kent UK

Donald T. Regan,
Chief of Staff to the President,
White House Office,
1600 Pennsylvania Avenue NW,
Washington DC 20500, USA

April 3, 1986

Dear Mr Regan,

The last time I wrote to you was when you acted as my referee for the Peace Corps in 1968. That's a long time ago. Since then I have lived abroad either in South America with the Peace Corps or in England. Consequently, I have not kept in very close touch with most of the people I knew at Hun School and Penn. I spoke to George Cross on the phone not long ago, and he gave me a bit of news. I gather Tom is married, well and living in Florida.

The reason I am writing to you now is that I saw a job with the World Bank which I would dearly love to have. My instinct tells me that support from someone influential in Washington is one of the few ways for Americans to ensure that their applications are seriously considered at places with national quotas like the World Bank. If you could give me that support I would be extremely grateful. I have enclosed copies the advertisement and my c.v. I feel I am well suited to the position. I would not want a job I could not do well. In many ways, it would be doing a full circle back to the Peace Corps to join the World Bank. I would like that.

Since the Peace Corps, I have spent most of my time as an academic here in London. Since 1982 I have been working as a management consultant. Clare, whom I married the year I left Penn, and I now have 3 children, boys 7 & 5 and a girl 1. Be good to get a job in Washington so the kids can see what baseball is about before they are hooked on cricket.

I would be also grateful to have Tom's address in Florida as I occasionally visit my Bryn Mawr cousins who now live in Vero Beach. It would be pleasant to catch up with him.

Please give my best to Mrs. Regan and forgive my cheek in writing to you out of the blue for this sort of a favour. Thanking you very much, I hope you are all well.

Yours sincerely,

A handwritten signature in cursive script that reads "Bill Acker". The signature is written in dark ink and is positioned above the typed name.

William Acker Jr.

MANAGEMENT CONSULTANT

The World Bank (IBRD), a leading international institution in the field of economic development, invites applications from qualified and experienced management consultants to work in the Organization Planning Department at its headquarters in Washington, D.C.

The successful candidate will be responsible for:

- Planning, directing and organizing management study projects
- Analyzing management problems and proposing changes in processes, structure and approaches
- Initiating management changes
- Assisting clients in the implementation of agreed upon changes

Requirements:

- Advanced degree in business or related field
- 7-10 years direct professional experience as a management consultant, preferably with a major international firm, dealing with organizational and management issues
- Proven oral and written communication skills

The World Bank offers a competitive salary and benefits package. Please send a detailed curriculum vitae explaining the specific ways in which you qualify for this position, quoting reference 61-UKG-0703 to: The World Bank, Staffing Division, Personnel Management Dept., 1818 H Street, N.W., Washington, D.C. U.S.A. 20433. An Equal Opportunity Employer.



The World Bank

Home Farm House, 33 High Street, Chipstead nr Sevenoaks, Kent UK

The World Bank,
Staffing Division,
Personnel Management Department,
1818 H. Street, NW
Washington, D.C. 20433
USA.

April 3, 1986

Dear Sirs,

Re: Your reference 61-UKG-0703

I am replying to the advertisement for a management consultant which appeared in the Economist on March 22, 1986. If further particulars are available, I would be grateful to receive them. My curriculum vitae is enclosed.

In reply to your advertisement, the specific ways in which I feel that I am qualified for this position are:

- . a doctorate in behavioural science.
- . experience as a management consultant with an international firm, consulting experience while a university professor, and related experience as a US Peace Corps Volunteer.
- . a proven ability to communicate demonstrated by the articles I have published and the demands of my day to day work.
- . experience of introducing change in a developing country during my 3 years in the Peace Corps.
- . experience of working with both North American and European companies.
- . language capability in English, Portuguese, and Spanish.

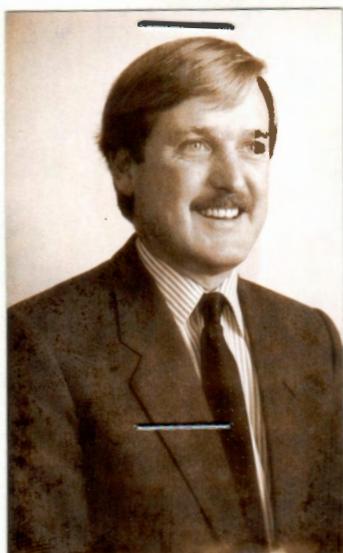
Thanking you for your kind attention,

Yours sincerely,

William Acker

CURRICULUM VITAE

WILLIAM LEWIS ACKER



Home Address: Home Farm House
33 High Street
Chipstead, Nr. Sevenoaks,
Kent, ENGLAND

Telephone: (0732) 452 685

Age: 39 Date of Birth: August 3, 1946

Nationality: USA, resident in UK since 1971

Marital status: Married since 1968, 3 children

Education and Professional Qualifications:

1964/68 Univ. of Pennsylvania --- BA in English
Philadelphia, Pa. USA
This degree included one semester at the University of
Madrid, Spain.

1971/74 University of London --- BSc Honours in Psychology
Birkbeck College
London, England

1974/78 University of London --- PhD in Psychology
Institute of Psychiatry
London, England

Professional Associations:

British Psychological Society
Division of Occupational Psychology

American Psychological Association
Division of Consulting Psychology

Languages:

English, native language
Portuguese, fluent
Spanish, conversational

Work Experience:

1982/Present Rohrer Hibler & Replogle Inc
Chicago, Illinois USA

Rohrer Hibler & Replogle (RHR) is a US management consulting firm founded in 1945 with offices in 16 cities in the US and Canada, in Brussels and in London. All management consultants at RHR are psychologists. We assist client companies using psychological techniques and principles to identify management problems and to design and implement change strategies. We address ourselves to key individuals, and to the organisation as a whole.

In 1982 I joined the London office. I was made a Senior Consultant in 1984. Among my personal clients are European companies and also US companies operating in Europe. As a Senior Consultant my responsibilities begin with negotiating involvement with clients and include designing, co-ordinating and carrying out projects using client staff and other RHR consultants, preparing written reports, and assisting clients to implement recommendations.

1974/82 University of London, Institute of Psychiatry

The Institute of Psychiatry is the major post-graduate centre for psychology of the University of London. It has two affiliated hospitals, the Maudsley and Royal Bethlem.

At first a doctoral student supported by a Research Council Fellowship, I was appointed Lecturer (USA equivalent Assistant Professor) and then Senior Lecturer (USA equivalent Associate Professor). This post involved research, teaching, leading informal discussion groups, and formal conference presentations.

Active in the internal functioning of the University, I sat on the Academic Board and the Board of Governors of the Maudsley-Bethlem Joint Hospitals. From 1980/82 I was consultant to NFER-Nelson Publishing Company, at one point undertaking a 2 week trip to the USA and Canada on their behalf.

1971/74 American Community School of London
While studying in the evenings at Birkbeck College for an honours degree in psychology, I was a high school teacher of English, Psychology, and Physical Education.

1968/71 Peace Corps Volunteer
Rio Grande do Norte, Brazil

Principal activities were:

- a. starting co-operatives for 3 groups: potters, leather-workers and vegetable growers. This involved finding markets, making for and selling to those markets, and making liaison with government agencies (SUDENE & ARTENE) to formalise the co-operatives. The pottery co-op was the most successful. A showroom, workrooms and kilns were built and at the peak 15 jobs were created. My last information of the pottery co-operative in 1983, indicated that it is still prospering.
- b. organising a campaign to diagnose and treat intestinal parasites. This involved door-to-door canvassing, negotiating with the state health department to provide a lab and an analyst, persuading a national agency (DNERU) to co-operate by donating medicines, and devising a system to tie it all together. In the first year of its operation, just under 10,000 people were tested and treated.

Publications:

I have formally presented and published some 35 articles ranging from a short article in the UK edition of Reader's Digest, to highly technical articles in Brain and an invited review article in the British Medical Bulletin. I also devised, programmed, standardised, and published Britain's first computerised psychological procedures. A full list of publications and conference presentations can be supplied on request.

Referees:

Donald T. Regan
Chief of Staff to the President
White House Office
1600 Pennsylvania Avenue NW
Washington DC 20500, USA

Philip L. Thornton
President, ARA Services Europe
ARA House, Honey End Lane
Tilehurst, Reading
BERKS RG3 4QL, England

Professor W A Lishman
Institute of Psychiatry
Denmark Hill
London SE5 8AF, England

Mark Goodwin
Managing Director
Tate + Lyle Agribusiness
45 Homesdale Road
Bromley, Kent, England

David Gibbons
Managing Director
Abbott Laboratories Ltd.
Queenborough, Kent, England

Ag

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UNITED STATES REPRESENTATIVE
TO THE
EUROPEAN COMMUNITIES

CJ

40, BOULEVARD DU REGENT, B3
1000 BRUSSELS, BELGIUM

March 19, 1986

Honorable Donald Regan
Chief of Staff
The White House
1600 Pennsylvania Ave., N.W.
Washington, D.C. 20500

NOTED BY DTR

Dear Don:

I wanted to ~~thank you very much for all your help and consideration on the recent World Bank matter~~ and even though I wasn't the final nominee I do think Barber was an excellent choice. I value your friendship and support and appreciate being considered at all.

Here in Europe I have been pushing very hard on privatization and to reverse the long-term trend toward the welfare state, labor rigidities and inflexibilities that have crept in. High marginal tax rates have been partly the cause. They must be reduced and privatization must have its day here. There is alot of progress being made now in Europe in these directions and these ideas are not totally rejected as they were 4 or 5 years ago.

Again Don I value your friendship and your support.

Sincerely,

Bill

J. William Middendorf, II
Ambassador

JV
TU

ID # 414587 CU

IT023
Shepard

WHITE HOUSE CORRESPONDENCE TRACKING WORKSHEET

- O - OUTGOING
 - H - INTERNAL
 - I - INCOMING
- Date Correspondence Received (YY/MM/DD) 1/1

Name of Correspondent: Gordon Runroe

MI Mail Report User Codes: (A) _____ (B) _____ (C) _____

Subject: Appointment of Barber B. Conable to World Bank and his pro-abortion stand

ROUTE TO:	ACTION	DISPOSITION			
Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>W Holland</u>	<u>ORIGINATOR</u>	<u>86 05 20</u>	<u>TJS</u>	<u>C</u>	<u>86 10 23</u>
<u>WAT 23</u>	<u>D</u>	<u>86 10 21</u>	<u>TJS</u>	<u>C</u>	<u>86 10 23</u>
<u>Wat 28</u>	<u>S</u>	<u>86 10 23</u>	<u>TJS</u>	<u>A</u>	<u>86 10 23</u>
_____	_____	<u>1 1</u>	_____	_____	<u>1 1</u>
_____	_____	<u>1 1</u>	_____	_____	<u>1 1</u>

ACTION CODES:

- A - Appropriate Action
- C - Comment/Recommendation
- D - Draft Response
- F - Furnish Fact Sheet to be used as Enclosure
- I - Info Copy Only/No Action Necessary
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

also attached: **A**
Comments: Jul 23 86 TJS memo to Jay B. Stephens

Keep this worksheet attached to the original incoming letter.
Send all routing updates to Central Reference (Room 75, OEOB).
Always return completed correspondence record to Central Files.
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.

THE WHITE HOUSE
WASHINGTON

JBS/JMS:jck
✓JBStephens
JMShepherd
Chron.

July 23, 1986

Dear Mr. Runnoe:

Thank you for your letter of April 6, 1986, to the President about the appointment of Barber R. Conable Jr. as President of the World Bank, and urging the President to appoint judges who are "for life and for the family."

In all of his appointments, President Reagan attempts to select the most qualified candidates and those whose views are consistent with his own on a broad range of subjects. With this standard in mind, I trust that you will find that the President has appointed outstanding individuals who reflect a commitment to the principles under which he was elected.

Sincerely,

ORIGINAL SIGNED BY J.B.S.

Jay B. Stephens
Deputy Counsel to the President

Mr. Gordon Runnoe
12020 Spring View Drive
La Mirada, California 90638

THE WHITE HOUSE

WASHINGTON

July 23, 1986

MEMORANDUM FOR JAY B. STEPHENS

FROM:

J. MICHAEL SHEPHERD *JMS*

SUBJECT:

Attached Correspondence from Gordon Runnoe

Mr. Gordon Runnoe of La Mirada, California wrote the attached letter to the President complaining about the President's appointment of Barber Conable as President of the World Bank. He goes on to ask that the President appoint judges who are "for life and for the family."

Attached for your review and signature is a letter to Mr. Runnoe thanking him for his letter and advising him that in all of his appointments the President looks for the most qualified candidates and those whose views are similar to his own on a broad range of subjects.

Attachments

Date 7.24.86

Suspense Date _____

MEMORANDUM FOR: Michael

FROM: DIANNA G. HOLLAND

ACTION

- Approved
- Please handle/review
- For your information
- For your recommendation
- For the files
- Please see me
- Please prepare response for _____ signature
- As we discussed
- Return to me for filing

COMMENT

Should it be pointed out that
the President doesn't appoint
the President of the World
Bank?

THE WHITE HOUSE
WASHINGTON

Diana,

7-25-86

Thanks for your suggestion. I thought about that too, but decided not to make that technical point because the U.S., as the largest shareholder, traditionally names the President, and it is widely reported that the White House is involved in the selection.

Michael

32

Peter
Wallson

Gordon Runnøe
12020 Springview Dr.
La Mirada, Cal. 90638
April 6-1986
414587CU

Dear President Reagan:

I am disappointed that
you have named Barber B. Conable
Jr. president of the World Bank
because of his pro-abortion stance.

Being pro-abortion and in that
position of power with money
is not good at all.

We who are in the pro-life
movement feel cheated to say
the least by such an appointment,
because we have been working
so hard to achieve and vote
people in office to promote the
Cause for Life.

So Mr. President - please,
when you get the chance to
appoint Federal judges or a new
Supreme Court member please
appoint a man who is for
life and for the family.

We have a new Archbishop
here + he's very much against
abortion and Bill Press our
news Commentator here is tearing
him and you up and down
the back. I have written him
6 or 7 letters contradicting his
statements on abortion - you and
our new Archbishop. But
you know President Reagan when
you appointed Mr Conable Jr. as
head of the World Bank, I didn't
hear him say one word!
Sincerely yours
Gordon Runnol

(over)

I read of this appointment in
Volume 2 Number 8 All News

**EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS**

November 25, 1986

TO: Don Regan
FROM: Beryl Sprinkel *Beryl*
SUBJECT: Special Facility for Africa

document
You asked me the other day if the World Bank's special facility for Africa was operating and if we had contributed to it. The answer to both is yes. It was established in April 1985, to run for three years. The U.S. provided \$72 million in the FY '86 budget and \$65 million in the FY '87 continuing resolution. (See attached paper for further information.)

Attachment

NOTED BY DTR

**Beryl W. Sprinkel
Chairman**

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FG006-03
FI004

Special Facility for Africa

The World Bank's Special Facility for Africa was established in April 1985 to provide credits to IDA-eligible countries in sub-Saharan Africa which have undertaken or are committed to undertake an appropriate medium-term program of policy reform. Credits from the Facility are quick-disbursing and provided in support of structural adjustment, sectoral adjustment, rehabilitation and/or reconstruction. The Facility is to run for three years (World Bank FY 86-88), with most operations in the first two. There has been no indication of an intent by any of the governments or institutions involved to continue it beyond FY 88.

The Facility has currently received pledges from donors amounting to \$1.68 billion, in two forms: direct pledges (roughly \$1.05 billion, including \$150 million from IBRD net income) and agreements (Special Joint Financing) to program specific amounts of concessional bilateral assistance in support of eligible operations (some \$628 million, including additional contributions from Japan). The Facility has provided 24 credits, totalling \$810 million to 17 sub-Saharan African countries.

The United States did not initially join the Facility, although we fully supported its objectives, particularly the emphasis on policy reform. We were in the process of seeking Congressional approval for the African Economic Policy Reform Program (AEPRP), which is a bilateral assistance program along similar lines. Congress approved \$75 million in Economic Support Fund (ESF) funds in FY 1985 which we used to support policy reform efforts in nine African countries. The assistance provided was in the form of quick-disbursing grants for non-project-related activities which supported specific reforms. We worked closely with the World Bank in the programming of these bilateral funds.

As part of the FY 1986 budget, Congress provided \$75 million for a U.S. contribution to the Facility. (Because of budgetary cutbacks dictated by Gramm-Rudman the actual contribution was \$71.8 million.) In addition, we provided approximately \$50 million for the AEPRP.

*** ~~We are not seeking appropriations for the Facility in FY 87.~~ However, we have requested ESF funds for the AEPRP, which, as pointed out above, is a bilateral initiative with the same objectives. If we receive these funds, we will continue to work closely with the World Bank in programming them.

Meanwhile, we have won approval for a U.S. proposal for the establishment of cooperative lending arrangements by the World Bank and IMF. Under these arrangements, the two institutions are assisting IDA-eligible countries, primarily in sub-Saharan Africa, to undertake macro-economic and structural adjustment programs.

*** NOTE: Since this paper was written, Congress appropriated \$65 million for a U.S. contribution in the FY '87 continuing resolution.

The IMF's financing comes from its newly-created Structural Adjustment Facility, which can draw on about \$3.0 billion in Trust Fund reflows. The World Bank's participation comes largely from IDA. During negotiations on an IDA replenishment, the IDA Deputies have agreed that (1) 45-50 percent of the \$11.5 billion or more of new funds will go to Sub-Saharan Africa and (2) \$3-3.5 billion will be used for structural adjustment lending, to the extent feasible in conjunction with the IMF.

Drafted by: Treasury AClapp
October 3, 1986

Cleared by:
Treasury: RBresnick
USED/IBRD: BCrowe
AID: CGrigsby
State/AF: PDaley



THE SECRETARY OF THE TREASURY
WASHINGTON

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CD165

FGD12

FGD06-1a

November 21, 1986

TR

NOTE FOR ALTON G. KEEL, JR.
DEPUTY ASSISTANT TO THE PRESIDENT
FOR NATIONAL SECURITY AFFAIRS

FROM: Robert B. Zoellick ^{RBZ}
Executive Secretary and Special Advisor

SUBJECT: Secretary Baker's Response to Representative Kemp on
U.S.S.R Participation in the World Bank

Per your discussion with Secretary Baker this morning, I have
attached a signed version of his letter to Mr. Kemp, for your
information. (I also have attached a copy of Mr. Kemp's letter.)

Attachments

Copy to: W. Robert Pearson
Deputy Executive Secretary

NSC 8608419



THE SECRETARY OF THE TREASURY
WASHINGTON

November 21, 1986

Dear Jack:

This is in response to your letter requesting a clarification of the Administration's view on Soviet membership in the World Bank.

Your letter correctly points out that the Soviets have not applied for World Bank membership. I know that you are aware that before a country can become a member of the World Bank, it must first become a member of the International Monetary Fund. The Soviets have not applied for membership in the IMF either. In my view, the Soviet Union would be unlikely and unwilling to comply with membership requirements of either institution.

In addition, I share your view that Soviet membership would not be in the best interest of the United States or the World Bank.

Accordingly, the Administration would oppose Soviet membership in the IMF and the World Bank and would work actively within their respective Executive Boards to this end. I hope this clarifies the Administration's position.

Sincerely,

James A. Baker, III

The Honorable Jack Kemp
U.S. House of Representatives
Washington, D.C. 20515

NSC/5 - Loretta

I believe that this was logged yesterday under 8419 but it's not yet in actstat. Wilma has requested that Dr Keel receive a copy of the logged item.

JACK KEMP
91ST DISTRICT OF NEW YORK

COMMITTEES:

APPROPRIATIONS

SUBCOMMITTEE:

FOREIGN OPERATIONS
RANKING MEMBER

BUDGET

Congress of the United States
House of Representatives
Washington, D.C. 20515

PLEASE RESPOND
□ WASHINGTON OFFICE:
2282 RAYBURN OFFICE BUILDING
WASHINGTON, D.C. 20518
(202) 225-6266

DISTRICT OFFICES:
□ 1101 FEDERAL BUILDING
111 WEST HURON STREET
BUFFALO, NEW YORK 14202
(716) 846-6123

□ 484 S. MAIN STREET
GENEVA, NEW YORK 14456
(518) 789-3260

November 7, 1986

Mr. James Baker
Secretary of the Treasury
Department of the Treasury
15 th Street and Pennsylvania Avenue, NW
Washington, D.C.

Dear Jim,

Recently, our good friend World Bank President Barber Conable said in an interview with reporters that the Bank "would be happy to explore" a membership bid from the Soviet Union.

I hope that this statement does not signal any intention on the part of the United States to change its current position on Soviet membership in the Bank.

Up to this point, the reaction heard most often from both Bank and Administration officials to the membership issue is that the Soviets have not yet applied, or that they have not yet shown a willingness to comply with the disclosure of economic information requirements of the Bank.

But the matter of the Soviet Union becoming a member of the World Bank goes far beyond statistics or forwarding an application. Soviet actions at the United Nations and other multi-lateral institutions, and their record of aggression abroad and oppression at home make it clear that membership would neither be in the interest of the United States or the Bank:

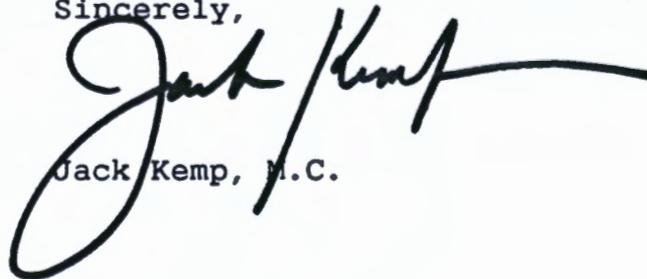
- 1) Membership in the Bank could give the Soviet Union direct access to credit, or access to credit through client states, to finance their continuing military buildup and their aggression in Afganistan, Central America, Africa, and Asia. Access to credit would also give the Soviets an economic lever to loosen ties between the United States and the Atlantic Alliance.
- 2) Once in the Bank, there is great probability that the Soviets would seek to disrupt the Bank by acting as the ringleader of an anti-democratic and anti-market coalition that could seriously threaten the economic and political stability of both developed and developing nations.

- 3) Given the nature of the Soviet economic system, membership could mean the end of the pro-growth, market-oriented program that you first outlined in Seoul, Korea. Although the pace is somewhat slow, it is clear that the Bank has become more receptive to these reforms over the past year. More importantly, country after country has begun turning away from Soviet style socialism and towards a market oriented system. The Soviets cannot be expected to support these reforms; it's clear that they would actively oppose them.

Jim, as one of the President's ablest and strongest supporters, you have worked long and hard within the Administration and on Capitol Hill to set the Bank on a course that will encourage the growth of democratic capitalism in the developing world. Soviet membership in the Bank can only reverse the considerable progress that's been made over the past six years.

For this reason, I urge you in the strongest possible terms to take the lead in clarifying the Administration position on Soviet membership. Silence on this matter can only lead to confusion about U.S. intentions, and will encourage the Soviets to believe that they can move forward in requesting membership.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Kemp", with a long horizontal flourish extending to the right.

Jack Kemp, M.C.

RECEIVED 25 NOV 86 15

KEEL

FROM ZOELLICK, R

DOCDATE 21 NOV 86

KEYWORDS: USSR

INTL FINANCE

KEMP, JACK

CONGRESSIONAL

BAKER, J

SUBJECT: BAKER LTR TO KEMP RE SOVIET MEMBERSHIP IN WORLD BANK

ACTION: FOR RECORD PURPOSES

DUE:

STATUS C

FILES WH

FOR ACTION

FOR CONCURRENCE

FOR INFO

DANZANSKY

FARRAR

SABLE

RODMAN

COBB

KEEL

COMMENTS

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ACTION OFFICER (S)

ASSIGNED

ACTION REQUIRED

DUE

COPIES TO

DISPATCH

W/ATTCH

FILE

(C)

BPS

EYES ONLY

THE CHAIRMAN OF THE
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

December 31, 1985

C.F.
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IT023
FG006-03

Dear Don:

The desirable characteristics of a World Bank President are as follows:

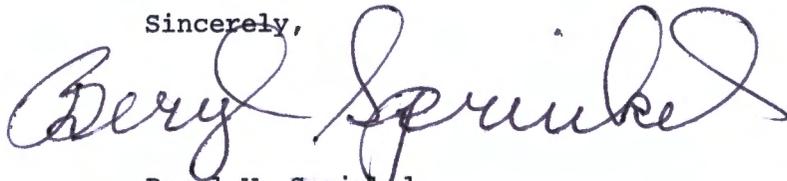
- He should be an articulate advocate of market orientation as a vehicle for growth.
- He should be respected in the international financial community.
- He must understand the international financial system.
- He must be capable of organizing and directing the World Bank bureaucracy rather than being run by it.
- He must be able to work cooperatively with senior officials of the Reagan Administration.
- He must be a "doer" -- dedicated, persistent, and a first-class pusher!

Based on my long-time acquaintance with Bill Simon, I believe he would be our best choice for President of the World Bank.

I have talked with him about his interest in this position, and it is my judgment that he would take the post, if offered, provided he could reach agreement with senior Reagan Administration officials on the future direction of World Bank policies. After questioning him about his views concerning the World Bank, I believe such an agreement would be possible. His one reservation was his concern that the Administration might not be able to take the political heat from the LDCs resulting from the Bank's reorientation toward a more market-oriented thrust. He referred me to his last speech as Secretary of the Treasury before the 1976 World Bank/IMF Meetings as indicative of his detailed views. I am enclosing a copy of the speech with marked passages. In my judgment, his beliefs on IBRD policy are similar to the approach of the U.S. Treasury during our tenure. Our greatest difficulty in bringing about the desired changes has been an uncooperative CEO of the World Bank.

If you are favorable to this idea, I recommend that Bill Simon meet with you, Jim Baker, and George Shultz. If an agreement can be reached, I recommend he be appointed to the World Bank presidency. He could make a major contribution to the economic development of the less developed countries of the world by helping expedite the growing trend toward market orientation as the preferred channel for growth. If there is anything I can do to further this process, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Beryl W. Sprinkel". The signature is fluid and elegant, with a large initial 'B' and 'S'.

Beryl W. Sprinkel

The Honorable
Donald T. Regan
Chief of Staff
The White House

Enclosure