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**Case file Number(s):** 500000-559000

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Current Status	None
User Name	dbarrie
Status Date	2014-04-12
Case Number	
Notes	Transferred to IT026

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## Review Status History

<u>No.</u>	<u>Status</u>	<u>Date</u>	<u>User</u>	<u>Case Number</u>	<u>Notes</u>
1	None	2014-04-12	dbarrie		Transferred to IT026

9

NATIONAL SECURITY COUNCIL  
WASHINGTON, D.C. 20506

April 8, 1987

507771

2502 IT023

TR

FG006-12

MEMORANDUM FOR RONALD K. PETERSON

FROM:

GRANT S. GREEN, JR. *Bob for*

SUBJECT:

Proposed Amendment Re Articles on International  
Bank for Reconstruction and Development

The NSC staff has no objection to the Treasury draft bill "to provide for United States approval and acceptance of a proposed amendment to the Articles of Agreement of the International Bank for Reconstruction and Development."

NSC # 8702502

NATIONAL SECURITY COUNCIL  
WASHINGTON, D.C. 20506

ACTION

April 6, 1987

MEMORANDUM FOR GRANT S. GREEN

FROM: STEPHEN I. DANZANSKY *SIF 6*

SUBJECT: Proposed Amendment Re Articles of Agreement on  
International Bank for Reconstruction and  
Development

OMB has requested our views on the attached draft bill by  
Thursday, April 9, 1987

*AF* Alison Fortier, Paul Stevens *NSC* and Don Tice *NSC* concur.

RECOMMENDATION

That you sign the attached memorandum at Tab I to Ronald  
Peterson indicating that the NSC staff has no objection to the  
draft bill from Treasury.

Approve *WHS*

Disapprove \_\_\_\_\_

Attachments

Tab I Memo to Peterson  
II Incoming from OMB

Prepared by: *SIF*  
Stephen P. Farrar



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503  
April 3, 1987

2502  
**SPECIAL**

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer -

Department of State (Howdershell 647-4463)	25
Agency for International Development (Lester 647-8404)	02
Department of Justice (Perkins 633-2113)	17
National Security Council	
Federal Reserve System	

**SUBJECT:** Treasury draft bill "To provide for United States approval and acceptance of a proposed amendment to the Articles of Agreement of the International Bank for Reconstruction and Development."

**NOTE:** This proposal is part of the President's program and expedited clearance is requested. Therefore, if your agency has not responded by the deadline, we will presume you have no objection to this proposal.

The Office of Management and Budget requests the views of your agency on the above subject before advising on its relationship to the program of the President, in accordance with OMB Circular A-19.

A response to this request for your views is needed no later than THURSDAY, APRIL 9, 1987.

Questions should be referred to Annette Rooney/Sue Thau (395-7300), the legislative analyst in this office.

RONALD K. PETERSON for  
Assistant Director for  
Legislative Reference

Enclosures

cc: D. Speckhard

**SPECIAL**



DEPARTMENT OF THE TREASURY  
WASHINGTON

March 25, 1987

*John R. ...*

Director, Office of Management and Budget  
Executive Office of the President  
Washington, D.C. 20503

Attention: Assistant Director for Legislative Reference

Dear Sir:

Enclosed are six copies of a Treasury draft bill, "To provide for United States approval and acceptance of a proposed amendment to the Articles of Agreement of the International Bank for Reconstruction and Development," accompanying section-by-section analysis, and letters of transmittal to the Speaker of the House and the President of the Senate.

Please advise the Director, Office of Legislation, Litigation, and Regulation, if there is any objection to submitting these materials to the Congress.

Sincerely,

*D. Edward Wilson, Jr.*

D. Edward Wilson, Jr.  
Deputy General Counsel

Enclosures



DEPARTMENT OF THE TREASURY  
WASHINGTON

GENERAL COUNSEL

Dear Mr. President:

Transmitted herewith is a draft bill, "To provide for United States approval and acceptance of a proposed amendment to the Articles of Agreement of the International Bank for Reconstruction and Development."

The draft bill authorizes the U.S. Governor of the World Bank to accept an amendment to the Bank Articles of Agreement (Articles) that would raise from 80 percent to 85 percent the percentage vote required to amend the Articles. This ensures that the United States is able to block any amendment to the Articles, as long as it has a voting power of at least 15 percent. The proposal parallels an amendment to the Articles of Agreement of the International Monetary Fund that Congress approved in Pub. L. 94-564, October 19, 1976.

For several years, the United States has been concerned that its percentage of total voting power in the International Bank for Reconstruction and Development (Bank) has fluctuated around 20 percent, the current percentage necessary to block amendments to the Articles. The negotiations to replenish the International Development Association (IDA) provided an opportunity to seek and obtain an amendment to amend the Articles to lower that percentage to 15 percent.

During IDA negotiations, Japan and other countries sought larger shareholdings in the Bank commensurate with their larger role in the international economy and their increased contributions to IDA. To obtain larger contributions for IDA VIII and commitments from Japan relating to that country assuming greater responsibility worldwide, the United States agreed to release two percent of its shares (which are unsubscribed). This would permit increased shareholding by others, but would reduce U.S. potential voting power to 18.07 percent. However, the United States would release its unsubscribed shares only after the Governors of the Board voted in favor of the amendment.

To avoid loss of the veto, the United States has obtained from the countries involved an agreement that the Articles would be amended to raise from 80 percent to 85 percent the percentage necessary to accept an amendment to the Articles. The draft bill, as required by the Bretton Woods Agreements Act, would authorize the Secretary of the Treasury, as the U.S. Governor to the Bank, to accept the proposed amendment and to implement the agreement.

It would be appreciated if you would lay the draft bill before the Senate. An identical draft bill has been transmitted to the Speaker of the House of Representatives.

The Office of Management and Budget has advised that there is no objection to the presentation of this draft bill to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

Robert M. Kimmitt  
General Counsel

The Honorable George Bush  
President of the Senate  
Washington, D.C. 20510

Enclosures



DEPARTMENT OF THE TREASURY  
WASHINGTON

GENERAL COUNSEL

Dear Mr. Speaker:

Transmitted herewith is a draft bill, "To provide for United States approval and acceptance of a proposed amendment to the Articles of Agreement of the International Bank for Reconstruction and Development."

The draft bill authorizes the U.S. Governor of the World Bank to accept an amendment to the Bank Articles of Agreement (Articles) that would raise from 80 percent to 85 percent the percentage vote required to amend the Articles. This ensures that the United States is able to block any amendment to the Articles, as long as it has a voting power of at least 15 percent. The proposal parallels an amendment to the Articles of Agreement of the International Monetary Fund that Congress approved in Pub. L. 94-564, October 19, 1976.

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It would be appreciated if you would lay the draft bill before the House. An identical draft bill has been transmitted to the President of the Senate.

The Office of Management and Budget has advised that there is no objection to the presentation of this draft bill to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

Robert M. Kimmitt  
General Counsel

The Honorable James C. Wright, Jr.  
Speaker of the House of Representatives  
Washington, D.C. 20515

Enclosures

A BILL

To provide for United States approval and acceptance of a proposed amendment to the Articles of Agreement of the International Bank for Reconstruction and Development.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Bretton Woods Agreement Act (59 Stat. 512, 22 U.S.C. 286, as amended) is further amended by adding at the end thereof the following new section:

"Sec. 52. The United States Governor of the International Bank for Reconstruction and Development is hereby authorized to agree to and to accept the amendment to the Articles of Agreement in the proposed resolution entitled 'Amendment to the Articles of Agreement of the Bank,' forwarded to the United States on February 27, 1987."

### Section-by-Section Analysis

The draft bill authorizes the United States Governor to the International Bank for Reconstruction and Development to accept an amendment to the Articles of Agreement of the Bank to increase the majority of the total voting power necessary to accept an amendment of the Articles of Agreement from 80 percent to 85 percent (except for amendments requiring unanimity.) This Amendment would assure the United States a veto over amendments to the Articles, provided its share of the total voting power is at least 15 percent.

Section 5 of the Bretton Woods Agreements Act (59 Stat. 512, 22 U.S.C. 286, as amended) requires congressional authorization for the United States to accept any amendment to the Articles of the Agreement.



RECEIVED 03 APR 87 13

TO GREEN

FROM PETERSON, R

DOCDATE 03 APR 87

KEYWORDS: INTL FINANCE

LEGISLATIVE REFERRAL

SUBJECT: PROPOSED AMENDMENT RE ARTICLES OF AGREEMENT / INTL BANK FOR RECONSTRUCITON & DEVELOPMENT

ACTION: MEMO GREEN TO PETERSON

DUE: 07 APR 87 STATUS S FILES WH

FOR ACTION

FOR CONCURRENCE

FOR INFO

DANZANSKY

FARRAR

TICE

DEAN

FORTIER *OK*

STEVENS

RODMAN

COCKELL

COMMENTS

REF# LOG NSCIFID ( TC )

ACTION OFFICER (S)	ASSIGNED	ACTION REQUIRED	DUE	COPIES TO
<i>Edreen</i>	<i>X 4/8</i>	<i>Farris</i>		
	<i>C 4/8</i>	<i>Pearson Spd</i>		<i>SID, GSG</i>

DISPATCH *✓ TC 4/9* ~~WATERSON~~ FILE (C)

THE WHITE HOUSE  
CORRESPONDENCE TRACKING WORKSHEET

IT023

MS

INCOMING

DATE RECEIVED: SEPTEMBER 23, 1987

NAME OF CORRESPONDENT: THE HONORABLE HUGH W. FOSTER

SUBJECT: SUBMITS RESIGNATION AS U. S. ALTERNATE  
EXECUTIVE DIRECTOR ~~TO THE WORLD BANK~~ **INTERNATIONAL BANK**  
**OF**  
**FOR RECONSTRUCTION AND DEVELOPMENT,**  
**EFF. 10/6/87**

ROUTE TO: OFFICE/AGENCY	(STAFF NAME)	ACT CODE	DATE YY/MM/DD	TYPE RESP	C D	COMPLETED YY/MM/DD
RONALD GEISLER		ORG	87/09/24		C	87/09/24 <i>CJ</i>
<i>PP BUL</i>	REFERRAL NOTE:	<i>A</i>	<i>87/09/24</i>		C	<i>87/09/24 CJ</i>
<i>PP WEIST</i>	REFERRAL NOTE:	<i>D</i>	<i>87/09/24</i>		C	<i>87/09/30 CJ</i>
	REFERRAL NOTE:					
	REFERRAL NOTE:					
	REFERRAL NOTE:					

COMMENTS: CLERK'S OFFICE HAS ORIGINAL.

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES: \_\_\_\_\_  
MI MAIL USER CODES: (A) \_\_\_\_\_ (B) \_\_\_\_\_ (C) \_\_\_\_\_

- \*\*\*\*\*
- |                          |                      |                      |   |
|--------------------------|----------------------|----------------------|---|
| *ACTION CODES:           | *DISPOSITION         | *OUTGOING            | * |
| *                        | *                    | *CORRESPONDENCE:     | * |
| *A-APPROPRIATE ACTION    | *A-ANSWERED          | *TYPE RESP=INITIALS  | * |
| *C-COMMENT/RECOM         | *B-NON-SPEC-REFERRAL | * OF SIGNER          | * |
| *D-DRAFT RESPONSE        | *C-COMPLETED         | * CODE = A           | * |
| *F-FURNISH FACT SHEET    | *S-SUSPENDED         | *COMPLETED = DATE OF | * |
| *I-INFO COPY/NO ACT NEC* |                      | * OUTGOING           | * |
| *R-DIRECT REPLY W/COPY * |                      |                      | * |
| *S-FOR-SIGNATURE         |                      |                      | * |
| *X-INTERIM REPLY         |                      |                      | * |
- \*\*\*\*\*

REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE  
(ROOM 75, OEOB) EXT-2590  
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING  
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS  
MANAGEMENT.

514330  
IT023

THE WHITE HOUSE  
WASHINGTON

November 17, 1987

Dear Hugh:

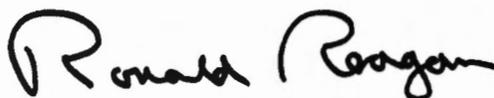
It is with regret that I accept your resignation as United States Alternate Executive Director of the International Bank for Reconstruction and Development, effective October 6, 1987.

During the past six years, your service, first as United States Alternate Executive Director of the Inter-American Development Bank and then in a similar capacity at the World Bank, has been marked by dedication and accomplishment. I recall especially your efforts in the negotiations leading to the creation of the Inter-American Investment Corporation and, while Acting United States Executive Director of the International Bank for Reconstruction and Development, to the formation of the Multilateral Investment Guarantee Association.

You have my gratitude and appreciation for your support of this Administration's goals, and I am confident that I can speak for all Americans in extending our thanks for your dedicated public service.

Nancy joins me in offering you and Ceseli our best wishes for the future.

Sincerely,



The Honorable Hugh W. Foster  
3700 33rd Place, N.W.  
Washington, D.C. 20008

871118

JPC

THE WHITE HOUSE  
WASHINGTON

November 17, 1987

Dear Hugh:

It is with regret that I accept your resignation as United States Alternate Executive Director of the International Bank for Reconstruction and Development, effective October 6, 1987.

During the past six years, your service, first as United States Alternate Executive Director of the Inter-American Development Bank and then in a similar capacity at the World Bank, has been marked by dedication and accomplishment. I recall especially your efforts in the negotiations leading to the creation of the Inter-American Investment Corporation and, while Acting United States Executive Director of the International Bank for Reconstruction and Development, to the formation of the Multilateral Investment Guarantee Association.

You have my gratitude and appreciation for your support of this Administration's goals, and I am confident that I can speak for all Americans in extending our thanks for your dedicated public service.

Nancy joins me in offering you and Ceseli our best wishes for the future.

Sincerely,

**DONALD REAGAN**

The Honorable Hugh W. Foster  
3700 33rd Place, N.W.  
Washington, D.C. 20008

*Mailed via Shipping Desk on 11/18/87.*

*NOTED  
dwg*

OK per Dawson 11/17

THE WHITE HOUSE  
WASHINGTON

November 13, 1987

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT H. TUTTLE *RT*

SUBJECT: Resignation Acceptances

Attached for your signature are letters of acceptance to the resignation of the following individuals:

- Peter Miller Dawkins
- David F. Emery
- J. Michael Farrell
- Henry Bowen Frazier III
- Hugh W. Foster
- Alan Greenspan
- Alan Lee Keyes
- June Q. Koch
- Donald C. Latham
- P. A. Mack
- Richard Thomas Montoya
- Woodrow A. Myers, Jr.
- Robert W. Page, Sr.
- Jack E. Ravan
- Douglas A. Riggs
- Ben C. Rusche
- M. Alan Woods

THE WHITE HOUSE  
WASHINGTON

Dear Hugh:

It is with regret that I accept your resignation as ~~Alternate~~ <sup>ALTERNATE</sup> United States Executive Director of the International Bank for Reconstruction and Development, effective October 6, 1987.

During the past <sup>ALTERNATE</sup> six years, your service, first as ~~Alternate~~ United States Executive Director of the Inter-American Development Bank and then in a similar capacity at the World Bank, has been marked by dedication and accomplishment. I recall especially your efforts in the negotiations leading to the creation of the Inter-American Investment Corporation and, while Acting United States Executive Director of the ~~World Bank~~, to the formation of the Multilateral Investment Guarantee Association.

You have my gratitude and appreciation for your support of this Administration's goals, and I am confident that I can speak for all Americans in extending our thanks for your dedicated public service.

Nancy joins me in offering you and Ceseli our best wishes for the future.

Sincerely,

~~THE HONORABLE~~  
Mr. Hugh W. Foster  
3700 33rd Place, NW  
Washington, D.C. 20008

~~INTERNATIONAL BANK FOR~~ RECON-  
STRUCTION AND  
DEVELOP-  
MENT,

THE WORLD BANK  
Washington, D.C. 20433  
U.S.A.

Alternate  
Executive Director

September 22, 1987

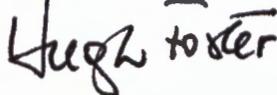
Dear Mr. President:

It has been my privilege to serve you and your Administration for almost six years, first as Alternate Executive Director for the United States on the Board of Directors of the Inter-American Development Bank and, since October of 1983, in a similar capacity at the World Bank. The time has come, however, to return to the private sector and I am therefore submitting my resignation to you, effective October 6, 1987.

You and I first exchanged correspondence in the month of April ten years ago. In a letter I wrote you at that time, I noted the need for America to "reassert its leadership role in the free world"; in your reply, you wrote of your desire to see our country "take the bold stands morality calls for". During your time in office you have taken those bold stands and reasserted American leadership and your place in the history of our republic is assured. It has been an honor not only to serve you, but also to play even a small role in implementing your vision of America's future.

I therefore also want to convey to you my thanks for the opportunity of being a member of the first and second Reagan Administrations. My time in public service has been deeply satisfying, and my wife Ceseli and I, as well as our children will long remember the experience of living in our nation's capital during six watershed years.

Sincerely,



Hugh W. Foster

U.S. Alternate Executive Director

The Honorable Ronald Reagan  
President  
The White House  
Washington, D.C. 20500

cc: The Honorable James A. Baker, III  
Mr. Barber Conable

DON NICKLES  
OKLAHOMA

4213

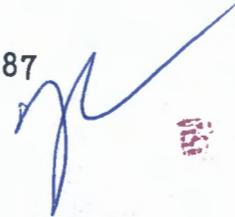
COMMITTEES:  
APPROPRIATIONS  
BUDGET  
ENERGY AND NATURAL  
RESOURCES

United States Senate  
WASHINGTON, DC 20510

MAY 11 1987

520150  
1220  
ITD23

May 8, 1987



 PY

The Honorable Frank Carlucci  
National Security Advisor  
The White House  
Washington, D. C. 20500

Dear Frank:

Pursuant to our discussion on reducing funds for the World Bank, I am enclosing copies of articles pertaining to the World Bank.

Also, I have enclosed a column showing the lack of support these countries give the United States at the United Nations.

I hope you find these articles informative.

Sincerely,

  
DON NICKLES  
U. S. Senator

DN:bab  
Enclosures

cc: The Honorable Jim Baker

NSC 8704213

# U.S. Will Oppose 'Generous' World Bank Severance Plan

The Washington Post

Friday, May 8, 1987

By Hobart Rowen  
Washington Post Staff Writer

The Reagan administration is actively opposing as "excessively generous" World Bank President Barber B. Conable Jr.'s proposal to give an enhanced severance-pay package to top officials who could lose their jobs as part of a reorganization plan announced Monday.

Conable has announced that as part of his effort to make the bank more efficient, at least 300 jobs will be eliminated immediately, and that as many as 300 more eventually could be trimmed from the 6,000-person staff. The severance pay, he estimated, would cost a maximum of \$150 million, while the cost of

operating the bank would be reduced by \$50 million a year.

The \$150 million works out to an average of \$250,000 per severed employe if all 600 lose their jobs, and as much as \$500,000 each if only 300 are cut from the payroll.

A bank official said that the \$150 million estimate related only to the 600-job reduction, but cautioned against simply dividing one figure by the other.

The World Bank, which lends money to the world's poorer countries, adjusts employes' salaries so they effectively pay no federal income taxes.

U.S. government officials will oppose the Conable plan at sessions of the bank's executive board, and

See BANK, F2, Col. 4

## U.S. Opposes World Bank Severance

BANK, From F1

they appear to have support from some other governments, it was learned yesterday.

The U.S. government also has registered formal regret that Conable passed over an American when he appointed Moeen Qureshi, a Pakistani, as senior vice president for operations and W. David Hopper, a Canadian, as senior vice president for policy and planning.

On the severance issue, an official said that "a variety of approaches" are being considered and that there would be different separation packages. He said part of the \$150 million would pay for retraining employes shifted to new jobs.

He acknowledged that for some highly paid senior officials from foreign countries with long service at the bank, the severance cost would be high, perhaps \$200,000. The payments would be in addition to earned pensions.

The high cost of separation, he said, is because the bank is obligated to pay resettlement costs for foreign nationals—who constitute about 75 percent of the staff—as

well as other benefits earned by service. Foreigners employed by the World Bank work in the United States on special visas, and must leave the country or find employment at another international institution if they lose their bank jobs.

One bank official said the "enhanced" termination package that the United States objects to also covers "educational and health benefits for a transitional period for the foreign staff, and full pay for a set initial period while [undergoing] counseling for new jobs."

In complaining about the Qureshi and Hopper appointments, the Reagan administration said that those officials "are of the highest quality" and that "these views in no way reflect upon the individuals chosen for the jobs." But the statement, made available at the Treasury Department, said "we would have preferred" that these posts had gone to individuals from a major shareholding country. And in the case of the job to which Hopper was appointed, the statement said the American preference would have been for Conable to go "outside the bank."

The major shareholding countries are the United States, West Germany, Japan, France and the United Kingdom. But a spokesman acknowledged that the United States was annoyed that at least one of these jobs, preferably the key operations assignment, did not go to an American. Prior to the reorganization, that post was held by Ernest Stern, a U.S. citizen.

# A Sneaky Supplemental for the World Bank

By JOE O. ROGERS

The Appropriations Committee is preparing to bring before the full House April 22 substantial increases in funding for farm subsidies, modernization of the machine-tool industry and support of ailing oil producers. This time, however, no Americans need apply.

The funds are for the World Bank's notoriously profligate International Development Association (IDA)—50-year loans, no interest and 10 years of grace—and the African Development Bank. Total tab: just over \$250 million.

The vast majority of funds channeled through the World Bank and its sister agencies find their way to the nationalized industries and state-run agricultural cartels. Like most welfare, this spending is ultimately destructive of the economies and people who receive it. Rather than providing credit for competitive, market-determined uses, it goes to feed swollen bureaucracies and to appease the political elites who allow them to remain in place. Where it does lead to production, it undercuts any unsubsidized producers elsewhere.

Until substantial reform in the operation of the World Bank and its affiliates is obtained, new funding should be withheld.

If reform is not possible—the Reagan administration has failed in six years of continuing effort—funding should be terminated. (This applies equally to soft loans from IDA and the "hard-loan" window of the World Bank; only their repayment terms differ.)

A few examples illustrate the continuing problems.

The World Bank has recently approved a \$100 million loan to China to rehabilitate its machine-tool industry. State-run by definition, it is in direct competition with our own beleaguered industry. If successful, this project will reduce the sizable Chinese market for American producers and create the potential of a major new international supplier. Should this have occurred as a result of a competitive environment there could be no quarrel with the growth of China's industry. As part of a wave of subsidies, it is outrageous.

In February, the World Bank approved a so-called "trade-policy loan" for Indonesia that, the World Bank reports, "will be used to support the government's efforts to respond to the sharp fall in oil prices . . . while enabling it to regain stability in its balance of payments and in its budget." According to the Far Eastern Economic

Review, the World Bank plans an additional loan this year aimed at improving agricultural production. Total cost: about \$500 million. In combination with similar loans made by the Asian Development Bank, this package yields a substantial floor under the price of Indonesian crude oil not available to market-economy producers.

Unfortunately, these are not isolated cases. The 1986 World Bank Annual Report provides a classic description of its activities. On page 118, citing a \$90 million IDA loan, the directors wrote: "Funds will be lent by the Agricultural Bank of China to individual farmers, households, collective units, and enterprises owned by local government entities and collectives. . . . for the development of aquaculture, orchards, agroprocessing, and livestock enterprises." No farm-bank crisis there!

Similar examples abound: \$30 million went to Burma to increase rice exports; \$15 million to the Bolivian National Oil Co.; \$64 million went to Hungary, a communist nation, to reduce its coal imports—sorry, West Virginia; \$3.9 million of IDA funds went to Guinea to manage government-owned mining operations; \$100 million to Hungary "to enable it to achieve international competitiveness;" \$12 million of IDA funds went to the Yemeni government for its national oil company.

Perhaps the most interesting aspect of the legislation up this week is the fact that it is part of a "supplemental" appropriations package. At one time such legislation was intended to accommodate emergency situations that could not be foreseen at the time regular appropriations were enacted. An example is the \$50 million included for humanitarian earthquake relief for El Salvador, a real and tragic emergency.

For most of what's involved here, there is no real emergency. Congress considered requests for funding all of these agencies in the regular appropriation passed in October. At that time, with full information available and after extensive hearings, a deliberate decision was made not to appropriate during the current fiscal year the funds now being proposed. Nothing of substance has changed to warrant a reversal of that decision.

What has changed is that the supplemental appropriation receives less scrutiny than the regular legislation. Spending requests shaved in that fall legislation can be reborn in the spring with little chance of detection. The fiscal budget now under

consideration is for 1988; fiscal 1987, currently under way, can be bloated with impunity. To cap the legislative legerdemain, Speaker Jim Wright pulled this bill from the pre-Easter calendar because the House was considering its budget. The speaker did not wish to be seen spending on foreign-aid extravagances while advocating substantially increased taxes and further reductions in the nation's defense. Now the coast is clear.

Congressional largess is likely to go on, but altering U.S. policy toward subsidized competition may be possible. Rep. Beau Boulter (R., Texas), Sen. Steven Symms (R., Idaho) and others have introduced a bill to allow U.S. representatives at the World Bank and its sister organizations to support only those loans that do not provide subsidies to competitors of American agricultural or mineral producers. This would require that the borrowing government must lend the proceeds to its producers at locally competitive interest rates and that no production, operating or export subsidies be provided.

Enactment of this legislation would be a good first step toward reform. Perhaps creative floor strategists can substitute it for the folly of the supplemental package. At the very least, their efforts can focus attention on what is being done and send this legislation back to the Appropriations Committee for badly needed rewriting.

---

*Mr. Rogers, now a Washington consultant, is past U.S. representative to the Asian Development Bank.*

WALL STREET JOURNAL, April 22, 1987

PROFILE OF MAJOR I.D.A. BORROWERS

(Expressed in thousands of U.S. Dollars)

<u>Country</u>	<u>Total Development Credits *</u>	<u>FY 88 Security Assistance Request</u>	<u>1985 U.N. Voting Record **</u>
1) India	14,039,103	500	0/10
2) Bangladesh	3,802,299	300	4/10
3) Pakistan	2,453,258	540,915	4/10
4) China	1,824,256	N/A	N/A
5) Sudan	946,638	29,000	4/10
6) Egypt	945,393	2,116,750	5/10
7) Tanzania	898,766	35	2/10
8) Ethiopia	898,566	N/A	0/10
9) Indonesia	881,879	22,000	3/10
10) Sri Lanka	864,673	160	5/10

\* As of September 30, 1986

\*\* Country vs. U.S. voting record on major votes.

RECEIVED 03 JUN 87 13

TO CARLUCCI

FROM NICKLES, DON

DOCDATE 08 MAY 87

KEYWORDS: INTL FINANCE

NCO

MEDIA

SUBJECT: LTR TO FCC FM SEN NICKLES FWDING ARTICLES RE WORLD BANK

ACTION: NOTED BY CARLUCCI

DUE:

STATUS C

FILES WH

FOR ACTION

FOR CONCURRENCE

FOR INFO

DANZANSKY

FORTIER

HOWARD

COMMENTS SENT TO NSC/S 2 JUN

REF#

LOG

NSCIFID

( LB LB )

ACTION OFFICER (S)

ASSIGNED

ACTION REQUIRED

DUE

COPIES TO

DISPATCH

W/ATTCH

FILE

(C)

THE WHITE HOUSE  
CORRESPONDENCE TRACKING WORKSHEET

IT023

INCOMING

DATE RECEIVED: JANUARY 13, 1988

NAME OF CORRESPONDENT: THE HONORABLE STROM THURMOND P4: 50

SUBJECT: RECOMMENDS MARSHALL T. MAYS FOR APPOINTMENT  
AS HEAD OF THE MULTINATIONAL INVESTMENT  
GUARANTY AGENCY AT THE WORLD BANK  
ENCLOSURES RESUME

ROUTE TO: OFFICE/AGENCY (STAFF NAME)	ACTION		DISPOSITION	
	ACT CODE	DATE YY/MM/DD	TYPE RESP	C COMPLETED D YY/MM/DD
HOWARD BAKER	ORG	88/01/13		C 88/01/13
REFERRAL NOTE: _____				
WILLIAM BALL	RSA	88/01/13		C 88/01/13
REFERRAL NOTE: _____				
<i>PP Bull</i>	<i>X</i>	<i>88/01/13</i>	<i>CH</i>	<i>C 88/01/14</i> <i>CW</i>
REFERRAL NOTE: _____				
<i>PP MXSull</i>	<i>A</i>	<i>88/01/14</i>		<i>C 88/01/21</i> <i>CW</i>
REFERRAL NOTE: _____				
REFERRAL NOTE: _____				

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES: 1220 \_\_\_\_\_

CS MAIL USER CODES: (A) \_\_\_\_\_ (B) \_\_\_\_\_ (C) \_\_\_\_\_

- ```

*****
*ACTION CODES:          *DISPOSITION          *OUTGOING          *
*                       *                       *CORRESPONDENCE:  *
*A-APPROPRIATE ACTION  *A-ANSWERED          *TYPE RESP=INITIALS *
*C-COMMENT/RECOM       *B-NON-SPEC-REFERRAL *           OF SIGNER  *
*D-DRAFT RESPONSE      *C-COMPLETED        *           CODE = A   *
*F-FURNISH FACT SHEET  *S-SUSPENDED         *COMPLETED = DATE OF *
*I-INFO COPY/NO ACT NEC*                       *           OUTGOING *
*R-DIRECT REPLY W/COPY *                       *                       *
*S-FOR-SIGNATURE       *                       *                       *
*X-INTERIM REPLY       *                       *                       *
*****

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REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE  
(ROOM 75, OEOB) EXT-2590  
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING  
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS  
MANAGEMENT.

THE WHITE HOUSE  
WASHINGTON

January 14, 1988

Dear Senator Thurmond:

Thank you for your letter to Senator Baker recommending Marshall Trammell Mays. Please be assured that your comments will be given serious consideration.

We hope that you will continue to contact us regarding candidates of the highest caliber to serve in the Administration.

Sincerely,

Robert H. Tuttle  
Director of Presidential Personnel

*See attached  
DUA*

The Honorable Strom Thurmond  
United States Senate  
Washington, DC 20510

RECOMMENDATION ROUTING TICKET

CANDIDATE: Mays, Marshall T

RCVD BY: HAB RECAGCY: IBR

RECPOS: \_\_\_\_\_

LTR# SENT: 12 PROCESS?: Y N

TO AD: JWS KXB CKD PLE (MXS) SEP RHT

DATE TO AD: \_\_\_\_\_ AD TO FILES: \_\_\_\_\_

\*\*\*\*\*

RACCNR: 2663 FILESTAT: CF

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INCOMPLETE RESUME

BAT: \_\_\_\_\_ LTR1 & FILESTAT W

\*\*\*\*\*

COMPLETE RESUME

BAT: \_\_\_\_\_ LTR1 & FILESTAT C

YOB: \_\_\_\_\_ SSN: \_\_\_\_\_

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AFTER REVIEW

|               |         |         |
|---------------|---------|---------|
| FILESTAT:     | AD      | CF      |
| POLRTG:       | P       | 1       |
| PRORTG:       | P       | 1       |
| RTGLVL:       | 1 (PAS) | 2 (PA)  |
|               | 3 (SES) | 4 (SKC) |
| PAS/SES-LEAD: | JWS     | CKD     |
|               | MXS     | SEP     |
| PA-LEAD:      | PLE     |         |
| SKC-LEAD:     |         | ERS     |
| LTR2:         | Y       | N       |

PARTY: \_\_\_\_\_ 1980 DOM: \_\_\_\_\_

RECFOR: \_\_\_\_\_ AT: \_\_\_\_\_

STROM THURMOND  
SOUTH CAROLINA  
COMMITTEES

ARMED SERVICES  
JUDICIARY  
VETERANS' AFFAIRS  
LABOR AND HUMAN RESOURCES

United States Senate

WASHINGTON, DC 20510

January 5, 1988

Senator Howard H. Baker  
Chief of Staff  
The White House  
Washington, DC 20500

Dear Senator Baker:

I am writing to recommend Mr. Marshall T. Mays for appointment as head of the Multinational Investment Guaranty Agency (MIGA) at the World Bank. Please find enclosed a copy of his resume for your perusal.

Marshall has extensive experience in the area of international investment and development. He served as General Counsel to the Overseas Private Investment Corporation and currently works with his own and other foreign investment firms.

Furthermore, he is a strong supporter of the Administration and the Republican Party. He is highly qualified to command the Multinational Investment Guaranty Agency and I hope that you will carefully consider supporting Marshall for this appointment.

Thank you for your attention to this matter, and with kindest personal regards and best wishes,

Sincerely,

*Strom Thurmond*

Strom Thurmond

ST/r  
Enclosure

535845

**MARSHALL TRAMMELL MAYS**

Residence: 601 Wilkes Street  
Alexandria, Virginia 22314  
Telephone: (703) 548-7477

Office: 1522 King Street  
Alexandria, VA 22314  
Telephone: (703) 548-7747  
Telecopier: (703) 683-1907  
Telex: 29201 ACTW

Personal: Married to Jane Brooks Marshall (*Frod Mays's niece*)  
of Columbia S.C.  
Three sons, ages 31, 29, 26  
Marshall, Jr.-int'l investment banker  
Patrick Calhoun - architect  
Foster Marshall - Lt. USN

Education: The Citadel, Charleston, S.C.  
U.S. Naval Academy, Annapolis, B.S. 1945  
University of South Carolina, LL.B. 1950  
Harvard Law School 1951

**Law Practice & Business:**

1954-69 Private Law Practice, Greenwood, S.C.  
General Counsel & Director,  
George W. Park Seed Company  
1977-79 Partner, Hogan & Hartson,  
Washington, D.C.  
1981 - Private Law Practice, Washington, D.C.  
& Alexandria, Virginia  
1983 - President, Trident Trade Service Corp. &  
officer and director of other foreign  
investment companies with specific  
experience in Jamaica, Trinidad, Turkey,  
Peoples Republic of China & Guatemala.  
1955 - Real estate investment and develop-  
ments in South Carolina,  
Virginia and West Virginia.

**Politics & Government:**

1981-date Private adviser to US Trade Representative  
1980-81 Head of Presidential Transition Team, FDIC  
1980 Republican Nominee for US Senate (S.C.)  
1973-77 President, Overseas Private Investment Corp.  
1970-73 General Counsel, OPIC (see attached des-  
cription of OPIC service)  
1969-70 Agency for International Development, Office  
of Private Resources, Deputy Director and  
Director, Insurance Division  
1966 Republican Nominee for Lt. Governor (S.C.)  
1959-60 Member, S.C. House of Representatives

*RH*

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Received SS

1988 APR 13 AM 8:19

THE WHITE HOUSE  
WASHINGTON

April 12, 1988

MEMORANDUM FOR RONALD GEISLER

FROM: ROBERT H. TUTTLE *RT*

SUBJECT: PAS Nomination

The President approved the nomination of the following individual:

MARK T. COX IV, of Florida, to be United States Alternate Executive Director of the International Bank for Reconstruction and Development for a term of two years, vice Hugh W. Foster, resigned.

All necessary clearances have been completed.

Please prepare the nomination papers.

*Announced: 4/11/88*

*To Senate: 4/13/88*

*NOTED  
dwy*

TORD - 4/13/88 (8:15am)

THE WHITE HOUSE  
WASHINGTON

April 8, 1988

MEMORANDUM FOR RHETT DAWSON

FROM: ROBERT H. TUTTLE *RH/T*

SUBJECT: Personnel Announcements

The following personnel announcements are scheduled for release Monday, April 11, 1988. According to our records, all necessary clearances have been completed. Please arrange with the Press Office the President's intent to appoint/nominate/designate the following individuals:

MONDAY, APRIL 11, 1988

*R* MARK T. COX IV  
(of Florida)

To be United States Alternate Executive Director of the International Bank for Reconstruction and Development for a term of two years, vice Hugh W. Foster, resigned. (PAS)

*CMSFS-CH* WALTER LEON CUTLER  
(of Maryland)

To be Ambassador to the Kingdom of Saudi Arabia, vice Hume Alexander Horan. (PAS)

*CMSFS-MC* PAUL D. TAYLOR  
(of New York)

To be Ambassador to the Dominican Republic, vice Lowell Kilday. (PAS)

*CMSFS-CC* RUSH WALKER TAYLOR, JR.  
(of Texas)

To be Ambassador to the Republic of Togo, vice David A. Korn. (PAS)

- HENRY F. COOPER  
(of Virginia)

For the rank of Ambassador during his tenure of service as United States Negotiator for Defense and Space Arms. (PAS)

- STEPHEN R. HANMER, JR.  
(of Virginia)

For the rank of Ambassador during his tenure of service as United States Negotiator for Strategic Nuclear Arms, vice Ronald Frank Lehman II. (PAS) *(VICE ON P.R. ONLY)*

*R* JOSEPH WENTLING BROWN  
(of Nevada) *(PUBLIC MEMBER)*

To be a Member of the Board of Directors of the State Justice Institute for a term expiring 9/17/89. New position. (PAS)

cc: Holland  
Kennedy  
Geisler

*ANNOUNCED: 4/11/88*

*rrg*

THE WHITE HOUSE

Office of the Press Secretary

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For Immediate Release

April 11, 1988

The President today announced his intention to nominate Mark T. Cox IV to be United States Alternate Executive Director of the International Bank for Reconstruction and Development for a term of two years. He would succeed Hugh W. Foster.

Since 1972, Mr. Cox has been with the First Chicago Corporation in several capacities: Vice President and Head of Western Hemisphere Capital Market Group Mexico in Golden Beach, Florida, 1985-1987; Vice President and Regional Manager for the State of Florida, 1983-1985; Vice President and Representative in Sao Paulo, Brazil, 1978-1983; Vice President and Treasurer of First Chicago Investments Canada Limited, 1977-1978; and Assistant Vice President and General Manager in Port-Au-Prince, Haiti, 1974-1977.

Mr. Cox graduated from Columbia University (B.A., 1966; M.B.A., 1971). He was born July 14, 1942 in Cheyenne, Wyoming. He served in the United States Army Reserve, 1967-1969. He is married and resides in Golden Beach, Florida.

# # #

RH

OK per Dawson 5/13

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THE WHITE HOUSE  
WASHINGTON

May 13, 1988

MEMORANDUM FOR RONALD GEISLER

FROM: ROBERT H. TUTTLE *RH*

SUBJECT: PAS Nomination

The President approved the nomination of the following individual:

W. ALLEN WALLIS, of New York, to be United States Alternate Governor of the International Bank for Reconstruction and Development for a term of five years, and United States Alternate Governor of the Inter-American Development Bank for a term of five years. Reappointments

W

All necessary clearances have been completed.

Please prepare the nomination papers.

Announced: 5/10/88

To Senate 5/16/88

NOTED  
dwy

To RD: 5/13/88  
~~3/3~~ 4:45 PM

THE WHITE HOUSE  
WASHINGTON

May 9, 1988

MEMORANDUM FOR RHETT DAWSON

FROM: ROBERT H. TUTTLE *RHaw*

SUBJECT: Personnel Announcements

The following personnel announcements are scheduled for release Tuesday, May 10, 1988. According to our records, all necessary clearances have been completed. Please arrange with the Press Office the President's intent to appoint/nominate/designate the following individuals:

TUESDAY, MAY 10, 1988

- CMSFS - MC* RICHARD LLEWELLYN WILLIAMS (of the District of Columbia) To be Ambassador to the Mongolian People's Republic. (PAS)
- PHILIP D. WINN (of Colorado) To be Ambassador to Switzerland, vice Faith Ryan Whittlesey. (PAS)
- R* W. ALLEN WALLIS (of New York) To be United States Alternate Governor of the International Bank for Reconstruction and Development for a term of five years, and United States Alternate Governor of the Inter-American Development Bank for a term of five years, (reappointments) (PAS)

The following individuals to be Members of the President's Commission on Executive Exchange for terms of two years: (PA)

- FRANK C. CARLUCCI, Secretary of Defense, vice Caspar Willard Weinberger.
- C. WILLIAM VERITY, JR., Secretary of Commerce, vice Malcolm Baldrige, deceased.

*Announced: 5/10/88*

continued

The following individuals to be Members of the Interim Board of Directors of the Federal Agricultural Mortgage Association: (PA) CORPORATION:

R JOHN R. DAHL, of North Dakota. (TO BE DESIGNATED CHAIRPERSON)  
R B. DALE HARRISON, of Ohio.  
D LESLIE G. HORSAGER, of New Jersey.  
R RANDALL A. KILLEBREW, of Illinois.  
R THOMAS H. OLSON, of Nebraska.  
I JAMES A. PIERSON, of Massachusetts.  
R DONALD R. ROGGE, of Texas.  
D EDWARD CHARLES WILLIAMSON, JR., of Georgia.

They are new positions.

cc: Holland  
Kennedy  
Geisler

THE WHITE HOUSE

Office of the Press Secretary

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For Immediate Release

May 10, 1988

The President today announced his intention to nominate W. Allen Wallis to be United States Alternate Governor of the International Bank for Reconstruction and Development for a term of five years, and to be United States Alternate Governor of the Inter-American Development Bank for a term of five years. This is a reappointment.

Since 1982, Mr. Wallis has been Under Secretary of State for Economic Affairs at the Department of State in Washington, D.C. Prior to this, he served at the University of Rochester: as Chancellor, 1970-1982; and President, 1962-1970. Mr. Wallis was also with the University of Chicago: serving as Dean of the Graduate School of Business, 1956-1962; and as Chairman of the Department of Statistics, 1949-1957. He has also worked at the National Bureau of Economic Research, the Ford Foundation, and the Center for Advanced Study in the Behavioral Sciences.

Mr. Wallis graduated from the University of Minnesota (A.B., 1932). He was born November 5, 1912 in Philadelphia, Pennsylvania. He is married, has two children and resides in Washington, D.C.

# # #