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August 20, 1992

To: Members of the Committee on Rules for the  
1992 Regular Election of Executive Directors

From: The Committee Secretary

Subject: 1992 Regular Election of Executive Directors -  
Summary of Recent Meetings with Swiss Authorities

There is attached a summary of recent meetings that the Committee Chairman has had with the Swiss authorities. This summary is being circulated as background for the next meeting of the Committee, now provisionally scheduled for Monday, August 31, 1992.

Att: (1)

Other Distribution:  
Members of the Executive Board  
Department Heads

August 20, 1992

To: Members of the Committee on Rules for the  
1992 Regular Election of Executive Directors

From: G. K. Arora, Chairman

Subject: Meetings With the Authorities of Switzerland

As requested by the Committee at its meeting on August 6, 1992, I met with the Swiss authorities on Friday, August 7, 1992 1/ and on Monday, August 10, 1992 2/ and conveyed to them the following points:

1. It is evident from the discussion in the Committee that the majority required for an increase in the size of the Board to 24 chairs does not exist.

2. In these circumstances, an attempt to form a Swiss-led constituency in the forthcoming election could lead to the disappearance of an existing developing country constituency, and is therefore perceived to be inconsistent with the intentions stated in the 1990 letter from Minister Stich to the Chairman of the G-24 that was included in the report of the Executive Board on the membership resolution.

3. Because the necessary majority for a Board of 24 does not exist, the Committee invites the Swiss authorities to consider adopting courses of action (other than the formation of a Swiss-led constituency) that would not result in the loss of an existing chair in the forthcoming election. Among the options mentioned are: a) for Switzerland to seek to join an existing constituency; or b) for Switzerland to withdraw from the election and not vote for any candidate.

In reacting to these messages, the Swiss authorities made it clear that:

- a. withdrawing from the election is not an option for them;
- b. joining an existing constituency does not seem realistic; and
- c. a 24th seat remains possible, in their view, and they will be working toward achieving this end.

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1/ Swiss authorities included: Mr. Daniel Kaeser, Representative to the IMF and World Bank; and, from the Swiss Embassy, Mr. Oscar Knapp, Economic Minister and Mr. Stephan Nellen, Counselor.

2/ Swiss authorities included Ambassador Edouard Brunner and Mr. Christian Du Plessis, Counselor.

In elaborating upon their response, the Swiss authorities noted that a more reasonable resolution to the problem mentioned above was the creation of a 24th seat, and they had thus far heard no strong arguments against such a possibility.

They reiterated indications given on earlier occasions that Switzerland has been working to form a viable constituency and hopes to announce soon the results of their efforts.