

THE WORLD BANK GROUP ARCHIVES

ORAL HISTORY PROGRAM

Transcript of interview with

THOMAS AMBROSE BLINKHORN

**June 16, 17 and 18, 2008
Washington, D.C.**

Interview by: Robert P. Grathwol

Session 1
June 16, 2008
Washington, D.C.

[Begin Audio File 1]

GRATHWOL: Tom, if you'd begin by talking about your birth and your birth family, I'd appreciate that.

BLINKHORN: Sure. Thanks. I was born in Cape Breton Island, Nova Scotia.

GRATHWOL: I'm going to stop and ask you to say your full name, spell it for me, and then continue.

BLINKHORN: The name is Thomas Ambrose Blinkhorn—B-l-i-n-k-h-o-r-n. There's an interesting story about that name, which I'll tell you in a minute.

GRATHWOL: Okay.

BLINKHORN: But I was born on October 1, 1935, in a town called North Sydney, Cape Breton Island, in Nova Scotia. North Sydney is a port town, not a city really, a town. And it is from there that the ferry from Nova Scotia—since Cape Breton is part of Nova Scotia—the ferry departs to the province of Newfoundland (as we say it in Canada—Newfoundland—not "New Found Land," but Newfoundland). And the ferry goes from North Sydney to Newfoundland and back.

I was born in my grandmother's house in North Sydney. And after I was born, my family moved to the adjacent town of Sydney Mines, which is about five miles away, along the coast. That is a mining town. It's a coal mining town. At the time that I was growing up—or was born and started to grow up—it was in economic decline. The story is rather similar to coal mining sagas around the world, as I discovered later in my World Bank career in Ukraine.

But the story, to summarize it, goes like this: In the early 1900s, the Dominion Coal and Steel Company, which was a large state-owned Canadian enterprise, discovered large veins of rich coal under the North Atlantic that ran from Sydney Mines, at the pit head, out into the sea—under the sea. And there was a steel mill in the larger town called Sydney that used coal for the energy source. And the Dominion Coal and Steel Company was looking desperately for experienced miners. So they put a call out to Scotland and England, where there had been coal miners for a long, long time.

My grandfather, William Blinkhorn, had been working in a mining community in the town of Wigan. And Wigan is right next to Liverpool. You may have read George Orwell's book, *The Road to Wigan Pier*. Well, *The Road to Wigan Pier* is about that. There was another story about that Wigan experience called *Rose*, by Martin Cruz Smith. It's a marvelous novel that came out

in 2000.

In any event, my Grandfather Blinkhorn—and there's a story about how did the Blinkhorns—it's a very strange name. It's actually, it turned out—as I did some genealogical research later on in my life—a Dutch name. And the Blinkhorns came from the Netherlands—Holland—to work in the textile mills of Lancashire County, England, in the 1700s. If you look around the British Isles, you will find that most of the Blinkhorns are there in Lancashire County, or in the northern parts of England, on the border with Scotland.

In any event, my Grandfather Blinkhorn worked there, and he married a—he was a non-Catholic. He married an Irish woman from County Mayo, Ireland, and she was a Catholic. And she insisted that he become a Catholic, and he did. Liverpool then, as now, is known as the second capital of Ireland because there are more Irish people living in Liverpool, apart from, say, Dublin, so the second capital.

So this Irish woman and my grandfather—my grandparents—took up the deal to go to Cape Breton, because they offered free passage across the Atlantic, and they offered a free home, and they started their new life with a young son in Sydney Mines.

My grandparents had eight boys and one daughter, and all of the boys went into the coal mines to work except my father, Ambrose. He was, apparently, a favorite of my grandmother, and she did not want him to go into coal mining because it was extremely dangerous work. They had to go down deep shafts and out under the sea to work on their hands and knees and dig coal; very, very hard, grueling, terrible work and very, very dangerous.

My grandfather was involved in many accidents, saved the lives of many men, and was quite a leader in the sense that early, as they got into the work, they realized that their labor was being priced lower than other miners, so they started organizing. The Dominion Coal and Steel Company did not like that, and so there were strikes. The miners—and my grandfather was a leader of them—organized cooperatives in Cape Breton and eastern Nova Scotia, in collaboration with priests at St. Francis Xavier College, in Antigonish, Nova Scotia. And the priests and the miners collaborated to form bakery cooperatives, milk cooperatives, and credit unions, and they did very, very well for themselves.

Well, by the time I was born, in the mid-'30s, there was a depression, of course, in North America, as well as other places, and the coal mining business was starting to run down. Eventually, it collapsed entirely. There are no coal mines left in Cape Breton Island.

GRATHWOL: When were you born?

BLINKHORN: I was born October 1, 1935.

GRATHWOL: That had been my guess.

BLINKHORN: Yes. Yes. And by that time, when I was growing up, I grew up in a very, very poor town, a very, very poor community, and there was not too much food. I went to school with kids that were very hungry and did not have proper clothing. I was brought up a Catholic, and the nuns and the priests took care of me and us.

I don't know that I want to get into the personal business of my father and mother because it was a difficult relationship. In any event . . .

GRATHWOL: Not necessary.

BLINKHORN: Yes. He insisted that his son should be named Ambrose. She insisted that her son—to give you a flavor of what was about to unfold; later on it got worse—but she wanted to name her first born son after her father, Thomas Francis Brown. And so they had this big dispute. And when I was baptized at St. Joseph's Church in North Sydney, my grandmother—maternal grandmother—she whispered in the priest's ear, and she took care of the priest. "Now, Father," she said, "make sure that that child is named Thomas Ambrose not Ambrose Thomas." And that's the way it was. And my father was pissed off. And from then on, he wouldn't call me Tom. He called me Junior. He got even.

GRATHWOL: But that sociological background is relevant to some of the things you were involved in at the Bank.

BLINKHORN: It is. Oh, for sure.

GRATHWOL: I want to ask more about that when we get to that point.

BLINKHORN: Yes. Yes. That has a major impact on my life, that experience. Plus, later the training of the Jesuit priests and the emphasis in the Catholicism that I was brought—on social justice and your obligation to the less fortunate; very, very powerful.

That coincided with one of my great heroes, was Jack [John F.] Kennedy. I covered the Kennedy campaign in 1960, when I was working as a newspaperman in Milwaukee. All of that comes together. And there was that idealism, really, that was behind the motivation and the thrill that I eventually found in working for a place like the World Bank because that opportunity exists in this place to do that kind of thing and feel good about it.

In any event, I did relatively well in school. My father, he had a whole variety of jobs on the railroad. He went out during the war. When all my uncles were going off to war, he did not want to go to the war. His mother tried to help him get out of the war, so he went out to the west, to Winnipeg, to help with the grain, loading grain on cars. So I didn't really see too much of my father when I was growing up. So I was brought up pretty largely by my mother and my grandmother, both the maternal and paternal grandmothers, and I had a lot of aunts. So I was pretty largely brought up by women. That also had an impact on me, if you look back—the absence of the father and the lack of a relationship with my father had a big impact on me.

In any event, when I was getting ready to finish high school and think about what was coming next, my Irish grandmother said, “Well, you're doing well in school, you have to leave here. You can't stay here because there's no jobs here. The coal mining is finished. It's not going to exist anymore, and if you stay here, you'll be on welfare, you'll be getting in fights, you'll be getting drunk, you'll get some girl pregnant, and just look around you.” It was clear all around.

So she urged me to go to the States. And I had several connections in the States because a lot of the—my mother's family was also large, from North Sydney, and all of those aunts and uncles ended up in the Boston area, in Magnolia, on the North Shore, or Manchester. And then a lot of them were on the South Shore, in Dorchester and South because they were Irish, and they went down there, and they were “Southies,” working as firemen and whatnot.

So I went to Boston on a train. My grandmother got me a ticket, and I went on the train to Boston and picked up with my Aunt Veronica and aunts. My hope was that I would be able to go to Harvard. I had always heard from one of my friends in Sydney Mines who went off to do big things that that was the place to go, and that was always my dream. But I was not that good, and I didn't have the money.

So, let's see. It was another relative of my grandmother. It was her brother, as I recall, who had been a priest, a Jesuit priest. And through connections there, I—and that priest was in Cincinnati, as I recall, at Xavier University. So I went there, and I had an Uncle John who lived there, John Blinkhorn. So I stayed there for a while. And I actually finished up high school at St. Xavier High School in Cincinnati. One day my uncle was saying to me, “Well, where are you going to go to school?”

And I said, “Well, I think I'd like to write.”

He said, “Well, let's talk to Uncle Such-and-Such,” who was the Jesuit priest. And he said, “Well, you know, there's a great journalist at Marquette University who was running their journalism department, Jeremiah O'Sullivan. He has a marvelous communications program. Let me see if he'd be interested in taking on someone like you.”

So through those connections—those family connections—and mainly through the Catholic Church—the priest—I was given an introduction to Jeremiah O'Sullivan. I took a train and went up to Milwaukee. I talked to the dean, and he said, “Okay, you can start.”

So that's where I went to school. I went to school in Milwaukee, studied journalism and a lot of English, and got a degree in journalism. The summer between my junior and senior year, I went back to see Uncle John in Cincinnati, and he said, “Now, what are you going to do?”

By this time, my father had decided to move to Cincinnati, and he came. My mother was still in Sydney Mines. She eventually sold the house and then moved with my sisters. But he came. He and my Uncle John were saying, “Now, what are you going to do now with this when you get

out?” My father was very disappointed that I went in this direction. He wanted me to go to a vocational school to be an electrician or a plumber or something. He just couldn't figure out how are you going to be able to make a way for yourself writing. What the hell is that?

So he—I think it was John who said, “Well, just go down and see if you can get an appointment with the editor of *The Cincinnati Post* or *The Cincinnati Enquirer* and see if they take interns. And if you can get an internship between your junior and senior years, that will really give you firsthand experience, and then you can decide what you want to do.”

So I went to *The Cincinnati Post* first, and the managing editor told me, “Yeah, you're going to Marquette. We know Marquette. Come back in June when you get out, and we'll see what we have.”

I went to *The Cincinnati Enquirer* and met a marvelous Southern gentleman by the name of Glenn Thompson. And Glenn was a Princeton graduate, who had been editor of the *Dayton Daily News*, and he was hired away to come down and be editor of *The Cincinnati Enquirer*. And he had this nice Southern drawl, and he talked like this. He asked me about who I am. He was very intrigued with where I grew up in Cape Breton, and the coal mining part and all of that stuff. And he says, “Now, let's see.” He says, “Son, if you were to come to work here at this newspaper, where do you suppose you'd like to see yourself in, let's say, five years?”

And I said to him, “I'd like to be sitting in your chair, Mr. Thompson.”

And he said, “You come to work immediately as soon as you get out.”

He and I got along. He then became my mentor. He was just a great guy, and I just loved him.

When I graduated from Marquette, I married one of my classmates, Lois Werner, who is from Waterloo, Iowa. We graduated one day and got married the next. We drove down to Cincinnati, and I started my job at *The Enquirer* as a reporter the week later.

Glenn Thompson was determined to challenge me all the time. And he would say, “Now, you go in to see George Carr.” And George Carr was the city editor. In those days—I don't know if you know what a city edition is—it was like the movie *Front Page*. I mean, half of them were drunks, but brilliant drunks, and the other half were just normal reporters, but all characters. In the center of this circus was a guy by the name of George Carr. And George was the meanest son of a bitch you could ever see. He had just a gnarly look on his face from morning until night, but very smart. He taught English at a small—Berea College in Kentucky is where he taught.

GRATHWOL: I know the name.

BLINKHORN: Yes, that's where he taught. And he knew grammar and English. And you got started by writing obits. You had to type it on paper, using Royal typewriters, and take it and put

it in. And we'd hear, "Blinkhorn, Blinkhorn, how do you spell Cincinnati" or stuff like that. And he's screaming at me, "Is that what they taught you in journalism school at Marquette?" It was just a total embarrassment.

I was there like about four days—and this is a morning newspaper—and I was working from like, say, four o'clock in the afternoon until midnight. The thing that got me in with Carr, I mean, I was already Glenn Thompson's favorite boy, although he did not want to push me onto Carr. And the way I got to Carr was that one time, it was just before deadline. I think the last edition—there were several editions in those days; the last edition went to bed around 12:30 or something like that. And they could hold the presses until 1:00, but they didn't like to do it.

So around a quarter to 12:00 the newsroom was cleared out. I was just sort of sitting around, and in comes a major explosion on the north side of the city. All hell is breaking loose. And Carr looks around and there's not a soul. He said, "Oh, Jesus." I could see his face. He said, "Blinkhorn, get your ass up there to da-da-da. There was an explosion and call it in right away because we're against deadline."

So I jump in the car and speed up there. I didn't even have a press pass. I was so new they didn't give me a press pass. But when I got up to the scene, all the police lines were formed. And here's this young punk coming a policeman asked, "Yeah? Where's your press pass?"

I didn't have one. "God, what am I going to do now?" So I snuck around and got over and got in and finally asked a friendly looking fireman, "What the hell happened here?"

And he told me, "Well, the boiler in the basement blew up, and two people have just been taken out of here. Two of them are dead that I know of, and there's more."

So I got back on, and I started calling in the story. He said, "Great! Great! Yeah, now what else?"

I said, "I can't get anything else. They won't give me anything."

He said, "What do you mean?"

I said, "You didn't give me a press pass."

So the fact that I was able to get something in for a story convinced him that, well, maybe we'll try out this kid. And then they assigned me to cover the circuit court of appeals, the federal circuit court of appeals.

I used to cover Judge Potter Stewart, who eventually came onto the United States Supreme Court. I had more education from journalism, as a reporter, than I ever got in any college. I was amazed. I learned all about the federal government, the structure of government, because I was a Canadian citizen. I was not a—and I learned. I used to go into the immigration office in the

federal building here and just see these people taking the oath, and see what they had to do to become a citizen, then learn the differences in the court systems; how the court of appeals worked in relation to federal district court, and that was just having to write about it and being forced to do it under a deadline, and to write about it clearly so that some poor bastard who had maybe an eighth-grade education could understand it.

And that training was invaluable to me for the rest of my life, and particularly in the World Bank. It really saved me in the World Bank because I was not an economist. I was not a big-time anthropologist or anything like that. But the fact that I had this discipline and could do it quickly and could do it persuasively, in terms that ordinary people could understand, including executives, intelligent people as well as non-intelligent, that was a skill that I learned the hard way. It really has served me all my life.

Eventually—I always wanted to go back to Milwaukee because, in those days, the *Milwaukee Journal* was a damn good newspaper, a really, really first-rate newspaper. So after a year or so in Cincinnati, I wrote a letter to Arville Schaleben, who was the managing editor, and I said, “Look, this is what I’ve been doing. I really want to come back to Milwaukee. I went to school there,” blah, blah, blah. And he hired me on the basis of a letter.

So I went to work at the *Journal*, in Milwaukee, and that was another great experience. By this time, I had—let’s see, my first child was not born; she was born in ’59, Ann, who incidentally was in *The New York Times* Corporation and is a big shot with *The New York Times*, and works for an executive recruiting organization in New York, she’s the head of their media operations.

Anyway, Ann was born and then two more children came along. So my first wife, Lois, and I had three children. Lois was a housewife. I was a journalist, and I was pretty—I was very ambitious. I did police work, and I had a lot of exciting stories as a police reporter.

Then they asked me to start working on economics and business, which I did do. And all the while I was doing this, I kept an interest in Canada. And the *Journal* had won a Pulitzer Prize for Canadian coverage several years before I got there. And the writer behind it was a guy by the name of Austin Wehrwein, who was hired away by the *Minneapolis Tribune*. Austin served out his days on the *Minneapolis Tribune*.

So there was a vacuum when I got there on Canadian coverage, and I knew that the *Journal* was strong on Canadian coverage because it was in sort of the northern part of the United States, but it also happened that Lindsey Hoben, the editor, his mother came from New Brunswick. And so he loved the fact that I came from Nova Scotia. So there was sort of a little inside cabal there.

I would be covering—and damned if they didn’t ask me to go cover the Canadian election campaign. And I went up there, and I covered, you know, I was just a young guy, and I went all over Canada with Lester Pearson and John Diefenbaker and covered the national election campaign. I met all kinds of fascinating characters doing this.

I also—well, before that, when John Kennedy was running in '60, you know, the Wisconsin primary was big time, a big deal. So I covered Kennedy. I'll never forget in Lacrosse, Wisconsin, he tried to get Jackie up on the stage. And you know she was always so prim and proper, and he said, "Smile, Jackie. Smile." And I was sitting right up front so I could see this.

I covered Teddy. Teddy was very young and wandering around. And through that experience, I got to know the head of the editorial board, Paul Ringler, who was from North Dakota, a really nice man and a close friend of Lindsey Hoben's.

In those days, the *Journal* had six editorial writers, and each one was specializing in certain areas, like state government or politics or economics and finance and blah, blah, blah. The guy who was their specialist in economics and finance was a guy by the name of John Pomfret. John was our labor reporter, who had been hired to do editorials. When you were hired to do editorials, you were paid more because it was a promotion, and you were part of sort of the inner circle of the newspaper. So John was hired away by *The New York Times*.

Scotty [James] Reston, who was the Washington bureau chief for *The New York Times*, hired John to come and cover labor in Washington, and eventually the White House. John then went on—in those days—I should digress and tell you that the *Milwaukee Journal* used to be the training ground for a lot of *New York Times* young executives. And Punch [Arthur Ochs] Sulzberger, who is the father of Arthur Sulzberger, now the publisher of *The New York Times*, Punch Sulzberger spent his summers in Milwaukee learning to be a reporter for several years and became close friends with John Pomfret.

So when John was covering the White House and there was a labor dispute in New York—and John knew all the labor leaders—Punch said, "Come on. I need you up here to help me deal with this strike." John came up, left the reporting, and eventually went into the business side of *The New York Times* and became the financial vice president of *The New York Times*.

When he left the *Journal*, Paul Ringler offered me the job of being an editorial writer, covering finance and economics. And I said, "Jesus, I don't know anything about finance and economics."

And he said, "Yes, but you've been writing about American Motors, and you're going to do this, and you can learn on the job."

And I said, "Well, shit, it's a promotion. I'm going to take it." And I needed the money, you know, because I started out making \$76 a week. And then I went up from there, \$105 or something like that. But, I mean, this was a substantial raise, and I had children, you know, and whatnot. So I was very happy to do that so I could buy—we were living in an apartment. I could buy my own house.

So I got into this editorial thing. The other beauty of this was that the *Journal* in those days had a lot of money for foreign travel. So Ringler arranged for me to go to Europe to cover the formation of the Common Market. And one of the key contacts that he and Lindsey Hoben, the

editor, put me in touch with was William [D.] Clark.

William Clark they had known from the war years, when William was a counsel for the United Kingdom government in Chicago. William was a journalist. He had worked for *The Observer* and for the London *Economist*, and he went on to be the press secretary for Anthony Eden, when he was the prime minister. So Paul and Lindsey wrote a letter of introduction to William when I got to London, and he just started opening all kinds of doors to me. He was very, very kind to me. He took me into the Houses of Parliament.

I saw Winston Churchill come in and make a speech for—one of his last speeches, which I wrote a story about. He then introduced me to people in Paris. I met Valery Giscard d'Estaing, who was the finance minister and then became—and I went to interview Gerhard Schroeder in Germany. I was 24 years old, 25, and I'm just thrown into this stuff. It was just exhilarating. I was writing stories about the government.

GRATHWOL: I can imagine.

BLINKHORN: All of a sudden I'm an expert of the goddamn Common Market. I didn't even know what it was.

GRATHWOL: Those are all big names.

BLINKHORN: I can drop them with the best.

[Laughter]

BLINKHORN: William and I stayed in touch with each other. After that, they sent me to Asia. I went to the Philippines, Okinawa, Hong Kong, Japan, report back. And then they asked me to do—just go across Canada from wherever you want and write about Canada on its centenary, the 100th anniversary. As a Canadian, I just—I went way the hell up to Inuit, on the Bering Strait, and wrote about Eskimos. I went to every one of the provinces and ended up in my little old hometown, and it was so much fun. I just wrote about what Canada was like. They gave it big play, big, big play.

GRATHWOL: That's terrific.

BLINKHORN: So here I am now, I'd been there maybe—I'm in my early 30s, and again I'm getting myself into trouble because the editorial board was very liberal. The publisher was not that liberal, and there was always a delineation between the business side of the newspaper and the editorial side. And we kept that wall right there, and we didn't want any publisher mucking around with that.

But then in the late '60s—incidentally, I covered the—with the whole team—the 1968 convention in Chicago and all the riots and all the civil rights ferment, and it was really coming

into all the cities, including Milwaukee. I was really impressed by the black leaders, in talking about how terrible the education system was for their children. The big issue was busing. The issue was, should we bus black kids out into these all-white schools because, if we don't, they'll be marooned and stuck forever. I believed that that was the thing to do. In retrospect, I was wrong, and it was damn wrong. But I believed it, and I got into a big shouting match with Paul.

Paul was trying to—by this time, though, I was not only covering economics and finance, but they also asked me to cover education, and that's how I got into this. The publisher did not like what I was doing at all, he told Paul. And Paul said, “Oh, God, Tom. I don't know what to do.”

I said, “Well, Paul, I think maybe I've done this long enough. I think I want to take a break. I'm going to try and see if I can get a Nieman Fellowship at Harvard.”

GRATHWOL: You had taken some time out to go to the University of Wisconsin as well.

BLINKHORN: Well, I was doing that at night.

GRATHWOL: So, while you were working as a reporter.

BLINKHORN: While I was working as a reporter, I was studying at night. I had all this energy, and I was just . . .

GRATHWOL: It's wonderful to be young, isn't it?

BLINKHORN: Oh, yeah. I can't do it anymore. And Lois was fantastic because she is a very good writer. And she eventually—after we got divorced—went on to become the book editor and the managing editor of the *Milwaukee Journal*. She's a very, very talented woman, and she happens to be one of my best friends. That's another story how that happened.

At any rate, I got the Nieman Fellowship. I went to Harvard, and I went to Harvard to study economic development, and to study why do some societies grow and thrive, and what are the ingredients of success, economically and socially, and why do some do it and why do some not. Why are African societies so backward? Why do the North African societies—some of them are good—Morocco and Libya, if it didn't have oil and whatnot—those kinds of issues.

Harvard was fantastic. It was just one of the—it was everything I'd ever dreamed about as a kid. I just loved it. I just loved being in Cambridge. The beauty of the Nieman was that you could focus on your area of study, but you were treated as a real notable—the faculty and the students and vitas[?], the president. We could go anywhere, and I just loved it. I mean, I was going and having lunch with Walter Jackson Bate, the great Samuel Johnson scholar. I would have lunch with Ken [John Kenneth] Galbraith, I knew very well. I was introduced to his family. It was just such a heady environment. I learned a lot and had some great friends.

By this time, now, I was developing a network of people in journalism world, but then, beyond

journalism world, people who were in academia and who were—Bobby [Robert F.] Kennedy came to talk to us. I was getting networks into the political environment. Ed Bailey went on to become head of the USIA [United States Information Agency] under Kennedy. He had been a political correspondent at the *Milwaukee Journal* and so forth and so on.

So I'm in my 30s, and I'm trying to see what the hell should I do next. And I went down to *Newsweek*. All the Nieman class goes down to *Newsweek* to talk to *The Times* and have lunch down there every year. I went over to *Newsweek* because one of my cohorts—one of my student colleagues was a *Newsweek* correspondent and introduced me to one of the editors, Rod Nordland. Is it Rod? No, it's not Rod. He just died about two months ago. That's not the correct first name.

GRATHWOL: That's the sort of thing we can correct.

BLINKHORN: In any event, he said, “You have a lot of experience in this, and you're in economics.” He said, “Why don't you come and work with us?”

And I said, “Well, I have an obligation to go back to Milwaukee because they not only supported me in this thing, but they also supplemented my income.” Because when you're a Nieman, you get a stipend and it's low, so the *Journal*, very generously, topped it up to make sure that I wouldn't have to—so I could spend the year studying and not worry about where the money was coming from because I came from a poor background, and they knew that. So they were good, and I felt an obligation to go back there for a while. So I said, “Well, I'd like to do it, but I think I have to go back at least for a year.”

At the same time, one day William Clark came to Harvard to meet with a friend of his, Roger Fisher, who was in the law school at the time and wrote the book, *Getting to Yes: Negotiating Agreement Without Giving In*, the art of successful negotiation. So William and I had dinner. I'd known him, as I mentioned earlier, from London and whatnot. By this time, he had been hired to be the vice president to [Robert S.] McNamara. He said, “Well, you're doing the right thing by going back, but you ought to think about doing something different. These are exciting days at the World Bank. Everything is changing. McNamara is doing things, so I think you ought to give it some thought. So let's stay in touch with each other and see whether that might work out for you.”

So I went back, and I stayed a year. In that year, I did some interesting things. I not only covered the '68—let's see, the late summer of '68 in Chicago, the big Chicago convention, but they sent me to—the *Journal* sent me to Israel and the Arab countries. I went to Egypt and to all the Gulf States, to Saudi Arabia.

In Egypt, I made contact with Al Fatah, and they arranged for me to go to their training camp in Jordan, outside of Amman, myself and a Belgian radio reporter. They picked us up at 4AM in an Amman hotel, blindfolded us, put us in the back of a truck and drove for about three hours, God knows where. And when we got there, we were in the Al Fatah training camp and watched all

these Islamic fundamentalists jumping through trenches of fire. I wrote a story about this with these guys, these kids jumping through fire, and it was all over the world because there were not too many people finding out about those training camps in those days. So I was very lucky on that.

Then I went to Israel. I had to go through Cyprus to get to Israel because they didn't want the stamping of the passports and everything. And while I was in Israel, I was having lunch with the political editor of *Haaretz*, the big Israeli newspaper. And the prime minister, Levi Eshkol, had just died. And I said to this man, I said, "Who's going to be the new prime minister?"

And he said, "Oh, yes, Golda. Golda Meir is going to be the next prime minister."

GRATHWOL: From Milwaukee.

BLINKHORN: Yes. And I said, "Jesus, is that right? She has a Milwaukee connection. She used to teach there. I'm with the *Milwaukee Journal*, too. Can you get me in to see her?"

He said, "Of course."

So he called her secretary, and she was very excited. And she said, "Of course, tell him to come over."

So the next morning I went over to Golda Meir's office, and I said, "Is it true?"

She said, "Yes, they're going to announce it this afternoon."

And I said, "Can I use it?"

She said, "Sure."

GRATHWOL: Terrific.

BLINKHORN: So I got on the phone right away and called in the story, and the *Journal* was so excited. They used it on television, radio, front page, all the rest. I had my picture taken with Golda, and she was chain-smoking Chesterfields. I'll never forget it. She just couldn't—and all her fingers were just covered with nicotine. She was telling me how she used to dress up as an Arab in disguise and go across to Jordan to talk to King Hussein about how we could possibly solve this mess. She said, "I've been over there so many times, and no one knows about that." And she said, "Don't say it now, but use it after I die. And I did after she died."

So I did that for a year, and then I said, "William, what could I be doing?"

He said, "Well, look, there's lots of things that you could be doing, but Bob wants to expand lending to Africa. We'd like for you to come and just to get to know the Bank and do some

writing with Africa, help us put together a strategy for quadrupling lending to Africa and just sort of get a feel for the Bank. But you're a writer. You know economic development, you know economics, so why don't you come and see what you think."

So I came, and I joined what was then the External Relations Department. This is in 1970. I think it was February of 1970 that I arrived. I left the family in Wisconsin, and I was on my own for a while. We eventually got a house in North Chevy Chase, and they moved out. But I had a terrible time with the Bank. I was coming from—what?—12 or 13 years of freedom. When I wrote, except for people like George Carr in Cincinnati—and there are other stories about the city editor of the *Milwaukee Journal* which I could tell you about, but, you know, except for those people and correcting—and they knew grammar, and I was wrong and they were right, and I knew it.

GRATHWOL: Yes, you were learning.

BLINKHORN: I was learning. I knew how to write and I knew how to write well, and I knew that. Everyone recognized that, and they applauded that. I got to this place, and I had to change everything. I had to learn the bureaucratic style of writing, and it was extremely painful. I had to have it vetted with other people who did not know how to write. They may have known something about this subject or that, but I was—they couldn't figure out who the hell I was because I was not a Ph.D. economist. But I had William Clark, just going around . . .

GRATHWOL: As a patron.

BLINKHORN: Yes, as a patron. And through William I got to know McNamara. And McNamara—I'll tell you about this. Most of these bureaucrats, they don't know what—who in the hell is this Blinkhorn? So I had great difficulty in the Bank in adjusting to this environment. It took quite a while for me to come to terms with the Bank. Even though I knew that the Bank was doing honorable, worthy things, I just couldn't figure out where am I going to work, where am I going to end up. After I had done it for a few months, I said to William one day, "Look, William, I don't know how"—and the good thing about William, he had been a journalist, and he knew something about what I was suffering.

GRATHWOL: The transition you were going through.

BLINKHORN: Yes, but he was a vice president, and he was up in the upper circles. He had McNamara's ear. I was down in these trenches, and I had to deal with these idiots—what I thought were idiots. As it turned out, I was wrong about that because it turns out they were good people.

But he said, "Okay, I'll tell you what. You come to Copenhagen with us."

Now, I started in February, and the Annual Meeting is in September. And I said, "What the hell am I going to do there?"

He said, “Well, you know, all hell is going to break loose in Copenhagen because McNamara is still regarded by the students in Europe and the left wing as a warmonger. And we know that there's going to be a lot of protesting, and what I would like you to do is two things: one is to prepare a briefing book for McNamara, asking the nastiest kinds of questions that you can, and I will give it to him so that he is ready for anything, number one; number two, pick out a couple of people that you like in the staff, good, young economists, and go there early and set up some meetings with students and engage in debates and do it.” So that's exactly what I did.

GRATHWOL: This is two years after the 1968 revolutions throughout Europe, and there's a lot of ferment going on.

BLINKHORN: Yes.

GRATHWOL: A lot of change.

BLINKHORN: Oh, a lot, big change.

GRATHWOL: And challenge of authority.

BLINKHORN: Absolutely, absolutely. And so I prepared a red book, and I called it *Dirty Questions* or I called it *Irreverent Inquiries, Alias Dirty Questions*. McNamara loved it. I started putting questions in there. I said, “Why are you doing penance for . . . ?” He took it, he called me up and he said, “I love this.” He said, “I loved it. Come on up. Come on up.” I went up, and I got to—right away, we hit it off right away. He said, “This is the kind of stuff I like,” he said, “people talking straight to me.”

I said, “I'll talk straight to you.”

And so he said, “I hope you're going to Copenhagen.”

I said, “Yeah, I'll be there. I'll be there, but I'm not going to be with you.”

And he said, “I hope not.”

As it turned out, they had to take him to the Bella Center from his hotel in a Hertz rent-a-truck.

GRATHWOL: Oh, really?

BLINKHORN: Yes. They would not—they couldn't have limousines or anything.

GRATHWOL: A limousine would have been a dead giveaway.

BLINKHORN: Yes, they were taking him out the backdoor and everything.

So I go to Copenhagen with Basil [G.] Kavalsky. Have you had him yet?

GRATHWOL: No. No.

BLINKHORN: Oh, you've got to get Basil. Basil is fantastic. Basil is a South African Jew who is brilliant, absolutely brilliant. And he's still—he's retired, but he's doing a lot of consulting for the Bank. He is a marvelous man. He's gay. He's got a partner from Vietnam, I think it is, anyway, and then he started his own antique store. I've been in communication with—he's given me so much stuff. But there's a book called "The Frontlines of Development" [Gill, Indermit S., and Todd Pugatch. *At the Frontlines of Development: Reflections from the World Bank*. Washington, D.C.: The World Bank, 2005]. It was produced in 2005, and it has interviews with country directors. It is one of the best things that I have read in a long time, and Basil's is the best of all. And his anecdotes about what he was doing in Afghanistan and whatnot are exquisite. Anyway, if you don't have Basil, you've got to get Basil. He's excellent. He's done much more than I have.

GRATHWOL: Where is he located?

BLINKHORN: He's right here. He's in Rome right now.

GRATHWOL: But he's resident in the D.C. area?

BLINKHORN: Yes, he's got a home in Georgetown and a house out in the Blue Ridge, near Front Royal. I don't know where his antique store is. Maybe it's in Georgetown. I don't know where it is. But he's a fantastic guy. And then eventually, he was my last boss. I mean, it'd come all the way around. That's the way it works.

So he and I and Soren [J.] Holm, who is a Danish economist from Denmark, the three of us went on this little debating tour, and we would go to the University of Copenhagen. And we had just a ball. They were screaming and yelling. And good debates, I mean, really, really good debates.

GRATHWOL: And you're young to mid-30s, rather than 50 years old.

BLINKHORN: Yes, yes, right.

GRATHWOL: That makes a difference.

BLINKHORN: Yes, absolutely. I was 33, 34. I think Basil was maybe 29. Soren was about that. We were a little bit older than the students, but the professors were about our age, and they were, you know, they were just equally vociferous against the World Bank and international capitalism as their students. And so it was really a vibrant experience.

Then, I remember one night going to—they always invite the people that attend these Annual

Meetings to all these fancy dinners and things. One night they had the Danish Ballet in one of these great—have you been to Copenhagen, the walking streets?

GRATHWOL: No, I don't know Copenhagen at all.

BLINKHORN: Near the Tivoli Gardens. Copenhagen is a fantastic city.

Anyway, we're walking on the side streets, and these are sort of narrow, and there's a big crowd, women in their furs. Out of a side street come pouring these kids, screaming, with banners and rocks and they're smashing windows. The cobblestones, they're picking them up and whacking the Cartier windows and every imaginable thing. And these poor people are just petrified, and they're racing, screaming off in every direction, and some of them were the same ones we were debating. "Look over there, there's Hans." So we said to hell with it. We just sort of walked, as long as they weren't harming us. That was quite an experience.

After that, I said to—by this time, I was learning more about some of my soul mates and connecting and talking to people and learning what they actually were doing and why they did this. And I said to William, "You know, William, I've really got to get into the nuts and bolts of this stuff."

And he said, "Okay, well, I'll talk to Roger [A.] Chaufourmier," who was the vice president for West Africa in those days. Through William's intervention, I became a loan officer for Liberia and Sierra Leone. This division included Liberia, Sierra Leone and Ghana. I became the loan officer for Liberia and Sierra Leone. What that meant is that I had to go to those countries regularly and begin to do the work of the Bank, start talking with . . .

GRATHWOL: But still you're a resident in D.C.

BLINKHORN: Resident in D.C. And one of the people that I interacted with regularly at the Ministry of Finance in Liberia was none other than Ellen Johnson-Sirleaf, who is now the president of Liberia, the first woman president in Africa. Last weekend, she gave the commencement address at Dartmouth College in Hanover, New Hampshire, where I live. So this small world of ours.

GRATHWOL: I want to interrupt you here because you mentioned one thing. You mentioned Soren Holm, which is a name that I was looking for but couldn't find.

BLINKHORN: How did you happen to be looking for him?

GRATHWOL: Well, because I got a question from somebody saying: Ask Tom about his involvement with staff organization in the early days.

BLINKHORN: Oh, yes.

GRATHWOL: Because Soren Holm, apparently, was also involved in that.

BLINKHORN: That's right. That's right. Yes.

GRATHWOL: And there is at least the breeze around that he was sort of forced out of things at the Bank because of that involvement.

BLINKHORN: I don't know that that's true, but I wouldn't be a bit surprised about it. But there were others of us that were involved in that, and it was not only—it was definitely Soren and myself but also Ian Hume. Do you know Ian?

GRATHWOL: No.

BLINKHORN: Ian became a director. He was the head of the office in Warsaw. He is now retired. I've been in communications with him about this book. He and his wife, Muriel, live up here in Northwest. But he was involved.

Frank Stubenitsky from the Netherlands, who went on to IFC[International Finance Corporation] and is now doing other things. He lives in Rotterdam, I think. So we were the ringleaders.

The way it happened is that we had an organization early on, and it grew out of this Copenhagen debate thing.

GRATHWOL: I see. Okay.

BLINKHORN: I forget who actually started it, but it was called the 5:30 Club, and it was all of the Young Professionals and young people who had come into the Bank and were confronted with this ferment externally about capitalism and its role and what the Bank was doing, and was the Bank morally doing the right thing, and were we following a model of capitalism that was wrong or correct or what. And so there was a lot of questioning within the organization among the young people that were coming in. And so we had a group that we formed informally called the 5:30 Club, and we would meet twice a month in one of the offices up here, and 5:30 was, it would be after work.

GRATHWOL: I see, thus the name.

BLINKHORN: We would invite—I got McNamara to come. Munir [P.] Benjenk came. We would get all of the senior people, and we would really go after them. Another very active member of that was Montek Singh Ahluwalia. Montek Ahluwalia became the finance minister for India, and he is now a big shot in international trade. He is the head of the Indian Planning Commission. He and his wife are great economists, but Montek was a fiery debater. Kate [Katherine H. M.] Mortimer was a YP [Young Professional]. She was the daughter of the Bishop of Exeter. And she was into it. And myself, Ian Hume, and we had so much fun. And we would have these things, and then we would go out and play tennis and get drunk.

GRATHWOL: So this was about the sort of intellectual and moral underpinnings of the Bank's business.

BLINKHORN: Exactly, yes.

GRATHWOL: Not so much about staff—labor relations.

BLINKHORN: No, no. That came later.

GRATHWOL: Okay, that's interesting.

BLINKHORN: That's very interesting. The way it was provoked, I'll tell you about it, because there was perceived injustice in the Print Shop, and that was what got us riled up.

GRATHWOL: That's how it shifted over to staff rights.

BLINKHORN: That's how it shifted over. We were—there was an intellectual study group. As a matter of fact, my second wife, Katherine Marshall—I don't know whether you want to use this or not, but in any event, what happened was I was serving as a chair of the 5:30 Group for a while. We would take turns. There would be little notes passed around. At the time, she was working—she had been up to Princeton at the Woodrow Wilson School. And she came here and she was working for Bob [Robert E.] Wiczorowski, who at the time was the United States Executive Director. That individual always comes from the United States Treasury. He had hired Katherine to be his special assistant. So she was working in that office. And she came to this 5:30 Club, and I looked up and I saw this beautiful woman come in. And I said, “Holy God, who's that?”

And someone said, “Oh, that's Katherine Marshall from the U.S. ED's office.”

I went up to her and I said, “I'm Tom Blinkhorn.”

And she said, “Am I permitted to be here?”

I said, “Well, are you a staff member?”

And she said, “No, I work for the—yes, I am.”

I said, “Where do you work?”

She said, “U.S. . . .”

I said, “You're not a staff member. You can't come here. I'm sorry, you have to leave.”

And she just turned red, and I was teasing her. I said, “No, I’m sorry. I’m just kidding with you.”

She said, “You son of a bitch.”

And that was the beginning there.

[Laughter]

BLINKHORN: Anyway, so, let's see.

GRATHWOL: So there was something going on in the Print Shop, you said.

BLINKHORN: What was going on in the Print Shop was that there was the head of the Print Shop who was really treating a lot of the workers—and I think a lot of them were illegally here. There were a lot of Latinos, Hispanic Americans—Hispanics in there. They were being forced to do overtime and work very long hours. According to them, they were mistreated. They were not given opportunity to—if they complained, they were fired, and it was really kind of messy. And there was a lot of work going on in those days because McNamara was quadrupling lending.

So we got wind of it, and I asked a friend of mine who—and this gets into the riverblindness story because he helped me on this--can you find out about this and what it is?

GRATHWOL: What? Oh, what's going on in the Print Shop.

BLINKHORN: What's going on in the Print Shop. Because he was from Chile. His name is Jaime Martin, and he had friends there that I knew about. He was a technician. He was a guy that did what you're doing now. He did interviews and things like that. He was sort of a technician. Not what you're—he was not doing the archives or a historian or anything, but he helped fix machines and things. And he did a little investigating, and he came back and said, “Yeah, it's even worse than you think it is.”

So I said, “Well, we've got to do something about this.”

So I was talking to Soren, and he said, “Well, these guys apparently have written a letter. They've gone to see Hugh [B.] Ripman”—who was the head of the Administration Department,” and I think Reg [Reginald A.] Clarke was still—maybe Reg was the deputy to Ray--“and nothing happens. They've written a letter, nothing happens. And this is going on for months.”

I said, “Well, Christ, you know, they'd better go see McNamara.”

He said, “Well, you know, we ought to be forming a society. If they don't listen to these people, then they will listen to us.”

So we started talking about the idea of a Staff Association to make sure that there is equity and fairness of employment within the World Bank, and that's where it started. McNamara got wind of this and invited three people from the Print Shop to come up and talk to him, and he was livid. I think he actually got rid of whoever it was. Don't hold me to that. [REDACTED]

[REDACTED] The next thing, McNamara was ordering Reg Clarke, going, "You've got to fix this, and fix it fast."

Meanwhile, we were organizing the Staff Association. McNamara knew about it, and I told him about it. He said, "Well, fine, go ahead. Whatever." But there were a lot of the officials in the Bank that did not like this at all, and they were very upset with it. I think that—Soren was definitely very, very out front with this. Jim [James] Chaffey, who eventually became head of the Staff Association was extremely active. He's now dead.

But there may be truth to that rumor that Soren was eased out. He was more academic, really. I mean, I felt that he—and I think he's told me. He and I used to play tennis a lot. He told me that he preferred the academic life. He was an econometrician in Berkeley and then went back to the University of Odense in Copenhagen.

GRATHWOL: When I Googled him, it looks like his career is academic.

BLINKHORN: Yes, definitely.

GRATHWOL: And the relationship to the Bank was not immediately evident. That's why I was curious about all of this.

BLINKHORN: He left—he didn't stay around very long. And I often wondered whether, in fact, he was pushed out. That may be true.

GRATHWOL: Well, it may be that his interests simply led him in a different direction.

BLINKHORN: Well, I know that that was true.

GRATHWOL: But there may have been some encouragement as well.

BLINKHORN: Yes, right. I visited him in Odense many years later, and he's still a great guy. But he never—he was very happy in what he was doing. He married and so forth and so on.

I was involved in the creation of the organization. I was on the first—on the council, but I started getting much more involved in development work in Africa. That came about, I was the—as I was saying, the loan officer for Liberia and Sierra Leone, and eventually went to work on Ghana. During that period, McNamara and his wife, Maggie [Margaret Craig], went to Burkina Faso one time . . .

GRATHWOL: Then Upper Volta.

BLINKHORN: Then Upper Volta, right—and met this French entomologist, René Le Berre, who had been working in the area for 20 years on this disease called onchocerciasis, or riverblindness. René Le Berre is a very, very charming Breton, red-faced, the beard, and very funny. And he just captivated McNamara and his wife, and told them the story of onchocerciasis and the female black fly and all the rest.

And McNamara was enchanted and said, “Why isn't anyone doing anything about this? Because it's an impediment to development in these villages. These people are blind.”

Le Berre said, “Well, because the World Health Organization doesn't have any money, and they're too bureaucratic.”

So McNamara then took the bull by the horns and decided the World Bank was going to get into the health field, and that was the first—that was the first intervention in the health field. It really created a lot of problems for him with the Board [of executive Directors] because they felt that the mandate for health issues was the World Health Organization. But, you know, just like [James D.] Wolfensohn later on with culture, that was another big blow-up with the Board. McNamara, this is what he's going to do, and that's what happened.

So I may not have got my timing on this right. I'll have to refresh my memory, whether I was working as a loan officer, or whether I was at the end of my career with William and the External Relations Department. But in any event, what happened was there was a meeting of people interested in what the Bank should be doing in this field. William asked me what I thought, and I said, “Well, you know, one of the best ways to demonstrate and educate people about this is to do a movie or a video because you can show people in villages with blindness and little kids leading them around, and it's very powerful.”

He said, “Okay, you go do it, and I'll get you the money to do it.”

So I hired a team, a cameraman from New York, Jaime Martin, the Chilean guy who did the radio work, and we went out and made a—went all over the villages of the Volta Basin. We went to Geneva, we went to Paris, and everything, and put together a 28-minute video called *A Plague Upon the Land*. We showed it to McNamara and [J.] Burke Knapp and the whole management team. McNamara insisted the entire management team come to the Eugene R. Black Auditorium to see the first movie by inside the Bank. And he loved it. He just loved it.

When I look back at it—and I use it in my lectures in Dartmouth now—it's pretty pedestrian. It's not that good. But there's some damn good shots of these villages up close. I don't know if you've ever seen it. It's 28 minutes.

GRATHWOL: I think I have.

You know, I interviewed Bruce Benton.

BLINKHORN: Oh, did you?

GRATHWOL: For the Bank.

BLINKHORN: Oh, yes, yes. Well, you know, he used to work for Katherine Marshall.

GRATHWOL: Oh, really?

BLINKHORN: Yes.

GRATHWOL: That, I didn't know.

BLINKHORN: In fact, Katherine Marshall, who by then—let's see, were we married? No. I think we were just—by then—Lois didn't like living here. She went back to Milwaukee. I got involved with Katherine, got divorced from Lois, and then Katherine and I married. But Katherine was with me in Paris. And she was the one that came up with the title *A Plague Upon the Land*. And then later on in her career, she was actually in charge of the riverblindness program. She was the one that hired Bruce Benton.

GRATHWOL: Yes. It starts in about 1980, I think, or so.

BLINKHORN: Yes, right.

GRATHWOL: A very interesting interview with him. You would probably be—because you were involved at the outset.

BLINKHORN: Well, he was involved with it a lot more than I was because he was really deeply involved. I did the film, and then helped to do some of the initial voice-overs into other languages, which helped raise \$150 million for the first phase.

GRATHWOL: I was going to ask you about the fundraising because that was a big part of the purpose.

BLINKHORN: Yes, it was. The main purpose of the film was to be able to demonstrate the severity of the disease and why it was an impediment to development in this part of Africa. And it helped the Board to become a little bit more comfortable with the idea of the Bank getting involved in this. And in addition, it helped raise the money because those people are mainly Muslim. And that film had a tremendous impact in Kuwait and in Saudi Arabia and the Arab states. And they came up with a lot of money for that first phase . .

GRATHWOL: That's very interesting.

BLINKHORN: . . largely because of the Muslim populations in Mali, Niger, and Burkina

Faso—Upper Volta, as it was. And that's where it was endemic.

GRATHWOL: That's very interesting. I hadn't been aware of that, the religious and cultural connection.

BLINKHORN: Yes. Let's see, I went back later, after a couple of years, to update that film and discovered that one of the interesting aspects of that intervention, in addition to eradicating that disease in the first phase, which was quite successful, but other things happened. Merck came in with a new drug called ivermectin. Whereas, in the early days, we were using helicopters—they were using helicopters to hit the breeding places, first, with DDT, and then they went from DDT to a biodegradable compound.

The other interesting angle on that was that the institution-building aspect of that effort was extraordinary. It put in place Africans and African leaders who otherwise would not have had the opportunity. And they run that thing. I mean, they basically run that.

GRATHWOL: And it's a sort of grounds-up organization.

BLINKHORN: Yes, exactly. Yes, it's very interesting from that perspective as well as health.

GRATHWOL: Yes, I found it's really quite fascinating.

BLINKHORN: Yes.

GRATHWOL: So at this point, you're moving out of the—you're moving into programs.

BLINKHORN: Yes, I'm definitely moving into programs. I'm getting away from the Staff Association and all of that stuff. I started it, but I . . .

GRATHWOL: And the PR side.

BLINKHORN: And the PR side of things, which I always felt was—I mean, I know that it's important for the Bank to be able to help educate people about its work, but I really felt uncomfortable in doing PR, because as a journalist you're always suspicious of PR people.

GRATHWOL: I wanted to ask you about that because there is a tension there, it seems to me.

BLINKHORN: That was the other angle on this. It was not only the—I'm glad you asked that because, although the bureaucracy and the vetting of the writing and the—that was very infuriating. But the other thing that was nagging at me, nagging all the time, I don't want to be a "flack" for an institution.

GRATHWOL: A spin doctor.

BLINKHORN: Yes. And that line is very, very difficult because, for example, when we were debating with the students, there were some points on which I thought the students were correct, but I could not publicly say that without jeopardizing the institution and having a front-page article that says an official of the World Bank agrees with us, you know?

GRATHWOL: Yes.

BLINKHORN: So it's a very, very difficult—and I didn't like being in that position at all because I was not telling the truth, and I didn't like that.

GRATHWOL: There is a fundamental tension between your role as reporter, where your job is to get the story out . . .

BLINKHORN: Yes. Yes.

GRATHWOL: . . . and your role as a representative of an institution . . .

BLINKHORN: Exactly, yes.

GRATHWOL: . . . where you want a certain message going out.

BLINKHORN: Yes. Yes. So I was very happy to get away from that kind of a tension. Now, I found other kinds of tension in dealing with countries and individuals, but it was a more acceptable kind of a tension. I was learning how to deal with other people. I was working for an objective that I believe was important, and that was very gratifying, if I could come out the other end of that with something successful.

GRATHWOL: So we've gotten you up to the mid '70s, and you're involved, first, in West Africa.

BLINKHORN: Yes, and then what happened is that I had—and this is the way things happened. I had another friend whom I knew through Katherine because he had gone to the Woodrow Wilson School with her. His name was Sven Burmester. Do you know Sven?

GRATHWOL: No, I know the name from your little profile.

BLINKHORN: You should interview him. He's an extraordinary guy, another Dane. He was involved in a very interesting thing called the Hash House Harriers. He used to run all the time; another Bank organization. Anyway, he was one of McNamara's special assistants. McNamara, as you may recall from your doing this, he, as did George [D.] Woods before him, picked usually a Young Professional to come up and work in the president's office and travel with them and get to learn the Bank. It was just an extraordinary job. So Rainer [B.] Steckhan was with Woods, and he was the transition to McNamara. And then after McNamara, Leif [E.] Christoffersen became the special assistant to—and then, let's see, it was Sven Burmester, then Olivier

Lafourcade, and then Caio [K.] Koch-Weser, all these people were special assistants up there. And they had a great time, and they still are very close to McNamara, and they go and see him all the time.

Anyway, Sven and I got to know each other through Katherine. He's a marvelous guy. We liked each other. He knew that I knew McNamara, and so we had sort of a good friendship. So when he left McNamara's office, he became the program's division chief for Sudan, Somalia, and Ethiopia [Eastern Africa Country Programs Department II, Division 2B]. One day he called me and he said, "Do you want a change?"

I said, "What are you doing?"

He said, "Why don't you come on over and work with me on Sudan?"

I said, "Great."

He said, "Come on."

So I did.

GRATHWOL: Before we move you across the continent, I want to ask you a question about—there was a considerable drought in the Sahel through the late '60s and '70s. Did that impinge on your work at all?

BLINKHORN: Yes, it did. Yes, it did, because the drought compounded the problem of the disease, and it made it more difficult for people to not only get the water they needed—they had to go longer distances—but in order to irrigate their crops. They were starving. So it was—I was working in the Volta River Basin, and so on the tributaries of the Black and the White Voltas you could see all of this.

Now, when you're in the middle of this, the poverty is so pervasive and so appalling that it's difficult—well, first of all, it had—I mean, it was part of my education. I mean, just to go out into these villages and live in those villages with all these poor people, was just—it would just knock you out. It's difficult to distinguish—and it took us a while to distinguish between who was actually affected by the drought, who was being affected by other kinds of diseases—of which there are lots—and where does riverblindness fit into this? So it was a very complex equation.

And the way that we got to that part of it was through the doctors, like Le Berre and others from the World Health Organization, who would point out the discoloration of the skin and would take biopsies of the skin and show these worms.

GRATHWOL: The worms, yes.

BLINKHORN: And then you would have nodules on the bodies, and then, of course, the culmination would be the blindness. And you would have middle-aged people totally blind.

So those symptoms were brought to our attention. But these people also had other diseases, and they also were very, very hungry, and their women . . . But the amazing thing is how kind they were and how open they were. I mean, I, for the first time, coming from being, you know, coming from a white society, basically, I was in the minority in a black society, and I was never treated with such kindness and honesty and civility in my life. I mean, these people will give you anything, and they're happy, smiling, you know. Chiefs would go out and embrace you. It was amazing. Amazing people.

To come back to your question, I don't know. It just made the problem worse.

GRATHWOL: Yes.

BLINKHORN: Yes, we certainly weren't doing anything extraordinary in the Bank in those days to deal with that kind of problem, like we do today, when there's a big earthquake or a drought or whatever. Like Bob, the new president [Robert B. Zoellick] is really responding to this current crisis, this global crisis of food shortages and food spikes.

GRATHWOL: Yes, this is still fairly early in McNamara's tenure.

BLINKHORN: Yes, right.

GRATHWOL: The push towards poverty comes with McNamara.

BLINKHORN: Yes, that's right. The big speech in 1973, in Nairobi, in which he really came out and said, you know, that the traditional theories of development—the trickle-down theory—is defunct. It's not working, never has worked, and never will. We have to have strategic interventions, in addition to growth. Growth is essential. The phrase that was always used is "necessary but not sufficient." The Bank uses that all the time. "Necessary but not sufficient." Growth was essential and necessary, but you have to also target. You have to go in, and you have to educate kids. You have to make sure that women are—their health is taken care of, and that is the critical strategic development, is the woman and the children. Get that done through health and education, then you are doing something. It took us a long time to come to that conclusion.

GRATHWOL: So you've worked in West Africa. You've concentrated on the riverblindness program, really getting it started.

BLINKHORN: Yes.

GRATHWOL: Getting the film done, and getting the money raised.

BLINKHORN: Yes, right.

GRATHWOL: Are you involved then in the mechanics of going further with it?

BLINKHORN: No, I didn't do that because they were setting up a new apparatus to deal with that, a new group of health people. And they were hiring health specialists, and they wanted to make sure that this intervention was done with the *bona fides* of specialized people, plus done by the people working in the Sahel. I was working actually elsewhere.

GRATHWOL: I see.

BLINKHORN: I got involved, after I did the film, with the Kpong project—K-p-o-n-g—project on the Volta River in Ghana. I was the loan officer for that. I also—that was a big hydro project on the Volta River. The big issue at that time was the bauxite smelter in the Volta project. What was the name of the company that had this? [Volta Aluminum Company—Valco] This was originally Kaiser Aluminum, and there was a big controversy involving the price of electricity. There's a story here that I should tell you about.

When Eisenhower was president of the United States, he invited the Ghanaian ambassador, who at the time was based in New York, to come to have lunch at the White House. He drove from New York to Washington, and on the way stopped at a Howard Johnson's in Wilmington, Delaware. Do you know the story?

GRATHWOL: No, but I can see what's coming.

BLINKHORN: And they refused to serve him. No, he was not invited by Eisenhower. That's wrong. He was coming to Washington for another reason, and they wouldn't—it hit the front pages. Eisenhower invited him to the White House for lunch and apologized and said to him, “What can the United States do to help your country?”

And he said, “Well, we have this tremendous river that runs through our country and that generates electricity. And what we want to do is use the electricity to create aluminum. And there's a scheme that Henry Kaiser has developed to take bauxite from Jamaica, bring it across the ocean, turn it—whatever they do.” Is it bauxite that they . . .

GRATHWOL: It's bauxite, and it's in clay, as I recall.

BLINKHORN: Yes, and they bring it in, and they have to turn it . . .

GRATHWOL: And they have to smelt it.

BLINKHORN: Smelt it, yes. And the cheap electricity was the energy source for that, and that would create jobs, and blah, blah, blah. And Eisenhower said, “Okay, we'll look into that.”

So nothing happened. And then when Kennedy became president, he phoned—I guess it was George Woods—and said, “Whatever happened to that project?” He said, “I want that project going.” And he convened a meeting and got that thing going. And the result of it was a big dam called Akosombo, way up on the Volta River.

GRATHWOL: How do you spell that?

BLINKHORN: A-k-o-s-o-m-b-o. And the Bank financed that, or helped get it going. That was the first one, and it resulted in that smelter coming to Tema, near the big port.

The Kpong project—K-p-o-n-g—was right down below Akosombo and was going to generate even more electricity. But it got involved with the whole price of electricity because by this time the Ghanaians were seeing they were getting ripped off. And so we were getting involved to help broker, trying to compromise between Kaiser and the Ghanaian government on this. I was working on that.

I was also, at that time, working on a—forgive me. I may have the timing wrong on this—but a very interesting project in Lofa County in Northern Liberia, one of the first rural development projects. That's also an interesting story because Leif Christoffersen, who had been McNamara's assistant, by this time had become the division chief. I was his—I was working for him. I had read a book by Graham Greene called *Journey Without Maps*. It was written in 1936. And Greene was based in Freetown, Sierra Leone. One of his first novels was based in that setting, in Freetown. There was a spy novel. And he actually was working for MI6. During World War II, he was the MI6 representative in Freetown, pretended to be a writer. He was writing, but he was also watching German ships because right next to—in that area was Togo, and Togo used to be German. And so he would file reports back about German transports moving.

On the other side of the continent, another British writer by the name of Malcolm Muggeridge, who has written some great books called *Chronicles of Wasted Time*. Fabulous, funny books. Malcolm Muggeridge was the MI6 representative in Mozambique, and he was watching transport into another former German colony, which is now Tanzania. It used to be called Tanganyika. So the stories are these—and I was absolutely intrigued with Greene. I loved Greene.

When I read that book, that *Journey Without Maps*, which he went to the end of the train line and actually walked all the way from the end of the train line, in Kenema, Sierra Leone, up into Lofa County in Liberia, and all the way back down to Monrovia. And so Leif and I decided we would take the same trip, and we took it in a Land Rover. We went all the way up to Lofa County, where this project was, a rural development project, and we came all the way back down.

So, in those days, we would present the project to the Board. The loan officers would take all the questions and actually be the advocates for the project within the bureaucracy and sort of organize it. The rates of return, we would have to go with Abe [Abraham A.] Raizen, and he would be questioning us, or the technical aspects. I would bring one of the agriculturists with

me, and we would have to defend ourselves within the Bank. Then, we would have to defend ourselves before the Board, and the Board would be asking questions. And before the Board, there was a lot of preparation to do that because we didn't want to muck up.

GRATHWOL: Right.

BLINKHORN: McNamara was great, anyway. I mean, he would read everything. But this particular day, I was presenting the Lofa County project, and I decided I was going to do the Graham Greene trick. And so I got this speech together, and I started out my speech, and I'll never forget it. "In 1936, the British novelist Graham Greene walked—gentlemen, I said 'walked,'" and I made it very dramatic. I said, "And he walked 1,000"—and McNamara is sitting there, and he's just beaming. And then I said, "We walked"—we didn't walk, we took the—"and I'll tell you not much has changed in Lofa County in the last 50 years. The people are poor, and this project is going to help change their lives." Bang. McNamara got—he said, "Isn't this Board happy we have a journalist as a loan officer?"

[Laughter]

BLINKHORN: He called me up afterwards, and he said, "That was great." He said, "Just keep it up." He would do stuff like that. He was so inspirational.

GRATHWOL: A little bit of flair.

BLINKHORN: Oh, yes, I loved it. I loved it. But later on, in the Narmada project, oh, God. I got so nervous in that one. I was holding this pointer. It was shaking. And Ernie started this, "Blinkhorn, do you want me to hold your hand?"

[Laughter]

GRATHWOL: That's a part of the later story.

BLINKHORN: Yes, yes, exactly. Yes. Yes.

GRATHWOL: Okay. So . . .

BLINKHORN: So Sven [Burmester] calls me, and he says, "Do you want to come over? Do you want a change, and work on Sudan?"

I said, "Absolutely. Sure, I want to work with you." And so I changed, and I went over to East Africa, and I worked with Sven Burmester. I was the loan officer for Sudan, and I went all over Sudan. Djuba, way out to Darfur, where all the stuff is going on now. But the big thing that I got involved with then was a project in which we were trying to revive, or resuscitate, the cotton-growing schemes on the White and the Blue Niles near Khartoum. And that was a big project.

GRATHWOL: Now, this is also the time that Aswan is going up.

BLINKHORN: Well, Aswan had been up. Aswan was actually built earlier, in the '60s, but the impact of Aswan was being felt all the way down. And there was a treaty between Egypt and Sudan and Ethiopia on the use of those waters. And that figured into the cotton-growing schemes because it had to do with how much water could go out to irrigate those schemes. So there was a lot of very interesting international waters activity involving lawyers to make sure that what we were doing was consistent with international treaties.

In addition to that, there was another Danish character, Gunnar Sorbo, who was an anthropologist, who had written a book [Sorbo, Gunnar M. *How to Survive Development: The Story of New Halfa*. Khartoum: Development Studies and Research Centre, Faculty of Economic & Social Studies, University of Khartoum, Monograph series, no. 6, 1977] about the people, the Nubians from the Aswan Dam, who had been relocated to New Halfa. New Halfa was a place in Sudan, where when they put the—the dam created by the Aswan Dam inundated all their—and they were forcibly moved. So the whole issue of what you do with the riparian rights and the people affected by this, this also figured into our scheme. It came back to haunt me again in Narmada, in India, years later. It was not as much of an issue at that stage, but Gunnar Sorbo had written the book. He lived with the Nubians, and he knew the language, and so he was someone that we brought in later on.

The person who comes now into my life at this stage is someone that you will know. His name is J. [Jayasankar] Shivakumar.

GRATHWOL: Again, that's a name I looked for and didn't find. You have to tell me about Shivakumar.

BLINKHORN: Shivakumar is an Indian, who was in the Indian Foreign Service, a very, very smart man from Tamil Nadu. He is the president of The 1818 Society. I am going to have lunch with him on Wednesday. I was in charge—I—by this time, he was new to the Bank. He was in the Agricultural Division [Northern Agriculture Division, Eastern Africa Projects Department], working on Sudan, and he was brand new. Because I knew the Bank and I had been a long—I was asked to be the project leader for, even though I was on the program side, for this project.

I took a team out to—the initial team—out to do the appraisal of the cotton-growing schemes. I forget the exact name of it. Shivakumar was the agriculturist on that team, along with Sherif [Omar] Hassan, who is a lawyer, and Gregory [M. R.] Wiratunga, from—he was the disbursement officer. And we had just a ball. And those guys became friends of mine for life.

One of the great things about the Bank, you make enemies and you meet people that you just don't get along, but I would say 90 percent of the people that I have worked with over the years, I can write a note to them. I haven't seen them in 20 years, and they come right back. It's just that sense. I feel that they are my friends, and I think they feel the same way. It's an amazing thing to have that.

Shivakumar is that way. He is the one that called me, and when I heard that they were going to do this book [Blinkhorn, Thomas A., ed. *The Memory Book – World Bank Stories and Revelations*. The 1818 Society 30th Anniversary Publication, October 22, 2008]. I said, “You know, this is something that I'd like to work on.”

He said, “Okay, you take over.”

I said, “Okay, I will.” So that's the way it works.

Anyway, he was on the mission. It was rough because we were trying to get the price paid to the cotton growers increased, to increase the incentives. The government didn't want to do it. So there was a lot of to-ing and fro-ing. In addition, we had a problem with the Fund.

GRATHWOL: The IMF [International Monetary Fund]?

BLINKHORN: Yes. This happens a lot, or has happened a lot in the past, where the Fund, as a way of helping a country to stabilize its economy if it has a balance of payments problem, will typically go in and say, “Okay, your inflation is too high. You've got to cut the budget. You've got to do such and such and such and such in order to deflate. And we don't care where you cut, just cut.”

Well, in actual fact, we care where they cut. If they're going to cut the budget, and if the money that we want to go to those cotton growers is cut, then we can't make it work. So we get into this big argument with the Fund: “You have to allow for the agriculture.”

“Well, if we do it for them, then we'll have to do it”—that kind of thing.

That has happened in Argentina, Brazil, and all this tension between the Bank and the Fund.

GRATHWOL: And it's more complicated in the '70s because of the spikes in oil prices.

BLINKHORN: Exactly, yes. Absolutely.

GRATHWOL: In '73, Yom Kippur.

BLINKHORN: Yes.

GRATHWOL: The '79 revolution in Iran.

BLINKHORN: That's right, yes.

In any event, Shivakumar's father died when we were out there in the field, and he felt terrible because this was his first Bank mission. He was trying to make an impression on the Bank and

his boss and everything else. And he says, "I don't know what to do."

And I said, "Just go home. Just go back." And he really appreciated that. I said, "I'll cover for you." And he went back.

Then, he came back, and I forget all the—anyway, he took over the project, and I was doing something else.

But, let's see, I forget now where we are. I was mainly working on that, but doing a lot of other things in Sudan. Nothing of—just normal business, as I recall. Willi [A.] Wapenhans was the vice president [Eastern Africa Region] in those days, Shawki Farag was the—he's an Egyptian who was in the resident mission. Khartoum was the old British colonial city. There were still people around who remembered when the Pan American—those big flying ships would—well, there were people who knew that they would go from Heathrow or Gatwick to Malta, to Alexandria, to—I forget the place in the Nile—and then Khartoum, and they would just keep going all the way down to Cape Town. That's the way they did it.

They flew from London to Cape Town. It maybe took them 2 weeks, but they were sleeping onboard. I remember when they used to tell me the stories. And they were seaplanes. They had these big pontoons on them, and they would come into the Nile, and the people would come out from the hotel and row out in boats and come in and they would have their, you know, grand meals, you know, just stay for a few days and then fly out. It was a great way to travel. I just remember old-timers—Swearingen [sp?] was his name. He was in the British Foreign Service—just going on about how it used to be. I just loved that part of the . . .

The interesting thing to me, as sort of an observer, a journalist, is the pattern of hiring in those days.

GRATHWOL: Within the Bank now?

BLINKHORN: In the Bank. We had a lot in Africa, where I was working, had a lot of the former colonial people, who had been in the British Colonial Service. And then when all the African countries started becoming independent in the late '60s, they found themselves out of jobs. And they ended up in the World Bank, a lot of them. And so we had a lot . . .

GRATHWOL: These are mostly whites.

BLINKHORN: Mostly whites. Hardly any blacks. I only know of one Ugandan, in those days, that was hired, [Zerubaberi] Birgirwenkya, and he only got in because he was a big shot in one of the staff colleges in Kampala. But most of them were—and the interesting thing to me, and we used to have a lot of tension about this--is that a lot of these people did not like the fact that they were no longer in charge. So they would go back to their former colonies—Nigeria, Sierra Leone—and start acting as if they were still in charge. I remember the fights I used to get in with some of these guys about the way they treated them, and the way they would, you know,

talk to them: “Oh, God, this is terrible.” And they'd just sort of dismiss me: “We know these countries. You don't know anything.”

So, let's see. Where are we going now?

GRATHWOL: So you're still resident in D.C.

BLINKHORN: Yes, I always was resident in D.C. I never lived over there. I mean, I spent a lot of time, but I never . . .

GRATHWOL: Yes, you did a lot of traveling.

BLINKHORN: Yes, but I never—and I stayed for a couple of months sometimes, but I always lived in D.C.

GRATHWOL: Yes, okay.

BLINKHORN: So, by this time I'm married to Katherine, and she is working in—she became a Young Professional after she left the ED's office, and she didn't know whether she wanted to become a Young Professional. She felt that she should be hired straight on, but there was a little struggle, and then finally did that. And then she worked in Bangladesh in education and eventually ended up in an agricultural division in East Africa, which created an interesting conflict because—not—well, on the surface it did because there was no rule then. I don't know what the rule is now. But a husband and wife, or a spouse, or whatever in the same area was not right.

So the way that we got around it—and I think it's still true today—if you are working for a different director, even though you may be under the same vice president, if you were working for a different director and you're not passing on each other's performance, then that's okay. And I think that's what happened. Because she was working in the Agricultural Division [Central Agriculture Division, Eastern Africa Projects Department], with Mike [Michael J.] Walden, and she eventually became the division chief of that division. And I was working with Sven Burmester in Sudan, and whatnot.

But we traveled a lot. We had our daughter, Laura, was born in 1980. And from an early age, I mean, she was three years old or four years old, and we were traveling with her in Madagascar. One year we went to Lake Kivu and went to the Mountains of the Moon, and saw the gorillas, and went with a couple of our friends from Denmark. We did a lot of traveling all over Africa with our daughter, Laura, when she was just a little, little girl. And so she's had a lot—and then she eventually was a Peace Corps volunteer in Guinea.

And then in '90, we had Patrick, who is now going to be a senior at Georgetown Day School. But eventually, that marriage dissolved later on, which we can get to, I think, in another session.

GRATHWOL: You moved from Africa to Asia in the late '70s.

BLINKHORN: Well, there was an interregnum there. Did I mention that?

GRATHWOL: I don't have it down.

BLINKHORN: Okay. Let me just tell you what happened there.

GRATHWOL: Okay.

BLINKHORN: In the mid '80s, I'm still working—let's see, when did I go to become a division chief?

GRATHWOL: You have senior loan officer, East Africa, '79 to '82 is what I have.

BLINKHORN: Now, in '83, what happened was that I was—was it '83? I guess it—I'll have to think through this. But anyway, I think it's '83. I was approached by Frank [R.] Vogl, who was the new Director of External Relations under A. W. [Alden Winship “Tom”] Clausen. Clausen was McNamara's successor.

GRATHWOL: Right.

BLINKHORN: And he had heard that I used to be a journalist, and he said, “Would you like to come back to External Relations?”

And I said, “No, I'm not going back there. I had enough of that. I want to stay in Operations.”

So he said, “Okay.” So then he looked around, and he came back to me again. He said, “Would you consider coming over if you got a promotion?”

And I said, “I would consider it on the condition that it's a term, just a”—the understanding would be that I stay there for no more than three to five years. I forget what the number was.

And he said, “Okay, let's do it. I'll fix that.”

So he gave me a promotion, and I took it and went over to start something called the Public Affairs Division in External Relations. And my responsibility was to cover all the developing countries and plus work on North America. I was given a sort of wide-open ticket to hire people.

GRATHWOL: This is quite a different assignment. It's 4:00. I think I'm going to stop here.

BLINKHORN: Right. Good.

[End Audio File 1]

[End of Session 1]

Session 2
June 17, 2008
Washington, D.C.

[Begin Audio File 2]

GRATHWOL: This is June 17th, 2008, a second oral history session with Thomas Blinkhorn, conducted by Robert P. Grathwol, for the World Bank Group Archives Oral History Program.

Tom, we talked yesterday about many things. I wonder if, in between times, anything has occurred to you that you want to add to the record of that session?

BLINKHORN: Several things did occur to me. They were mainly personal things, and the transitions of my life having to do with my family and my wives, and stuff like that. But there was one incident that was just brought to my memory by Shivakumar, whom I was just talking to a few minutes ago. He mentioned that in 1976 a film was made about the Bank, and I was explaining and acting as a loan officer and what does a loan officer do. I had been in the Bank, I guess, a few years. All of the details are not very clear to me, but Shivakumar remembers this as here's a journalist acting as a loan officer and doing quite a good job at saying what a loan officer is supposed to do.

GRATHWOL: Yes.

BLINKHORN: So that we got a big kick out of that. There were a couple of other things having to do with our work together in Sudan. Well, yes, there is one. This comes back, actually, into the next phase, as we get into—and that is, one of my—I mentioned earlier that I had traveled all over the country, to Darfur and whatnot. One of my most interesting exploits was to go all the way to the South to a city called Djuba, which is the capital of Southern Sudan. Southern Sudan is largely African. Northern Sudan is largely Islamic, and there's been a long traditional animosity between the two.

[Interruption]

GRATHWOL: Okay. Continue.

BLINKHORN: At any rate, I went down to this place called Djuba, the capital of Southern Sudan. I'll never forget going into the famous Djuba Hotel one evening—very, very hot. There was one light dangling from the ceiling in the main entrance, and the place was full of insects and animals. I forget whom I was with at the time, but we checked in. It was late. We did not have very much food, and so we were able to get some water. And then we said, "What's on the menu for dinner?"

And we were told, "Well, we don't have any food. All the food is gone. The Army took all the food, but we do have a chicken in the backyard."

I said, "Well, let's cook the chicken."

And the chef went out, and we were chasing the chicken around the backyard, chopped its head off and ate that chicken for supper. And I hadn't done that since I was kid in Cape Breton, when my grandmother, who used to have all these chickens—I'll never forget as a little boy watching—you've heard the phrase "chicken with its head cut off"?

GRATHWOL: Yes.

BLINKHORN: It's like that, as you probably know yourself.

GRATHWOL: I do.

BLINKHORN: And then the whole process of getting the feathers out. That was quite an experience.

And that then came back again later on in the next episode, when I hired a very interesting man from Southern Sudan and Northern Uganda—well, Southern Sudan, Dunstan Wai, W-a-i. As a matter of fact, today, I ran into a friend of mine, Daniel Ritchie, who was going to a meeting of the board of the Dunstan Wai Memorial Foundation, which was set up by a lot of Dunstan's friends to help educate orphan girls mainly, in Southern Sudan and Northern Uganda. And Dan and Kim [Edward V. K.] Jaycox, a former vice president for Eastern Africa, are very active on the board. Both were going to the meeting, and they had been very good about raising money for this and whatnot. But I actually, I was the one that hired Dunstan to come and work, and I'll tell you about that in a minute.

GRATHWOL: Okay. There were a couple of things that came to my mind after yesterday's session. We broke off just at the end of the '70s, before you began with the Public Affairs Office.

One of the things that occurred to me were, we mentioned the spikes in oil prices, but we never got around, or I never brought up one of the issues that certainly, economically and internationally, is a major issue in that period, and that is the U.S. abandonment of the gold standard and the sort of crumbling of the Bretton Woods monetary system. Did that impinge at all on your operations?

BLINKHORN: No, it didn't at all. It didn't at all. It had more effect on the International Monetary Fund than it did on the World Bank. That's not to say that in countries with balance-of-payments problems that had denominated their currencies against the gold standard, that there were not dislocations. But I think that the Fund—and that's their job is to help countries through those periods—it had an impact on them more than it did on the World Bank.

GRATHWOL: Okay. Well, I was curious about that because it's a major change in post-World

War II alignment . . .

BLINKHORN: Yes, it's a major change. Right. Exactly.

GRATHWOL: . . . and economic alignment.

BLINKHORN: Sure. Yes.

GRATHWOL: We concluded yesterday just at the beginning of the new phase of your involvement with the Bank, your return to Public Affairs.

BLINKHORN: Yes. I was hired by the then-director who had been brought in. He was *The Times* of London Washington correspondent, the head of their office here. His name is Frank Vogl—V-o-g-l. Frank had been a reporter in the United Kingdom, and then he was posted here for *The Times* of London. In one of his assignments he had, he was writing for the business section of *The Times* of London for the weekend, he actually went to interview A.W. Tom Clausen—C-l-a-u-s-e-n—in San Francisco, where he was the chairman of the Bank of America, or president. It was quite a long interview, and I think that Clausen thought that it was well done. That had been done several years earlier.

GRATHWOL: I see, before Clausen's appointment.

BLINKHORN: Right. So when Clausen was named to replace Bob McNamara, and he was looking around for a director of Information and Public Affairs, in actual fact, the story is that Frank Vogl wanted the job and actually went out to San Francisco to make the case for getting the job with Clausen, and he actually got it.

So Frank Vogl comes to the Bank and learns that I used to be a journalist. Then he asked me if I would come over and head up a new Public Affairs Division in External Relations. And I said, "No, I'm very happy where I am, and I prefer the operational side of the Bank, in any event."

So, then, he came back to me and he said, "Well, would you consider coming if you got a promotion?"

And I said, "Maybe." And I said, "Well, if I get a promotion and the agreement is that I go back to Operations after no more than four to five years, that's the limit, then I will take the job." That was actually put onto my personnel file, that these are the arrangements under which I would go on leave from operational work.

He wanted me because I had journalism experience, and also because I knew the Bank and he didn't. He had reported on the Bank, but he had never known it from the inside.

My responsibility was to head up a division that was to develop a strategy for what the Bank ought to be doing in External Relations in the developing countries, as well as in North America.

So it was a big job. I had a pretty good budget, and I was given an opportunity to hire people. So I started hiring people. I hired Judy [Judith A.] Maguire, who became our congressional liaison person. She eventually worked with a former congressman from Cleveland, Bill [William J.] Stanton. He eventually came on, I think it was in the later days of Clausen because the Bank had always had the need for someone close to the president who could advise the president about relationships on the Hill. It was very important. Not that McNamara needed that, but the subsequent presidents did need that.

So Judy Maguire, who is now retired, she was working with the Hill. And then I had other staff. Shelley [Sheldon] Rappaport--Gene [Eugene H.] Rotberg was the treasurer then, and he suggested someone from the financial area that he thought would be good to help on that side of it, so he encouraged me to hire Shelley Rappaport. I did. I hired several other people. I hired Jack Hamilton, John Maxwell Hamilton. There's a story about that I'll tell you in a minute. He was at USAID [United States Agency for International Development], working as an assistant to the administrator for Asia, Jack [John H.] Sullivan. So I was doing this sort of thing, hiring staff and at the same time trying to figure out what should this part of the Bank be doing with respect to explaining the Bank and trying to develop a stronger understanding for what I was trying to do.

I mentioned earlier the tension between being a journalist and a banker. Now this got me into a different kind of challenge and a different kind of tension, which had to do with my very strong reservation not to lie about the foibles of the Bank, to try always to tell the truth. But I felt that my job was primarily to try to educate, to inform—to inform—a variety of audiences—not only the media, a variety of audiences about the role of the World Bank and what issues it was trying to grapple with, and then through that information process, to develop a better understanding and support for the mission of the institution. I didn't regard my job as to spin, and I really resented any attempt for spinning. If that was to be done, it was going to be done by Frank Vogl, and I told him that. This eventually came to haunt me, but that was the understanding.

So, on those things, I made this very clear to the staff working for me. This is the way we want to work. My deputy was an Indian, Sundrum Sankaran. I better start jotting down some things here as we go along because this is provoking ideas for this other book that I'm doing.

Then one of the people I got—well, here's the way it started. One of the big challenges for the Bank in those days, as now, is what do we do about Africa. I mean, this is the real problem with poverty. There are more people who are really poor in India and China than all of Africa, of course, but the African problem was just as paramount then as it is now. So I felt that my job was to try to develop a specific strategy for Africa, not only because I thought the Bank needed it, but mainly because I also had experience in Africa. I had been in Africa. I had come out of it, and I felt that I could make a contribution based on what I knew.

So one of the first things I did is propose that we do a survey, a quick and dirty kind of survey of what do key constituencies of the Bank know about the Bank, how do they get their information, what do they do with that information, and what should we be thinking about as an institution in

starting to think through how can we improve the work that we do in Africa.

So I got the budget to do it, and then I went out and started looking for consultants. I found a British guy, whose name escapes me now, but he had lived in Africa, he wrote in Africa. He did a lot of work as a journalist in Africa and had tremendous contacts. So he was one person.

Then I needed to get an African. I forget who mentioned Dunstan Wai, but Dunstan Wai was a kid from Southern Sudan, from a very poor village in Southern Sudan, who had done well academically and found himself being educated at Harvard, in public policy, and at Oxford. He was teaching—I think it was either at Princeton or somewhere else—and doing a lot of academic writing and whatnot. I read a lot of what he was doing, and I said this guy is potentially very potent. So I called him and invited him down for an interview, and we struck it up very, very well. He was great.

I said, “Would you be interested in doing this, taking six months off and going off with this other guy and doing this?”

“Absolutely.”

So we put terms of reference together, and these two went around and did it.

They came back, and then what we did was put together a big report on what the strategy of the Bank ought to be in Africa to deal with misunderstandings and whatnot. Now, that's a big, big job because Africa is a big, big place. But we were selective. We're not going to cover the entire continent.

Oh, the other reason: the guy knew French, and that was very, very important, too, because we were covering French and English.

So that report became the basis for a very, very active discussion within the organization because I figured that the only way that we, a small department in External Relations, would ever be successful is if we mobilized the operational staff, the people doing the work, to regard what we were doing as important to help them in the institution; that if we were to operate the way that External Relations had done in the past, which is we are the mouthpiece for the president, and we will get out the press releases, if we operated that way, our effectiveness would be very, very limited. But if we were able to mobilize good, thoughtful, credible people who could speak and think and talk in the operational complex and use them as our collaborators, then we would maximize our potential and our effectiveness.

So I convinced Vogl that we should go around to all of the division meetings and talk to them about why this was important, we need your help, could you designate someone to be blah, blah, blah, blah. There was a lot of hostility to it, a lot of hostility. They'd go, “We've got enough to do.” But there were a lot of people who said, “Yes, this is important.”

GRATHWOL: Was the hostility directed at the idea or that you were coming from Public

Affairs?

BLINKHORN: Both. It was mainly because we were coming from Public Affairs and because most of them felt, well, we were spin doctors. But because I had been in Operations, particularly in Africa, they knew that I was not a spin doctor because I knew just as much as they did by this time.

So, in the Africa Region particularly, there was much more acceptance. Plus, I was by this time married to a Bank staff member who was a division chief, and she has had a lot of credibility and acceptance. A lot of people in the Bank, you know: “Well, maybe they’re serious about it this time.” So that helped.

But there was some hostility because, well, you know: “That’s your job. Why should I do it? And furthermore, I don’t want to talk to the press anyway, and I certainly don’t want to go out and give speeches because I’ve got appraisal reports to do.”

I can understand that. But my point was, “Listen, if you are passing through Europe or Nairobi and there’s an opportunity for you to talk to some students, would you consider this? It’s not taking a lot of time, and we’ll help you. We’ll brief you.” So that eventually helped.

The Africa report by Dunstan Wai and this other guy then was the focus of a big discussion within the African Region of what we were doing, what we were going to do. It was so powerful that one day I got a call from Kim Jaycox, and he said to me, “I need Dunstan Wai to work with me.” He said, “He’s got tremendous credibility in Africa. He’s a black African. He’s come from a”—and he said, “I really do need him. I’m the new vice president.”

I said, “I can’t turn you down, Kim, but I’m going to call. I’m going to come back again.” So I lost Dunstan after a while.

But it was one of the more interesting things I did when I was in that job, along with trying to mobilize the assistance of the operational staff and the financial staff in outreach: “This is your institution. You have an obligation to try to explain and help it because support for it is extremely necessary if we’re going to continue to serve and do our mission effectively.” That was the mantra.

It was much more than just press conferences, much more than just answering—because we had sort of a war room: Peter Riddleberger and Tim [Timothy W. B.] Cullen, others, who were assigned to take urgent calls from journalists on everything. We had a good line. Peter Riddleberger used it regularly with great effect: Even the most idiotic question from the most hostile press representative, always respond, “That is a very interesting question. It’s a serious question. It deserves a serious answer. We’ll get back to you,” and don’t leave it hanging for more than 24 hours. Get back fast. Then we have to figure out how to answer that damn thing. So I thought that worked.

The other thing that I did during that period that I thought was very helpful, I hired this guy Jack Hamilton, John Maxwell Hamilton, who had been an assistant to Jack Sullivan in USAID. He also went to Marquette, so there's a connection here. He had been in the Marines, a lieutenant in Vietnam and whatnot, and he was a very good writer. So I hired him to work on special projects. We didn't know what that meant, but he came up with an idea that I bought immediately. His idea was: would it be possible to go to Main Street America—Main Street America being main streets in small towns in Minnesota and whatnot—and find out what do they know about—we're always talking about globalization; we're always talking about how the world is becoming interconnected. Is it really? Is it truly that way? In Anniston, Alabama, is it like that? Is it like that in Waterloo, Iowa? So how is this affecting their lives?

So I said, "Okay, let's do it, but why don't we do it in a way that in the first phase you will go to a select few small communities." We deliberately wanted to get Main Street; small, but close to a good newspaper that was interested in working with you and assigning reporters to do the kind of investigative work that we think needs to be done, and also close to a journalism school so that it can be part of a wider education effort and association.

So the first phase we went to my old friend from the Nieman program, Brandy Ayers, whose family owned the—A-y-e-r-s—H. Brandt Ayers family owns *The Anniston* [Alabama] *Star*. We started kicking it around. Brandy immediately jumped, and he said, "It's great." He said, "Tell Jack to come on down and start working right away." It was that kind of thing.

Jack—I don't know, I think he actually eventually went to a town in Mississippi—Greenville, Mississippi, maybe—where Hodding Carter was. Anyway, he eventually picked out, after working with the Association of Newspaper Editors and whatnot, he got four or five small towns; one in Illinois, one in Alabama, one in Oregon, sort of regionally dispersed, good, local newspapers, and he started his work. He was gone for—we let him go for about nine months.

He came up with a series of stories that just knock your socks off, I mean really good stuff, about how schools were accepting—high schools—were accepting people from Korea and whatnot. That had changed. There was nothing that they had ever seen like that. And then the whole commerce and the exchange between these small towns and how they were selling things in other parts of the world, and how they were just thirsty for knowledge about it. These newspapers used this stuff on the front page, on Sundays. We made it into a book, *Main Street America and the Third World*, by John Maxwell Hamilton [Cabin John, MD : Seven Locks Press, c1986]. It was really good.

NPR [National Public Radio] picked it up. Jack was on NPR. He was asked to go and talk to journalism schools all over the place.

Then, the next phase of that was to go to the—he learned, for example, in the pine forests of Mississippi, they were actually selling pine tar to a company in southern China for doing something, and then making it and selling it back. There were all of these kinds of connections. And how the telephone company in such and such, a small Illinois—had—it was the beginning

of outsourcing. Your telephone book in Minneapolis was now being produced in a small, little suburb of Manila. So he went to all of these places, and he got the other side of it, and started reporting on that. Then he did a second book, a sequel to it [Hamilton, John Maxwell, Nancy Morrison and Erlinda Bolido. *Entangling Alliances: How the Third World Shapes Our Lives*, Seven Locks Press, 1990]. It was great. This was happening in the late '70s, early '80s.

But Vogl was not really impressed by all of this. There were a lot of accolades for this, but he felt—there was a lot of problems with IDA [International Development Association]. There was a lot of disenchantment in the Bank about Tom Clausen's leadership. He was mainly a banker, a financial person. He didn't have the kind of missionary zeal that Bob McNamara had for poverty and alleviation of poverty. The only other person that had it was Jim Wolfensohn. They really, truly believed that that's the mission of the Bank, and that really inspired the Bank in a way that other presidents did not.

So Clausen was sort of regarded as a banker. He, I don't think, really adapted to the culture of the institution as quickly as he might. He may not have believed that, I don't know. I just thought he was nondescript.

I think Vogl picked up on that. He had a good relationship with Clausen, and I think they felt the need was to give him a better image, within and without. That was Vogl's primary responsibility. It happened at a time when IDA was getting into trouble. They needed to be supported. So he kept coming to me and would say, "Give me all the names of all the journalists that you know from Harvard," blah, blah, blah, "so I can go and tell them that they have to write things."

I said, "Frank, come on. Are you crazy? You mean I am supposed to go to my friends and say, 'Write something positive?' I'm not going to do that. I'm simply not going to." It was that kind of, "Well, why can't we have them at dinner and then you will sit there"—it was just stupid kind of stuff, as far as I was concerned.

So he and I started getting on the wrong side of each other. He knew that these projects that I was doing with Dunstan Wai and Jack Hamilton and whatnot were good, but it was not what he wanted. He was under the gun. He was under a lot of pressure. He started really getting a lot of—I remember the vice president for Latin America, A. David Knox, really did not like Vogl or the operation at all. He was very, very upset with the way it was being handled. He would tell me that, frankly, about it. Ernie [Ernest] Stern was basically running the Bank, and he didn't particularly like Frank Vogl.

So I found myself sort of caught again, you know. It was a question not so much of me needing to spin, but my belief that what I was trying to do was help to inform a wide variety of audiences in many different parts of the world about what we were trying to do—or the issues—in the hope that that would develop understanding and, at the same time, retaining my credibility with my colleagues in Operations because I was trying to convince them to do the same thing. That was different from enhancing Clausen's image, or that was different from trying to convince some

congressman or staff on the Hill that they should support IDA. I didn't particularly want to do that. I didn't think that was the way I was hired. So I caught myself in a different kind of conflict, different from the one that I had when I first came to the Bank, a little bit the same, but it's different. It was a tension.

GRATHWOL: It sounds like two elements are going on here. One is a clash between your interests in long-term promotion with the Bank . .

BLINKHORN: Yes.

GRATHWOL: . . and Vogl's need for short-term promotion of Clausen.

BLINKHORN: You've caught it very well.

GRATHWOL: But the other strikes me as—you said something very interesting yesterday, and I don't know if it's on tape so I want to repeat it. You said, “When I took this position, I was no longer a journalist.”

BLINKHORN: Yes.

GRATHWOL: It sounds to me as though that tension you felt as a journalist between your job to expose the story and your job for the Bank to promote a certain image of the story had, in a sense, dissolved, but the different tension was you were now a missionary on behalf of the Bank.

BLINKHORN: Yes, yes, yes. Exactly.

GRATHWOL: And you weren't being allowed to do what you thought was important.

BLINKHORN: Yes, yes, yes. I think you've caught it very well. Yes, that's exactly it. I had gotten over my guilt at having betrayed my true belief. I always felt guilty that I had really betrayed my pursuit of the truth.

GRATHWOL: The journalistic calling.

BLINKHORN: Yes. The mantra, when I was a young journalist, was you've got to pursue truth in order to make you free. I mean, I really believe that. That was sort of out of the Catholic tradition as well. So I had that guilt, but I was over that. Because what helped me was the realization, as I practiced the Operations side, was this is God's work we're doing, actually. This is actually God's work, helping poor people. Then I could grasp onto that truth. That saved me a little bit, you see.

Meanwhile, my personal life is going all kind of crazy. Here is a good Irish Catholic boy who used to serve mass, in Latin, of all things . .

GRATHWOL: Yes, I remember it well.

BLINKHORN: . . . getting divorced and all that. So that's going on here. So I'm betraying my Catholic faith. So I was in a lot of turmoil. I don't know how I survived. I think the blarney or the humor may have helped me.

So after about three years of this, it was not—and I started losing my—I knew that Frank Vogl was a good journalist, but I realized soon that he was not as good a journalist as I thought he was. So we really started coming to blows and arguing. He was always writing memos: You will do this. And I would ignore him.

So I finally said to Ernie—Ernie Stern—one day, “I've got to get out of here—the Bank.” By this time I had known Ernie, and I said to Frank, “I took this job with the understanding I would go back. I don't know that you and I are going to be able to make this work. I'll try the best I can, but there are certain things I can't do, and I think you know what they are.” It was that kind of thing.

The tension was starting to reflect on the staff. I mean, my staff knew that Vogl and I were not getting along. It was concerning to them because they were also interested in careers, and they also wanted to do—you know, they had families and things, and they didn't want their boss constantly fighting with the director. That doesn't help anyone. So it was not a good situation.

So, finally, we worked out a deal that I wanted to keep my division chief level and move into Operations as a division chief, but there was no—that was not going to be done. So, I forget, one of the many reorganizations, they created a position called senior program officer. W. David Hopper was then the vice president for South Asia, a Canadian. David and I got to know each other, and he liked the fact that I was a Canadian. There were not that many of us.

So I was asked if I would be interested in the senior programming officer position in India, working under, first, Russ [Russell J.] Cheetham, who was the director for India, and then later, Bilsel [H.] Alisbah, a Turkish guy. There would be no—I mean, I would keep my salary and my grade level and all the rest. So there was no detriment on that front, but it was just that the title was not what I had hoped it would be because titles mean a lot in this organization, and also the ability to hire people and have my own budget, and that wasn't going to be, at that particular time. So I took it, mainly to get out of Public Affairs but also to take on a new challenge, which was very exciting. That was to work on the India program, which is the biggest in the Bank, working in a new country, new culture, and everything. So I was excited by that.

GRATHWOL: Before you go on to that, I want to ask you a couple of questions about that stint in Public Affairs.

BLINKHORN: Yes.

GRATHWOL: It seems clear that you were not involved, from what you've said, in defending

the Bank's positions on things like structural adjustments or . . .

BLINKHORN: Yes.

GRATHWOL: But you were close enough to observe how that was being done.

BLINKHORN: Yes.

GRATHWOL: Do you have any comments about that? There are some very big issues in that period.

BLINKHORN: I think that the way that it was handled, mainly, is that we relied very, very heavily on the operational people to provide the inputs for press releases or counterattack documents that were required in order to defend what the Bank was doing, and it took many different forms. What happened there was that my staff was divided according to Regions.

We had a Peruvian by the name of *Ciro Gamarra*, and he was the public affairs officer responsible for Latin America. So what we would do on Polonoroeste, for example, is that he would work with the division chief and the project people and try to help develop responses to inquiries that were coming out of both the Latino press, or groups, or nongovernmental organizations, as well as those in Latin America, and he would work with *David Knox* on that as well.

On structural adjustment, that I forget who was actually handling those kinds of things, but it was mainly with the chief economist's office, and I forget who the chief economist was at the time, but the structural adjustment work was fairly pervasive. So I think each of the Regions—I mean, we had *Ciro Gamarra*, we had *Fawzi Rihane* in North Africa. *Dunstan* was our man in Africa for a while before *Kim* picked him up. I forget who I replaced him with. But each one of the Regions had a public affairs officer who would work and try to get that out.

My job, at that stage, on those kinds of things, was mainly to make sure that our work was done in a timely manner and making sure that it was correct and that sort of thing. There was no spin. Now, there were legitimate differences of opinion about the efficacy of structural adjustment and the Bank's and the Fund's role. That, in retrospect, was not handled very well by the Bank, and not designed properly by the Bank. There were a lot of critiques, a lot of criticisms of that eventually. I think that was borne out in the fullness of time that these kinds of initiatives may not have been thought through properly.

GRATHWOL: One of the changes that took place—you've alluded to *Clausen's* lack of interest in the poverty mission that *McNamara* had set out for the Bank.

BLINKHORN: Right.

GRATHWOL: But also, underneath that, you had a change in the economic thinking at the

Bank from Hollis Chenery to Anne Krueger . .

BLINKHORN: That's right. Exactly. Yes.

GRATHWOL: . . who came in very much with a "Reaganist" point of view.

BLINKHORN: Yes. That's right, yes.

GRATHWOL: Is that something that you were affected by or that you perceived? How did that work down to your level?

BLINKHORN: That actually was a source of tension, as I recall, because most of the people in the Bank were, and are, I would say, liberal, progressive people who tended to be more Democratic than Republican or conservative. Now, that's an oversimplification. But if I think back on the people who followed this very closely, like the Europeans and the others, they clearly were to the left on those issues and felt that there was always a role for government, and that you could not do this work for government and that, furthermore, the Bank is enjoined by its Articles of Agreement to lend to governments, or with a government guarantee. So you could talk all you wanted about how terrible governments were, but you had to deal with governments, and had to try to change them, if possible.

There was a tension, and there still is a tension, to some extent. But what was happening is, at the higher level, the presidents, like Clausen and like Barber Conable, who was a liberal Republican from New York and who had been brought in by [Ronald W.] Reagan—the story of how those people came into the job is very interesting—they were putting pressure on the staff and the management: Look, let's de-regulate. This is the new—and Anne Krueger represented that too. She was of the belief that you had to let the market speak, let it flow. The evidence is that when you do that, you have growth, and blah, blah, blah. So there was a big debate going on inside the Bank. We were caught up in that, to a large extent.

The interesting division was between the Americans and some of the Brits because Margaret Thatcher was also there, and you had guys like [L.] Alan Winters, who was a very, very conservative—and the Bank always made sure to cover its ass in the sense of getting the conservative thinkers involved, in the tent, so that they couldn't accuse us of being totally left. Now, there was legitimate debate here, and Winters is a very, very good economist. But that ferment was going on.

If you ask me how did it play out specifically in what I was doing, I don't think that it came down to that level. I think it was mainly on a higher level. And it's interesting to me to look back and see how it has changed because a few years later, when we started going into the former Soviet Union and the whole thrust, ideological thrust, is that you had to downsize government, you had to liberalize, you had to privatize these big industries, and blah, blah, blah. And that's what we were doing in Ukraine and everywhere else, and look what's happening in Russia today. Putin calls it state privatization. All of those big—that we thought were going to

privatize, they're still state oligarchs. So it was very, very interesting.

So I was happy to leave Public Affairs and go to India. But I discovered, very quickly, that no one really knew what this job of senior—SCPO—senior country programming officer was really to be about. The division chief was a, I think, a Filipino, Cosmas Linus Robless. A very, very nice man.

Anyway, he said to me, “Okay, you are my representative. You've got to deal with all of these project officers, and I expect you to keep on top of the program. We've got a huge program. We've got \$12 billion in debt that we have in India, and we have to make sure the India program is moving. Your job is to make sure that we meet our lending targets every year, and that is IDA and the Bank loan.”

I'll never forget, when I came to IDA—and this is where people like [William R.] Easterly are partly correct. When it came to India, I'll never forget one day sitting in David Hopper's office, and we were coming toward the middle of the fourth quarter. And we had targets for IDA lending. Unless we got rid of that IDA money, we were faced with having to explain to our donors why we failed to lend as much as we said we were going to lend. That would play back into our ability to raise future IDA money. We were caught in a trap because we would tell the donors we need, let's say, \$10 billion and why. We said, “These are the reasons,” and we'd lay it out. It was very, very carefully done with models and everything else, and India was the largest IDA borrower. If you did not meet that, then you started getting pushback, serious, from the Brits, the Americans and everything else.

So Ernie would call up David and say, “David, David, that power project, that power project, it's only \$600 million.”

And David would—and I was sitting right there—David said, “Ernie, I know. That's what we appraised. That's what it is.”

He says, “Uh-uh. It's more than that. You've got to kick it up to a billion.”

It was that kind of conversation. Hopper had to kick it up, and he did. That's the way we were moving money in those days. I didn't like that, either. I mean, I didn't like that. So I concluded then that the real place of honor in the World Bank was on the Projects side. I had always been a country loan officer, a Program—are you aware of the Programs-Projects thing? Are you familiar?

GRATHWOL: It's a distinction that it's useful to draw.

BLINKHORN: The way it works, if I can summarize it in a nutshell, is that you have the Regional vice presidents for Operations. The Operations is the heart of the Bank. This is where the action is. Finance is important, research is important, but this is the World Bank on the frontlines, lending money and helping. So each of the Regions has its vice president, and then

you have your country directors, and then you have your Projects people that work on this. So the drill is that you have a three- to five-year lending program, and it's based on conversations and discussions with each of the governments. In the large countries, like India and China, they have their own country director because they're too big. And the smaller countries, you have a constellation of countries. Within that configuration, you would have people like me, the loan officers, who would make sure that the plan was discussed and agreed with the ministry of finance and others and that the donors, the Canadians and the Americans, would know about it. We had consortium meetings, and our job was to keep the thing rolling.

The actual work and deciding whether you would—once we decide, “Okay, we need roads, we need this and that and that,” and that's agreed with government, then the actual work to decide how long is that road, how much is that going to cost, how are we going to pay for it, who is going to be the institution maintaining that road, all those kinds of details were done by the Projects people. And the Projects people could come back and say, “Wait a minute. You guys are targeting \$15 million, but we need \$25 million for this and this. Otherwise those poor farmers will . . .” So they had a lot of power and a lot of information.

GRATHWOL: So the length of the road and the position of things is the Programs side.

BLINKHORN: No, the Programs side decides that, “Okay, we have \$100 million for Mali, and we're going to lend that over three years. And we've decided, in collaboration with the government, that one-third will go into agriculture, one-third will go into education, and one-third will go into infrastructure. That infrastructure can be roads, or it can be repair to the airport, or whatnot.”

GRATHWOL: Or irrigation.

BLINKHORN: Yes. Now, Projects, you come in and work with your counterpart in agriculture, and you come up one-third, \$30 million. “You tell us where the priorities are. We think it's rice, but we're not sure. Once you decide that, you tell us, and then you put the project together, and then we'll have it approved.” So Projects carries out what we have agreed. Now, there may be midcourse corrections, but that's the way it worked.

GRATHWOL: Right.

BLINKHORN: So, in the India case, the old aphorism that if you owe your banker a million dollars, then you are beholden to your banker. But if you owe your banker \$10 million, the banker is in trouble. And that's the way it was with India because we had \$12 billion in debt, and there was no way that we were going to tell India that we're not going to lend to you. But we could do that to Mali. We could do that to the smaller countries, but they'd never do it to India. So that was in the background as well, you see.

Ernie had worked in India for USAID. He was an old India hand. So India was the jewel in the crown. I was very happy to be working on India because it was the place where there was a lot

of action. But the role of the SCPO that I had been hired to do was trying to keep everything moving along, be the orchestra *maestro*. I didn't like that because I had to say to Steve, "How come you're not delivering that project?" And I didn't like doing that. It was not really getting out into the country and doing the work.

So I talked to the boss, and I said, "Listen, I'd like to move into Projects." So they assigned me to the Agriculture [Agriculture Operations] Division, under Jan Wijnand—W-i-j-n-a-n-d. Jan Wijnand was a Dutch Australian. He was born in Holland and lived in Australia. He became an Australian citizen. He had replaced Olivier Lafourcade. Olivier is a Frenchman who had been the Agricultural [Agriculture Operations] Division chief. When Jan took over—I knew Jan from Africa, and so I told him, "Look, I'd like to work with you so I can get into the nuts and bolts stuff."

He said, "Fine, come and join us." So I did. He said, "But I'm going to ask you to do something. I'm going to ask you to take over the Narmada project."

GRATHWOL: This was what year?

BLINKHORN: This was, it must have been in—no, let's see. When did I leave?

GRATHWOL: '86 to '93, Senior Program . . .

BLINKHORN: Yes, okay. This must have been '88, '89. It was not long after I joined. And by this time, the explosion, the tremors were just beginning to be felt. Bilsel Alisbah was the country director and Jan Wijnand was the Agricultural [Agriculture Operations] division chief.

The Bank, incidentally—let me digress—had gone through several different reorganizations over the years, in which Projects had been in command and then Programs were in command. And it kept shifting back. There was this sort of—what do you call it?—this kind of creative tension that McNamara always described as being very good for a large organization. I want creative tension. I want these guys battling with each other. Other people thought it was a waste of time and money. So you will see, as you talk to people, that this competition between Programs and Projects was going on for a long time. I actually felt the real power is in Projects, and I still believe that.

In any event, I got over in Agriculture and quickly discovered two things: one is that this project was becoming a major problem project. To set the stage for you very quickly, India typically had gone through large droughts. I remember I wrote a chapter of a book, in retrospect, and quoted Lyndon Johnson giving a speech in Omaha, Nebraska, when he was president, and he was saying to the audience, "Ladies and gentlemen, today you have read about the tremendous famine in the largest democracy on Earth. This famine has occurred once every hundred years because of the large numbers of people there, and because of the climate, the erratic rainfall, or lack of it. You farmers here in Nebraska are helping to save a country. Today, 69,000 tons of your wheat is going across, way out yonder," he said, "to help those poor, starving people."

That's what he said. So this was a problem that India had always had.

Now, India, by the time I got there, was beginning to feed itself, and it did it largely through irrigation and through other macroeconomic policies and whatnot. But one of the big problems was in the west. The west of India, in the state of Gujarat all the way up to the Rann of Kutch on the border with Pakistan, was a semi-arid area, and large numbers of people who had great difficulty in getting irrigation for, just water for themselves, for their animals, for crops. Yet here was this big river, the fifth longest in India, the Narmada, flowing to the sea untouched, from the Himalayas all through Madhya Pradesh, Maharashtra, Gujarat right into the sea.

So the scheme was, ever since the British were there—and [Jawaharlal] Nehru believed it—why not tap that river? We can get hydro, we can irrigation, we can do this, we can do that and everything, and the Bank thought it was a great idea and went ahead and started developing a project. Jerry [Gerald W.] Fauss was the chief engineer, a marvelous engineer who had worked on the big irrigation schemes in the west of the United States. He knew all of this stuff. He and the engineers worked with the Indian engineers and put together a beautiful, beautiful project, from an engineering standpoint.

That project was approved. The Bank put in \$300 million in the first phase to get it going. Japan came in and financed the turbines. It was going to generate electricity, and it would go up into Madhya Pradesh, which was desperate for electricity. But it would also create a lake behind the dam. Here's the river, here's Gujarat, here's the dam. That river went like that. This lake would come like this and inundate all these lands right in here, and there's where all the tribal peoples were living, over 100,000. That soon became a bone of contention. When the nongovernmental organizations around here realized that this project was going through, they started getting very upset. In addition—this is the sea—the sediment from the river that went down here to feed the fisheries down here was going to be blocked. So there was an environmental consequence.

Now, in those days, we had environmental regulations in the Bank that said you had to look at this and you had to find out what the risks were, and you had to mitigate the risks. If you look at the documents, that was there, but it was not done very, very thoroughly or carefully because the emphasis was on hydro, irrigation, engineering, and a good return for your investment. On those counts, it was good, but on the others, it was weak. That was our folly.

The NGOs, the nongovernmental organizations, led by a very, very vigorous lady by the name of Medha Patkar—P-a-t-k-a-r, M-e-d-h-a—Medha Patkar, she started realizing—and this is in a time when computers were starting to come in—you could communicate very easily across India and across the world. So she started letting it be known to environmental organizations in the United Kingdom and the United States that the World Bank was destroying large, large tracts of very, very pristine property, and it was not only tribals, it was animals and everything else, and a sacred religious—because this is a very religious region. The Ganges is religious—is sacred. So is Narmada. This is even more sacred in Hindu, the religion. People would, for centuries, would go up and be saved by going up and down and praying along the Narmada.

GRATHWOL: That's very interesting because in the reading I've done on the Narmada, I haven't found that religious component discussed.

BLINKHORN: Very important, extremely important. There are sites all along here where people would camp and stay and pray, very, very important in Indian . . .

GRATHWOL: I may have missed it. But it's interesting that you draw it out as one of the principal—certainly, in terms of public relations, that's a big issue.

BLINKHORN: Very powerful, very powerful. At the same time, a lot of people knew—who were hungry and thirsty—they knew that this held promise. But at the same time, it was one of those public issues that you have both sides, you know. You find it in environment all the time, like whether you should drill up in the Arctic.

But this is starting to divide people. And Medha Patkar was very, very successful in mobilizing people like Bruce Rich, the head of the Environmental Defense Fund, and Lori Udall, the niece of Stewart Udall, the congressman, a very, very well-known congressman from Arizona. Then—who is the very, very wealthy gentleman from the United Kingdom? Teddy Goldsmith. He came from a very wealthy family, and he was involved. He had been against dams for a long time. He got on the bandwagon. Pretty soon, these people were writing letters of protest to the Bank and to the Congress and everything, saying you've got to stop Narmada.

Here I am, going into a project in which I am trying to help complete this project and realizing that there were some genuine issues here that had to be dealt with and that had not been dealt with properly in the original project.

So we came up with a second project, the Narmada Environmental Project. The purpose of this project was to provide money to do a couple of things; to provide housing and alternative income-generating activities for the people that were going to lose their lands because we had an obligation to do that, not only morally but according to our Bank regulations, but in Indian law there are provisions for doing that that were somehow overlooked. So the purpose of this new project was to take care of that oversight and also to examine very, very carefully the impact downstream of this dam on the flora and the fauna and the fisheries and what could be done to mitigate that. So that was a brand-new project.

Actually, I started mobilizing the team, Ridley Nelson and I. Ridley is still in the Operations Evaluation Department. We put together and appraised the project—I forget the total amount of it—we brought it into what was then “green cover.” By the time we got it into “green cover,” the shit was hitting the fan. It was really, really hot.

The head of the India Department had changed. It was now Heinz Vergin—V-e-r-g-i-n—German. Heinz had been working with Moeen [A.] Qureshi up in the financing side. He didn't know India, but he knew the financing side of the Bank. He was brought in as India country director. He walked into a maelstrom. I was working in Agriculture [Agriculture

Operations], and he said, “You have got to come and be my special assistant. Let Ridley take this project. I need you to be my environmental adviser because we're getting all kinds of other stuff. We're being asked to pay more attention to environmental issues, and I want you to work with the Ministry of Environment on a new environmental action plan, and also to help me because you've got your background in communications. You know how to write, and I can't because English is not my language. Work with me on this Narmada mess.”

So here I am now, I'm pulled up into the front office, and I'm basically working on two fronts. I'm working on the environmental action plan in India. Forestry is a big issue there because there are a lot of forests here, and part of the action plan is what are we going to do to save these watersheds that are going to be inundated and whatnot.

In 1990 I discovered a woman who was a forester and was working in Rajasthan on community development for the Ford Foundation. Her name is Betsy McGean—M-c-G-e-a-n. And she is now my wife. That's how I met her, in 1990, when she was working on Rajasthan and knew much more about community, forestation, and tribals than I ever would. She's a Yale Forestry School graduate. So I hired her to do some work. This is before we got involved romantically.

So I was working on that front and then trying to figure out what to do with Narmada.

GRATHWOL: Now, all this time you were still located in Washington?

BLINKHORN: Still . . .

GRATHWOL: You're not out in the field.

BLINKHORN: But I'm spending lots of time out there. I'm spending half my time out there and half my time in Washington. And it became so bad that there were leaks in the Delhi office. The Bank office was right in the middle of New Delhi, in this beautiful park. Of course, most of the staff were Indian, but they, the NGOs, Mehda Patkar and all the rest, they knew exactly when I was traveling. They knew when I was coming. They knew where I was staying. They knew when I was going to go to the site, and they were always there to greet me. In addition, they were mobilizing back here in Washington and London.

I told you, I think, about me on the front page of *The Times of India*; did I tell you that?

GRATHWOL: No, I don't think you have.

BLINKHORN: The first time they got us is I went up to Madhya Pradesh, in Bhopal. That's the capital of Madhya Pradesh, the state of Madhya Pradesh. Madhya Pradesh is the state in which most of the inundation was going to take place. Here's Gujarat, here's Maharashtra, and this is Madhya Pradesh. So we had to go up into Madhya Pradesh. The formal name of this is called the Sardar Sarovar Project. The shorthand is Narmada because of the river.

GRATHWOL: Right.

BLINKHORN: There was supposed to be a second project up here, a bigger project up here, Narmada Sardar, and it's supposed to be in Madhya Pradesh. But because of the heat of this one, we decided to put this one on hold and to go with that environmental project that I was talking to you about that Ridley and I were . . .

GRATHWOL: So Sardar Sarovar got postponed.

BLINKHORN: Sardar Sarovar is the one right here. It was going ahead, but Narmada Sardar, the one upstream, was put on hold. That was supposed to double the electricity output.

GRATHWOL: I see.

BLINKHORN: And the inundation behind it would not have been as great as this because of the configuration of the land and whatnot.

GRATHWOL: Right.

BLINKHORN: Anyway, I was going up here to Bhopal to deal with the chief minister, or the chief secretary, and others about what we do about these projects. We had a seven o'clock meeting, before the heat set in. I was coming out of the driveway in a car, and here's three busloads of protestors, led by Mehda Patkar. They surrounded the two cars, and they wouldn't let us go. And we're standing there. My driver stupidly went down to pick up a tire jack, one of those iron tire jacks to come out because they were shaking his car. He went up there, and he's going like that. I said, "Get back in here quick." They just grabbed him and someone ripped off one of the—it was starting to get really, really fierce. They started singing "We Shall Overcome." They were marching around. I've always learned, I mean, from the 1968—keep calm, keep smiling. Don't lose your cool, no matter how bad it gets. I just sat there and smiled.

After about two hours, the chief secretary starts calling the hotel, "Where in the hell is Blinkhorn and the World Bank team?" And they sent the Army. All of this is being filmed and photographed and everything else. They sent in big trucks, and these people locked arms. They had to just pick them up bodily and throw them in, and it was just terrible.

Then I got back to Delhi after that, and we went through our meetings, came back. As I'm going into the World Bank office, another large group was there. And a small, poor old woman is grabbing me by the sleeve, front page of *The Times of India*, "World Bank Official Gerhaoed." G-e-r-h-a-o-e-d. It's an Indian, Old English world, meaning to surround. That's the headline. I've got the picture. I've got it on the wall of my office up in Hanover, and I'm going to put it in this book right here.

Anyway, they were very effectively organized. The Bank was scrambling to try to figure out what to do. Meanwhile, back here, Bruce Rich of the Environmental Defense Fund was very,

very effective with Lori Udall. By this time, the Dutch was—Eveline Herfkens was the Dutch representative to the Board, and she was getting heat from her NGOs. The Nordic countries were catching hell. So we figured, okay, what we'll do is instead of us explaining what this project is all about, we will bring a delegation from India, and it will be headed by the top-most politician in the state of Gujarat, Sanat Mehta—M-e-h-t-a—a very powerful Indian official, who was one of the inspirations for this project from the beginning, knew all about it, knew about Nehru's interest in it, and all the rest of it. He could speak to it in a way that no one else could talk about it.

So a delegation from India was brought to Washington to meet with several people on the Hill who had been very critical of the Bank. There was a congressman from New York whose name escapes me now. I don't know that he's still living. He was a Democrat from New York. He invited them to have lunch and to talk about this. There were other meetings with officials around town.

The delegation went up to the Hill, went into the House dining room, and this congressman and three other congressmen kept them waiting for 45 minutes. He finally showed up, shook hands and said, "I'm leaving. I have to go." It was a total, total embarrassment. He was just dumbfounded that they were being treated this way.

GRATHWOL: Mehta.

BLINKHORN: Yes, and the Indian delegation. It was just a slap in the face.

GRATHWOL: Yes.

BLINKHORN: It was totally uncalled for, totally uncalled for. Barber Conable was the president. He had been brought in because he was head of the House Ways and Means Committee. He was an old friend of the Republican power structure. He was the president. I was, by then, sort of helping Heinz Vergin and Joe [D. Joseph] Wood, who was the vice president for India [South Asia Region], and Ernie Stern, effectively the head of the Bank, trying to deal with this. Ernie and Barber Conable said, "We've got to get some kind of an independent group to evaluate this." So they said, "We need an independent commission that has nothing to do with the Bank to look at the whole thing and do a report." They wanted to do this as a way of dealing with the opposition, and to explain to them that we were serious and took this seriously.

Then the question is: who in the hell are we going to get to head this commission? We have to get someone with great stature in the world. So we sat around and started kicking around ideas. So I proposed, my first proposal was Derek Bok, who had been president of Harvard. I met him through the Nieman program. The beauty of Derek was that he was retiring as president of Harvard, and he had actually done a lot of work in village India in his younger period. His wife, Sissela Bok, was a prominent Scandinavian woman, writer, sociologist. I figured that Derek would be a good person to do an independent evaluation of the whole thing. So I called up, and he said, "No, I don't want to do this. I'm going out to the West Coast, and Sissela and I have

other things to do. I'm sorry. I can't do it.”

My next proposal was that we get Mrs. Gro Harlem Brundtland, the former prime minister of Norway, to head the commission because she had had a very, very strong record as an environmentalist when she was prime minister of Norway and then went on to head up one of the UN agencies. So Conable calls her, and she said no. And he tried a couple of other people, and we were just drawing blanks. He finally picked up the phone to talk to his old buddy, Brad [Bradford] Morse, the Republican congressman from Massachusetts, whom he had served with in the Congress with for a long time. Morse had, I guess it was, diabetes or he was not very well, but he agreed to take on the job as head of the commission out of his friendship with Barber Conable. Barber said, “I need you to do this.”

We tried to get someone international because it was much better if we could do that, but we couldn't, so he got Morse. And Morse said, “The only way that I'll do this is if you let me pick a staff because I can't be traveling to India. I'm not well. And you provide the budget for doing this.” So Conable agreed.

Meanwhile, Lori Udall and Bruce Rich were catching wind of this because, you know, the World Bank, like Washington, leaks like a sieve, and the word is getting out that not only is the Bank having difficulty in finding someone, but they finally were settling on Morse. So she immediately goes to work and finds out that there is a very, very good Canadian jurist who had worked on the impact of the Alaskan pipeline on native peoples in Canada and the United States and was well respected in sociological circles as a fair-minded person, with a strong belief that large governments had done injustice to poor Native Americans. That was very important, and he was known for this. And she lobbied, and the others lobbied Morse very, very hard to get him onboard.

GRATHWOL: Who is this now?

BLINKHORN: His name was Tom [Thomas R.] Berger—B-e-r-g-e-r. I was asked by Conable to go to meet Berger and his wife in London. They were in London on a holiday. We had to move fast. So I was asked to get on a plane and see whether I could have lunch with Tom Berger and his wife in London, and talk to him about the nature of this project, and try to persuade him to take the job.

He had been given some signals from Udall and Morse that this was going to happen, but he had not agreed to do it. So I had to persuade him that we would make everything available to him. In other words, I, personally, felt that we had to do this. We had to give these people as much independence as we possibly could, even though we were going to pay for it. But we had to go the extra mile or two to give them total independence.

He insisted—I think I persuaded him that we would make everything available. I would open all the files, anything he wanted, *carte blanche* to the World Bank files, nothing is confidential. Legal had nothing to say. The bureaucracy just gets out of the way. We've got to do this. We

have to do this. Don't give us any of this bullshit stuff.

GRATHWOL: You had the power behind you to make sure that that was going to happen.

BLINKHORN: Absolutely. None of this confidentiality stuff. We're opening up. And I was able to tell him that because I got it from Conable and Ernie.

He said, "Yes, I'll take the job, provided you give me the budget to hire my engineer that I worked with when I was on this Alaska job; that I hire a sociologist that I know from Ireland who has done work with tribal peoples"—he knew exactly whom he wanted—"and two other people. [REDACTED]"

And we said, "Yes."

We invited his staff and him to come down. They opened up everything, boxes and boxes of stuff, had it sent back to Ottawa. They spent time going around. Then they went out to India and had several trips. We didn't know what they were doing. There was no—nothing like that.

But then they produced a report, and they said, "We want to publish this report right away."

We said, "No, that's not fair. We want to look at this report. We want to see this before it sees the light of day. We've spent X millions of dollars on this, but we also want to make sure that you've got your facts right." There was a big, big fight because they felt that they were truly independent and they should be able to publish whatever they came up with.

Fortunately, Ernie, said, "Uh-uh. You're not doing that. You're not going to do that." And he had to do some work in the Board to make sure that they were behind him, and they were going to do this.

But we were given a deadline. I think the deadline was something like two or three weeks—two weeks. I had to work—first of all, they sent this thing to us in draft. It was a devastating report. It was totally devastating. They just ripped us apart. And we—and by that I mean me and Joe Wood and Ernie—had to produce a response. We had to, first of all, tell them where we thought they were wrong, which we did. We had to put it together in about two or three days, and this report is like this. I mean, I've never worked so hard in my life. I don't think I was sleeping very much. We sent that, and they accepted part of it.

Have you ever seen the Morse Report?

GRATHWOL: No, I haven't.

BLINKHORN: A yellow document. It's very interesting. You've got to check it out.

RESTRICTED
WEG ARCHIVES

SEP 13 2008

Accepting E. Liberating: Photo

Then, we said, “We are going to prepare our own response to your report.” So, then, that was really excruciating because we had to get ready. Morse decided that he was going to release it and that he wanted a separate meeting with the Board to present his report on such and such a day. He got his day in court. But we were expected to respond to that, not at the same meeting but in a subsequent meeting like two days later.

GRATHWOL: It's not as though you had a month to review this thing and prepare.

BLINKHORN: No, I mean, it was really, really—we were up against it. And so we produced the response. He had his day in court in the Board. He was there, and the other members of his team were there. That's the day when I told you that—did I tell you about that little incident, where I had to make the presentation, the initial opening of the presentation of the Bank's response to the Board of Directors? And I had a big map of the area, Gujarat and the river and everything else. And normally, as I told you with my earlier things about the journey of maps and all the fun I had in doing this, and I enjoyed doing this, I had fun doing this, you know, I prepared, but I was so nervous on this one.

GRATHWOL: Oh, yes, you talked about that.

BLINKHORN: I had this planned. Ernie had to come up and said, “Okay, do you need my help?” to slow me down. I'll never forget that.

GRATHWOL: That's right. You did mention that. But I didn't have it in the right context.

BLINKHORN: Well, that was it. Then, we presented our side of the story.

GRATHWOL: There's a lot hanging on this.

BLINKHORN: The implications of this are enormous, and we failed. We failed to turn the tide. The tide was really moving against us.

The situation was becoming so bad that the United States said, “Look, you've got to get out of this project. You've got to get yourself out of here somehow because you're going to screw up the whole IDA negotiations. You will never get any money out of the United States and probably the U.K. IDA is at stake here, among other things.”

So Conable called on the prime minister of India and said, “Would you please disinvite us out of this project?”

GRATHWOL: Was this a renewal year for IDA? It's every three years.

BLINKHORN: It's every three years. It may be every three years, but it's an ongoing process. This must have been, I guess, 1989, '90. I don't know what year it was. But IDA clearly was at stake. So the Indian government said, and announced, that “This is our project, our country.

We're tired of all these international NGOs humiliating us and telling us what we should do with our people. We are asking the World Bank to get out. We'll do the project on our own."

And the Japanese left. They were going to finance the turbines, and they got out.

So all of this came to naught. That project that we had appraised never . . .

GRATHWOL: The environmental project.

BLINKHORN: That was just stopped at "green cover." The Narmada Sardar project never went through. This dam project was completed by the Indian government in the state of Gujarat, and is now doing this.

GRATHWOL: It has flooded the lands that were at risk.

BLINKHORN: Right. And I don't know that I've heard a peep out of anyone about what's actually happening to these people and what's happening down here. If we had been involved, my guess is that it might have been better. But in the total scheme of things, the Bank couldn't handle it.

GRATHWOL: It couldn't have sustained the criticism that was being leveled at it.

BLINKHORN: It was a tornado. It was a hurricane.

GRATHWOL: Have you looked at Sebastian Mallaby's book [Mallaby, Sebastian, *The World's Banker*. New York: The Penguin Press, 2004] on . . .

BLINKHORN: Yes.

GRATHWOL: He has a section in this . . .

BLINKHORN: I didn't read—I was going over it. I had read it . . .

GRATHWOL: Maybe I'm wrong. Maybe it's the 50-year report [Kapur, Devesh, John P. Lewis and Richard Webb, *The World Bank: Its First Half Century*. Washington, D.C.: The Brookings Institution, 1997] that has a large section on this by Robert Wade.

BLINKHORN: Yes, Robert Wade has it, and he's got me in there.

GRATHWOL: Yes, you're mentioned in it.

BLINKHORN: Yes.

GRATHWOL: But the interesting thing to me, as I read it, was the NGOs, particularly the

American-led NGOs, picked the Bank not because it had such a bad record on environmental issues, although it didn't have a great record, but because it was so vulnerable to American political pressure.

BLINKHORN: Yes.

GRATHWOL: I mean, it was strategically a brilliant campaign.

BLINKHORN: Brilliant, absolutely brilliant campaign, really brilliant. It was very, very good. What it did, among other things--I mean it really had the effect of propelling NGOs into the wider development forums in a way that they had not been before. There had been NGOs working here but never like this. So when Jim Wolfensohn came along, one of his commanding objectives was we've got to embrace these NGOs. He went out of his way to an extent that a lot of people were saying, "Wait a minute now. This is just overdoing it here with these people because half of them are airy-fairy kinds of people. They don't know what they're doing. They're do-gooders that don't do their homework." It was that kind of thing.

But that experience really just pushed them right into the limelight, gave them far more influence than they ever had before. They brought down the World Bank. They changed something, and they did it very, very effectively. It was brilliant, absolutely brilliant.

GRATHWOL: Not entirely fair, but brilliant.

BLINKHORN: Not fair, and there was a lot of deceit, and there was a lot of manipulation and untruth and all the rest of it, but the timing was perfect, and it was great.

The other thing it did, it resulted in two major developments within the institution, that was the whole re-examination of the guidelines and the regulations with respect to the native peoples, vulnerable tribals and others, and also the whole environmental implications of what we do. That changed dramatically. The whole thing was changed. It was strengthened. The new procedures were put in place, a whole new Environment Department was created. It had tremendous implications for the institution, and it lasts.

It probably went in the other way too much because the due diligence became, by the time I was working in the former Soviet Union, I mean, it was just, my God, the kinds of hoops we had to go through. I kept saying to myself, "Did we really do this through the Narmada?" And the answer was yes.

GRATHWOL: It brought some very competent people to the Bank in the environmental field, apparently.

BLINKHORN: Yes, Gloria [Jean] Davis and all that crowd. The other thing it did, it created this whole independent tribunal [Inspection Panel] that exists—that exists today.

GRATHWOL: Within the Bank?

BLINKHORN: No, it's outside the Bank.

GRATHWOL: Outside the Bank.

BLINKHORN: And it reports to the Board, not to the president.

GRATHWOL: I wasn't aware of that.

BLINKHORN: Yes, yes, yes.

GRATHWOL: Explain that a little more. How did that come about?

BLINKHORN: It came about because of Narmada, and because of the experience with the Narmada tribunal, the commission.

GRATHWOL: The Morse Commission.

BLINKHORN: The Morse Commission demonstrated that it was possible, even though the money was coming from the Bank, it was possible to have a detached, candid assessment of what the institution was doing. And in a way that was not necessarily possible through the other mechanisms that existed within the institution, including the Operations Evaluation Department. That experience not only created that independent tribunal, which reports to the Board, it also strengthened the hand of the Operations Evaluation Department, which reports to the Board and not to the president.

The head of it is Vinod Thomas. I just communicated with him. He's been producing reports that are very critical of the Bank, things that never existed. When Bob [Robert] Picciotto was in charge, they would do independent evaluations. That's what their job is supposed to be. But there was always, you know, I'll scratch your back, you scratch mine, we're all in this together kind of thing. But now it's a very, very different game. It's very independent. So these institutional changes resulted from Narmada; all that came out of that.

By then, let's see, what happened? Oh, through that experience, I got very close to Ernie Stern. I had known him before but never really worked with him that closely, and we were under fire, and Joe Wood. I won his trust. So when this was all over, I said, "Look, I'm exhausted. I'm not only exhausted, but my marriage is coming to an end. This whole experience has ruined my marriage. I was spending more time in India than I was home. I fell in love with someone else. It was just unraveling. I've just got to stop this. I've got to get out of this."

So he helped me get out and become—into my next life, which was, by this time, the new Region was created. That was Europe and Central Asia. It never existed before. As you may recall, Russia and the Eastern European countries were never part of the World Bank . .

GRATHWOL: Yes.

BLINKHORN: . . . even though Russia was represented at Bretton Woods in 1944-45. The only countries that had been part of the Bank were Romania and, I think, Hungary, but with the collapse of communism, all these countries started banging on the doors. They went into the UN. They came into the Bank. So we had to create a whole new institutional accommodation for them, brand new vice presidency, brand new directors, brand new that. The director for the Baltic countries of Estonia, Latvia, Lithuania, Ukraine, Belarus, Georgia, Armenia, and Azerbaijan was none other than my old friend from Copenhagen, Basil Kavalsky.

GRATHWOL: I'm mindful of the time.

BLINKHORN: Yes, I am too.

GRATHWOL: Maybe we should stop there.

[End Audio File 2]

[End of Session 2]

Session 3
June 18, 2008
Washington, D.C.

[Begin Audio File 3]

GRATHWOL: This is an interview with Thomas Blinkhorn on June 18th, 2008, conducted as a part of the World Bank Archives Oral History Program at the World Bank main offices in downtown Washington, D.C., by Robert P. Grathwol. This is session three.

Tom, I want to go back to what we talked about yesterday and raise a question that you had touched upon yesterday, and that was the Morse report. You said it was, in ways, unfair to the Bank, but you didn't specify. You talked a lot about the Bank's response to it. You didn't specify in what ways it was unfair, and I'd like to hear a little more about that.

BLINKHORN: Sure. Well, I think the main—there are several aspects of the work that they did that I felt was unfair. The most egregious, I felt, was the fact that they did not give adequate attention, either in their analysis or in their report, to the context and the background in which this project had originated. We made an effort to try to get them to do that. Tom Berger took the position, he said, “Well, that is not what we were hired to do. We were not hired to provide context or to review history. We were asked to look at what the World Bank had done with this project, and what went right or what went wrong, and that's what we were asked to do.”

I think that was a narrow reading of the terms of reference because any fair-minded group looking at this project had to take into account the long history of drought in India. I pointed out, when I started this story in an earlier session, a speech that Lyndon Johnson had given in Omaha, Nebraska, in the late '60s.

GRATHWOL: Yes.

BLINKHORN: That was a very, very telling incident because it spoke to a long, long-term problem that India had with famine and drought, resulting from poor agricultural practices, in part, but also through climate problems. So the issue, going all the way back earlier to the Indus waters, which was a major project that the World Bank, under Eugene [R.] Black, had helped to resolve between India and Pakistan after partition, which was the sort of a core, the lifeline for these two countries that had been split, that issue of tapping water for irrigation, that had always been a matter of great urgency and concern for the Indians, and for the international community to try to help the Indians.

So as you looked at the country and as you looked at the problems in the west, then you had to conclude this is what we were dealing with. The report of the Morse Commission was very critical—legitimately so on many aspects of what we had done—but they did not take into account the context, nor did they ask themselves, “Okay, they made a mistake. They shouldn't have done it this way.. What should they have done differently in order to respond to the

problem that the Indians asked us to try to address?" So that was a major shortcoming, in my view, and a major source of unfairness.

The other thing that I felt was unfair is that none of those individuals had ever been to India and had taken the time to really investigate and try to understand the class structure, the caste structure, the role of tribals, the different groups and how they had been treated, and what had gone on previously over many, many centuries in India, and to try to use that history to try to understand why the Indians took the position they did with respect to the people who were going to be displaced. Because in all of Indian history, in the colonial period and back, people were constantly being displaced in cities because it's a huge, massive country. They were being moved around.

Now, on the books, there was legislation that said that they had to be treated in a particular way, with justice and equity and all the rest. In some cases they were, and in some cases they weren't. It depended on what state they were in. If they were in a Congress state, like Madhya Pradesh, or like Uttar Pradesh, or one of the big states, then they would—and the Congress was running the country, the Congress Party was in command—then the people in that state would, undoubtedly, be treated better than the people in West Bengal, which was headed by a socialist, a communist government. It was the same kind of thing that you find in many democracies, including the United States. Some states, depending on who's in charge of Washington, get better treatment than others. That is a fact of political life. It may not be right, it may not be morally right, but it also helps to explain, to some extent, why there wasn't the kind of fervor for the kind of implementation that they were addressing.

The other thing is I think that as a result of these, they were setting a gold standard for behavior that I think is very, very rare in international development. I think that that is good to set a gold standard and to try to achieve it, but sometimes you don't. When you don't, do you say, "Okay, get out"? No, we don't do it that way. We try to reach the gold standard, recognizing that sometimes we may not be able to get there.

So I think they were too evangelical. I think that Berger—I told you the history of how he got into this. I think that he came in with his own hidden agenda. I don't think that he was fair-minded in the beginning, but he had credentials as a Canadian judge and as a jurist, and he was well respected in many parts of Canada. So he was accepted by the commission. So, for those reasons, I think it was unfair.

GRATHWOL: I have a better sense of what it was that was a problem with the report.

BLINKHORN: Yes.

GRATHWOL: Nonetheless, the Bank responded to it.

BLINKHORN: Right. Yes, and we took it. We acknowledged our errors, and we not only acknowledged our errors, but we took—the Bank took steps to make sure that that kind of

activity was to be mitigated in the future.

GRATHWOL: We left off there because the next part of your career seems to put you in quite a different context.

BLINKHORN: Totally different. I mean, here I'm going from Africa to India. And as you know, through the Narmada experience, I got very close to Ernie Stern, and he had helped me get to India. So I went back to him, and I said, "Ernie, you know, I've had enough of this. My marriage is coming apart, and I need a break," and whatnot.

So he said that he would try to get me a division chief job—a promotion—with a full division chief, which I had been expecting when I went to India, which I didn't get. I was called a senior programming officer. But Ernie helped push this, and he turned it over to Basil Kavalsky, who was—you may recall, the Europe and Central Asia Region had been recently created after the fall of communism. It was a brand-new Region that was started in 1991, and they were gearing up, starting new departments for countries that had never been members of the Bank. Russia became a member and all the rest.

So they were looking for new staff, new managers, and I was asked to start from scratch, from bare bones, a brand-new Municipal Housing Division [Housing and Municipal Services Division] to serve the countries of the Baltics (Estonia, Latvia and Lithuania), Ukraine, Moldova, Belarus, Armenia, and Georgia. Basil was the Director. He, as you may recall, was my friend from my first days in the Bank. So he asked me would I come and start up this new division.

GRATHWOL: What year was this?

BLINKHORN: This was '93. I said, "I'd be delighted." I was so happy to get out of all of that mess, and I was so happy to be offered a new challenge in a part of the world that I had not known, and to be starting out just myself. I was sitting in an empty office, and I had to start from scratch, to hire staff and try to devise a strategy, and then figure out what we're going to do in these countries to start the process of helping local communities develop housing. That's how it started. Because the whole issue of accommodation was a major, major issue in that part of the world because the state had owned everything.

GRATHWOL: Yes.

BLINKHORN: With the collapse of communism, that all collapsed. You had large—every building, every asset, no one knew who owned what. A lot of people—particularly in the Baltics, a lot of people were coming back from Israel. The Jews had been kicked out, and they said, "That's my grandmother's." There were all kinds of challenges going on.

GRATHWOL: Challenges, yes.

BLINKHORN: Others, not just Jews, were coming back and remembering, "That was my

house, and you're living in my house and we want you out.” People had no notion about what private housing was. There was nothing like a cadastre. There was nothing like a register of ownership. The state had everything. The state provided central heating. It did everything. So I had to try to find some people who had done work on municipal housing around other parts of the world to come and join me in this new venture.

I hired a secretary first, and then I got a couple of people, Yoshi [Yoshine] Uchimura from Asia, a Japanese economist who had done a lot of work in municipal work. I got a Frenchman by the name of Robert Maurer, who had done similar kinds of work in Africa. Then I started hiring people like that. We moved to the H building. One of our first—this is '93, now, mind you, and I think I took over in—and I was just sort of slowly hiring. It takes a lot of time to try to find people. Ideally, we would want to have someone that spoke Russian. That was the lingua franca of that area.

So Basil, fortunately, had found a young Georgian guy by the name of Bidzina Imnadze.

GRATHWOL: You're going to have to spell that one for me.

BLINKHORN: Yes. He was working in the executive director's office for Russia, a very, very bright young man.

And he said, “You know, I think that Bidzina is very interested in coming into the Bank. Would you be interested in having him join your team?”

I said, “Let me talk to him.” So I talked to him, and I hired him on the spot because he was bright and he was young and he was eager and he knew Georgia. He knew the Soviet system, and he knew how to speak Russian, and he spoke perfect English. He was very invaluable to me. He went on to get an MBA from Harvard and then joined some big investment house in London.

But trying to find people who knew that part of the world and knew the language was extraordinarily difficult.

So here we are gearing up, and they're getting new office space and everything. Then, out of the blue, came--bang—Wolfensohn is now the president, “[Eduard] Shevardnadze has just called me. He wants an emergency rehabilitation mission immediately.” This is August 1993. So the order came down.

GRATHWOL: It doesn't seem right with the year because Wolfensohn doesn't become president until '95.

BLINKHORN: Oh, maybe I got it wrong. '95, was it?

GRATHWOL: I think so.

BLINKHORN: Oh, I thought it was '93. Okay, you're right.

GRATHWOL: You may have started the office in '93.

BLINKHORN: I started the office in '93, but Wolfensohn came on in '95, you're right. But the order came from—we did something before then.

GRATHWOL: Okay.

BLINKHORN: So one of the things that we did right away is to go around to these countries, starting with the Baltics because we had an office in Estonia, in Tallinn. There was a Canadian guy there whose name escapes me now. Basil said, “Well, look, why don't you . . .”

You know, I was explaining to him how difficult it was for us to—“I mean, I can have staff and everything, but we have to go out there, and we have to get to know these countries, get to know who the actors are, get to know what their views are of housing and what would they think about setting up a system of adjudication to adjudicate all these claims, and then to start getting some elements of a rule of law so that you could have a cadastre, and you could have a registry of who owns what.” That was essential, in order to begin to look at housing, and how you might be able to mobilize money.

The reason that the emphasis was put on housing is that the then-vice president for the Region, Wilfried [P.] Thalwitz, a German, he had a lot of experience and had studied the reconstruction of Europe, particularly Germany, after World War II. He felt very strongly—he believed that one of the ways that reconstruction was facilitated and implemented quickly is that people were—there were mechanisms put in place to get people housing. They started having a stake in a community with a house that they could—that was their asset. And then they could take care of that house and protect it, and do whatever. He felt strongly that that would be an essential part of any transition strategy in Eastern Europe after communism. Other people were working at the macro level on monetary issues, on exchange rates and how do you denominate the currencies, and how do you set up a system of pricing. Other people were doing that. But at our level, at the regional and local level, his belief is that you've got to get in there and demonstrate, as quickly as you can, that we were working to give you an asset that you would live in and that would inspire you and give you an incentive to work with us. That was the theory behind it.

GRATHWOL: Ownership not only of property, but of the system.

BLINKHORN: That's exactly right. Yes. So that was part of it.

He was right. I mean, you just can't go in there and start preaching capitalism, and you can't talk about, “Where's your equity? Where's your collateral for a loan?” because there was no financial system. It was that kind of thing.

So we had to disabuse ourselves of a lot of notions that are very—sort of ingrained in us, that

part of our DNA, when it comes to how you order your life, you have to have a down payment, you have to have a bank, you have to have a title, all of that stuff that you and I take for granted, we had to just take that out of our minds and just start fresh.

So Basil's view is that there are some really tough nuts you're going to have to crack here. Ukraine is huge, and they are still communist, and the other states are a lot poorer. But the Baltics, because of the fact that they were not traditionally communist, that they had this relationship with the Scandinavian countries, that there was this whole wave of freedom that had emerged out of Lithuania, and [Mikhail S.] Gorbachev and all the rest, those countries probably would be easier to work with, to get something going, so that we could demonstrate to the others what was possible. So that was the way the strategy started to evolve.

So we took missions to all three Baltic countries, and we met a lot of people. We went outside the capitals. We've got to get a sense of what these places were like. We quickly learned that these huge Khrushchev-type buildings were just ghastly, terrible things. The heating system was terrible; the energy and the construction standards were lousy. So we started devising mechanisms with the local governments to try to show demonstration and pilot projects. We worked in Vilnius and Riga and Tallinn to start, and then we moved out from the capitals into smaller cities to try to tackle the most serious problems that they had. Like, for example, in the city of Daugavpils, in Latvia, they had a very serious water supply problem, in providing clean water to the community. So we tackled that right away and made that part of a municipal reconstruction project that would include some work on the rudiments of a housing strategy.

We also partnered with the institute in Cambridge that had done a lot of analysis of housing and municipal governance in the former Soviet Union, the Lincoln Institute of Land Policy, associated with Harvard. There were a lot of people there that knew—and USAID, very early, had set up a system under Ray Stark, I believe his name was, in Moscow. These people knew a lot more than we did about the way the system worked.

So we went to them, and we hired some of them to be consultants, and we also hired consultants from the Scandinavian countries. Pretty soon we were getting teams of people to start working on this. Within a couple of years, my staff was getting larger, and we were starting to have a track record.

I'm not clear about the timing on this, but I think it was roughly around the time that Wolfensohn came in and started sending signals that he was going to take a hard look at the Bank and the way it was organized, or not organized properly. Remember, he had a huge reorganization coming up in 1997 and 1998. But he also sent a signal quite early that you better look at your budgets because they're going to be cut.

So Thalwitz—by then I think Johannes [F.] Linn had then come on as the vice president for our Region, replacing Thalwitz. I think that's correct. Anyway, he and Basil and the others decided that we had too many divisions and we had to consolidate. We also wanted to make sure that in each of these capitals in all of the countries that we had our representative, because we were

setting up country offices with a resident representative. In those, there would be someone who was attached to my division and someone would be attached to the Environment Division. So we had someone on that could be our sort of liaison individual.

But this was very expensive, and so a decision was made that when one of the—there are two country programs divisions, and a vacancy had occurred in one of them. Basil asked Jim [James Q.] Harrison, who had been head of the Human Resources Division, a very large division, he asked Jim to become the programs division chief [Country Operations Division 1]. And he asked me, because I had the smallest division [Housing and Municipal Services Division], if I would take on this new, enlarged division [Municipal and Social Services Division]. So I agreed, and so I suddenly had something on the order of 30 or 40 people working for me, including staff who were working on health programs, education programs, pension reform, all of that stuff. That, together with municipal infrastructure, then became and we named it the Municipal and Social Services Division.

Now, I had never been really in the field of health or education. I had dealt with it peripherally. But I was suddenly confronted with managing large numbers of people in sectors that I was unfamiliar with. I really had to learn to become a manager. I had to go to special training, and I had to learn to control my temper, which was quite vigorous, and to be patient with people. I'm not patient. I'm one that drives very hard. But I learned that in order to herd these cats, that I had to be much more patient, kind to people and to, you know, build teams. Team building was the key.

So that was coming along when, out of the blue, one day, I guess it was '95, a rocket came from Wolfensohn's office that he had just had an urgent request from Shevardnadze, the president of Georgia (which had joined the Bank just a year or two or so ago), that they were coming out of an earthquake, the civil war was over, and they needed an emergency rehabilitation project urgently because there was no power in the capital. The water supply was not working properly, and in the key cities of Poti—P-o-t-i—and Batumi—B-a-t-u-m-i—on the Black Sea, they also needed attention. So could the Bank please send a mission urgently to Georgia.

So I dropped everything, and I said to Basil, “You know, I think I ought to do this. If you want this done quickly and you want something done fast, we can't monkey around with a lot of analysis. So I'm going to head the mission. I'll take it out there myself, and I'll give you a project pretty fast. I'll cut through the bureaucracy.”

He said, “Okay.”

In those days, money was no obstacle. I had a team of 22 people, and I hired engineers from the U.K. and Bidzina and a couple of other people who knew the area. We went out to Georgia, and it was one of the most challenging missions that I've ever faced. I've had a couple of others subsequently, but the problem was really bad. There was no electricity. There was no water. We had to buy our own water. We stayed in the Metechi Palace. In order to get to Georgia, this was quite a harrowing event because there was no—the only airline into Tbilisi was an airline

called Gorbi—G-o-r-b-i. It operated out of Prague, and it only operated on a Sunday afternoon. There was only one day that you could get a flight into Tbilisi, and one day out was on Friday. So trying to book seats on Gorbi proved to be a very, very—fortunately, American Express managed to do it. But they warned me that “You have to be careful. We don't know where their offices are in the Prague airport. There is no evidence that they're there. We're told they are there. The plane comes at such and such a time. It will be there, we're guaranteed. Here is your business class or first-class ticket, and we got it for everyone.” We're all agreed, we were organized to be there on a Sunday.

We get there on a Sunday. Well, we actually got there on a Saturday. We get there and go to the airport. There is no sign of Gorbi Airlines. No one knows what we're talking about. There is nothing up there to indicate anything. Finally, one of our team went over and talked to some—Bidzina or someone found a guy sweeping the floor and found out that the representative was over behind the stairs, under a stairway. And we went over there, and there was a little old table and some gnarled old guy, with a stack of American twenty dollar bills, huge stacks on the table, a long line that extended all the way back.

So, I said, “Bidzina, you and I are going to go to the front of the line and talk to this guy right away and tell him what we're up to.” So Bidzina came with me, and all of these people are looking, wondering who the hell is barging in like this. So I told him, “I've got 22 people going to Tbilisi to help get the water started.”

He says, “Okay, okay, okay. Fine, fine. But twenties, only twenties.” And he was looking at each twenty.

Fortunately, I had been told by someone don't bring anything but twenties. We had to have stacks of twenties in order to get on that damn plane. We had reservations, but you couldn't get a ticket in Washington. We only had reservations. Fortunately, they had names of everybody, but we had to pay in cash and no curls; it had to be very crisp twenties. Got it.

Then, we had to carry our luggage out to the plane, stuff it up there and go in and thought we had first class. We start sitting at the front of the plane. “*Nyet, nyet.*” This big, husky stewardess comes by, “*Nyet, nyet.*” And all these seats are empty. I don't know if you've ever been in these old Tupolevs?

GRATHWOL: No.

BLINKHORN: At the front of the airplane, behind the pilot, there are facing seats, sort of like a compartment. It would have—you would sit there, and I would sit there, and in between . . .

GRATHWOL: Like a rail car.

BLINKHORN: Exactly. In between would be a table that collapsed. So there were four here and four here, and they're all empty. I said, “Man, let's go. Just grab them. Just grab them.”

She allowed us, after a lot of pushing and shoving, to take every one but this one in the front. This one she refused to let it, and we couldn't figure it out. Some of our people had to go all the way in the back, but those four were kept open until we were ready to go. When we're ready to go, in comes this big guy with huge, huge satchels loaded with clanging stuff, and he sits down and puts his bags right there. He takes the whole thing. She brings him out a bottle of vodka.

I said to Bidzina, "Find out who that is." It's the plane mechanic.

[Laughter]

BLINKHORN: So we're off to Tbilisi. It was the wildest scene. And they were serving—everyone was drunk. I mean, there was just nonstop vodka all the way to Tbilisi. It was just horrendous. Then they served just hard bread, and it was this old Russian Tupolev that I don't know how we got there because subsequent missions of the Bank, they ran out of gasoline because they didn't have enough money to purchase the gas, and they had to stop in these small places in Russia to beg the Russians for fuel in order to get to Tbilisi. It was that kind of thing.

We arrive at Tbilisi at three o'clock in the morning, and there's total darkness, one little light. A truck comes out and takes us in there. Then someone just dumps all of the luggage into the back-end of another truck, takes it over and dumps it right at the edge of the reception area.

GRATHWOL: What time of year was this?

BLINKHORN: This was in 1995, August.

GRATHWOL: August, okay. So it's not the dead of winter.

BLINKHORN: No, no, no, no, but it's the dead of night, and we're very tired.

Anyway, it took us several hours to get out of there and get started. But then it goes on and on and on. We met Shevardnadze. We got carte blanche to do whatever we did. And we traveled all over the place, and we got a project to the Board before Christmas, and they were very, very grateful for that.

Then I turned over the supervision to Robert Maurer. He took over after that, and we got going on a big program in Georgia, first on that, and then on a social development fund and lots of other things. So that was an exciting development.

Then another big, big challenge was in Ukraine, and just trying to deal with former communists in Ukraine was quite a struggle. On our first mission, we—out to the city of Lviv, in the western part of Ukraine, because we felt that—we were told that there was some possibility for municipal development with housing and whatnot. But the only way that we could get out there—and it was in winter, the roads were so bad and there were no flights—that we had to hire our own railway car.

They arranged for us to get the car that Stalin used to use when he traveled from Moscow to Kiev and down to Tbilisi because he was born near Tbilisi. This was quite a car. It was opulent, in the old 19th century style, with chandeliers and private beds, a coal-burning stove in the center, where you had a huge sitting room. And then for the head of the mission, he had his own bathtub in there, and the water was heated by coal. And you could put about three people in that bathtub it was so big. So that's where I was.

[Laughter]

BLINKHORN: So Eric Peterson was with us by then and Kristin [A.] Gilbertson had been—I was trying to hire as many YPs as I could, and she was one of the first. She was a Harvard economist who did a lot of work on finance. I really believed in promoting people and pushing them hard.

Then, the second big challenge was the Ukraine coal sector. The Bank had, in Ukraine, had undertaken a massive privatization effort of all the state enterprises. This was part of the ideology that we spoke of earlier. The aim was either to downsize or to privatize or to close them completely. One of the biggest challenges was the coal-mining sector because Ukraine had, in addition to all its wheat, had been a source of great coal. And in the Donetsk area, in Eastern Ukraine, this was the center of the fuel that provided the energy source for Russia's industrialization. And Lenin and Stalin, they all would come out to Donetsk, the great workers of the socialist world were there, and they have huge statues and everything else. They would give awards, Stalin and Lenin, awards to the man who could mine the most coal. There's placards and things all over.

By the time we were there, they had 284 coal mines, and our assessment, carried out with experts from the United Kingdom where Margaret Thatcher had gone through a similar downsizing, they estimated that the only possible viable ones were maybe 90 to 100. So we had to close, according to our analysis, 184 coal mines. The question was, how do you go about doing that? We had no notion.

So we came up with a strategy that we would have a pilot project, and we would start with three mines in three separate social areas in the Donetsk Oblast—an oblast is basically a province or a state—in Eastern Ukraine. Our job was to put together a program of closure that would eliminate—show that these mines could be closed because they were bleeding the country. The budget impact of keeping these mines open was horrendous. So they had to be closed. But you had to be closed with a mind to what happens to the people because they're in communities like the one I grew up with . . .

GRATHWOL: I was going to say, this is coming back to your roots in a lot of ways.

BLINKHORN: Exactly, coming back.

. . .that are totally dependent on coal. What happens to these people? So, on the books, the Ukrainians had laws about unemployment insurance and disability insurance. They had all of that, but they were not being honored.

So we agreed to provide something on the order of \$17 million or so for the closure of the three mines on the condition that we would put in place several mitigation programs. We would ensure that the people affected and their families would be getting what is their due under Ukrainian law, in terms of severance payments, in terms of unemployment compensation, disability, retraining, help with small microenterprises, a full, full program of that kind of thing. Plus, we wanted to make sure—and this was in the front of my mind—that any environmental impact of closing mines and taking water out of mines and dumping them into a stream would not happen if there was any adverse environmental impact. So we're not going to destroy water courses or drinking water. We have to do a total environmental analysis and mitigation. So that was another part of it. So this took a lot of work.

I got personally involved in this and went there several times. I'll never forget one time in the winter, March of—I forget the year—where I was asked to go to one of these three pilot sites in a terrible place called Scheznoya, about an hour outside of the city of Donetsk. I'll never forget it. It was just such a terrible scene. This was this dingy community building that housed maybe 100 people, about 500 showed up because they heard the World Bank was coming. The whole idea was for us, as well as the officials from Kiev and the local officials, to explain to the people what we were trying to do.

We were also trying to do social analysis work. Incidentally, this is where Betsy, my current wife—she was part of a team doing social analysis to find out who these people were, what their—and it turned out that we discovered all kinds of things about these people and their ailments and the rest.

So there's this meeting, and it's just mobbed. I got up and made a speech, and it was translated verbatim. I started off by saying that I come from a coal-mining community and that I know a little bit about this, and I got their attention by doing that. I said that one of the things that we wanted to make sure is that you receive what is your due in terms of this and that. They didn't believe that. “No, they're lying. They will never do that.”

And I promised that, “Here's Vladimir [G. Kreacic]. He's my staff member. He's in Kiev. Here's his telephone number. We're going to have two people come out here and stay here that are being paid by us, not by the government, and they will be monitoring this. If you have any complaints, here's Sean O'Connell, from the United States, and another young guy, Lucan Way,” a Harvard graduate who spoke fluent Russian. And actually Sean did, too, because he was married to a Ukrainian. We hired these two just to stay out there and monitor what was going on.

So these poor people came up, you know, limping up and showing me X-rays of their husband's backs and how they'd been hurt or killed, and on and on and on. It just brought tears to your eyes to see this.

So that experience had a great impact on me. The whole idea was to use that experience to inform the design of the larger program of closure.

GRATHWOL: There were three mines as a pilot project.

BLINKHORN: Yes, yes. [REDACTED]

[REDACTED] We had more fights with the Coal Ministry [Ministry of Coal Industry] and the Ministry of Finance.

Then, we had fights within the Bank because a different division, not my division—we just did the pilot work to sort of test all of this—but another division, the Industrial Division, was going to take over the larger program. The whole idea there is that we would put in a large sort of structural adjustment loan, several hundred million dollars, provided they close the mine in a phased way, and they would get this money. There was not the kind of attention to the social mitigation environment that I thought was essential. They said, “Well, you know, we'll try our best.” So we had this tension going on.

GRATHWOL: This is within the Bank.

BLINKHORN: Within the Bank. Yes, within the Bank. And I kept banging, saying, “Listen, you guys, you cannot go ahead on with this unless you do . . .”

And they'd say, “Yes, but this is too important to be dillying around with this.”

It was that kind of thing. That went on for quite some time.

I got involved with other things because I was managing a—I couldn't be the task manager for this. I started it, just like I did in Georgia, but I had to hand it over to someone else.

GRATHWOL: It must have tugged at your psyche in some ways.

BLINKHORN: It did. It really did, and I wanted to stay with it, but I had to decide—I had to be a manager of a lot of other things. I just can't do this all the time, as much as I loved it. I mean, I liked it, but it was just searing. It was really, really bad.

So, okay, now we're getting into the reorganization of '67, '68—I mean '97 and '98. We went through, again, as we did earlier, this whole business of, “Okay, you've got to sign up for the new job. Everyone's fired. You've got to apply.”

RESTRICTED
WBG ARCHIVES

SEP 13 2013

Exception to Liberator Policy

So Basil just told us, “I don't want to stay in Washington anymore. I want to get out into the field. I want to be”—so he got a job as the resident representative in Warsaw. That was, for me, not very good because he had been my friend, and he really supported me through this period. I didn't know who was going to be coming in, and the whole thing was being reorganized anyway. I didn't know what . . .

So I was out of a job like everyone else. I, in 1998, applied for I think it was a Rural Division [Rural Development/Environment Sector Unit], one of the Rural Divisions. I forget exactly how it was—but I didn't get the job. And so the Bank offered me a package. They said, “We'll give you such and such and such if you walk.”

I said, “I don't want to walk. I want to stay working here. I like what I'm doing. I, frankly, I mean, I don't particularly want to be a division chief.” Because by this time, the division chief job was a lot more than building teams and getting young people and mentoring them, which I enjoyed a lot, and devising strategy. A lot of it was process, processing documents, making sure that they were consistent, I's dotted and T's crossed, that you get the budget right and don't go over this and make sure that you do this.

But the worst of all was the performance reviews. They were just horrible. By this time, they were doing 360 reviews, where you had to—not only I would review your performance and you would tell me what you thought was going on and we'd have a conversation and then on the basis of that, you would get a raise, or maybe no raise at all, or whatever, but you would have peer reviews. You would have to say, or I would say, “Yu have to get opinions from three or four others within the department and outside the department.”

GRATHWOL: Co-workers and others.

BLINKHORN: Co-workers, yes. So you had peer reviews of performance. And, you know, to get these things and, oh, Jesus, it was just a pain. So I was quite delighted, frankly—I would have preferred to have been a manager of another division, but they said no. So they said, “Well, how about being a program”—what do they call them? Not senior country program officer, but it was a program coordinator, I guess it was, for Ukraine.

By this time, I had known Ukraine pretty well. They knew that I had known Ukraine. I had not only done the coal work, I was doing a lot of work on municipal governance and reform, and I had gotten involved in a couple of very interesting projects, a pilot project for tuberculosis control in the prisons in the city of Odessa, working with the World Health Organization, and I found that very exciting. So I said, “Fine, I'll do that.”

Basically, what it was is: I was in control of the Ukraine program, reporting to—I forget who—but I was sort of working with the task managers, and I was doing all of that. I did that for a while.

Let's see, what happened next?

By this time, I had started to do some work, even when I was in the old division—one of the things I was always intrigued with was the enormous cultural assets of the countries that I worked in. In the old city of Vilnius, extraordinarily beautiful old places with structures going back centuries, and similarly in the other communities, beautiful old churches and things. The communists, for all of their faults and all of the unfortunate strategies that they pursued, they did support the arts. They supported music and dance and the rest of it, and they also took pride in structures and whatnot. So a lot of that had been preserved under communism, and the arts were given a lot of attention. All the great leaders of the Bolshoi had come from Georgia, for example, and things like that. And St. Petersburg and all the great things in Russia had been done under communism. Well, St. Petersburg goes back before that, obviously.

So I figured, you know, I'm supposed to be in charge of municipal and social development, and municipal development involves not only the things that we were doing in water and all the rest, but it also involved making sure that some of this heritage is preserved so that it doesn't, in the influx of capitalism, result in all of the McDonald's restaurants on the corners.

So I started out with the city of Vilnius, which was really enchanting. It was very curious because it had been called the "Jerusalem of the North." This is the city to which all the Jews after the pogroms in 1902, from Russia, congregated.

GRATHWOL: This is Vilnius?

BLINKHORN: Vilnius, in Lithuania. It was called the Jerusalem of the North. It became the intellectual center of Judaism in Eastern Europe in the 1900s. There was a large Jewish quarter with museums and theaters and education institutions and elite people. They really gave just a marvelous flavor to the country. It was still—when I was there, of course, this is after Hitler and everything else, there were still remnants of the Jewish quarter, and I felt that there should be some way to protect that and to try to see whether we couldn't bring it together with a very strong Catholic heritage that existed in Lithuania, and see whether we could preserve that old town.

So I managed to get a \$500,000 grant from the Bank. The Bank provided those things in those days. This was to set up a planning mechanism in the city of Vilnius that would do a couple of things. It would help them establish a zoning regime, as well as a zoning regime with some incentives, very careful incentives for investment in properties. But there would be mechanisms for vetting all of these proposals, so that they would be consistent with the traditions of the old town. It was meant to be—I tried to capture the spirit of the old town and preserve the fronts through zoning so that it wouldn't be defiled, but yet you would not block private investment because private investment is essential to reinvigorating a community like that. So that was the strategy.

The money was useful in mobilizing the local officials. I spent a lot of time with the archbishop who was there. Although there had been a lot of very, very deep feeling, an animosity between

the Catholics and the Jews going back to Hitler's times, because the Catholics collaborated with the Germans in getting rid of the Jews . . .

GRATHWOL: This is Orthodox or Eastern, right? Or Roman?

BLINKHORN: This is Eastern Orthodox, although there was a small Roman presence as well. St. John's University in New York had been working with the archbishop. So I found two priests and nuns there who I brought down to Washington, and they were helping me with the dialogue with the Catholic side.

We had the municipal side pretty well covered, but my problem was, how do you get the Jews involved, because most of the Jews had gone either to Israel or to the United States, and the few that were left were very suspicious of someone like me coming in there and trying to do this. They said, "What the hell are you trying—you're a goyim. What is your interest in doing this?"

I'd try to explain to them. And some of them said, "Well, maybe it's," you know, "maybe it's a good idea."

So they were clearly divided. Then, one time on a trip to Europe—these are in the days when we were still traveling first class, and we could get an automatic upgrade to the Concorde. So I would take that whenever I could because I could get over there and back fast, and it was really nice service, even though it was a smaller plane, and you were cramped a little bit. So I sat next to a very interesting woman on the way from New York to Paris. Her name was Phyllis Lambert. She's an architect who had studied at the University of Chicago. And she turned out to be the sister of Edgar Bronfman. And Edgar Bronfman was the president of the World Jewish Congress, based in Montreal. And through her, I started opening some doors.

GRATHWOL: I can imagine.

BLINKHORN: So we had a major conference. We went through a competitive process to hire some really good planners using that money. We got a team from Sweden, and then we brought all the actors and their counterparts together, and we got the agreement on the zoning and everything else, and it was just beautiful.

GRATHWOL: What year was this?

BLINKHORN: This was, it must have been '97—'96, '97. Then there was an election in the city of Vilnius, and the mayor and everyone else, of course, they're going out and the new group came in. Everything stopped. Everything absolutely stopped. I was very disappointed, although when I went back to Vilnius many years later, I was very pleased to discover that the old town had been preserved beautifully. It was really lovely.

Anyway, that experience inspired me to start doing some other cultural restoration. In those days, there was something called a "learning innovation loan." It was a very, very flexible

instrument. A country could borrow up to \$5 million, and the whole idea was to demonstrate the validity of ideas for change, whether it's in agriculture or whatever, and it was meant to be on a fast track. No two years of analysis and all of that. "You get it done in about six months, and we expect that you're going to make mistakes, and we expect that you're going to learn from those mistakes."

I loved that. This was so exciting to me. So I started going after the LILs, as they call them—L-I-L—LIL. I got the first one for Georgia. So we put together a cultural heritage project for Georgia. The experience in Georgia was infectious. Azerbaijan applied for one. Romania heard about it, and Romania wanted one. Pretty soon ECA—Europe-Central Asia—was way the hell out in front of the band, or starting to be, with cultural development.

One day I got a call from the president's office. Did I tell you this story?

GRATHWOL: No.

BLINKHORN: "Mr. Wolfensohn would like to have you come up right away." So I went over to his conference room, and he is in there with all the vice presidents and he is on a rampage. He's storming—they're all sitting down and he's just . . .

GRATHWOL: He was apparently good at rampages.

BLINKHORN: Ooh. "You bastards, if I've told you once, I've told you ten times, I want culture on the agenda of this organization. I told you when I came on two years ago and not a goddamned thing has been done. What in the—and you, [M.] Ismail Serageldin, you're supposed to be the Vice President for Culture and Special Programs and what the hell have you done?" [Inaudible]

"Well, Jim, we're trying."

"No, that's not—I know we have conferences and we have these speeches and everything, but I want action. I want action."

He said, "Well, we do have action, Jim."

He said, "Where? Where?"

"Blinkhorn over there. He just came in."

"Who's Blinkhorn?" He said, "Who's Blinkhorn?"

I said, "I'm Blinkhorn."

"What are you doing?"

I said, “Well, I’ll tell you what I’m doing.” I said, “I have a project underway in Georgia, and I’m just starting one in Romania, and we did this and did that.”

“You are on my new Cultural Council, and we’re having a meeting on Thursday, and I want you there at 10 o’clock because Yo-Yo Ma and the Aga Khan are going to be there, and we’re going to talk about how we’re going to collaborate in cultural development.”

So Serageldin was so impressed with that, he said, “You have to come and work for me.”

I said to Serageldin, “Look, I’ll help you out, Ismail, but I’m not going to go over there and work in that snake pit. I’m very happy in ECA.”

He said, “Well, can’t you divide your time between now because Jim wants us to do a big paper for the Board on a strategy for culture and development, and he’s giving a speech and he wants to do this. He’s inviting the Aga Khan” and blah, blah, blah, blah.

I said, “Okay, give me an office.” So I had an office here and one over there, and I would divide my time and help Serageldin with the paper.

Meanwhile, the Romania project started getting on the front burner. It so happened that one of Jim Wolfensohn’s closest friends, Lois de Menil, her husband was an economic adviser to the president of Romania, and she’s an old very wealthy woman, with houses in New York and Paris and everywhere else, and knew Wolfensohn from New York. And she sent him a private letter saying that, “The government of Romania really is interested in this idea of a cultural heritage project. I hear that a mission is about to come, and I am so delighted. I hope that you will support it.”

And Wolfensohn then became very interested in the Romania project, so interested that as I was about to go embark on my first appraisal mission, I get another call from Wolfensohn’s office. He said, “You have to come over here. There’s a communication from Prince Charles.”

So I go over there, and he said, “Blinkhorn, here. Take a look at this.”

GRATHWOL: This is Wolfensohn?

BLINKHORN: This is Wolfensohn. And I’m reading this. Prince Charles, hearing through the grapevine, that “you’re doing a cultural heritage project in Romania, looking at the restoration of the famous Sculptural Ensemble by Constantin Brancusi at Targu Jiu. That’s great. I’m very happy to do that, but I have these historic villages in Transylvania—Saxon villages—with the most beautiful landscapes and cultural heritage, blah, blah going back to the 12th century and my St. James Trust is very interested in working with the World Bank and the World Monument Fund to do something there. Can you please help us out?”

“Put that in the project.”

GRATHWOL: This is on your list.

BLINKHORN: This is on your list.

So suddenly the project is not just this little—it's “Make sure that there's something in there for Prince Charles.” And throughout the whole process of preparing the project, getting it approved, these letters were going back and forth between Jim and Prince Charles.

Of course, Wolfensohn was the kind of person—he loved this kind of notoriety, go and see the Queen and have dinner with this prince or the Aga Khan. And Yo-Yo Ma did come, and I was asked to go out to Central Asia to Uzbekistan—Bukhara—to look at what we could do out there.

I mean, this was going crazy, but he was getting himself in big trouble because he was doing this without the Board's approval. When the Board caught—they would see a little project for Georgia, cultural heritage, and then they started seeing all these other things coming up. They said, “Wait a minute. What the hell is this? We don't have any—why are we into culture?”

And a lot of country directors were starting to complain. “Why is the Bank doing this? We're doing everything else. We're doing women, we're doing environment, we're doing this, we're doing that. Why are we taking on culture now?”

So Wolfensohn and Serageldin had to do a lot of backpedaling fast to put together a strategy paper to justify lending to cultural heritage. This is after several loans had been made, not only in ECA . . .

GRATHWOL: Commitments are out.

BLINKHORN: Yes, they're out there. And guys were seeing what I was doing, and I was having fun with it. I was getting calls from guys in Asia and Latin America, “Oh, we're going to do one, too, you know.” Pretty soon there's a big pipeline coming in because it is a lot of fun. It's a lot more fun than doing garbage collection.

So then the paper had to be written, various iterations back and forth. Finally, through a lot of painful negotiation and discussion, Wolfensohn got his way and the Board concluded that we would only do cultural heritage—lending for cultural heritage—one, if the country wanted it; two, if we did it in partnership with organizations that had expertise in this area because we're not going to be hiring all kinds of staff, art historians. Fortunately, I was twinned with the World Monuments Fund in New York, and they had lots of these kinds of people all over the world, and they made it available. So I was able to say, “Well, we're working, and there's our partner, and they've put in about \$2 million into this.” So it quickly became a \$10 million project, with all kinds of other projects.

GRATHWOL: Quick question. Were you involved in preparing the paper for the Board?

BLINKHORN: I wasn't directly involved. That was done by Serageldin and Tia [Kreszentia M.] Duer—D -u-e-r—and a couple of other people, but I was very much involved in vetting it, making suggestions on the drafts and all the rest of it because I was actually doing the work.

GRATHWOL: Right. So then back to this pairing with organizations that you were talking about.

BLINKHORN: So the first one, the country has to ask for it; it has to be in partnership with organizations that know what they're doing; it has to be part of a broader strategy for the country. That means that it's just not culture for culture's sake. You're not just going to save a church and then walk away. You have to have community engagement. You have to do your social analysis. You have to make sure that there is effort made to generate income activities that will help sustain these restored things.

And so we had to hire teams of social scientists--I was doing that anyway from the University of Bucharest, to go into these communities and find out who's living there. One of the exciting aspects of this for me in these villages—we picked four or five villages that we actually did restoration work in . . .

GRATHWOL: These are the Saxon villages now?

BLINKHORN: Yes, Saxon villages. And the one Prince Charles was working with us, and his St. James Trust, was the village of Viscri—

V-i-s-c-r-i. In that village was a very young, dynamic, energetic Saxon woman who was the mayor of this tiny, little farming village—beautiful village, way back off the road, an hour off the road, back in the hills, just glorious. And her name is Carolina Fernolend. She spoke English, broken, but she was dynamite. She was a Saxon. She had German relatives. A lot of Germans used to live there, and they moved away. There are also gypsies in this part of Romania—"Roma" as they call them—and Hungarians. She had managed to form a cooperative of the local women—gypsies and others—and they were doing little things like helping each other milk cows, knit socks and things, in hopes that they would make money because the church was the big thing for them. They wanted to save their church.

So we came along and all of a sudden all kinds of opportunities started opening up. I arranged for an organization in Connecticut called the Aid to Artisans, which I had heard had done a lot of work with crafts people in developing countries. I invited the head of it, Tom Ageson, to come to a seminar that we were organizing in Washington to talk about the experience with helping poor villagers in poor countries improve the quality of their products and looking at income-generating activities: tourism and craft development, cultural art. So he came down.

I had also heard that in New Hampshire—in Meriden, New Hampshire—there was a man by the name of Eric O'Leary, who was a well-known sculptor who was doing work with poor Mexican

villages, getting their pottery improved and trying to get lead out so that he could sell it in the United States. So I invited him to come down.

We had a great conference. I invited Aageson and Aid to Artisans to come to Romania to work with local NGOs, and they would help the women in these villages improve the quality of their product, talk about how they could sell it, for what price, blah, blah, blah. And he then, with the Romanian NGO, managed to get them a booth at the Frankfurt Crafts Fair and the New York Crafts Fair. They were so successful that their products are now in Crate & Barrel catalogues and several others. They are doing very well. They've built bed and breakfasts. If you ever want a magnificent vacation, you go to the Saxon villages of Transylvania.

GRATHWOL: That's quite something.

BLINKHORN: Marvelous. I have sent many, many people to Romania. In fact, I am going to lead a Dartmouth tour to Romania in 2010 and go back to these places. I just love that country, and I love Georgia as well.

So it turned out well. Prince Charles had a conference in London and invited Carolina to come, invited me to come and a lot of Romanians, and we had a great time. I got to know him. He's a really, really marvelous man. She gave a beautiful speech. It was really a nice experience.

Then, I got a film maker by the name of Allen Moore, from Baltimore, who worked with Ken Burns on the Civil War series. I had known him through some other connections. I got Bonnie Burnham, the president of the World Monuments Fund, to hire Allen to make a film of the restoration of the famous Constantin Brancusi Ensemble at Targu Jiu, the history of it, how it came about, how the communists tried to tear down and how it's been restored. I use that film in my lectures at Dartmouth. I brought Bonnie up to the Hood Museum in Hanover to talk about the World Monuments Fund.

So that was sort of a nice way to close out my career, actually. I was retired, but they kept me on as the task manager, and I stayed with the project through many changes of government in Romania. I did the project completion report. I thought it went very well, despite a lot of—we had a lot of problems with the major contractors, which I don't necessarily have to get into. So that, to me, was a very, very exciting experience, and I'm going to use it in this book I'm doing.

I also during this period got involved in the Global Development Learning Network, the GDLN. That happened, I don't know quite how it came about. I think by this time I had been in Kevin [M.] Cleaver's department, and I was in ECSSD [Environmentally and Socially Sustainable Development Sector Unit], which is the social development division in that department. One day, Kevin came to me and said, "Jim Wolfensohn has started this Global Development Learning Network, using interactive video and all that stuff, and he wants to make this sort of a big deal, with UN satellites and whatnot. He has written to the prime minister of Canada to ask him if Canada would not finance a center in Ukraine. They said yes. Ken has just come back with \$2 million, and we don't know what to do with it. Will you take it?" It was that kind of thing.

I said, "Of course."

So I suddenly found myself, as my Romania was winding down, I started getting involved in the GDLN, the Global Development Learning Network, and I took on the project with Canadian money. We managed the money and helped establish a GDLN center in Kiev. Then that experience led to establishing one at the University of Warsaw. Then I got involved in establishing others in Russia, the Balkans, and whatnot. I was doing this while I was a consultant. I was retired by then.

GRATHWOL: This is after '99.

BLINKHORN: Yes, yes, yes. That went on until 2003 or thereabouts. Then, at that stage, we decided to move to Hanover, where Betsy and I had two small children. It was after 9/11. The sniper attacks really had a really chilling effect on us. We had the prospect of educating our children, and that was going to be expensive. Laura and Patrick went to private school in the District. For a variety of reasons, we wanted to move to a smaller community. So we went up to Hanover, where Betsy had grown up.

And then a year or so ago, I was asked by the GDLN to do an evaluation of the GDLN centers in Africa. I did that. It was almost a year long. Then I'm helping out with other kinds of consulting activities from time to time, like tsunami packages in Indonesia.

I like to stay in touch with the Bank, from time to time, as a consultant because I really love the Bank. I believe it's a great institution. It's gone through a lot of different painful changes and still will do so, but I think what it's trying to do is very honorable, and I am very happy to have been part of it.

GRATHWOL: Very good. I think that probably does it for us. I'm conscious of the time as well.

BLINKHORN: Yes.

GRATHWOL: Well, thank you very much. I've enjoyed it.

BLINKHORN: Well, thank you, Bob. It's nice meeting you.

[End Audio File 3]

[End of interview]