

Letters to
Parents & Friends

Manila, February 27, 1982

Dear Mom and Dad,

Thanks for your recent letters. I appreciated your thots about pride and perspective Dad. Yes, Mom, I remember Margo Beager. She is 1 or 2 years younger than I. I didn't know she was related to the parmans. Business as usual here. I did spend 4 days down in the southern Philippines last week. I had wanted to see Zamboanga and so I went down there with red Asunto, our Group Head for Visayas and Mindanao. It is different in that the Moslem influence is clearly visable. We visited a mosque and a Moslem fishing village. The women dress in long wrap-around skirts and cover their hair in a scarf(they do not cover their faces). Many of the men wear a skull cap of sorts. Apart from that they appear to have no racial differences from other Filipinos. Fred had been our branch manager down there a few years prior (we have since closed our office) and so he knew a few of the people. The Manager of the hotel, Bert Reyes, was most hospitable in ~~bringing~~ presenting to us a beautiful sea food dinner. Included a boiled crab, a cucharacha (a deep sea crustacean found only in deep sea areas around Zambo, lamu-lapu (Philippine nat'l fish!), giant prawns, mussels, and oysters. We were informed by Bert and some of Fred's other friends that the situation in the Sothern Philippines was not getting any better. The coconut economy is so depressed that the Moslem rebels and the communists find recruiting easier than before. There was lots of evidence of military there in Zambo. Went out the next day to an island off the coast of Zambo called Sta Cruz. It is unique due to its reddish coral sand. Had a nice morning snorkling. All sorts of colorful fish are in these waters. Next went to Davao for a couple of days. I had been there before. I visited the branch. They had done a good job under difficult economic circumstances so I wanted to personally congratulate them. I took the key officers out to dinner at the Davao Insular hotel. More seafood, but it was so good, I didn't mind. Included calamari (squid - barbequed) and sashimi (raw tuna). Also visited the Tadeco banana plantation 50 km outside of Davao. 1000 hectares of bananas in all directions. The owner of the plantation is Tony Florendo who also happens to be one of the shareholders of Ench Finance. He has a marketing agreement with United Brands, so they grow Chiquita bananas and sell them in Japan and in the Middle East. They are chiquita bananas right down to the blue stamp on the banana. Brought back a whole roll of unused stamps for Jake. I am going to start giving him the Chiquita banana award when he performs well at something. He got his first the other day. He went on an overnigher with the family of his friend, Brian Eves, down to a farm called Gandelaria in Laguna or Batangas. The day after his return Kathy Eves called Margaret and said what a gentleman Jake had been on the trip, saying "thank-you", yes ma'am, please" etc. We were proud of him, so he got th Chiquita banana award on his book shelf. Phoebe also got a GB award for the best book report project in the 6th grade. She will be awarded a prize at the next assemble and is now worried about what she will say in her acceptance speech. It was apparently a book about a girl foot ball team. Her report used photographs. She got a bunch of girls together and took pictures of them representing scenes in the book. She also got a few adults to take part eg. Joe Nagy as the newspaper reporter, Rich Mack as the coach, and Brother Black as the principal of the school. I understand that there is to be a runoff of some kind to see who has the best book report of the Middle school so Phoebe will be competing with the 7th and 8th grade winners. So, she got a Chiquita banana award for that. I'm not sure she was so impressed with it as she told me to place it on the air/con unit, obscurely located in her room! Went to Jake's cub scout awards banquet last nite at the place hotel. He was proud to receive his Wolf award and one gold arrow. He seems to like cub scouts. We are in a dilemma about his losing things. He lost a game and watch, some shoes. Also dived into the pool with his watch on and it stopped working. Margaret let him to work cleaning the outdoor furniture so he could earn enough to pay for his shoes. Both kids continue to do well on the piano. This PM we are going out on a cruise of Manila Bay to see sunset. This is in honor of Larry Glenn the new top guru of Credit in Citicorp. I'll have to give him a presentation next tuesday. travelogy letter sorry. Will try to be more philosophical next time.

2/3/82

Dear Mom and Dad,

I'm sorry I haven't written for a while. We had a nice holiday period - went to the beach a couple of times. Took the Connolly's up once. He's the Pres of Dupont Philippines. Rita and Margaret are pretty close. They play tennis together two or three times a week. Their oldest is a Sr. in High School here and their youngest is a daughter Jacob's age. Good, solid, principled Irish Catholics - we enjoy them.

Jacob and I are in the King and I production. Jacob is one of the King's many children - he does a lot of singing and dancing. I am first trombone. The orchestra doesn't sound too bad but when you understand that I am one of the better players in the orchestra you get an idea of its quality! Actually, and supprisingly, I haven't really lost too much of my skill. I am sure that three or four months of rigorous playing could easily get me back to the standard where I left off. As it is, even now I am perfectly OK for this type of show music. The french horns (locals) sitting next to me are terrible. The orchestra leader probably doesn't have the guts to kick them out. She's not so hot herself, but is trying very hard and I'm sure the production will be very successful. Opening night is tonite. Jacob seems to enjoy this. It has involved a lot of rehearsals and all in all it is a good experience for him. Phoebe has been selected to perform a 10-15 minute solo pantomime number in the annual Middle School variety presentation to the parents. She is thrilled. She continues to be very serious about her work. I believe she has conceptual abilities and sensitivity beyond her age. But for one high B in the advanced math class she was straight A with most teachers praising her attitude in separate comments behind her grade. Margaret is full bore in school. She has distributed about 130 questionnaires around the American Executive community and is reciving replies ranging from "this is a fantastic questionnaire, focusing spot on the right issues," to "this is an invasion of my privacy." All in all a good learning experience. She also seems to be quite interested in her Business Policy and Investment Management courses. Target for getting degree is still May.

I met the President the other day. I attended the grand opening ceremonies for a new brewery - a new competitor to the San Miguel Corporation. The president and the First Lady were there. One hour after the scheduled start the guests were seated outdoors (about 2000 strong) and in roar about four choppers. Out pops the president and his entourage of secret service types and aides. He is introduced and every one is wondering where the First Lady is. 10 minutes later, here come four more choppers screaming in (what a sight!), out pops the first lady and her entourage which includes Y K Pao, Hong Kong ship owner and one of the richest individuals in the world, and George Hamilton movie star, here for the Manila international film festival. While Marcos was walking up to the ribbon cutting ceremonies I stepped up, proffered my hand and said "Good morning, your Excellency" and he returned the gesture, shaking my hand. Big deal, now I can add Marcos to my list of Haig and Bush as big cheeses met in Manila. These people really enjoy the trappings of power - especially Imelda. What with YK Pao, Hamilton, four choppers for herself, film festivals etc. One wonders what all this has to do with improving the lot of a very poor people. Imelda is notorious for having salted away millions for her personal account in foreign currency accounts. When she goes to New York, Bloomingdales opens exclusively for her and her entourage ~~xxx~~ at certain times of the day. I am now financing a lumber project where 5 percent of the export proceeds are said to make their way in her direction. All the same, she seems to be able to make things like buildings, fine arts, film festivals, hotels, etc happen in grand style. Maybe some good comes out of that too.

Things at the Finance company are going OK. The sword of Damocles hanging over our head (and over everyone elses head is the lousy economy here) It won't recover until the US economy does and the US recovery prior to year end seems increasingly doubtful. We are trying to buy a Savings bank to get into the deposit taking business. Well out of paper. Will write later.

December 2, 1981

Dear Mom and Dad, Sorry I haven't written for a while. Family spent last weekend up at Baguio. The weather was cool and nice. Like Utah in spring or Autumn. That's really the only attraction of Baguio. The kids like to ride the Shetland ponies. Also at the John Hay Airbase there is roller skating and other games for time. I spent my time at our annual business conference. This went very well. There was a good team spirit and a high sense of commitment to the 1982 goals. Spiridon, Bellows' replacement, and John Liu, Harshfields personnel guy were there and were very impressed by the professionalism and team spirit.

Did I tell you that back in September I gave a presentation to Angermueller, SEVP. He's probably going to replace Spencer as President next year. He seemed to be aware of FNCB Finance - however he remembered it for its problems rather than for its successes. I hope I was able to change his mind a little on that score.

Asked Jacob on the way home from Baguio to name 3 American cars. We were playing a question and answer game. He immediately replied in all seriousness, "Toyota." We had a good laugh. How the world has changed or rather, how different we are when what we would suppose is an all-American boy answers like that.

Things continue to go ok at the Finance co. tho it is still pretty boring. I supplement my time by spending more time with the kids, reading etc. I am going to Palawan this weekend to see a lumber operation of one of our major customers. I hope to see the refugee camp there too (Vietnamese boat people). Palawan is quite an isolated island west of the main body of the Philippine archipelago. Was

Was glad to see BYU beat Utah. Also wasn't that great about UCLA in Pauley Pavilion? Too bad about the loss to Virginia. Read where King now signed with the Celtics. Thanks for the clippings.



Manila August 8, 1981

Dear Mom and Dad, It is Sat nite. Mom and the kids are in watching a Walt Disney movie on betamax. It is amazing how the betamax has changed some of our entertainment habits. We no longer go out to the movies. We go to a video cassette rental outlet and select the movies of our choice to watch at home. We go thru a heavy catalogue. Its a little like having 2 or 3 thousand movie theatres in your neighborhood, but all within your living room. What is more interesting, we can schedule these movies when we want. We can stop them to go have dinner, and then resume watching later. We can edit the quality of viewing of our family--the alternative network shows playing right now are Charlies Angels and Vegas--two fares not necessarily great for the kids to watch. But, before Betamax, we had no alternative--that is, if we wanted to watch TV. Or, limited alternatives if we wanted to go out to a crowded movie house. Merrill's film "Takedown" was in the catalogue, but already checked out until Monday. We'll see it next week.

Now, the above has broader implications when looked at in the context of Toffler's Third Wave. T talks of the demassification of the media (if there is one thing I don't like about Toffler's writing its all the new jargon and buzz words - but I guess he is making a subtle point that even our language changes and adapts itself to new phenomena - heretofore undefined.). In speaking of demassification of the media, T is saying that the major networks (in the case of TV) formerly structuring what we watched and when we watched it are losing the ability to do so. VCR (Video Casset recorders), and cable TV are two of the factors inhibiting network domination of what we consume in our homes. Cable TV offers a far greater variety in selective viewing. So does VCR. VCR enables you to not only select what you want from a much greater selection, but when you want to view it! Think of the growing diversity ~~between~~ possible in peoples interests, values etc. just from the flexibility given them by such a simple tool as the VCR. My neighbor and I might watch TV every nite of the week and never see the same things once. He and his family may grow up consuming blue movies where as our kids are force fed Walt Disney. Think on the growing strains on our society from this phenomenon along! Incidentally, if the Church could see the implications of the VCR they'd be out stumping to see that every family got one, in view of the vastly increased flexibility of the home to pre screen/control family viewing habits/fare. A living example of how technology is changing our lives, customs, relationships etc.

Went to an American Chamber of Commerce luncheon on Thursday. Told Margaret and friend Renata Van Stone (wife of Harvard classmate now traveling in Australia forFirst Chigago - same bank as David's.guywho beat David out for one of the new Regional jobs). Ambassador Murphy gave his farewell speech. As you may have read, he is going toSaudi Arabia to replace the guy recently fired by Haig. Murphy is a respected diplomat and will toe Haig's line. Foreign service people that I talk to think the world of Haig. Despite the criticism he gets in the press, these people say that he has brought leadership and direction to the state department, and that this has been a real morale booster for them. I guess the name of the game, however is to bring direction to foreign policy as well as to the State Department itself. We sat with our other friends the Connolly's. He's DuPonts guy out here. We briefly discussed the Conoco deal and how it has Wilmington, Delaware running around in circles with more interest there than has happened in years -- DuPont the staid, non-sexy, corporation that it used to be.

Phoebe is playing in Church tomorrow and I have spent quite a bit of time trying to help her get ready. She will do well I think. We've spent long hard hours working on her sence of timing and it has shown vast improvement. Jake is also doing well. He seems to have more instinctive ability than Phoebe did at the same age--he is even counting as he plays, something Phoebe can barely do even now. However, Phoebe has more resolve, and seems to be better disciplined in her approach. Both started school last week and both seem very happy so far. Margaret called Kaye Johnson (church wife) whose daughter Brandy had the teacher last year that ~~was~~ is now Jake's teacher, and she(Kaye) was thrilled with this woman. Cn't rmb-her name, sorry. P is in Jr hi and goes to periods. Her jr hi starts 6th grade. I have had Phoebe do math wheels all summer longx and she says she already knows many of the things that the math teacher is talking about.

Margaret seems to have more interest than ever in school. Her thesis project is consuming a lot of time. She has already read much of what has been written on the subject of executive relocation. It is interesting to note the evolution away from corporate loyalties to quality of life loyalties and the increasing difficulties of modern corporations to get people to move. Not to mention costs! It will cost the bank \$70 or \$80 thousand for our next move! When you look at salary, benefits, local taxes, US taxes equalization etc. it costs Citibank over \$180 thousand just to keep me out here each year. Too bad I don't get all of that! Anyway, Margaret is soon likely to be an expert on the whole topic. Maybe she can go into consulting on the subject. That would be great wouldn't it. Too early to say however. I am really proud that Margaret has got stuck into this and has persevered. This is one of the truly positive results of a stubborn quality that she has.

I just finished reading M.M. Kaye's Shadow of the Moon. Surging, thrilling romantic adventure at its best. I'm a little prejudice having lived in India for 2 years, but the old British Empire, the Days of the Raj in India form the best subject material I know of for romantic adventure. Kaye's climactic crescendos are slow, but penetrating. Her descriptions in terms of color, flavor, tone etc. are fantastic. Margaret suspects that her birthday present is the Third Kaye book. (Present from you that is). I have a confession to make. Suspecting what your birthday present to me was I had to open it early. I read Noble House and thoroughly enjoyed it. Certainly captured the flavor of Hong Kong. I have spent no more than 4 or 5 total weeks in Hong Kong, but still feel I know enough of the place to appreciate the book, in perhaps more subtle ways than the average reader. Thank you for the present! I was reminded of the lack of water we experienced there back in 1964, very close to the time setting for this book.

I've got to teach GD lesson SS tomorrow. Topic will be David. Haven't studied the material yet. Will do early tomorrow morning. As I've said I enjoy teaching these lessons. I continue to hear people say that they enjoy the classes.

Wriston continues to be on the hot seat. Primarily thru his efforts the corporation sits on a \$6 billion funding gap, an imbalance between short term sources and long term uses. Against the wishes of a number of members of the policy committee he engineered this position speculating on a fall in short term rates early in the summer. This fall in rates would have allowed the corporation to roll over those ~~short term~~ maturing short term sources at much lower rates, thereby ensuring wider spreads and better profit margins. Of course if rates don't come down, the opposite is the case: squeezed margins. Need I tell you that rates are not coming down? Vice Chairman Vojta has resigned in the ensuing political squabble and Wriston has started to replace Reed as the organizations chief bum boy. If rates don't come down quickly, we will make even less this year than we did last. And last year (1980) was a decline over 1979. The critics say that you do not speculate (as Wriston has done) in the commercial banking business. Sure, if Wriston had have been correct, ~~wexxxxx~~ we would have made a billion dollars this year. But then the down side is only 400 million, if rates don't come down. Quite a price to pay for a gamble. Our budget for the year is 600 million and year to date we've made only 200 million. 600 million, let alone 1 billion is a long way off. Then on the other hand, these are "turbulent times" and the exception, more often than not, turns out to be the rule. Furthermore, Citibank is not the only bank that gapped like this. So did B of A and they will have their worst year in a long time too. What's more interest rate structures have typically been such as to make it correct for banks to borrow short (to a degree) and lend long (funding spread as opposed to intermediation spread), but the old rules don't seem to apply anymore, and no one knows what the new rules are.

That is certainly true with the local economy were a whole new set of rules are being established, rendering the old strategies obsolete. The sale of the finance company seems to be moving ahead although there have been no public announcements to date. Rumors are out though, and for the most part they are factual. So we must move quickly if morale is not to sag. I'll let you know more later. All is well... we continue to enjoy ourselves.

Love Steve

August 9, 1981

Post Script:

I had to make some comment on the fine job Phoebe did with her piano solo's in sacrament meeting today. It was branch conference, so, attendance was a little more than usual. The Stake Presy and many of the stake officers were there as well. She marched right up, and full of self confidence announced her numbers. Then she sat down gracefully and proceeded to play both her minuets without flaw -- better than she had ever played them for me or her mother. I told her afterward that now that I know she can play that well that she won't be able to fool me in future. John Grant (FBI) said that we were lucky to have such a poised girl. Brenda Wadly, the music director, was thrilled and said Phoebe did an excellent job. Margaret and I ~~did~~ received a number of other comments on how well she did. I think this will be good for P's self confidence. We are very proud, and you would have been proud too. It is worth the work that she has put in this summer. I think now, too, she will be able to see that there is more to this piano business than just drudgery. Even Jake, after Church, made no complaints when it came time for him to practice. As I said before he continues to do well too. We look forward to the day when he can perform.

Well, what can I write about, now that I have the paper in the machine.

Yes, we watched the royal wedding too. It was carried live here by satellite. In Manila it was Prime time, starting about 6 pm in the evening, so it had a lot of viewers. I thot it was great. A tie to the past for the British. A link back to the days when life, if not easier, at least was more predictable. Also a time when the British were on top. It is nice to have such traditions I believe. Charles is certainly an ideal son (from Eliz. point of view isn't he)? He seems to do everything just right for a prince.

I encountered one of these situations Friday where the right thing to do does not clearly emerge. I ~~xxxx~~ received point blank from 2 of my key employees a query about a rumor that we were going to sell Citicorps interest in the Finance company. The rumor is, of course, true. But, to have it circulate and become wide spread, and then to have the deal fold, which is a real possibility, would be disastrous to morale, productivity etc. ~~Question:~~ Does one lie and say he knows ~~anything~~ about it? ~~xx~~ does one dissemble? Or, does one come out with what he knows. Its one of those situations when you wish you knew less than you actually do. I'm afraid I had to dissemble, but I tried to do it in such a way to lessen the apprehensions of the people, eg. you will be the first to know if anything happens, Citicorp, if ever such a transaction were contemplated would ensure that you guys got a good deal etc. etc. Being associated with the Citicorp family is a real factor in the minds of many of our employees. They would be greatly concerned about being managed by unknowns, especially by government arms. I just had a call from Bellows who indicated that on the strength of the fact that many of these rumors are now out in the open he was going to call Harshfield to try to persuade him to let him (Pete) accelerate the negotiation process. I think I told you that Harshfield is assuming the responsibility for negotien on his own and wants Bellows, let alone me, out of the picture. Eg. this is so important to me that I'll do it myself. Can't trust anyone else, etc. etc. This is more of an ego blow to Bellows than to me, since one can effectively argue that I shouldn't have been brought into the early stages of negotiation in the first place. The fact that I know what is going on, influences my behavior and increases the probability that ~~my~~ people find out what is going on with all the adverse consequences that brings. Actually I think Bellows would do a better job of negotiating this than Harshfield. Harshfield is shot from the hip tough guy type likely to close off a lot of interesting options by his abrupt posture. Bellows, on the other hand is very subtle, deliberate, and sees things on many levels with many alternative outcomes, and takes his time deciding between them. Sometimes this latter quality is frustrating, but in the case of our shareholding sale I think the Bellows approach mite work better.

Dad, I bot an Encyclopedia of Professional Management the other day and saw your contribution there. That is quite an honor and I was very proud. It is a very professionally done book and I think it will be useful to own one.

Sunday School lesson went ok. Talked about David, Saul, Goliath etc. Interesting material.

Manila August 2, 1981

Dear Mom and Dad: I am glad to hear you read the fortune article on the Phil. It caused some controversy here largely because of its factual objectivity. In other words, it was pretty much the truth. Filipines are so used to railing against subjective foreign reporting that when the truth comes out in an objective way they become nonplussed. It is very true that the economy is down, ~~xxx~~ alone among ASEAN nations. ~~ix~~ The wrong developmental strategy. 10 years ago, started a program of domestic industrialization, import substitution route behind protective tariff barriers. OK as long as now foreign ~~excess~~ exchange problems. Copra traditionally fetched high export returns and the cost of imported oil did not pose a problem. With the oil price increases of the last few years combined with the depressed demand and low price of their primary export commodity, copra, domestic consumption has nosedived and foreign reserves have plummeted. They see the problem now, but it will take 3 to 5 years to correct the problem. They will have to lower their tariff barriers to make domestic industry competitive; they will have to move to more export oriented, labor intensive industries as a hedge against fluctuating commodity exports and to provide jobs for a burgeoning population. In the transition period unemployment, high interest rates, and poor business performance still could exact significant social costs and galvanize an opposition to Marcos. For now, however, Marcos is strong and secure as he has ever been.

I told you how much we enjoyed Elder Hanks. ~~xxxxx~~ I was very interested in his comments on the call and effective recall of the area supervisors. The recalls didn't get as much publicity as the calls, did they? Reason? The Church decentralized its manpower, without coming to grips with how they would exercise their authority. In effect, there were no guidelines, policies, or precedents by which to operate when these men arrived. It is therefore natural for men of the authority, strength, and competence of, say, Simpson, Dunn, Hanks etc. to want to address the local problems that they encounter. Yet, the Church had (and has) as yet made no formal adjustment in the accountability chain to allow for stewardship with accountability and responsibility between the First Presidency ~~xxxx~~ The Twelve and the Stake President. What about the Regional Rep you say? It is my observation that the RR, while he may have the outward appearance of authority for a given region, still is more or less a voice tube between the First Pres./Twelve and the Stake Presidents. This is roughly the position that the Area Supervisors found themselves in. They had outward authority, but no direct accountability for the performance (however you want to measure that) in their respective areas. The programs of the Church remain centrally driven. Staff/auxiliary/consultant elements feed (feed) the programs to the First Pres./Twelve who approve or knock back as the case may be. The formally approved program is disseminated directly (Centrally) from the First Pres./12 to the line units -- Stake Presidents/Bishops/Branch Presidents. Reg. Reps. and Area Supervisors were/are bypassed in the formal structure. What ever inputs they may have had would have been informal, impacting only to the degree that their own convictions forced them to push the issues forcefully. However, pushing issues from Hamilton or Hong Kong would have been almost impossible with the Central Church formal bureaucracy not really geared up for a formal process of international feedback. Well, men like Hanks or Loren Dunn cannot be expected to be voice tubes. They are men of action who being on the spot in their respective areas, cannot be expected to be satisfied making/recommendations to Salt Lake on ~~xxxxxx~~ specific actions to be taken. No Central bureaucracy can be expected to make a better decision than the man on the spot, especially men a la Hanks/Dunne. It appears that the man on the spot did start making some decisions on his own and when the Central bureaucracy got around to assessing the impact of those changes it perceived that these men were usurping the Central structures prerogatives the net result being that these men are gradually being recalled. A growing world Church cannot afford to be so short sighted as to bring its strong leaders back where they can be watched and be kept out of trouble. Rather a comprehensive set of policy guidelines ...a framework within which to operate must be established. These men as general authorities must be given the direct responsibility/accountability to operate in their areas - their can dos and cannot dos being clearly delineated for them. Their formal inputs must be a prerequisite prior to implementation of any Church program in their area. Lets look at an example

of what I mean. Take a missionary problem. Joe Bloggs can't learn Cantonese and yet he is assigned to the Hong Kong Mission. Who is in a better decision to act on that problem? Area supervisor in asia? or Missionary committee in Salt Lake. Remember the area supervisor is out here. He knows the Mission presidents - he talks to them on the phone regularly. He visits them probably once a quarter. The AS visits all the missions regularly. He knows the area, the missionaries. He is familiar with the environment. Well, right now the decision on Joe Bloggs is taken in Salt Lake, oft times by men of a lesser calling than the General Authority Area Supervisor. In my view this is a classic case of a staff driven (as opposed to line driven) organization. Joe Bloggs could as easily be sent to Manila by the Area Supervisor, as by the missionary committee. Furthermore it would be done more quickly (no telex/letter hassle), and at less expense.

Another potential problem in this area is the lack of clear definition of the reporting relationship of the decentralized PBO to the ecclesiastical authority (Area Supervisor). The PBO guy gets his marching orders from SLC. How does the Area Supervisor impact that decision process. There seems to be a lack of formal guidelines here and the potential for a non ecclesiastical power play is great. Am I too cynical? What about Saul? A humble man made king who started doing things his own way rather than the Lord's way. All I am saying is that there are some gaps/loose ends in the way that the Church organized itself internationally, and that the solution to the problem does not lie in recalling the strong men who were sent out to make the church more sensitive to international differences. I'm sorry the above is very stream of consciousness and is probably not organized too well.

Just finished reading Druckers Managing in Turbulent times. I really enjoyed this book. I'm reading, now, a good companion to that book, Tofflers, the Third Wave. One thing is clear, the leader of tomorrow is not going to be able to hold onto ~~the existing~~ guidelines of the past as his only tools to shape the future. Anyway I don't feel like expounding on this now! maybe next time.

Margaret is really into school this time. She is busy working on her thesis proposal. It will be about relocation of foreign executives into the Philippines and how inter/multinational companies can ease the relocation process. In the course of writing the thesis she will interview 50/60 executives and companies on problems/policies etc. I have read her initial proposal and think it is great. I have also read some of the supplementary readings she has unearthed and found out some interesting things. It is harder to get people to move these days. The family desire is getting more attention. The company man seems to be a dying animal. Also two career families add an additional complication that wasn't there 10 years ago. Higher paid executives have considerably greater bargaining power than they used to. Modern managers will have to learn to deal with these and other social changes that are occurring with greater frequency.

We are extremely pleased about Phoebe and her piano. She has been practicing religiously for an hour a day since we have been home. She pays more attention to timing etc. I got down and had a serious talk with her, spend more time than I used to with her and it seems to have paid off. I suppose the fact that we pay her 5 pesos an hour has something to do with it to! Jake started the guitar but he said he didn't like it. Since it was impossible for me to coach him, knowing nothing about the guitar myself, we decided to start him on the piano. He, so far, is doing very well. Though, he doesn't like to practice. Jake likes instant gratification in most things. If he can't do it well the first time he wants to give up. It will be tough to get him to see the light.

Heard from some friends (the Van Stones - Harvard classmate with First Chicago here) that Ron Jones is finally getting married. When he (Jones) was here last month he told me he was close. Apparently Van Stone saw him in Singapore. Ron is about 38 and this will be his first marriage. You were aware, weren't you, that Ron was the person who converted Baye Buchanan in Australia. She is Pat Buchanan's sister and she's now Treasurer of the US. Didn't you meet her at our house in St. Ives? No more paper and I've said enough.

love steve

31 July, 1981

Dear Mom and Dad,

I won't say that I will start to write more often...I've learned thru experience that I can't live up to such a commitment. Seems to be a function of how busy I am at the office combined with a latent desire that I have to write.

Bellows is in NY on an assignment to reevaluate the International Staff compensation practices. Pete is a former personnel person and likes to do this sort of thing. He was John Reeds personnel person for about 9 months prior to being assigned to the Philippines. One likely outcome of the process is a housing loan with preferential rates for International Staff.

Harshfield was in town last week and had a megosh with the potential buyers of the finance company. The ball seems to be inching down the field, but no one is celebrating yet. In case you were wondering why we are selling, the regulatory framework in the Phil. has been changing so much in the last 6 months, so as to render us uncompetitive over the medium term. The Finance Minister, Cesar Virata has said "The days of the QB's are numbered. A QB is a quaisi bank. Formerly we could lend at rates forbidden to the banks. Banks on the other hand could raise savings deposits and QB's couldn't. Now most interest rate restrictions have been lifted on the lending side, allowing banks to compete in our rate environment, but we still can't raise (by law) the low cost savings deposits currently available to the banks. Over time this will render us uncompetitive which is exactly what the regulatory authorities want. In effect they are asking us to absorb a bank by merger or acquisition or be absorbed ourself by a bank. The government wants fewere financial institutions in the country. In fact it is the Ministry of Human settlements, a govt. arm reporting to Imelda that is tendering the offer for our company. Bellows and I are meeting with the principles next week to discuss systems, manpower etc. etc. as the buyer is naturally concerned about his ability to manage the place.

Marion D. Hanks and His wife and son visited the branch last Sunday. We had a fireside out our house were he was the speaker. He speaks openly and ~~fax~~ frankly and I'm sure this was a surprise to many of the Church members here. Among some of his thoughts: The Church hasn't been able to make up its mind about area supervisors. He is the only one left. The "authorities" have asked him on three occasions if he wants to come back to Salt Lake to handle his job. He has said "No, I think I can operate better from out here. Do you want me back there?" The reply: "Oh no, what ever you want." However, Elder Hanks feels he is getting a message to come back without being directly told, so he will probably go back to operate out of SLC. He feels this is a mistake that the Church will have to own up to sooner or later. Senior representation in the field is essential, in his view, in this diverse and changing word. Circumstances differ from place to place etc. Further, the church has been unable to effectively decentralize its organizational structure to give the Area Supervisors authority in the field. An AS can't change a missionary in a mission - this is a Salt Lake decision. An As can't impact the decisions of the building program or PBO. In some ways PBO is not accountable to the ecclesiastical side of things in the field. Apparently some area supervisors have sought to take initiative on their own and this has ruffled the feathers of the SLC people jealous of their traditional prerogatives etc. etc. The solution? get all the Area supervisors back to SL where we can see what they're doing. This, of course, is a common problem for the emerging multinational institution. How to control a far flung organization, retaining some level of common identity and purpose, yet fitting in with local circumstances. The white elephant, southern California chapels in Manila are very good examples of bungles made due to the overly centralized decision making process in SLC.

Elder Hanks said that we are ~~lax~~ losing ground in Asia (we are being kicked out of Thailand, Indonesia - restricted in HK) because we are about the only Christian religion that does not engage in Institutional acts of charity and humanity. In contrast, the 7th day adventists with their hospitals, the Salvation army and their activities etc, are doing well because they practice Christianity with no strings attached. In his view we must do the same, though he meets some (a lot) of resistance in SL from the traditionalists. He is proud that he was able to get started in Thailand a no strings attached cultural orientation program for Vietnamese refugees. Authorities (local) are praising this in disbelief he says, because the Mormons have finally done something without trying to convert people to the church. Run out of paper. More later.

Sunday, July 5, 1981

Dear Mom and Dad,

I wanted to thank you for your kind hospitality during our recent stay there. You went out of your way to make us feel welcome. Despite the potential disruption to your own schedules, you ~~showed~~ showed a lot of flexibility. Thanks again and we love you for it.

Yesterday Jacob was baptized and today confirmed. I performed both operations. He got up and bore his testimony in fast meeting today (without prompting) and said he was glad that he was a Mormon and an American. He also expressed his love for you, his grandparents. He started guitar lessons last week but I think its going to be a lost cause since no one here knows how to coach him at it, and he will need a lot of coaching in the initial stages. Also, Margaret is not too impressed with his teacher. I think we'll start him on the piano. Phoebe is practicing well on the piano and making a lot of improvements. The metronome is helping a lot also. Margaret has been diligent in taking the kids to play tennis every day and I'm hopeful that they might take an active interest in this game.

Yesterday we went to a church 4th of July function. Just grilled hamburgers indoors (it was raining c and d). Nothing much happened but it was nice to talk to the people. Earlier on in the day Margaret and I played mixed doubles with a couple (the Merseths) we met at the Bush reception at the ambassadors residence. It was kind of fun to go to the Bush reception. Margaret and I got to shake his hand and introduce ourselves. The week earlier, we played tennis one court away from Al Haig and Ambassador Murphy.

I continue to teach Ot in gospel doctrine class. I enjoy this assignment quite a bit.

Work is kind of boring lately (I have to find some new challenges). From a management point of view the place is firing pretty well. The managers know their goals and are moving steadily toward them. My understudy, Ricky Ysmael, has taken over most of my internal management tasks and is doing a fine job. The remaining problems are, therefore, the strategic long term ones and with the specter of sale of the place hanging over our heads, it is difficult to plan let alone execute any long term strategic type activities. If we do retain control of the place, a steady-as-she-goes posture will sink us. The economy is down, interest rates have been deregulated, and are climbing up and this poses a treat to our ability to do business say on a 2 to 3 year time horizon. This year we should do ok however, doubling last years earnings up to 1.5 million dollars. Harshfield is coming over for a look around in a couple of weeks. (Probably just wants to go skin diving). Something should happen with our status one way or the other before the end of the year.

I'm up about 8 pounds and holding from my weight low of about 3 months ago. I've resumed my diet, however, and seem to be turning the tide. We think a lot about the fun we had at Lake Powell. That was really a marvelous experience. I'm sure its something that we'll do again sometime.

Saw the BYU folk dancers. The program was pretty good, though I thot it lacked a little professionalism. The kids went to and enjoyed it. We saw and talked to your friends the Millams. Apparantly their kids were in the workshop in which Phoebe also participated a year ago. They said they remembered Phoebe very well. She said she saw you, Mom at Carsons.

Rainy here now. Typhoons killing people, wreaking havoc and causing mud slides on Mayon volcano. Marcos inaugurated, basking in the glory of having Bush here. Got to go now. Lots of Love.

Love Stephen

12 July, 1981 Manila

Dear Mom and Dad,

We are now home from Church. It rained quite hard today and is still drizzling outside now. New at church today was Dean Burch who is here (his family to arrive next week) to assume a senior administrative position at International school. Seems like a nice fellow, has a married daughter and a son on a mission. The missionaries are coming tonite to try to commit us to getting some of our friends and acquaintances to hear gospel discussions. They come once every couple of years to do this but never seem to get very far. I guess we aren't such hot missionaries.

Things picked up at work a little. The sale thing is proceeding along only to be approved by the new Prime Minister Virata before an offer is made to Citicorp. This might get knocked back, however, as the PM is not a fan of the first lady, whose government ministry is making the offer. In any case, things seem to take a while to play themselves out and nothing is going to happen over nite. End of year still seems like the most likely time for a change in job function. Going to a strategic planning seminar up at lake Taal with other ceo types of local businesses this next weekend. Being run by Committee for Research and Communications a Philippine think tank and economic forecasting outfit. The following week I'll be going to Cebu to give a presentation to 50 executives in a seminar run by the same outfit (CRC). A major partner in CRC is Bernie Villegas, one of the most respected of Filipino economists with a Harvard PhD.

The economy here continues in bad shape. The local economy still depends primarily on the export of commodities such as sugar and coconut and world markets are sluggish in these areas. This of course means less domestic consumption and as a consequence the local import substitution businesses are going broke. This means lots of bum loans for the bankers, Citibank included.

We cleaned out our own portfolio last year at FNCB, but continued economic deterioration could still hurt us. As lenders default, a lot of financial institutions who have been slack in their credit policies are hurting. One larger one has gone to the wall and is even more serious in that the chairman is one of the presidents cronies! Others of the presidents cronies in the manufacturing area are also serious credit problems. So a poor economic climate means pretty much of a defensive posture by many institutions. Luckily, we cut out a lot of our excess expense last year.

Finished The Covenant this week. Great book. More meaningful as I am also teaching OT in Gospel Doctrine. Michner does a masterful job in showing the evolution of the interrelationships of the peoples in South Africa. On the one hand I admire the Dutch/Afrikaners for their tenacity. They have truly been a tried and tested people which has contributed to their strength today. On the other hand their beliefs in their own distinctiveness ~~xxx~~ and special role runs in obvious, marked contrast with the entire worlds thrust toward equality of the races. Reminds me a little of Watergates G Gordon Liddy. A resolute, tested, determined, even moral person who performed tasks because he believed in them, but tasks which were solidly against the grain of morality as perceived by those that counted. In both cases you have to admire the individuals (Afrikaners and Liddy) but at the same ~~time~~ time they have to be ~~pitted~~ pitied because they failed to see morality in a broader context, failing also to sense the forces of change in the world today.

Halfway thru Drucker's Management in Turbulent Times. Exciting material. Especially interesting the potential impact of demographic shifts in population and changes in population mix. Also interesting the particular problems that the USSR faces in terms of sustaining its production given shortages (increasingly so) of educated white labor due to baby bust. Also the treat of the growing non ethnic Russian population. This as well as Poland Afganistan etc has got to worry the Russian hierarchy and it worries me a little when Reagan and Haig et al rub it in to the Soviets publically. I believe that the Soviet leaders are not moral men and are susceptible to correcting the increasing imbalance between themselves and the more technically advanced nations thru non peaceful means. Bye for now

Love Steve

September 3, 1981
Manila

Dear Mom and Dad,

This was our first annual report in about four years. Its main purpose was a PR gambit to assist in creating a climate that would attract additional local capital investment. We are now growing right up against our capital ratios and would have to stop booking business unless we obtain additional capital. Citibank would be forthcoming with its share, but how do you attract a local investor to a company with declining earnings for four years? Now that we are back on the right track we want to have a selling point for investors.

Our Marketing Department is responsible for the layout. The message was written by my strategic planning guy, Charlie Mocon. This is a guy I hired about a year ago out of Strategic Planning function at Mitsubishi (car maker). ~~xxxxxxx~~ Charlie knows how I think and is quite good at articulating in clear terms what we have done, where we want to go, and how we will get there. I go over the drafts, pencil in changes or amendments and he rewrites. The Marketing department drafts up a dummy format, shows us several alternative cover designs that fit the theme of the message etc; Hires photographers, gets the pictures taken and then gets it printed. It is no big deal, and really quite peripheral to most of what goes on around here.

It is not consciously a special message to Wriston, but I guess it ~~xxxx~~ is a reflection of the things that I consider to be important in what we have done. The climate that we have created around here has laid heavy emphasis on Pascale's an Athos' soft "s's": Staff, skills, style and superordinate goals. This is not necessarily typical of the Citibank style as reported to you in an earlier letter which leans toward the hard "s's": Strategy, structure and systems. Neither the hard or the soft ~~xxx~~ ~~xxxx~~ "s's" are mutually exclusive of the other; it is a question of relative emphasis.

I don't know whether Wriston will see the report or not. I've given copies to Bellows and to Collins (Country Officer and Institutional Bank Head). Bellows will pass to Harshfield and it's really up to him how much further he wants to send it up. I don't want to be accused of self serving behavior by mass-mailing the thing to every Tom Dick and Harry. While there is clear indication of a turnaround; the thing is still not making that much money and has had such a long history of poor performance that to many we still leave a bad taste in the mouth. It would take 2 to 3 years of true earnings wins to erase the bad taste left by 5 years of no common dividends. The people who really count, Harshfield Long, and Reed know, I believe, how well we've done.

I've ordered Gilder's book from Fortune book club. I repeat, you should put on your reading list, The Art of Japanese Management - Applications for American Executives by Pascale of Stanford and Athos of Harvard. I appreciated the quotes from Gilder you lifted. We have discussed this before -- about the spiritual qualities that underlie growth and achievement. Athos and Pascale talk about this too. An underlying theme of there book, is that a full understanding of these principles is what may be holding back the success of many American managers and business over time.

I'm not sure whether I've left a climate here that can perpetuate itself. A common phrase heard here is that it's great while you're here Steve, but after you go it will return to the same old thing: Mismanagement by distrust, crisis, and manipulation. There are any number of people who I have wedged away from the place (I talked about insulation last communication) that are eager to reassert their power by holding people back after I leave. The people I will leave in place do not have strong enough constitutions, sets of principles or whatever to resist. It's probably more like planting seeds. Bellows would never admit to this, but I think it is he who has learned the most. I know that this sounds arrogant, but he is smart if anything. He has witnessed a great deal of success as a result of our emphasis on soft "s's", and he has to have learned something. I'm not sure whether he himself will ever change. Well have to go now -- thanks for your letter Dad, I enjoy having these discussions with you ---no one around here understands the language we are speaking, so it's good to have someone to talk to. By the way, Bellows has read The Art of Japanese Management. I'll try to get him into a discussion on it. Love Steve

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30/8/81
Mamula

Here is that quote. I decided to type it for you

Art of Japanese Management, Applications for American Executives

Richard Tanner Pascale (Stanford Bus School)

Anthony G. Athos (HBS)

Published by Simon and Schuster

Page 103

Citicorp offers a second provocative illustration. "FNCB is an elite institution with a considerable organizational ego," states one of its senior personnel officers. "Over the years, we have hired a great many talented and aggressive people. We have in place, of course, a great many first-class management training courses that teach not only the technicalities of banking, but the importance of patience in changing organization and the virtues of effective communications and sensitivity. But the informal system rewards aggressiveness and verbal skill. The term we use around here is "tiger"—and it is not a negative image. The attributes sought are naked ambition, tremendous flexibility, willingness to change, and an assertive kind of "meeting macho" where you verbally punch your points home and spear those who disagree. Problems arise, however, when an organization can't expand fast enough to absorb that kind of aggressive energy. Then the tigers turn into sharks...all swimming around in a confined space... waiting. The quicker students who attend these courses on the niceties of ~~management~~ management are watching out of the corner of their eye to see who the managers are who are going to survive and thrive. "Interpersonal virtue" is no match for the powerful force of role models who consistently exemplify aggressiveness and hustle."

This quote was put in the book as an example of how Japanese companies aren't. I'll comment on the quote itself however.

It is quite revealing, but simply confirms what I've been saying about Citibank all along. That is, that we simply pay lip service to such courses as Managing People and that the values that are really rewarded in Citibank are aggressiveness, intellectual and verbal hustle. The course I went to in Florida was really a verbal dart, king of the mountain type, survival of the fittest type game. The first time I had any real exposure to this climate was, of course, Australia with Kravitz, Kopic et. al. To be quite frank, ~~it is~~ my own skills, values, inclinations etc. are not those mentioned in the quote above. I am not quick on my feet verbally. I do not take pleasure in verbal jousts and games that go on in the bank, nor am I very good at it. To some of these people, I probably come across as a tall, slow thinking, slow speaking westerner. How then, have I survived so far? Have I really survived in the first place? In reply to the first question, Kravitz sought out to make me or break me. In fact, in the early days with Ralph my solutions to problems would tend to drift towards interpersonal, organizational, people type solutions. Ralph started calling me powder puff, or puff for short. I did not excel at some of the systems type discussions. In Ralph's mind, I am sure that I, at that time, was an 80% chance to get the boot out of his organization. I hadn't thought of this until now, but I think what saved me was when Ralph went on a 3 week business trip. I was left in charge in his absence. For the previous 2 months Ralph had come under fire from Moreno due to his inability to close the books in time to meet New York closing requirements. This was a sore point with Ralph. He had to rely on 7 or 8 elements of his organization to deliver the final result. He had spent much time on the systems side of the failures. The why's - the systems why's eg. bugs in the computer? inadequate technical training? ~~xxx~~ wrong accounting entries? misdirected paper flows? etc. He left me to work out the problem during the ensuing 3 weeks. I did something that he hadn't done up to that point. I called in the 8 supervising officers of the relevant departments. I did not talk initially in systems terms. I said things to the effect, "We have a problem here, it's screwing up the work, you guys are professionals and can do better than this, what do you think the sources of the problem are. A good lively discussion ensued. A lot of ideas came out of the discussion. The people seemed to feel that they were

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involved in some thing important. They were probably happy that the problem was being put at their feet and that a lot of Ralph's staff guys and perhaps Ralph himself was not down meddling with the process. In sum, an enthusiasm for solving the problem developed and a joint commitment to kill the problem by the next closing ensued. You can't ignore the technical altogether and we did discuss briefly some technical issues. We set up action plans and bench marks, and agreed to have a follow-up meeting within one week. A point to make here. The bulk of the meeting dealt with spiritual tools. Eg. building commitment, esteem etc. The technical side took up comparatively little time in the meeting. Well, you can guess the end of the story. The followup meetings were held; the various steward department managers came to report the progress on their deliverables and by time for closing, it went perfectly, with all departments scoring ~~perfectly~~ to plan. Ralph heard of the successful closing from Moreno on a telephone call and placed an international call to me. He congratulated me on the closing and told me I would feel a lot better if I earned my promotion by doing things like that, rather than by getting it immediately. ~~xxxxx~~ I had made him look good. He may or may not have known my technique - the fact is that something that had given him considerable worry had gone away. He probably said to himself at that time, "Maybe I can work with this guy after all," though he was still not sure enough of me to lay the promotion that I thought I deserved on me immediately. After that I had more flexibility in my problem solving attempts, basically using the same general approach to management as in the closing example. It worked and Ralph was pragmatic enough to go along with it. Over time we developed a mutual respect for one another professionally. What is important, though, is that I succeeded in my own way. I did not try to do it in the way described in the quote.

Without going into a long story, I've pretty much done the same thing in the Philippines. Initial relations with Bellows were tense and difficult. I could not/would not respond to him in way's consistent with the culture of the bank. I did things my own way, it started to work in areas that had been disasters before. At least 10 managers are now top performers who had been previously identified by Bellows as writeoffs--people who had not/could not make the grade. I think I said in a previous letter that Bellows now just sits back in amazement and virtually leaves us alone at the Finance company. But, initially freezing him out was probably not without its cost in terms of his bruised ego and possible resentment of me.

In sum, in the 2 latest examples of my successful management experiences, I have in essence had to insulate myself from the culture above, and achieve results in my own way, using techniques taught in the bank's training programs, but techniques which are not really valued by the bank in the informal system. Ralph is pleased with what I did and respects me. However, he will be of little help career wise as he went back into a domestic operating organization. His career will never be that of a business manager in future so our professional paths are not likely to cross. Bellows certainly can't complain at the work I've done, though in many ways I'm sure he resents my success. He is not likely to be a big backer of me, even though I saved his life. While smart, he is also without values, and basically insecure. That leaves Harshfield as my only mentor and as the best card in my hand. I have always been one level away from him and I'm not sure how I fit in his game plan. From indirect sources I hear that I'm highly regarded. I'm known as his guy. But I don't know how much he can be trusted either. To some extent he himself is an aberration to the culture, however he's quick enough to fight with the culture on equal terms using the cultures verbal tools if he has to. In the final analysis, therefore, my future in Citibank depends on the culture's ability to accept aberrations. Will the powers that be recognize track record, past successful performance as criteria for passing out the good jobs. Or will they continue to experiment with superbright, aggressive tigers or sharks and ~~blow up~~ continue to blow up half the places they control. There is some evidence that track record means more than it used to. Catterson in Australia is a 50 year old 25 year bank experience, slow witted character like me in many respects. Pure wisdom and experience to back him up, but weak in quantitative, verbal areas etc. ~~xxxxxx~~ He is not part of the John Reed culture and was snatched up by Harshfield to do the job. He is doing a super job. The people in Australia love him etc. So we'll see what Harshfield delivers next time. But there is also the question, do I want to continue to work in such a culture over time even if better jobs and responsibility to come available? Don't have time to write on this, but it is an important question. I feel at this time that our company is with out any real unifying values and will tend to go the way of ITT over time. These are some of the most interesting times of my life. Doing a lot of reading, thinking and writing. Bye. Love Steve.

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Maile

30 August 1981

Dear Mom and Dad - In some ways had quite a busy week. Monday eve went out to dinner with John Harlow and his boss and boss's wife. Also included were Mr. and Mrs. Freeman, the new head of Johnson and Johnson Philippines. Freeman had known Harlow's boss, Mike Hazzard years ago in Cuba. It was a nice evening at Abeldardos, a good French Restaurant at the plaza Hotel. The Hazzards were long time overseas people, now living in Mexico City. He had met David Alldredge. David was apparently looking around, but has since been given the Regional job in HK so we understand they are a little bit happier and not so anxious to leave First Chicago. Tuesday: Explored job possibilities with Harlow. Its not likely anything will come of this. I made it clear that I was not looking, but that I would be willing to talk to this firm if they really wanted too. Since I really don't know the electronics business I would doubt that I'd be high on their list anyway. You needn't talk to Leroy or Ogda about any of this business--at least the job search side of it, thanks. Tuesday nite Margaret went to class--no wait, take that back we went to the Nagy's together. Joe, you remember was one of my protege's in Australia. They had invited some interesting people, including the professor who may be in charge of directing Margaret's thesis, Marie Goolsby. She is married to a former head of Johnson and Johnson in the Philippines, a predecessor to Freeman, mentioned above, who quit J and J, started his own consulting company and settled in the Phil with Marie. Marie is a Radcliffe undergrad and Harvard MBA who is now employed with a locally owned bank, Insular Bank of Asia and America as head of Personnel. She and Margaret will get along well together, I'm sure. Marie even had some suggestions on how Margaret might resurrect the cookbook for further publication, though I don't think Margaret is very enthusiastic. Wednesday nite went to The Mack's place. We knew them in Australia. He is in charge of credit policy at the institutional bank here. His barbecue dinner was in honor of Chuck Lamb (you know him) who was on a business trip here. Also attending were the Nagy's, who also knew Chuck in Aus, and Jim Collins the Country Senior Officer, and Head of the Institutional Bank in the Phil. The Lamb's are pretty disillusioned on the book issue also and we didn't talk much about it, apart from confirming with one another that neither party had been able to obtain additional copies. I think, even, that our relationship with the Lamb's has itself gone a little sour over the whole affair. Parenthetically some gossip on Gary: Ron Jones came to town week before last - we always play tennis early morning when he comes. Told me that Jean was concerned that Gary is treating the missionaries too hard. Did I ever tell you that last time we were in HK, Gary admitted to having censored some of the missionaries' mail? Apparently he suspected that one elder was romantically involved with a local girl and Gary proceeded to open his mail prior to delivery to the Elder. Nasty of me to gossip this way, but Gary is such a fantastic case study. Jean is a real trooper to hang on, if you ask me. Thursday: More bank entertainment. Invited to Jim Collins for a bank do. Not very interesting. A lot of people attending a course here attended. Catered nicely though. Sat next to Parveen Arif whose husband runs the training center here. Friday - Went to an American Chamber of Commerce luncheon featuring Bill Brock, former Rep. nat'l Chairman and now Reagan's cabinet level Commissioner on Trade. Very impressive. Got up and made no excuses for America. Said it was likely to get worse before it got better, how great it was to have a pres. who stuck to his guns etc. etc. Sat next to Rob Moll, of Borden. Rob used to be our next door neighbor until his family moved to a larger house. Sat next to another guy from Banker's Trust named Jim ? (forgot). That evening Margaret and I went to a combined Wharton and HBS club nite featuring Cesar Virata, new Prime Minister of the Philippines. Virata is a highly regarded technocrat who serves to give Marcos a good deal of credibility internationally. He is a shy reticent person(perfect foil for Marcos, no?) yet extremely competent. Educated at Wharton, he once held a high position with the World Bank and was nominated as one of the 5 best Finance Ministers in the World by the Institutional Investor magazine. Margaret is proud that he walked down the stairs with her and nodded a hello. I also shook his hand and had a word or two. Sat at a table with Pete and Sue Bellows and 3 Filipino partners of SGV, Asia's premier Auditing firm. Saturday: Margaret had her production class over for the class party. She doesn't have to prepare anything, the students just like to use our house. Margaret is well liked by the students as well and everyone seems right at home. Talked from some time to the teacher, a Harvard Kennedy school of Govt PhD. A bright guy named Avila. Nice wife too. He runs one of the largest piggeries in Asia. 15,000 hogs would you believe. All for domestic consumption too. The Phil. as you may remember is a pork eating country. I went to bed early so they

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play their party games. I don't know which games they played, but, one example of a Filipino party game is as follows: 5 or 6 boys are lined up in a row with a girl facing each one. Each girl is given an egg. The object of the game is to insert the egg up the left pantleg, bring it up with the fingers around to the right pantleg and down at thru the right pantleg. This operation is performed by the girl. The first to have the egg make the successful journey wins. You can see why I left early, lest I be asked to participate in the game! Margaret says they finished about 1 o'clock. Nothing seemed to be missing the next morning.

One of my guys, Charlie Nocum, stopped in my office last Friday to tell me the latest rumor on the sale of FNCB Finance. He had lunch with a "reliable source" who had been present during a meeting with Virata (the Prime Minister), Laya (Central Bank Governor), Jolly Benetes (Deputy Governor of the Ministry of Human Settlements - Imelda's right hand man and man who is coordinating the offer for the Finance Company) and Mr. Orendine (Pres. of the National Home Mortgage Finance Corp. - Same as Fanny Mae in the U. S. and another of Imelda's cronies). Virata is said to have told Benetes, "Jolly, you're a Harvard guy aren't you? Why do you want to do a dumb thing like buy Fncb Finance? Don't you know they've had a lot of trouble, have a lot of bum loans etc.? Well, Virata didn't say that Benetes couldn't proceed with the offer, but Benetes, a political animal now knows that Virata wasn't exactly happy about the proposition either. I understand that Benetes is a spineless type and it could very well be that he is trying to find a way to back out of this deal. Can you begin to see how things work in Asia. Virata didn't say he couldn't do it, but all the same left a doubt in Benetes mind about his support for the deal. If Benetes calls it off, it will be his decision - he will never be able to say that he was told to call it off. Virata may have his reasons for not being so interested as well. The Philippine govt. has been under a lot of criticism internationally (See the Fortune Article of July 27 among others) for its heavy involvement in supporting the private sector through funds infusions into ailing companies in return for equity participation. Too some, further investing in FNCB might be a little to high profile, especially as it involves a multinational. It is not that we are in trouble and need the funds, but it could be construed to be a Citibank pull-out from the Philippines and have adverse PR impact vis a vis the industrial climate of the country. I meant to say investment climate;

Dad, speaking of ambiguity in management, you must read "The Art of Japanese Management" by Pascale and Athos. Tony Athos was one of my profs at HBS and the book as received good reviews from Fortune, WSJ and others. It is considered a superior book to Ouchi's Theory Z (a misleading title, by they way). It is highly confirmatory of your entire Philosophy of management. In early chapters it compares ITT and Geneen with Matsushita, now the world's largest electronics firm. To generalize, Geneen left out the human element where Matsushita did not. Matsushita's values and philosophy was perpetuated in the organization even after he left, because it was important for Matsushita while he was there to inculcate values as well as technical skills amongst the people. Conversely, ITT had no corporate values. People were more or less production inputs. As long as Geneen was around with his extraordinary ability to get at and remember facts, the corporation was successful, but because he did not leave the corporation with ~~xxxxx~~ a set of ~~xx~~ values or a sense of even spiritual affiliation with non financial goals, the corporation started to decline after he left. These are large generalizations - the book is much more interesting. It talks of successfully using ambiguity (a la Japanese) in Mgt. This is where Bellows is very strong. In the early stages I read Bellows inability/refusal to always put the cards on the table as manipulative and ~~deceptive~~ evasive. However, he uses it successfully, leaving many potential options open that I might have closed in my desire to define things crisply. Let me say that some problems require precise definition and one must know when and when not to use ambiguity to advantage. The problem with Bellows, is that while he may have mastered the Japanese Art of ambiguity, he lacks the Japanese emphasis on values and the importance of the human side of enterprise (to coin a term) Note the quote on Citibank on page 108 of the book. Run out of paper got to go now. Love. Steve.

Sunday ~~Monday~~ Sept 14, 1981

Dear Mom and Dad,

I was just wondering if the Y beat Air Force. I guess I'll find out in tomorrow's paper. We are very happy that Dee is going to come for a visit. I think the last time he was able to visit us was when we were in Peabody Terrace in Cambridge. I can't remember what the purpose of the visit was. We had a very nice chat on the phone when he announced he was coming. Sounds like he will be on an interesting trip thru the Orient. Too bad Shauna can't come.

Margaret is in the dining room with fellow production class students doing a project for class presentation. Just helped Phoebe on two of her projects: One on meteors, comets and asteroids, and the other the construction of an electro-magnet. Lucky that the child's supplement to the World Book Encyclopedia gives a step by step on how to construct an electro-magnet --otherwise Phoebe would have no luck with me helping here. Jacob just completed watching a Walt Disney movie, North Avenue Irregulars and is now out riding bike with friend Brian Epse. Brian's dad works for Bank of America and lives a couple of blocks away. Brian was on our T Ball team last year.

The Gomez' (you know their parents) spoke at Church today. They have a nice family and did a good job. They talked on the atonement, a difficult subject. It is customary in our branch to have the family as Sacrament Mtg. speakers. In primary, I am still trying to teach them to sing parts. We are scheduled to give the musical number in sacrament mtg. a couple of weeks hence. It looked pretty hopeless at first, but when the kids knew I was determined to do this no matter how long it took, they resigned themselves and started trying a little harder. Jake is one of my mainstays on the high part, and P holds her own on the 2nd alto part. Unfortunately I have 3 kids who can't even carry a tune, the two Beisinger girls and Stevee Gomez.

The SS lesson was on the Psalms. Had a lot of participation. Maxine Grimm had some interesting comments on how we no longer appreciate poetry in our lives as in the days of yore.

Last week was pretty uneventful. Didn't play much tennis. Did go out to Al Shams Indian restaurant with Jane Robbins, now with the Asian Development Bank here. M and I knew Jane when she was with Citibank back in the Philcad days. She has since left the bank, worked in Wash DC as consultant etc. before joining ADB for assignment back in Manila. She does projects in Indonesia. She seems kind of lonely. It was fun talking old times about Philcad. We had some good laughs trying to think of some bad things about Cam Stone - remember him? I happened to see him in the VP dining room in New York in January. We didn't say hello to one another. He is now a credit inspector.

Bellows called me into his office last Tuesday and informed me that he was being considered for the Division Head job of CSG South America. The Harshfield level job for that part of the world. Obviously commissioned as a go-between he asked me if I would accept his job if I were asked. I said that it depended if on whether or not the Finance Comp. would be sold or not. I said that I did not feel the job was worth much without the Finance Company. He tended to agree and said that he had already informed Ed that he thought this would be my opinion. I said that I would stay around until and when the Finance Company were sold or until we could meld it into some other part of the business, but that I didn't think that the Bank would be getting its money's worth paying \$200M a year for a Business Manager just to run the deposit taking segments of Citibank, and matrixed Cititrust. I said I would stay if I could get a commitment from Charlie Long and Ed to get me out if the Finance company were sold. Pete said he thought this was a reasonable position to take. On Thursday talked to Pete again and he said he had talked with Charlie Long (hadn't had a chance to talk to Ed yet) and said they were considering two options for me: 1. The option cited above. Stay and unload the finance company then move on. 2. A move involving a promotion (no details given - by the way alternative 1. represents a promotion too, although more in form than in substance, if the finance company goes away.

In the mean time, Pete has gone to Rio and I have been asked to stand in his place until Charlie/Ed can figure out what to do with the Philippines. A lot hinges on the sale of the finance company. Noone can get any info out of the ministry of Human Settlements. I'm just waiting to hear from Ed if it is go or no go. Ed asked me to present the Philippine budget to him, his staff and Charlie Long when they come thru Manila on the 24th of Sep. They'll have to resolve things by then at the latest. In the meantime, I'm not losing any sleep. We'll just have to wait and see how things turn out. By the time you get this letter, the answer will be known. Ed may bring in a Regional type to Manila to over see what's left of the Philippines plus ASEAN (Indonesia, Singapore and Malasia). Don't think the powers that be would consider me for that job (little do they know that I could do it 5 times as good as anyone they'll choose), but they might choose the Hong Kong guy, ~~ZZZZ~~ Saklad, and Easterner about 45, and tap me for the Hong Kong job. That would make a lot of sence. Ed could take care of me and Saklad, plus reduce his span of managerial control by creating a Regional organization. He must reduce his span of control somehow as he is being asked to open up Saudi and Egypt. Don't want to go to either of those two places.

Have started reading The ~~Bank~~ Bankers, by Martin Mayer. About 7 years out of date. I havent taken the chance to read it and have always wanted to.

Well, I can't think of anything more to say. Bye for now. Love Steve

Maula Sept 5, 1981

Dear Dad, I'm just now reading in Pascale's and Athos' book in the next to last chapter on superordinate goals. They make the point that such goals play a very large part ~~of~~ in the success of Japanese corporations and mention that some American firms have also succeeded with the help of such a value system: Thomas Watson of IBM is quoted:

Tom Watson, Jr., in his McKinsey Foundation Lectures at Columbia Univ. in New York in 1962:

I firmly believe that any organization, in order to survive and achieve success, must have a sound set of beliefs on which it premises all its policies and actions.

Next, I believe that the most important factor in corporate success is faithful adherence to those beliefs.

And finally, I believe that if an organization is to meet the challenges of a changing world, it must be prepared to change everything about itself except those beliefs as it moves through corporate life.

In other words, the basic philosophy, spirit, and drive of an organization have far more to do with its relative achievements than do technological or economic resources, organizational structure, innovation, and timing. All these things weigh heavily in success. But they are, I think, transcended by how strongly the people in the organization believe in its basic precepts and how faithfully they carry them out

Watson's beliefs were three:

Respect for the individual. Respect for the dignity and the rights of each person in the organization.

Customer service. To give the best customer service of any company in the world.

Excellence. The conviction that an organization should pursue all tasks with the objective of accomplishing them in a superior way.

Citibank, by the way, has similar beliefs and/or values. But, at the present time they are basically hollow in their application. To an extent right now it is every man for himself. Many are working against one another. It is no longer Wriston's controlled tension. It is sometimes uncontrolled warfare. This is born out by two more high level resignations in the last 2 weeks. Wriston himself is on the block, though no one at this stage sees him leaving before his three years is up. It is clear to me and to others I know, that no one at or near the top right now, possesses the vision to reestablish a sense of superordinate direction in the corporation. We shall see what we shall see. It is all very interesting, and in a perverse sort of way, exciting. John Reed has well acknowledged conceptual abilities but he ain't got heart. Theobald does not possess the Conceptual tools of a Wriston (in his early years). That you would be interested in the Watson quote. You should get the Pascale/Athos book. Rt. up yr. alley.

★

Manila, Nov. 1, 1981

Dear Mom and Dad, I would have started writing earlier in the day but I was in the family room playing with Jacob's Game and Watch and it was driving me nuts. I was trying to get 200 points on Helmut and I was just too impatient and kept getting hit by the falling tools. When I was a kid it was yo yo season or marble season. Here it is Game and Watch season. A yo yo cost one dollar, alas a Game and watch costs \$25 or more.

A lot has happened since I last wrote. Bellows was called to go to South America when I last wrote in late September. I was asked to give the Philippine budget presentation to Charlie Long EVP and Harshfield along with Harshfield's staff. Brought them in from the Airport and went immediately to Harshfield's suite to talk to him. He got right to the point and offered me the Taiwan job. On paper it would have represented a grade/level promotion, but in substance, the job is not as challenging as the one I have been doing. I told him flat out no. That I felt the job didn't have substance compared to what I was now doing, that the potential career returns of the job did not compensate for the costs of living overseas and that if that was his only offer I wanted to go back to the US and take my chances. I was insulted. He feigned surprise and said, "Gee, I thot you'd really be pleased." He asked me if I wanted to think it over, or talk it over with the guy who was in the job now, who was now coming to the Philippines to take over from Bellows. I said no I didn't think it was worth taking up extra time talking or thinking about it. He fumbled around again and said the same thing "Gee, I thot you'd really be pleased." Harshfield has never really taking the time to get to know me or understand how I think and was trying to manipulate me like a second grader. He told me that now is not a good time politically to go back to the states and to give him a couple of days to think about the situation. In the mean time he sent me to Charlie Long's suite. Charlie Long, who has never really taken an interest in me before proceeded to stroke me and tell me what a good job I was doing etc. etc. How we needed good people to stay overseas and how he had made numerous mistakes in sending people ill suited for overseas culture - Australia certainly being a case in point. He told me that Bellows had been saying excellent things about me and that he wanted to keep me in the Division -- he didn't have any specifics to offer. On the way out to the airport 4 days later, Harshfield and I shared a car. Ed ~~xxxxxx~~ told me to "keep this conversation extremely confidential (more manipulation) but that the guy in Hong Kong (Saklad) wasn't doing so hot. That he had spoke to Charlie and both had agreed that they wanted me has his back up. However, he had only been in HK for 18 mo. and it might take another 6 mo to get him out with his dignity intact. Saklad is about 45 and has high school age kids. In the mean time Margaret could finish her degree. "Would this be the type of a job you would be interested in?" I said yes. At that point I felt the chances of him lying were about 50 50. He said he wanted M and me to come to Australia for his Business Managers conference. I figure that ~~in~~ waiting, the worst thing that can happen is I lose 6 mo before returning to the ~~States~~ States, but that Margaret will get her degree. That is not so bad on the assumption that he is lying or that for whatever reason he will be unable to deliver on his commitment. So I guess we will hang around for a while. At least the kids will be able to finish the school year. Bellows came back to pack up after Harshfield had gone and I told him the broad outlines of our discussion. I made the point that I didn't trust him. Lo and behold at the opening of the Sydney Discussion with all Business Managers present

also Harshfields staff, Ed welcomed me and indicated that the reason I was there was to give the Philippine presentation, but more importantly that I was the "next business manager out of the pipeline", so all you business managers may be looking at your next replacement. That was a pretty strong signal. The guy from HK must know it is him, because he was glum the whole week - really down in the dumps. So you see I have been successfully manipulated to hang on for a while on the assumption that Ed has some timing problems. John Liu, Longs personnel guy who was also at the Sydney conference told me that Long had told him that he wanted to do whatever he had to to keep me in the Division. So I guess there have been enough signals to give the proposition ~~of~~ a modicum of credibility. Enough to stik it out til the end of the school year.

I don't know what I'm going to do in the interij. I am board with the Finance Company. Ricky is functioning well as my back up. I will probably try to enhance my systems knowledge and visit a few of the areas around Asia to get an understanding of various systems issues. Automation is the thing. If the banker of the 80's and 90's doesn't have a feel for it, he will be left in the wake. I'll give the new guy Spiridon (one of Ed's guys for 8 years) any help he needs although in Classic Citibank fashion he won't want to be perceived as building a dependancy on one of his future rivals. No one can understand why Ed likes this guy apart from the fact that he left his wife to spend 3 years in Taiwan for Ed as his Business Manager there. His tenure was not marked by any great successes. In retrospect I am glad I am not taking the job here (this is not sour grapes either) as the economy is down and there is more downside risk going forward than up side potential. My name and the Philippines are already associated with some success so there is only risk from this point onward.

We were sorry to miss Dee. What a sorry set of coincidences. We gather all had a good time while he was here. The kids were glad to be with him and happy with the gifts he brought to them. He seemed to get around and do a few things while he was here. I understand the Friday nite sojourn to McDonalds was really a scream with the Chinese Fire Drill. Get him to tell you about it.

Our trip to Australia was great. The week before Dee came we went to Port Moresby, PNG and then to Cairns on the Barrier Reef. In PNG we mostly went shopping, but did take a tour of the city. This is a very backward land. I am very interested in it, however, as it is the sight of much heavy fighting in WWII McCarthur made his headquarters for a time at Port Moresby. The Japs had a big base at Rabaul on New Britain. Interesting Area. The Barrier reef was fantastic. Such sight under the sea. While snorkling saw sea snakes, rays, allvariety of fish including some big grouper almost as big as I am. One big beau tiful blue fish half my size. Also drove margaret around the Atherton Table lands and thru the cane fields. I had been Before. But it was more interesting to go together. The week in Sydney was wonderful. Went to Church. Everyone was glad to see us. Went to the Browns for Sunday Dinner. Had them up to the new Sydney tower restaurant later in the week. Went to Chris Jones' daughter Linda's wedding on Saturday and got more chance to talk to the people. Margaret went to visit with the Davis (next door neighbor in Mosman) saw Penny etc. Most of the time taken up with the bank crowd. There were hurried presentati ns; tours around the city, boat trips on sydney harbor. Saw Figaro at the Sydney Opera House. Marialis Harshfield was here usual snobbish self. Mom, you'd have to see it to believe it Life continues to be interesting. Yesterday was Phoebe's birthday. the girls went trick and treat around the neighborhood, came home and played games in the swimming pool. Margaret got some punkins for them to carve and it worked out very well. Phoebe got a new stereo for her room. One girl brough her 3 guinea pigs ugh! Sounds like collusion to me. All for now love Steve

Sunday August 23, 1981
Manila

Dear Mom and Dad, It is a lazy Sunday afternoon. Margaret is upstairs napping. Phoebe and Jake are with some kids from the neighborhood riding their bikes on a vacant lot bike track. I guess they'll ride there until the bigger kids with their mini power bikes in true king of the hill fashion come and kick them off.

We had a good church today. Great speakers (the Taylors) and a great Gospel Doctrine class on Saul and David (I was the teacher). Today was also a big day in that this week I played the piano accompanying the hymns and continued in my attempt to teach the primary a hymn to sing. The family did do a good job in their talks. Phoebe talked about being yourself. Jake talked about how Paul said to love your neighbor. Margaret talked on building friendships.

Have a busy social week coming up. Monday with John Harlow and boss and bosses wife for dinner at Abelardo's at the plaza. Tuesday we are going to the Nagys. Joe worked for me in Australia. He is up here on an assignment to teach at the training center. His transfer has really been botched up. Moreno (formerly stationed in Singapore, now in London - remember the creep from Australia?) asked Joe to come up to replace the director of the training center in Manila. He said Joe would be promoted to VP in the bargain. Joe gets up here, and the incumbent, a Bangladeshi named Kazi Ariff, has not been informed that he is to be replaced. He and Joe start to go at each others throat and the local senior Philippine guy, Jim Collins tries to mediate. Collins is a weak man and will take no steps to resolve the problem and only tries to sooth both parties. Meantime, Moreno makes some half hearted attempts to offer Ariff a job in his area, but the jobs are not to Ariffs liking and Ariff trumpets that if former directors of training centers don't end up with good jobs, no one will want to come to do a training center job in future. Then, Moreno goes to London and forgets about Joe. Joe doesn't meet with Collins' or Moreno's replacement's liking so now they are offering him a job in the bank in Manila indicating that his VP title may follow suit depending on his performance. Joe may or may not be qualified to be a VP. The fact is that he was jerked around by bad people. His family life and career were disrupted and he is only being told be patient.

I continue to hold the notion that the bank is a bad climate in general. Wriston hasn't managed it for 3 or 4 years, and the power vacuum has created an intensely political environment which is likely to get worse until Wriston goes in two or 3 years. As I've stated before, the bank will do poorly again this year due to some bad and bold bets on interest rates. The climate of John Reed's organization is also not a healthy one. There is a lot of analytical, technical expertise that permeates, but very little heart or understanding of how to handle and manage people to get the best out of them. As a consequence John Reed's technicians continue to blow up places around the world. London is the latest where we have severe, credit and management problems a la Australia. The guy responsible had never managed anything before he was sent there. Bright and shap, he had wowed the head office people with his analytical expertise but was simply another Charlie Kelly.

Ironically, Marshfield is the only Division Head under Reed who has had significant management experience and all of his units are doing very well. Marshfield doesn't fit the Reed mold. He likes to do things his own way. This has left him politically to some extent on the outside. Yet his units perform. He has picked all his own people. In some ways there is hope for people like me, but only if Reed comes to an awareness that track record will become more important than untempered brilliance in managing his various business around the world. I keep getting told that I am doing a fantastic job etc. but, I put no more trust in these people to deliver than Joe should have placed in Moreno. Generally speaking, the climate is bad, and the people in general are not good people. This will probably go on for 4 to 5 years until the post Wriston crew have a chance to sort things out, and even they won't necessarily create a good climate.

Best I sound too pessimistic, I'm not. We continue to enjoy ourselves. I have learned to live with the above problems, by keeping my eye on my own ball and delivering what is expected of me. Bellows and I have worked out what has resulted to be a fairly synergistic relationship, each complementing the other where the other is weak. Pete does well at managing up, form, packaging etc. I do well at making it happen - managing. We have subtly recognized the others strengths in our respective areas and quietly deferred to one another in our own respective areas of strength. In the beginning, Bellows and his crew of staff (most of which are among the most incompetent technicians I've ever seen) would want to meddle around in the "hows" of what we did. It is ironic that much of our success can be attributed to neutralizing those people and Pete, getting them totally out of the "hows" area, letting them contribute thru me on the "whats", and then only to a limited extent. In the beginning, this caused a lot of stress.

between me and Pete, but we overpowered him and when he saw what could be done he quietly sat back and watched in amazement. His own staff people became redundant, because we wouldn't let them in the door, and now he spends much of his time trying to think of things for them to do. In other words, we've made him manage in the world where he is supposed to. Still, he should fire all those idiots working for him. That's one of Pete's downsides. He doesn't know how to get and motivate good people. He's bright enough to operate with a mediocre staff. I would fail if I had to work with the people he uses. Maybe Harshfield knew that when he sent me up here over Pete's objections. What a life! It certainly is interesting. You meet many interesting people and encounter many interesting situations. I am fortunate enough to have had many exciting challenges in my career and feel ready to tackle some more. A normal steady state job I believe would not prove exciting to me. I told Ricky Ysmael 2 years ago that within 18 months I wanted to have a process in place where he could run the place with no help from me. We have achieved this. Somedays now, I am only spending 2 hours a day at the office. In the remaining time I am improving my tennis, reading and spending more time with the family. I go over to the Polo club at 3 in the afternoon and make it a point to say hi to Sue Bellows. I want to make sure Pete knows where I am with out having to tell him directly. This may sound a little arrogant, but so what. I know now that I can do things and I enjoy the sense of self esteem that that gives me. I don't fear the banks as much as I used to and enjoy not adhering to the silly norms reserved to those that do. I wore my cowboy boots to the last board meeting! I turn down dinner and cocktail party invitations that some people at the bank would die to get, if I don't want to go, or don't like the people. I feel more at home with myself and my family than I have ever felt in my life and I enjoy the feeling. It is a feeling that derives from a sense of achievement internally, and not dependant on external factors. Though it is nice to be stroked, I don't depend on that as much as I used to. Kravitz taught me a lot here. In his view stroking was for sissies. I think the proper way is somewhere in the middle though. You can't treat all people like Marines. People do need to be praised. They also need to be gently upbraided for their shortcomings and weaknesses - I guess in the spirit of Sec 121. Yet, at the same time extending false rewards, false praise in the hopes of keeping people happy or neutralized, when those people havn't really done the job, may enable a leader to avoid the unpleasantness of saying bad things, may buy peace or loyalty in the short term, but will only lead to problems in the long term. Bellows, for example, is the type that will lie to people, telling them that they are doing great, giving them increases etc. when they are really not. But, he buys peace and quite, he does not build people. Boy, this is really a stream of consciousness letter. I'm saying things all over the place.

Kids doing ok at school. Margaret really into her project thesis. Wednesday, Chuck Lamb is in town and we'll ~~have~~ go over to the Mack's and have dinner with them in honor of Chuck. Bill Brock, chairman of the Republican nat'l cte. is in town and I'll go hear him at the Republicans Abroad lunch. Reagan really seems to be doing the deal, doesn't he? The Libyan embassy is only 2 blocks away and Margaret and the kids could hear the 400 Libyan students demonstrating the other day on the shot down planes incident. Glad to hear Dee coming. We look forward to seeing him. Hope it materializes. No news on sale of Finance Company. Might it the press this week in a big way. I still think there is a good chance of its no going thru since there is much criticism of the govt.'s excessive investment in the private sector over the last several months. The pres. just gay nix it, despite the fact that Imelda wats it. Tired of typing bye for now. love steve.

9 November 1980

Dear Mom and Dad,

I have postponed this letter long enough. Reagan winning the election is enough to get a boost out of me, I guess. I listened to the returns live via voice of America. Walter Cronkite came on live TV here after Carter had already conceded, but I didn't take the time to finish watching the returns. Instead, I went in to work. Ironically, it was not a work day. There was a storm signal no. 3 in Manila that day and all workers had been requested to stay home by presidential decree. The worst of typhoon Aring (Betty) had passed however, and getting into work was not so difficult. I guess I knew when I saw that debate that Reagan had something more than Carter going for him. He appealed to the hearts of the people. My worry at the time, however, was how many of the people still had hearts that would receive his message. Not that a nation can be run by intangible feelings. But the absence of such in Carter created a void in our nation. Lets see if Reagan can put it together. I'm sure Walter Wriston is pleased. Reagan elected and Garn chairman of the Senate Committee on Banking and Finance. This could well mean an acceleration of initiatives to lift many of the regulations currently restricting Citicorp in such areas as interest rate ceilings, nationwide banking etc. We'll see. Filipinos (those of the establishment that is) are generally happy about Reagan's election, feeling that he will be less of a moralist in establishment of criteria for friendship, favors etc.

We lost our T-ball game yesterday. Went out to the sticks (Marikina) to play a local team. Jacob played Center field. He still hasn't figured it all out. When he flew out to the pitcher, the fans on the opposing team cheered the pitcher's good catch. I guess Jacob thought that they were mocking him so he ran over to them and went NYaaaaaah! They cheered even louder. It was kind of funny, but of course bad sportsmanship. I expect he'll learn over time what is going on. He'll be on deck with 2 out and the batter will get out and he'll go into a temper tantrum because he doesn't get to bat. He has not yet understood that he'll be first up the next inning! Try to explain it to him, he nods knowledgeably, his mind obviously elsewhere on snow cones or hamburgers or friends etc.

Margaret accompanied Phoebe to her swimming meet where she still is improving her times. I got there late, but in enough time to catch her win her heat in the butterfly. She did 100 meters in 55 sec. down from 1:01 min the last meet. She improved her time on the medley as well, though for some reason she was disqualified. I didn't see it and don't know the reason for the disqualification, but usually it is for touching the rope, or interfering with another swimmer. All in all, however, we are ~~very~~ pleased with her progress. Came home with ~~AAAAA's~~ in all the right subjects at school too. Gets B's in PE, Art. etc.

Now hear about Margaret from her letters. She is jumping into a heavy load this semester in school. She pines to play tennis, having 3 weeks ago pulled some tendons in her foot. She is also preparing for Primary Christmas party. More from her.

We enjoyed having Oliver and Barbara. I had a business engagement the night Margaret had Maxine Grimm over to talk old times with Oliver. O and B went to Corregidor, Pagsanjan falls, and a Church Halloween party while they were here. They seemed to enjoy themselves. Jean Mitchell picked them up at the airport in Hong Kong.

I got an ego boost last week. A telephone call from Egon Zehnder Associates in Sydney. (Egon Z is one of the largest executive search firms in the world.) A new national bank is being formed in Australia, and they are looking for a top administrative type. The bank has received quite a bit of publicity down under and I was happy to receive a call. I believe I'll pursue it to see where it goes out. Small probability of me changing jobs at this point however.

Sonney has been moved from the Finance company back to the bank. Depending on which constituency you belong to, he either couldn't hack it, or was desperately needed back in the bank. The truth is sufficiently ambiguous to let one honestly believe either, which shows what skillful manipulators Bellows and Harshfield are. I'm now supposedly in charge of the whole thing, which is what Harshfield told me I was going to be when I first got up here - so he keeps his promise one year later. It should prove, however, to be good experience for a while. I am dealing with corporate type issues. Raising capital, paying dividends, changes in legal corporate structure not to mention dealing with an not altogether friendly set of majority shareholders and board members. Remember, Citicorp only owns 40 percent of this company. All of this in a domestic recession where like the US, financing of consumer products is more difficult. So it is a challenge. I guess my problem is that I have to go thru so many of these "challenges" before I get one of the good corporate jobs. My bosses are generally happy with my performance, but I generally don't trust them. 1981 will give a lot of answers career wise as I think Bellows will be going.

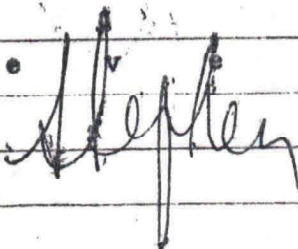
Going to HK in a couple of weeks. We'll be doing some Christmas shopping, visiting the Mitchells, Ron Jones, etc. plus I'll be spending a day or so at work with the consumer people.

Not likely we'll be coming at Christmas. Sorry I raised your hopes. Some possibility that I might be attending a course in Florida in January, in which case ~~that~~ I'll stop by.

BYU football looks good doesn't it. Appreciate your sending me the clippings on McMahan. At this typing the North Texas State game will have been completed. I expect the Y will have one. The no. 2 ~~guy~~ guy who works for me here went to Notre Dame and he's happy. That was something about Alabama and UCLA.

Can't think of much more to say. M and I think it would be good if Phoebe and or Jacob could spend a good portion of their summer vacation in Provo. They're old enough to have some degree of responsibility, plus I believe exposure to the environment I believe would do them good. The question is, can you take it? Our concern is that they have the Provo, BYU etc etc environment a real part of their lives as there is so much garbage in comparison elsewhere. If we can enroll them in clinics etc. etc. it would lighten much of the burden. What do you think? What are your plans? Love you,

s t e v e t a y l o r



May 11, 1980

Dear Mom and Dad,

It is Sunday afternoon on a muggy day. I spent some time making gingerbread cookies with Phoebe. Jacob was being punished by staying in his room for he disobeyed his mother yesterday. He has established his own scheme of punishments for disobeying or for telling fibs. First offence 2 hours in room, 2nd offence 4 hours etc etc until about the 6th offence he finally gets spanked. I don't know if it will work, but we'll give it a try. If I finally have to spank him, what will I do when he offends again!

Since I wrote to you last I've done some travelling around. Went to Legaspi on the Southern tip of Luzon. There is found the Mayon volcano, a perfect shaped cone - it is really quite an interesting sight. Margaret and I will go to Bacolod at the end of the month (where you went) and will return a day before the Grows come for 2 days. Garry and Jean come the end of the following month. Peggy's husband (Margaret's sister) Burl has just been told he has terminal cancer of the stomach and lower intestine. Primarily for this reason we will probably be coming home in July. M will still register for classes, but will try to pass, though she will have to miss several sessions. She is not in a Statistics class in summer school I remember that I did ok in statistics but it is only in the last 3 or 4 years that I have been able to grasp the conceptual side. It was always time consuming, but not difficult, to master the formulae, but then at that time, that's all they were to me - formulae. The next month, August, the Websters from Sydney will come to visit for a week.

Margaret was sustained today as the 2nd Counsellor of the Primary. She will be responsible for the English speaking Primary (primarily the expatriots). We just started the new consolidated meeting schedule today. I will probably have to give up teaching my Gospel Doctrine class as I'm not doing justice to my high council calling. The air con in the church doesn't work. Boy, what a disaster.

Would you believe I've lost 15 pounds? Its true. Don Cornelius put me onto the endocrinologist in town who has very good credentials (3 yrs post grad at Harvard etc). I went to see her and she said that my 251 pounds put me close to 40 pounds overweight. Her tests confirmed what the doctors in NY told me: I have high serum triglycerides. I also have a high normal cholesterol. Her tests showed that my thyroid was slightly underactive. I also have a very slow metabolism - my body produces excessive amounts of fat and does not burn it off efficiently. Anyway I am on thyroid pills, appetite suppressants (these are uppers - yippee, I feel great! Not to worry I am not taking in sufficient quantities to become addicted.) etc. I have a half cup of cooked cereal in the morning, ~~meat~~ along with a glass of juice, meat sandwich and soup in the lunch, piece of meat, cup of rice, and cup of veg. ~~meat~~ at supper. No eating between meals etc. I do have calimansi juice sans sugar or Tab etc. a few times during the day. I am shooting for 210 pounds and should reach it by mid August. If we do come home you will find that I have acquired a discipline on food beyond your wildest imagination. (Lets hope I don't lose interest!

I talked to Dee a couple of times last week. Had to find out some info on an old friend. He seemed to be in good spirits. Talked about an opportunity that may turn up in Seattle. I think that would be a good area to live in.

I have done a lot of reading lately, and I am really enjoying it. Read Macarthur Book, then White Book, then Doris Kearn's book on Lyndon Johnson, and now Nixon's memoirs. Too me RN's memoirs are as interesting reading as I have done in a long time. His case is that he was victim of a partisan attack by a hypocritical press and congress, and that while there is argument to suggest a coverup on the Watergate burglary in purely moral terms, political considerations dictated a stonewall approach a la most of his predecessors. LBJ covering up Bobby Baker, JFK's massive wire tapping and dirty tricks, and examples from Truman ~~xxxx~~ who stood by and fronted for members of his administration who were obvious crooks. etc. etc. These were all Democrats, therefore the double standard, partisan congress and press looked the other way. Notwithstanding the above, Nixon was highly successful in international affairs. He had the respect of world leaders, including Breshnev, Sadat, meir, the Europeans. He had a wealth of international experience to back this up, not the least of which his kitchen debate experience with Kruchev while VP and his Venezuelan, S America trip etc. Carter is perceived as a inexperienced dreamer by these same people and through a combination

of this and an incoherent foreign policy, is losing American much esteem in the international community. Run out of paper. love S T E V E

June 1, 1980

Dear Mom and Dad,
It is hhhhot in Manila. We have had a couple of storms lately, but they are few and far between. We were thrilled to receive your call on Sat morning. Call about an hour later and you mite find us in a little more coherent frame of mind. Right after your call, however, I went over to the Pabo club to play tennis. I played with a trainer and worked on my back hand. Later in the afternoon, Margaret and I played mixed doubles with a guy from Citibank and his girl friend. So, about 6 sets of tennis yesterday. I told you I had lost over 20 pounds. My weight reduction program is going quite well. I have about another 20 to go. My doctor is happy with my progress (Dr. Norma Gaffud). It is quite interesting to see the waiting area of her office, full of wealthy fat people. There is no key apart from developing good eating habits and cutting back on the sugar and eating between meals. I do allow myself the luxury of a little unbuttered popcorn over the weekend. But, I can truthfully say that I've had only one or two scoops of icecream in the last 6 weeks. I have a graph of my weight on my bulletin board at work, along with the charts of my business performance indicators. The guy I am kind of grooming for my successor is overweight and I told him to go see the same lady.

The Osmond concert was really a fine production. Very professional. You've never been to the Areneta coluseum - its out there in Cubao by the Ali Mall - but it must have about the same indoor capacity as the MAC, with a large overhead dome - there's a dangling modifier if I ever saw one. I have never learned to write, or dictate well, sans a lot of editing and rewriting. Anyway, the Osmonds came complete with laser lights that arched and shot back and forth across the dome. Bursts of CO 2 onto the stage created a surreal, psychedelid type of effect. Add to this the "Star Wars" like ~~training~~ throbbing bass background of a moog synthesizer and it all added up to quite a happening. To M and me, Marie clearly emerges as the star/stand-out of the show. She has a more sophisticated look - slit dresses, the works.

The trials and tribulations of being a landlord are starting to make themselves felt. Have talked with Margaret Nixon a couple of times in the last 10 days. My tenants in SF are too hot, and Margaret is afraid we will lose them. That is not necessarily bad in itself, but high tenant rotation is a pain. Anyway, I am putting a couple of swamp coolers on top of the duplex. I understand from Bangartner that he's started putting in a sprinkling system and has begun to sod the lawn. Landscaping has also commenced in SFork. Well the tax shelter of all this should provide some good relief. I have thought alittle about increasing RE holdings when we get back. I would like to be able to trade the PG lot for another income producing property. If the rates decline enough by the time I get back this could be a good move. Looks like a bbbig recession on the way. Forget about Regans shortcomings, I'd vote for the Easter Bunny if he were running against Carter. Unfortunately, in terms of world affairs, most of the people really understand only one language - POWER. In the aftermath of Wgate ~~xxxxxx~~ and Vietnam we have been guarded and even ashamed about the use of power. With our guard down, we elected a visionary totally unschooled in the use of power. We are paying for this today - Iran, Afghanistan, Nicaragua, Southern Africa and Even Western Europe. And yet, probably the last third world friend we have, the Philippines, still continues to be subject of adverse US press in view of its martial law. Well, I believe that discipline from the right is far more in the best interests of world peace and human freedom the discipline from the left. And, unless the US learns these lessons soon we will be without friends as our former friends sell out and compromise to the left in fear of excessive use of power by the insecure, ruthless, and totally untrustworthy, Russian leaders. I sound like Marion don't I/ I guess I anslowly becoming a convert to decentralization of govt influence, increased defense posture, supply side economics (tax cut etc.) club of the right. No, I do not believe in bomb shelters, stocking up on guns and white hoods. Nor do I belive that all govt. leaders are communitst etc. But, if freedom as we know it is to survive, the US must be prepared to demonstrate power, fiscal and monetary responsibility - going thru the belt tightening recession or whatever etc. Will write agin soon l o v e s t e v e

28 June 1978

Dear Mom and Dad:

Thanks for your letter of 24 June. Sounds like you had a good time with Rxne and Sam. Please let us know Dee and Shauna's address as soon as you hear it. Just finished watching the 3rd Chapter of Holocaust. It is quite an epic and tends to bring into sharp focus what must have been terrible times for a vast number of people. Did you see it? Things going along as usual here. President Dunn is leaving for NZ. Apparently the stake presidents wanted to hold a good by function for him and her would have nothing of it. Supposedly he indicated that if the Church members wanted to show appreciation for him and his family that a better way of doing it would be for members to intensify their missionary efforts. An "Appreciation Week" was devised whereby members, for a period of one week, would invite their friends or colleagues etc. to a special missionary discussion to be held each day at the chapel. The week would start off with a special Sacrament meeting. Somehow the wards were given the impression that Appreciation Week was in appreciation of president Dunn. When he got wind of it he must of felt that it would backfire, as the missionaries quickly got the word out that Appreciation Week was really in Appreciation of the gospel and our membership in it. Anyway, I am currently trying to think of someone to invite to one of the discussions tomorrow or the next day. Got a letter from Ron Jones. He apparently took that job at 1st Chicago and according to Gary Mitchell got a hefty salary.

Ralph has been gone on a business trip to the states for 2.5 weeks and will be back tomorrow. While he has been gone Taylor has tried to get a little closer to what is going on. I told you last time that on forced resignation of Dealer Services Division Head Williams, he nominated an acting Div. Head and x'd Kopec out of the reporting hierarchy. I attended a meeting today where Taylor had the Three Dealer Services Regional Managers (one of whom acting Division Head) and tried to start to develop a management process. He said most of the right things, however, I do not believe he realizes that these three guys will serve up to him the same garbage that they have served up all along to other people who have failed previously. The sad thing is that it will take him 6 months to learn the hard way. I know I sound very sure of myself, but I believe in what I'm saying. When will people see the light. Taylor is going to have a "team building" exercise up in the mountains in a couple of weeks bringing together Kopec and his people and Kravitz and his people. Can you imagine anything more ridiculous. Of course, Ralph will set the tone for his side and all of us (his people) will fall right into line with this tone, at the expense of our careers of course, as Ralph demands and gets explicit and implicit loyalty at all times. If Bill Taylor wants to integrate the organization and build a team, he must first do so between Kravitz and Kopec. How can he expect the people who work for them to build a relationship when two powerful barons get in their way. Well, now Kopec has been emasculated maybe the politics are a little different. ~~KISS TAYLOR~~ Furthermore, the concept of bringing opposing teams to the conference table in order to bring about reconciliation is a good one only if you have perceived equal parties but just different philosophical outlooks. Ralph's people genuinely believe Kopec and his people are incompetent and consider it a slap in the face that they should even have to sit at the table as equals with these people. Well this is an interesting organizational study. I think you can see the type of org that Kravitz has built. It is a proud, achievement-performance orientated environment. Kind of like the Marines who develop much of their organizational esteem at the expense of the other service organizations. The environment tends to attract achievers. The fact is, is that it is working, but as perceived by the other half of the organization it is destroying the business. Ralph's side says "we are professional we do things systematically, in an organized well thought out fashion. This of course in contrast to the perceived (and maybe I to some brainwashed ~~person~~) and sometimes actual dime store clumsiness of the Marketing group. Taylor has a problem doesn't he? He is currently a study in ambivalence - a posture which will get him no where, only the disrespect of both camps. He must choose. If he doesn't he will bomb out. I can say, hopefully, that over the last couple of days he has come up in support of me on a couple of issues where I wouldn't have received support before. We are thinking of going to China in December. It will be cold but we are on a tour list now. They need more takers for that time of the year, so we are not sure if it will materialize. Well bye for now. We love you and enjoy getting your letters. Margaret is going to send you a school picture of Phoebe it is really cute. Love Steve, Margaret, Phoebe and Jake.

Dee
I don't mind which side. The balance is correct, I think.

Steve

10/April, 1978

Dear Mom, Dad, Dee, and Shauna,

Well, this is a lucky time for all - Stephen has decided to write a letter. Mom and Dad, we surely enjoyed having you. The time went so fast. Looking back, we may have tried to fit too much traveling into too short a period of time. I'm glad we got to go to Dubbo and thereabouts but hope you weren't too crowded out. Thanks again for carting the dishes here too. Thanks for being our parents.

Thanks for your recent letter Dee and Shauna. Now that Dee is making the Society pages he'll have to learn to eat his soup without slurping. Congratulations on being called as a Branch President. I know that you'll do a fine job. Say good bye to Sundays if you haven't already. Maybe some of the other days as well.

Well the mail strike is over. There is still a backlog of letters however, and most of these are foreign letters inward and outward. The backlog is expected to be cleared within a week or two. Weather is cooling off a little. It is even a little too cool to swim - that is unless you can stand extra cold water. The ward is ok. We are trying to break in Julio Orrego as the new ward clerk. Also, quite a few seemingly good new members are coming into the Church. Loren Dunn seems to have charged things up. Margaret's and Chris Lambs curry nite seemed to go very well. One of the couples in the tennis group has a winery in western NSW which just burned out over the weekend causing \$500,000 damage.

We have invited the Mackies over for dinner in the next couple of weeks. I guess Margaret will invite Gary and Jean as well, and as usual curries will be the fare for the evening.

There is not much to tell about work. Bill Taylor and I haven't had our talk yet, and he is now on business in NY. Ralph is pushing us as hard as ever and there is much work still to be done. I guess the answer is to put my nose to the grindstone and forget about the medium term of which job I'm going to get next. Every time I do this Ralph somehow senses it and lays into me for not focusing on the present. Phoebe and Jake are enjoying school. Phoebe chaired our family home evening tonite. She accompanied family singing and read us a story. Afterward we played a game where an object in the room was hidden and the person looking for it would be directed to it by the others clapping their hands when the searcher was close.

I have enclosed an article you might be interested in that appeared in the Saturday Weekend Australian the weekend we were traveling out west. I'm not sure what to make of it. It's somewhat tongue in cheek.

The other day Jacob told the headmaster of his school that he could see Jesus in the sky amongst the clouds. The headmaster then told him that he wished he could see him too!

Love to you all,

Dee, Margaret, Phoebe & Jake

16 May 1976

Dear Mom and Dad - It was good to talk to you on Mother's Day (though it has been a week since this happened. It is Sunday evening and we're just home from Church. I had to play the organ since Nadine and her mother are out of town on holiday. It is the school holidays here (a two week break) so the attendance wasn't that good. We had a returned missionary from the Philippines speak and a high council representative, ~~JIM~~ Jim Fuggle (Fergel? Fargel? Fibble? What did you say his name was?). We came home via Bobbin Head (or was it Boba Link? Robin Hood?) road. Sorry to rub it in Dad, but it's great to be able to add to the list immortalized by Fuji weejee and ~~we~~ "we're from out of town." By the way someone was telling me the other day that their parents came out from the states and neither could get the hang of driving on the other side of the road despite the fact that the car had an automatic trans! So, hats off Dad, for a splendid performance with a Standard trans no less. Mom, we have a choir festival coming up in August - I won't be here to lead the choir, but I will have to get them to the point where they will be able to perform. Could you ask lala if she has some suggestions for something that is fairly easy to execute, but when itself well performed could impress an adjudicator? By the way Margaret and I have season tickets to the Opera at the Opera House. We will see Carmen, Der Rosenkavalier, The Cunning Little Vixen, The Abduction From the Seraglio and Lakme with Joan Sutherland. It should be good. We are glad to have our tennis on Saturdays. By the way, took the kids to the Forbes-Carlisle (the people who train the Aussie olympians and Phoebe for two weeks during her holiday) pool and was surprised to see Phoebe swimming wonderfully. She swam two lengths of the olympic pool Australian Crawl. Sometimes however, in lifting her head out of the water to get a breath she would try so hard that she would accidentally turn over on her back - especially toward the end of the last lap when she was gasping for breath. It will be fun, Dad, for you to take her down to the Y. She will be very proud to swim with you and I'm sure likewise you will be proud of her. As for Jake, he seems to be a little more comfortable in the water. I bob him up and down in the water and he minds it less than he used to. He will also kick as you pull him along. When I take him under the water and he comes up he sometimes starts to cry, but I will be laughing and he looks at me and starts laughing too, wanting to fit in with the spirit. I have found that having him take showers with me has helped him get used to the water running on his face and head - this used to be his big fear of getting into the water. Mom I don't ~~see~~ see how you could say I write good letters. I tend to write with little organization and just put the first thing that comes into my head. Margaret is itchy to move - though we won't be able to do so for 6 months (unless we want to pay for the move ourselves). Our rental allowance has gone up to \$200 per week - we now pay \$140 - and this could put us in a much nicer place. I don't blame Margaret for complaining about this place. It is too small, the carpets are horrible and the yard is not well taken care of, not to mention the lousy paint condition both inside and out. I guess I was taken by the swimming pool. If we're still around in December when we have to move again, we'll still try to get a place with a pool, but it will be a much bigger and nicer place. I think the pool is a great benefit for the kids. We are pleased with Phoebe's school. It is in the true snob tradition so we hope we don't damage her on that side, but on the other hand it is a school that teaches valour. The kids have been to several concerts of classical music. They have opportunity to take ballet at school as well as swimming etc. Phoebe has been most accommodating to her Mother helping around the house, emptying the dishwasher when asked and cleaning up her room. I feel much of this is coming from her school. The Charlie saga still continues. A man in his ivory tower of numbers focusing upwards on what he will send/tell/communicate to New York and not downwards on IAC - a living organism of people without whom the company will crumble as it is doing now. Charlie is unaware of these 1300 people (most of them have never seen him) and they are now beginning to sense this by the arbitrary actions he takes without effect recognizing that they have a contribution to make in making suggestions about their future. Don't mention this, but we will get a 1 (Totally Unsatisfactory) on our operations inspection rating and a large component of this rating is a substandard management rating. I think this caught him totally by surprise. He still keeps

CHRISTMAS 1975

Dear Friends and Family,

1975 has been a wonderful year for our family because the entire year was spent in one place. Since we joined First National City Bank in 1971 we have lived in five cities in four different countries - Beirut, Delhi, Calcutta, Manila, and now Sydney. Sydney, Australia, is a beautiful place to live. Sydney has one of the world's most beautiful harbours - accented by the world famous Sydney Harbour Bridge and Sydney Opera House. Steve crosses the bridge every morning going to work.

Steve has some hard-to-define job at Industrial Acceptance Corporation (IAC), a large Australian finance company, 51% owned by First National City Bank. He enjoys his job. It involves establishing some new credit policies and procedures in the company. He finds time on Tuesday evenings for a basketball game with a city team and on Saturdays he enjoys tennis, and on one occasion he has tried sailing on Sydney Harbour. One of his most pleasant occupations here in Sydney is that of choir director for our church. He is following in the footsteps of his grandfather Taylor who was a missionary in Sydney over fifty years ago and who directed one of the first Mormon choirs in Sydney. Steve is also a Sunday school teacher for our church.

Margaret is busy keeping house without servants for the first time in a few years. She enjoys her tennis and plays about three times a week and hopes to keep improving. She also teaches cultural refinement lessons for the women's church group in addition to working actively in the childrens organization at our church. She also hopes she can keep up on her interior decorating correspondence course from Brigham Young University.

Phoebe is five and will begin Kindergarten in February at a private girls school. She has ballet lessons once a week and is a great fan of "Sesame Street". She devours books and loves to have her Dad read her stories.

Jacob is two and is finally beginning to calm down. He is filled with limitless energy and has a loud "Hi!" for all he meets. He is a lovable little boy (when he's not tearing the house apart, or fighting to stay awake at 11 p.m.!!).

Over the last few years we have been lucky to spend some lovely holidays. I guess this satisfies Steve's wanderlust although Margaret seems to be catching the bug too. Recently, we have beached it at Puri, India and Pattaya, Thailand. Last summer we visited the Chateau Country in France and the Pyramids in Egypt. We went to New Zealand (the guysers) at Easter time and anticipated visiting Tahiti this fall prior to a visit home to Provo, Utah. I suppose some time we'll tire of all this, but right now we're having a great time!

Merry Christmas to all.

Love,

The Taylors

June 1, 1974

Dear folks (incl Dee and Shauna)

I don't remember the last time I wrote on India. You may remember that at one point I occasionally wrote on some of our experiences there. I continue to feel that India is one of the most fascinating experiences of my life. It is an overwhelming country in many ways. Its people, history, corruption, poverty, beauty, tradition, and religion all mingle together to create a society unique in the world. I suppose you could say that about many places, but India, in my mind, still stands out. Well, anyway, I thought I should note down some of our experiences during the latter part of our stay in Calcutta. Though we had originally been slated to leave Calcutta around the first of the year, we ended up staying until the end of April. This was due to some major reorganizations in the bank and the fact that my designated replacement was earmarked for another destination and job. Also, the Head Office Inspectors had as yet to make their visit to India, and my boss felt that we should stick around until the end of the inspection. Well during those extra 4 months I had a chance to do a project on, and visit Nepal; Margaret and I went to a conference/vacation in Madras; and I went to a game preserve in Assam. I think I've already told you about Nepal so.....

MADRAS Margaret and I had been itching to get to South India and had been putting in our plugs to Bombay to hold an Operations Conference down there. This finally materialized in February. It was interesting to see the south. The people are darker, shorter and not of Aryan descent as are the North Indians. They speak the South Indian language of Tamil, which is as close to Hindi as English is to Chinese --- really! That is just one indicator of the difference in ethnic backgrounds of the Indian people, a difference usually ignored by most people who assume, that like the French, or the Chinese, that all Indians are basically alike in language, heritage etc. Actually, the only common denominator of the Indian people is the Hindu religion. Over a weekend we spent a beautiful time on the beach at Mahabalipuram 40 kilometers south of Madras. There were thatched huts, a beautiful sea, hot spicy Indian curries and no people, hot dog stands, or beer cans to be seen. We also visited some of the Hindu temples carved out of solid rock in the town of Mahabalipuram. It was a fun time.... I hate to say it, but the conference was incidental to the vacation.

KAZIRANGA, ASSAM Margaret didn't go on this one but I took the opportunity to accompany the inspectors on a trip to this famous game preserve and home of the Indian rhino. ASSAM straddles the Brahmaputra river valley with Bangladesh on the south, and west, Sikkim, Bhutan, and China on the North, and Burma on the east. It is connected to the main part of India by a narrow strip running east and west between Bangladesh and Sikkim and Butan. We hired cars, drove about 150 kilometers up the river valley from Gauhati (where we flew from Calcutta) and spent the night at Kaziranga. The next two days we spent riding elephants out into the preserve photographing, rhino, wild elephant, deer, boar, antelope etc. It was a magnificent experience. One experience I'll never forget was eating in an Indian road side truck driver restaurant. It was filthy and unhygienic by western standards, but the Chees and peas curry was great

I really haven't gone into a lot of detail Have I? Suffice it to say that as travel experiences the above two sustained my belief that as one of the most interesting spots on the globe

, India is hard to beat. Love Steve.

March 3, 1974

Dear folks (cc to Dee and Shauna)

Finally a moment to write. The promotion finally came two months late. The enclosed will give a little background. Basically it was a bungle by my VP who had earlier thot that I was leaving the Division when the Personnel plan was mapped out. I was later kept in the Division, but VP Meserve forgot that he hadn't considered by promo. at Review time, though Meserve would not admèt to this fact. Anyway I am now a Senior Asst. Manager. The title is a joke isn't it? Anyway.....

Well, our plans to go home in March or April are bungled.. We must go to Philcad in Manila as of April 1, 1974. There we spend 6 months in credit training (could be 5). That wouldn't free us for leave until September which is apparantly a lousy time. It is ironic that both of us would be free to go see the other ab about the same time of year, presuming as we still are, that you are to go to Cairo. I will try to suggest some alternatives to start you thinking.

1. Margaret and kids leave Manila in July or thereabouts and spend some time with you in Provo. I join you all a few days prior to your departure for Cairo.
2. You come to Manila in Aught and stay with us there. We will ~~xxxx~~ go on leave, spending a short time in Provo with Holdaways or Paul Taylors or something just to look at the land, plant some more trees etc. We will then try to take an early home leave in 75 and spend some time with you in Cairo.

Well you've got the general idea. Timing wise things are a little confusing. Any suggestions on how to get together? We are pretty well constrained to Apr 1 to Sept. 31 at Philcad, to October Homeleave. Probably Jakarta thereafter. Have been spending a lot of time for a Major Expenditure Proposal for branch expansion in Nepal - hence, the reason for not writing.

Dad - congratulations on a distinguished career. We are very proud of you. I'm sure Dee joins me in saying that its a tough act to follow. Sorry I'm late on the February installment. Will bring up to date in March. Got to go.

l o ove
s t e v e
m p h a r e g a r e t
a n o e b e
j a c d o b

THE INDIVIDUAL AND THE ORGANIZATION AT CROSS PURPOSES?

My bank recently underwent an organizational change of significant scope. Geographical divisions were re-defined and functional reporting changes were made to more adequately respond to the changing mix in demand for financial services around the world.

On the very date that this massive change was to take place, my own yearly personnel review fell due. As of this date my organization would assess my value and reward me proportionately. As job designations go, I had been performing a task earmarked for an individual with a higher title and hence, more experience. Superiors had commented on my excellent execution of my job and on my good reputation in the organization. Naturally, as the date of review fell due I expected a promotion, which would bring my job designation into alignment with the task I was performing. The promotion didn't come. I apprehensively raised the issue and it was after 6 long weeks that I heard the promotion slipped "between the desks" in the reorganization shuffle .

The promotion finally came but the 6 weeks of waiting and uncertainty was a troubling period for me and the family. I had been told I was doing well, yet the reward for doing well was not forthcoming. Tremendous anxieties and fears built up and were cause for almost constant tension and uneasiness. Even after the promotion came the uneasy feelings continued. If I was such a valuable asset to the bank, why didn't the bank take adequate steps, despite the massive shuffle,

to insure that an expected reward came when due? Was the fact that I was always told I was doing well a short term ploy by my immediate superiors to get work out of me -- and then run, taking with them all the credit? After the tension has worn off most of these fears and anxieties appear baseless and doubtless are. However, there are lessons for the organization and for the individual which can be drawn from this experience:

For the Organization:

The large organization will be increasingly hard pressed to see its employees as individuals. Yet, individuals are the organizations most important asset. As peoples expectations increase, and as the pace of change becomes more rapid, organizations will need to more effectively anticipate and deal with the individual's problems affected by change in order to be successful.

For the Individual:

As the large organization undergoes change it will be increasingly difficult to satisfy wants and needs on an individual basis. In the short term, the organizations mistakes will probably work themselves out soon enough, especially if grievances are just and are raised in a civil and positive manner. Over the long term, hard work and extra effort will pay handsome dividends. An abrupt and loud protest over a problem caused by short term organizational defects will generally be interpreted as a threat to those in the organization who manipulate the

variables where the defect arose. The reaction of those in power to such an approach can only be defensive and self serving.

Stephen D. Taylor
March 3, 1974

January 28, 1974

Hi,

For what its worth you may be interested in my recent trip to Nepal. The bank is interested in Nepal. Jack Carter has been up there 3 times in the last 4 months. Ham Meserve the Vice President has been up there once recently. Not only do we have significant correspondant relationships with Nepalese banks (they have deposits with us in Switzerland, New York, London, and Rupee balances at 3 of our Indian branches), but we are also seeking to branch bank up there. We are trying to keep this quite for competitive reasons so please don't mention it in professional circles - thanks. The Senior guys got so tired of going up ther that they decided to send me. The primary purpose of the fisit was to: 1. Follow up with officials on our application to open. 2. Drum up more correspondant business - deposits etc. and 3. Gather information on problems and costs associated with opening a business in Nepal. I was able to also get in som sightseeing while there. On the whole it was a fascinating, interesting trip.

First the business side. Called on the Deputy Governer of the Central Bank (Our Federal Reserve equivalent), and the General Managers of the Nepal Bank Limited and the Rastria Banija Bank, Nepals only 2 commercial banks. These are all generally older men. Most of them have done some traveling, but for the most part they are hard to get conversation out of (split infinitive). They control very large amounts of money with archaic systems and methods. No news on the branch application. We probably wont't get it for at least 6 months. There is some prospect for new business - I won't elaborate. Also called on a number of officers at the Us Embassy for other economic and business details.

Now about Nepal. A fascinating country. If you like mountains this is where to come. The most spectacular mountain range in the world right in your back yard. Got up at 4:30 one morning and drove up the China road 40 miles out of Kathmandu for a vista of the range. And what a view it was. Annapurna on the West at 26,500 feet and Everest on the East at 29,000 feet. Those mountains just loom. Kathmandu is only the elevation of Provo, so you can imagine how a 25000 ft mountain range looms. The people are simple. There are now trade unions, wage scales are low. The population is less denese than India so it does not appear overcrowded. Hygenically it is as bad if not worse than India, although Kathmandu does have some clean spots. And of course the mountains and the air are clean. The third attraction after the mountains and the people would be the temples in and around the Kathmandu valley. At one temple close at hand I witnessed a cremation. At another I watched people slaughter animals on an alter before lord Shiva. Other temples are are crowded with European and American young people zonked out on Hashhish. All drugs are open and leggl in Nepal.

I would love go get back into those mountains and do some trekking. Also would like to go up to Everest base camp. It is

December 15, 73

Hi,

Christmas is upon us. Think I would like to go somewhere interesting during the cool weather but can't decide where. Maybe Darjeeling. So, would you like to come see us in the Philippines or in Indonesia? We could go to Bali I guess. It mite be fun to do that together. Just wrote to President Shurtleff and told him we were going to stay in his territory and that we looked forward to increased activity in the Church where it was a little better organized ie Manila and Jakarta. Branches and Missionaries in both places. Also Jakarta just a short hop to Singapore where District conference etc. would be held. Opportunity looks promising in Indonesia also. Plenty of room for hard work and visability along with the hardship pay to which we have become accostomed while ~~xxx~~ in India. Did you get my long letter? Didn't get the picture Christmas card referred to in your last letter. Maybe it will come. Do you have a duplicate? What kind of car did you buy? Yes we get all kids Thanksgiving and Christmas cards also Church news. Now you diarize and answer our questions too! Which reminds me, please send photocopies of my bank statements. I don't know how much money we have, nor do I know what is happening to it. Has the balance remitted from Head Office to zions come down reflecting the deduction for the stock option? How much? Seriously, would appreciate your sending photocopies. Bill me the cost. Pencil in on the statement explanations for charges to the account (checks). By the time you get this letter salary for August, September October, and November should have been credited to the Zion Account. Also the \$310 which you have already confirmed. This should be in excess of \$4000. Where is the money now. Some should have gone to pay of Coledge. How Much. Some should have gone to Land payments. How much. Some should have gone to Savings Account. How much etc. etc. ~~1~~ Dad, what job are you going to take? Will you go to New Jesery? Teaching job? Marketing? other? Let us know. We are anxious to hear. Looks now like we'll leave Calcutta latest end March, but could be sooner, depending on the arrival of the inspections team. Then to the Philippines for Credit training for 5 to 6 months. That would put us on 1974 leave for August, September, or November. Alternatively, we mite be able to swing for leave in April. Which would you prefer? Where would you be? Maybe we could meet someplace. What will you do with the house if you leave Provo?

There may be another Operations Conference coming up soon, provided the inspectors don't come. I hope I can influence the ~~place~~ decision on where it is held and hold it in Madras. I've never been to South India and would like to have the chance to see it. Could swing over to Coimbatore, where there are some indigenous church members, also. We are the last American Saints in India. 2nd largest country, population wise in the world and hardly a dent made. Well Merry Christmas! We should try to get a call thru to you. Maybe on the 27th or 28th.

s t e l o v e v e

November 30, 1973

Dear Folks,

Sorry about the stationary. Sorry also that its been so long since I've written. Time flies. Won't be long before we will have been home from leave six months. Maybe I can write a little about what's happening:

The labor situation at the bank has never been better (knock on wood). We still have a court case or ad interim injunction in force against our union and the pendulum seems to be swinging in our favor. Efforts to make constructive change in operating systems are paying off. Efficiency and productivity are being improved, excess headcount is being trimmed, all with a negligible effect on the quality of our operations. For the moment, the union leaders are quiet. They have had to shell out in court costs which means collecting more dues from the staff members. Also as you recall they went on strike and then resumed work having achieved nothing as a result of their work stoppage. Pay docking during very hard times in India is not something the average bank employee wants to undergo, hence he gives very little support to the unionist who wants to muddy the waters

Speaking of hardship, you recall that after our first homeleave in 72 I referred to India's green revolution where for the first time in their history they had become self sufficient in food production. Times have changed. It is said that 1973 has been the worst year in India since independence. There are a number of reasons for this. The 1972 monsoon was disastrous leaving a mammoth crop failure. This combined with the after effects of the Indo Pak war at the end of 71 spelled disaster. Money had to be spent to feed the refugees from Bangladesh. Food had to be imported at extremely high prices. Not only this, India waited too long to buy its food, paying 3 times the price paid by the Russians for American wheat. India is plagued by a ideologically rigid bureaucracy and extremely poor planning. Inflation, blackmarketeering, hoarding, and adulteration are rampant. The energy crisis affects us here too. We are paying the equivalent now of about \$1.55 per gallon of gasoline. Of course we do less driving anyway in Calcutta and we are lucky enough to be paid an American salary with fairly good hardship allowances. However the so-called middle class Indian, not to mention the 400 million villagers are really suffering.

The most visible manifestation of the difficult times ~~XXXXXXXX~~ is the increase of squatters one sees on the streets. Every time your car stops you are approached by beggars who literally have nothing but the rags on their backs. There are a thousand statistics one can pull out to try and show really what is happening to India. For example, though some progress has been made in increasing literacy in the country, the percentage of illiterates to the total population is actually increasing! There will be 13 million more Indians next year! etc. etc. etc.

One of the most difficult things to reconcile in the country is the contrast between the rich and poor. The foreigner is naturally considered rich, and is, in comparison to the average Indian. The social life, partying, money spent on booze entertainment is phenomenal. Those that are well off in India, are well off. Servants perform all the routine functions. This leaves a lot of leisure time--time to entertain and be entertained. So, now begins the real social season in Calcutta. The weather is cooling off everybody goes out. There are probably more parties, cocktail parties, dancing parties, bridge nites, dinner parties here than in any place in the world. Getting back to my original point. How does one reconcile this against the thousands - millions just outside the door who, as Mc Namara put it, are denied the ~~xxx~~ most basic of human rights -- that of being able to achieve their genetic potential by eating the proper foods in the proper proportion. Let's face it, most of the people are in fact sub human. I don't mean that in a derogatory fashion. If they are child like, torpid, slow and less than intelligent in action and appearance, it is because they have been denied the right to exist with enough food in their bellies. Think of it - 400 million of India's 500 million fall into this category. And, the proportion is getting worse. There are many, including Indians, who say the country has reached the point of no return-- that ~~the only thing~~ it is only time before a major catastrophe must take place to bring back into balance the population equation. Survival of the fittest etc. Will it be a war? A revolution? A mass world famine? so on and so forth.

Professionally, things are slacking off a bit for me in my present job. I was told originally that I would be getting out of here in January but now Ham indicates that he will want me to stay around at least until the Head Office Operations inspectors come around and give the branch a clean bill of health. He also says that in the citibank body scramble caused by the new reorganization, that I am highly regarded (ha ha) and that Rick Wheeler, SVP for Asia might make a play for me. In this case we would probably go for credit training in the Philippines and then on to an Asian assignment after that. The opportunities in Asia sound good and Philcad, the credit training center in Manila is really the HBS of any in house credit training program in any international bank. Got a letter from Bennet, VP of South Africa, in reply to one of mine telling me that though my assignment was not yet certain there, that he personally wanted me to come and to go ahead and ship my stuff there. If I am receiving the signals correctly, it looks like I could drop the word and end up in the Division I wanted to. It is a tough decision. Nonetheless, we are still in limbo, not knowing when the inspectors will come, though they are now overdue. However, we should be out of here latest by March. We'll keep you posted. If I really am supposed to be doing OK then I should get a promotion and fairly good raise in December. We'll see.

For what its worth, I've really enjoyed operations. I feel it has given me a solid groundwork in administration, supervision motivation. I have been able to witness and manipulate the variables of human interaction and have enjoyed doing it. I have seen non-motivated individuals who have not produced for years, turn into productive workers. I have watched old timers in all their wisdom talk about how a certain system could not be implemented because of the rigidity and stupidity of the people involved, but I have seen a young aggressive, motivated Indian office, whose enthusiasm is catching implement the system in question and solved operational problems no one ever thought solvable.

too often

Too many times, I think, administrators fail to extract the potential from their subordinates because of preconceived notions about that subordinates inability to produce. But generally I have found thru experience, especially, recently when the Union has lost its stranglehold over the majority of the clerks, that most people will do a better job than you might think and that with the proper encouragement and vote of confidence, or whatever you want to call it, they generally perform ~~what~~ above general level of expectations. People like responsibility, and they like recognition. If these can be supplied without making it appear contrived, people will generally increase in productivity. Dad, you talked of a sliding scale from theory x to theory y and said that the successful administrator will select that point of the scale where he achieves the optimal amount of productivity from the worker, but that he should slowly move in his administrative relationship towards the y end of the scale. I think, though I have not stated it as well as you have, that this has been true in practice for me. I have derived considerable pleasure in setting targets, identifying obstacles, and working with people resources to achieve those targets. I have enjoyed my Calcutta work experience a great deal for these reasons.

Am playing tennis 3 or 4 times a week. Slacked off riding in November and haven't started again. Am trying to organize some basketball with the Basketball association here. Have made some contacts. The otherday went to Uttarpara, Hooghly District to Hindustan Motors Corp. automobile factory where the company there hosted a demonstration game of the Indian National team, who was proceeding the next day to Manila for the Asian games. It was interesting. Met the chief executives of the Auto company (15,000 employees, big by Indian standards anyway). President of the company wanted to know why Citibank hadn't called out there lately. Not being in the marketing end I really wasn't sure so I just bluffed a little bit. Turns out that Hindustan in bad shape due to among other things a poor line of trucks that they make. Play softball once a week on Sunday mornings in a league here. So far I'm ahead in home runs with 3. Could win a trophy if I keep it up- and, if I stay long enough. The season lasts until April.

The kids are doing fine. Phoebe enjoys school. Knows lots of nursery rhymes. Jacob growing leaps and bounds. Always smiling and laughing. Everytime he looks at me he laughs. I wish I knew what was so funny. Told you that Margaret did a terrific job on Phoebe's birthday party. All the kids had costumes and were real cute. The puppet show went off very well. It was about a mouse who fooled his friends into thinking that the moon was made of green cheese and that the reason it shrunk was because the mouse ate some of it every nite. The mouse then told his friends that if they wanted the moon back, they would have to give him some cheese, which they did every nite for a while. And finally, the moon regained its original shape and every one was happy. The mouse ~~have~~ of course, got the best of everyone.

Margaret is playing golf and tennis too. She does a lot of sewing although recently its been mostly ordering the tailor to make things. She has become a much better seamstress however. I tell her that when she learns to cook a little better then maybe we can look around for a stateside job!

We get the Church News. Keeping them coming as we enjoy them. Charge our account for the postage expenses. Please do this as I know you will tend not to.

We had our first family home evening from the manual you sent to us. While the lesson, given by Margaret was well done, the objective to be achieved during the week was kind of a flop. It was Be Kind and there were a couple of occasions where we all ~~just~~ blew it. We are keeping it up however. We are in communication with Bro and Sister Shurtleff exchanging a couple of letters a month. ~~EEEEEE~~ We are the last American Mormons (to our knowledge) left in India. Harvey Brown in ND moved to Turkey and sent down all of the Church materials to us including hymn books etc. Thru the bank I am re-laying money from the Mission to the Church group in South India. They have a small building project going on down there. We will insist that our next posting be in a place where the Church is better organized as Phoebe is getting old enough to go to Primary. There is a stake in Jo-burg. But, the Church is also fairly well organized in South East Asia, Japan, Phillippines etc.

COPY FOR GENERAL FILES
FIRST NATIONAL CITY BANK
CALCUTTA.

5

I'm kind of in the dark as far as money matters are concerned. Would it be too much trouble to send me photocopies of the Zions, Coolidge Checking, and Coolidge loan statements. Charge our account for any costs you incur. Please don't send the originals as I will want to make sure I get them. Reconstructing from Memory the statements should look roughly like this, please confirm:

Original balance	150 something
September Credits	

August Salary	1209
---------------	------

October Credits

September Salary	1209
Housing repate	310
November Credits	

October Salary less stock option	950
-------------------------------------	-----

Assume 300 a month being put into savings.
Lockhart being paid monthly for Covered Bridge
Coolidge being paid off - OD balance incurred thru trip
thru Far East and subsequent Bangkok vacation
Dwn payment made on Mt. Pleasant. Hamen't received papers
to sign on this.

Anyway, if you can please send copies of statements.

Have received Christmas and Thanksgiving card for kids also
puzzle.

Dad, Margaret's brother, Alan Dickerson is graduating this year from Univ of Conn. Storrs. He has applied at Y law school. Don't know what hs test score is. He's an A's and B's student, but has had a hard luck backround. He's put himself thru school and deserves a break. I hope he does well and has a chance. If you get the time some time, would appreciate your doing a check on his chances. No sweat on this, but if he is good enough and borderline, maybe you could put in a word. I have not been requested by anyone to bring this up and this is the last I'll mention it. Have read with great interest the clippings on your upcoming retirement as well as the piece in the Church news about Tanners speech. Can't wait for you to come visity us sometime. I just wish I knew where to tell you to come. We are sure proud of you and your distinguished career. I can truthfully say that not a day goes by ~~where~~ but where some aspect of your thinking, training, and guidance enters into my own methods and thought processes. Margaret says I even move my hands like you when I am trying to explain something profound. However, I'm never really as successful at being as profound as you are. I am in debt a million times to you and mom and

COPY FOR DEPARTMENTAL FILES
FIRST NATIONAL CITY BANK
CALCUTTAFIRST NATIONAL CITY BANK
43, Chowringhee Road
CALCUTTA 16.

October 30, 1973

*My Dad
What of my
questions?*

Mr. Weldon D. Taylor
1861 Oak Lane
Provo, Utah
USA 84601.

Dear Mom and Dad,

I have received your letters, Mom's of October 17 and Dad's of October 11, 1973. I will try to answer your questions on both. We are receiving the snap shots. Thanks. They are fun to get from time to time. We have the family own evening book and are using. Halloween cards received. Phoebe opened them herself. What does E.N. mean? We got the American Home article and have inserted it in our scrapbook which we are keeping for that purpose. We love the Homes pictures.

Thanks for your letter Dad. Concerning your points on the Mount Pleasant property, I will reply: First, can we afford the property? We have somewhat of a question here. Transfers to Beirut and South Africa will reduce our cashflow from about \$1500 per month to \$1200 per month. Assuming \$200 for tithing, a \$300 deduction for land mortization payment (covered Bridge and Mt. Pleasant) and a \$250 deduction for stock would leave us thru 1974 with the probable net monthly cashflow of \$450. This is after rent payment for our own housing, and would be the amount we would have to live on for food, clothes, other expenses, etc. I suppose it could be done but we would probably have to scrimp a little bit until we get the 1975 raise or until we are re-assigned to another hardship area. I will be talking to Margaret and will confirm a go ahead or a no go ahead within one week. I still like the idea of the property but given these cashflow considerations we might be over-extending. On the other hand, I cannot help but thinking what property like that would be worth in 20 years assuming the continuing desire for space. Indeed, simply as a place to get away from it all the Mt. Pleasant property has intransic value. Regarding the amount outstanding in Cooledge Bank in overdraft (blue statement) you should probably go ahead and liquidate that as much as possible if not fully by the Zions bank balance. By my reckoning you should have received 2 salary credits, one for August and one for September. I hope this is enough to liquidate the Cooledge and start in October, November and December to pre-pay Lockhart. We won't be able to pre-pay the full amount but we might reduce the debt significantly.

We had a good time in Bangkok and are eagerly looking forward to Beirut and South Africa. South Africa is a modern up-to-date market with a full range of banking services and up-to-date concepts. Shall be interesting.

Love,

*Whole to
Go ahead
with Mt Pleasant*

Steve.

October 16, 1973

Dear Folks,

Sorry I haven't written for a while. After the Bangkok trip I've had a lot of preparation to do. Tonite I'm going to Delhi (I'm typing at 6 in the morning after Jacob has woke me) where Margaret will join me tomorrow evening along with the Carters. There is to be an operations meeting tomorrow and a Managers meeting the next two days which I will also be required to attend. This trip is on the bank, so it shouldn't strain our finances too much.

Sorry I haven't sent any photos. I've still got some color slide film in my camera which I'll try to use up as soon as possible. Phoebe is back in school enjoying herself. She is certainly getting keyed up about her up-coming birthday party. Jacob is becoming more and more responsive each day. If he just wouldn't get up at 6 in the morning!

Most bothersome is not having a sure idea where we will be going come January. All we know is that my replacement will be coming from Liberia around that time. He is a Manager, and has been with the bank about 7 to 8 years. I got a cable recently from Head Office Bombay requesting my departure date which was all the more troublesome. I took from that cable that I was still going to Beirut. The reason we are still apprehensive is that with the bank reorganization Beirut may be closed down - the credit training portion, that is. Not only that, the on-going hostilities in the area could also have some effect.

The job continues to be interesting, however. Labor wise we have never been better (knock on wood). Our tough stance in the beginning of 73 looks like it is paying off somewhat. Level of cooperation is high despite decreasing headcount. We have been able to balance the books on our 2000 Current Accounts and 12,000 check book savings accounts for the first time in years.

Can you answer the following point by point as quickly as possible?

1. The bank has notified me that on September 17, 73 they credited my account for \$310.00 representing reimbursement of one month N.Y. Housing Factor. This amount did not appear in my citibank statement. Did it appear in the Zion statement. Since their date was September 17, it is possible that the Zions date be later than that.
2. Beginning October the Zions Account should be credited with about \$250 less than you are used to receiving. I have taken advantage of a stock option plan effective between now and October 1976 through payroll deductions between now and that time.
3. Did you get tape second time around?
4. Please itemize those cable and telephone expenses incurred by me at your house pertaining to bank business so that

Love for you, Lovesteven

[Handwritten signature: Steve Taylor]

September 28, 1973

Dear Dad and Mom,

Thanks for your letter of September 18, 73 along with the photocopy of the August Colledge Bank Statement. Thanks for taking the trouble-- its a lot of help to me.

1. Since there is now a balance in Zions, pay yourselves \$100 Mt Pleasant Earnest Money. I won't send you any check,-- you have power over the Account.
2. Pay Woody Evans bill if one comes in.
3. Pay yourselves for incidental charges incurred by us. Cable expenses etc. If you claim for these items, itemize them and send me a statement so I can claim from the bank. At least one or two calls plus a cable or two I can expense.
4. Remember, \$300 to the Savings Account.
5. Remember, \$157 to Lockhart company (You cannot pay more this time, because there is a net debit balance at Cooledge which must be paid off first. Fincance charges at Cooledge are higher than at Lockhart).
5. Remainder (Around \$800 or so) should go to Cooledge with the relevant portion of the blue statement attached. Be sure to include my ~~XXX~~ Executive Account number on the Zion check that you ~~use~~ to pay this off ie. Pay to Cooledge Bank and Trust ~~XXX~~ Exec Credit A/C 3 981 796 ~~XXXX~~ of Stephen D. Taylor \$800.

I think you have been able to see from the statements how the overdraft is reflected. On the green bank statement it ~~shows OD~~ rarely shows OD. Rather, as on the August Statement, for example, when the check for \$842.50 cleared, there was not enough credit balance in the Account. Reading from the statement this was on 8/24 and the Account went OD to the tune of 419.54. Looks like for three days I got this money for free, because on the 27th they charged my Executive credit Account and credited the checking account with \$500. So now, I have \$80.46 in the checking account, and as you mentioned in your Sept. 18 letter a \$500 charge plus the \$500 plus charge from Amex. Stated as you have done, I now have \$1,047.81 checking priveleges at Cooledge. I also like to look at it another way. I am in debt to them \$500 plus whatever amex was, say \$520. I hope this hasn't confused anyone.

Zions

~~XXXXXX~~ You may wish to keep the \$800 in ~~XXXXXX~~ for the time being if you feel Mt. Pleasant might come through. This would save me from having to write a check and mail it to you, since you have power over the Mt. Pleasant Account. However, all things being equal I would prefer that you follow the original guidelines listed above, liquidating the Cooledge OD as soon as possible. There will be more Amex this month. Love Steve

COPY FOR DEPARTMENTAL FILES
FIRST NATIONAL CITY BANK
CALCUTTA

September 15, 1973

Mr. Weldon D. Taylor
1861 Oak Lane
Provo, Utah 84601
USA

Dear Dad and Mom,

Please confirm :

1. Salary being credited to Zions
2. How much?
3. Status Mt. Pleasant
4. You got tape
5. Has Lockhart sent a bill?

Signed and notarized CBC documents. Payments are to begin as of November 7, 1973 with minimum payable monthly of \$ 157.77. Remember we want to prepay once Cooledge is liquidated.

Thanks,

Love,

Steve.

March 20, 1973

Page 7

HI:

I told you last time that I'd tell you a little about Phoebe (among other things).

Most of the Indians we see go crazy over her. Especially, the anonymous public. When ever we visit an exhibition, zoo, monument etc. we are normally amidst thousands of people. Phoebe immediately becomes the center of attraction. People smile at her. Some are courageous enough to reach down and pinch her cheeks. I'm sure she wonders what's going on. At a recent chrysanthemum show at the Horticultural Garden near our house, Phoebe must have been the top camera attraction. True, lots of people stare because I am so big, but Phoebe gets most of the looks. The subjective view of a parent about his child must be held up for scrutiny, however I have good proof about what I have said above. Phoebe and J J Brean were with their respective Ayahs in the Horticultural Garden one day. Margaret and I went over to pick them up and we found a couple of photographers taking pictures of the children. They had Phoebe and JJ standing together holding hands - much like a picture I have already sent you I think. However, it was obvious that both lenses were pointing at Phoebe only. Poor J J. Not really (Poor JJ I mean). I have always wondered why she is such a big attraction. I think it is a combination of things. She is blond, and she is a little on the chunky side. Her cheeks are rosy and are fun to touch. The chunky part worries me somewhat. Although it is cute at this age, if it stays with her it won't be so cute later on.*

Phoebe normally rides to work with me in the morning along with Bishnu, the Ayah, and Sabudine, the Driver. A sampling of her conversation on the way would be as follows: "There's the garden." and "There's the zoo - the tigers making noises rrrrow! rrrrow!" and "there's the monkey walla" (the guy who has his monkey dance for money, "there's the peanut walla" the fellow who sells peanuts. Further along on the maidan: "There's the sheeps and the goats..... Baa Baa black sheep have you any wool." I will ask her how many sheep there are: "One, two, four, nine, ten." Finally we arrive: "There is citibank, Daddy."

More chatter: "You want to go to sleep to (sic) me? - Mommy, I want a Coca Lala (sic)! - Not today, tomorrow, (when asked if she wants to go someplace) - Doesn't matter! (after taking a leak on the carpet, or spilling her milk, or felling her chalk board - Madam, I want some candy (The servants call Margaret madam) - There are a few other funny ones that I can't remember right now.

She now says her prayers with her Mommy's help. She won't do it, however, when her Daddy is ~~XXXX~~ around. She is not too happy to go to bed. Margaret or I put her to bed most of the time and we have to lay down in the bed adjacent to hers until she goes to sleep. Otherwise, she bawls like crazy and gets out of bed. Perhaps this is a bad habit to get into. There are times when Bishnu puts her

*Phoebe will always be cute

to bed and she seems to have much more success than we do. Phebe thinks she is missing something if she ~~xxxxx~~ goes to sleep before we do. When we have people over she gets quite put off that she cannot be with us. At the same time if she does get the courage to go into the hallway outside the living room, she rarely has the courage to come into the room where the guests are. Rather she stands outside the door and peers in from time to time.

At Christmas time Santa Claus (Steve Crabtree) scared the crap out of her. She put her hands over her eyes and wouldn't look at him. Since that time she has never been to fond of Steve Crabtree, even when he is out of uniform. Mention of the word Santa Claus even now makes her whimper and put her hands over her eyes. She has a couple of Santa Claus toys which she will allow to be in her room, but which she refuses to play with.

She plays with the children in the park almost every afternoon. She plays a lot with JJ Brenn who is about 6 months older than she. She learns a lot from JJ who taught her to ride a trike (she has one at home which she rides around the apartment). She goes to play group on Wednesday morning where the mothers gap and the Children play (No Ayahs allowed). When she goes to the potty, its either su su or Ka Ka. She's pretty good about telling us when she wants to go.

She loves for her Daddy to read her stories. Special favorites are: "Cindabella(sic), green eggs and ham by Dr. Seuss, "Sebastian at the Zoo," Couscous, the Algerian Detective." "Hop on Pop" by Dr. Seuss.

She is a weak swimmer, and still sticks to the baby pool. She doesn't like Daddy to take her swimming, probably because she doesn't trust him. He dunked her accidentally one time in Beirut. She hates to get near the ocean and surf, although she loves to play in the sand at the beach. We anticipate getting to the beach more often once the baby comes.

She will start nursery school on the 2nd of April. She will go to the English School from 8:30 to 11 daily. So much for Phoebe - I'll leave the "among other things" until the next installment. There will certainly be more that I'll remember about Phoebe too.

Love, Steve *Steve*

March 31, 1973

(9)

Dear Folks,

Have you received the first two installments of this diary type letter? The union problem is still simmering - I'll wait for another installment to bring you up to date. Perhaps by that time there will be further developments.

Latest Phoebeisms: "Mommy's pissed off!" Looks like Daddy is going to have to start watching his language. The other morning Phoebe picked up an elastic Margaret was using for sewing in a waistband on some new pants for Phoebe. She wrapped the elastic around her waist and said, "I'm going swimming, like Daddy." Looks like I'll have to be a little more concerned about those present when I'm getting ready to go swimming.

Told you some time ago that I'd say a little about the trip in February to Puri. Margaret and I have always liked to go to the beach. We did so in Boston often and continued the habit in Beirut. It was with delight that we heard of a very nice beach resort on the bay of Bengal about 500 km south of Calcutta. I decided to take a Saturday off (you remember that we work a half day) and leave Thursday evening (Friday being a Holiday for Puri. This was during the time that the Palmer's from HO were here so I found that Thursday I was pretty for most of the day. That afternoon, Margaret and I, the Brenns, the Crabtrees, the Carters (my new boss, up then from Madras) and the Palmers took a boat trip out on the Hooghly. We expected that on returning from the boat trip Margaret could easily return to the house, put a few things together, come back to the bank to pick me up, leaving us ample time to meet the Puri Express at Howraw station.

The boat trip was interesting in itself. We arrived at the Swimming Club about 2:00 PM. The others were shortly to follow. Once they arrived we crossed the street together and headed toward the dock where the small launch was waiting for us. On our way down the gangplank we saw a very serious fight - a couple of men beating another man with pipes. This is Calcutta and this fight is just one of many incidents outside the realm of "normal experience" that we encounter. We hurried down the ramp and hopped onto the boat.

We churned up the Hooghly (Ganges) for about 10 miles. First we passed under Howraw Bridge, a mammoth structure, looking like it was fabricated out of a giant erector set. Passing along side we would see small barges, almost sinking in the water, piled high with salt. Next the cremation ghats where bodies are being burned 24 hours a day. Further along one of the many jute mills where thousands of men toil away 12 hours a day for as little as Rs.150 (\$25) per month. Speaking of the jute mills, conditions are much better now than they were, say, 109 years ago. These men come from

the outer lying, poor villiages of Bihar and Orissa, leaving their families at home because life in the city is too expensive. They live in Bustees, residential sections of the city that make Harlem look like Park Avenue. Even that is a poor comparison. No electricity, no sewers - these men live sometimes as many as five to an 8 by 10 ft. room. They pay their rent 30 or 40 rupees a month to an absentee landlord, who himself is renting the land from a further distant, anonymous landlord. 2/3 of their earnings they send monthly to their families in the villiages. There are long queues at the post office each month where the men by postal money orders to remit their hard earned wages homeward.

Anyway, further up the river are some temples. One of the temples is a recent one, built by two rich American ladies, friends of India. Finally we turn downstream. 10 more miles back to the docks, and another 80 miles if we continued on, to the Bay of Bengal. We noticed that it was waxing late and began to get concerned about whether we would be able to meet our * 8:00 PM train. Howrah bridge can be pretty crowded during rush hour (with trams, busses, trucks, cows, dogs, lepers, cars, pull carts, push carts, human porters, countless rickshaws, monkey wallahs, snake wallahs, holy men, cigarette vendors, fruit and vegetable vendors, beggars, etc. etc.) and we needed to cross the bridge from the calcutta side to get to the station.

We hopped of the boat, said our goodby's to the Palmers and I rushed back to the bank. ~~MARGARET~~ Sabudikne took Margaret home, but not before my explicitly telling her to be sure to bring my desert boots and the camera. Indeed, those were the only two specific items that I felt were required above and beyond the normal paraphernalia (sp) of such a trip. We should have also thought about the snorkle gear as it turned out. Well anyway, guess what Margaret forgot to bring? the camera and my desert boots. She did, however, bring me some ~~more~~ supper, which Subas had put in a casserole dish.

We made Howrah station with plenty of time to spare - plenty of time to get a good look at one of the most famous train stations of the world. Certainly one of the largest stations in India, Howrah station is just about everything you can imagine. India has a very good railroad network, hence, almost any villager can get within 20 or 30 miles of his home by train. Consequently, at a major city terminus like Howrah one sees a microcosm of the Indian population. Holy men are there with their saffron rags, matted hair and painted faces. Beggars - a scrawny woman holding a bloated 6 month old infant approaches you for paisa (1 pice equals one 1/100 of a rupee - 1 rupee equals 12 cents); a legless man - not even stumps - will stand in your path hoping for some money. When you ignore him he will follow you along, blockes attached to his hands, his arms used as crutches to propel his trunk along. Finally, when he sees he can't keep up with you he will turn to someone else. Villagers: some of whom have never seen a white man, let alone a white, blond baby such as Phoebe. They are astonished and awe struk as they surround Phoebe mustering up the courage to pinch her cheek. Mommy has a conipation when when they actually go through with their hope. Some villagers will actually be camped

on the train platform, cooking their dhal(mashed lentil) over a small charcoal stove. Some of these people will get on the Puri Express with us. Yes, all of us will be on the same train. I have talked before about the extremes of wealth and poverty in India. The train trip is a good example to put across this message. There are about 10 cars on the Puri Express. 6 of the cars are 3rd class. Now there are 3 different classes in 3rd class: unreserved chair car, reserved two tier sleeper, and reserved three tier sleeper (sardine can style). 2 of the cars are second class - not much better or cleaner than ~~xxxxxx~~ third, but a little more spacious. One car is first class sleeper, and the other car is Air Conditioned sleeper. What did we pay for the round trip Cal-Puri-Cal on A/C Sleeper? about \$60. Not a bad price for the distance and accommodations by European or American Standards. What did the villager, on the same train, making the same trip pay? Or rather, the villager his wife and two year old child? About \$5.00! And this represented a substantial portion of his savings. Where we had a pleasant air conditioned ride. He and his family were jammed into a crowded car, dirty, and smelling of urine from the open doorless squat-john at the rear of the car.

The train ride was a lot of fun. Our compartment had two beds, one above the other, a small sink, etc. Just like a miniature bedroom on wheels. Its a good occasion to have a true family outing because Phoebe participates in the excitement. Mommy is suspiciously scrutinizing the car for dirty sheets, and dusty panes but once she gets this out of her system we all settle down for a nites sleep to dream about body surfing in the bay of Bengal the next morning. We woke up about 5:Am in Bhubaneswar, the capital of the state of Orissa, south of Calcutta's state, West Bengal. The sun was up and daddy had a good time once the train left the Bhubaneswar station standing by the open door in the front of the car, talking to the porter and watching the countryside whiz by. Mommy and Phoebe were still asleep.

7:00 Am Puri ----- Who is that American hopping off our car. A tall fellow named Larry, can't remember his last name. ~~xxxxxx~~ Later we became better acquainted. He's an economic officer with the US Embassy in New Delhi. Had come to Calcutta for some conferences and had decided to spend the weekend in Puri. About 50 years old. Started looking for some taxis once out of the train station, but found only rickshaws (cycle-rickshaws). Phoebe and Mommy hopped onto one, Daddy onto one and Larry onto another and off we went for the South Eastern Railway hotel, the pride of Puri.

The hotel wasn't bad. Much like the hotel we stayed in in Suez, or was it Port Said ie. tall ceilings, ceiling fans, verandahs etc. After breakfast in the dining room, we spent most of the day on the beach. A beautiful beach almost 1/2 mile deep. No beer cans, no coke stands, no board walk, no crowded parking lots, no fences, entrances, ticket booths, or hot dog stands. Just beautiful, expansive, sandy beach. We paid a boy 10 rupees and he built us a straw hut, and for another 2 rupees he watched Phoebe and kept her busy playing in the sand. The water was perfect and the waves were just right for body surfing. An ideal situation.

That evening we took rickshaws (about 2 miles) into the center of the town of Puri. Puri is a holy city in India. In fact it is considered one of the four holiest cities in the country. There are always numerous pilgrims there. Banares of course is the most holy city in the country. In the center of town is the Jaganathan Temple, a beautiful Hindu structure about 150 ft. high. Non Hindus are not allowed into the temple enclosure - one must get a vantage point from the library across the street. The library was closed as it was evening so we had to content ourselves with gazing at the tall spire (~~pinkish~~ painted white) ~~from~~ from outside of the enclosure. Outside of the temple was a busy market place. One of the most interesting things that we saw was a money changer. ~~There~~ There are always numerous beggars around a temple. Hindu's consider that during a pilgrimage it is good to give to beggars. The money changers have large piles of coins laid out on the ground in front of them. No wonder there is a coin shortage in this country. The temple money changers have hoarded all the coins. Anyway, you have only to put out a rupee to one of these business men and he will be very happy to return to you 19 (not 20) 5 paisa coins. Other shops along the way, lighted by kerosene/Coleman type lanterns sell religious trinkets, dolls, seashells, toys, stone carvings, brass. The shops are all open. The shop keeper is usually sitting on his haunches Indian style on a platform about three feet in height. It would be so much easier to put a chair on the ground I think. But, these people must practice yoga - indeed, they are very supple.

It was time to go home and we looked around for our rickshaw wallas. They were hard to find as there were so many waiting for other people. They all look so much alike.

~~Next~~ Next day was time for the beach too, but we cut it short a little bit and visited some of the other temples of Puri. One of the things we noticed while riding around the area was the stunted size of all human and animal life. The cows were smaller than in the north. The people were all darker and smaller. Indeed, they appeared to be much more impoverished and ignorant than the city dwellers we were used to. The darker and smaller people of the south are of Dravidian stock, being ~~some of the~~ descendants of one of the first great migrations to the subcontinent. Later the taller, lighter skinned Aryans came and inhabited the north. Aside from caste discrimination still rife in this country, there is still very much of a color discrimination, the lighter skinned peoples being usually the most desirous. In newspaper advertisements for a marriage partner "light-skinned" is invariably a prerequisite for application.

On Sunday we decided to forgo the beach and accompany Larry, sharing a rented car, on a temple watching journey. The state of Orissa is well known for its beautiful temples and we decided that rather than spend another day on the beach this would be an excellent opportunity to see the temples. The first leg of our journey took us to Konarak, the Sun Temple. This, like Khajuraho, which you recall we had visited last October, is best known for its erotic sculptures. We had

lunch at the rest house at Konarak. Margaret thot it was too dirty so she and Phoebe stayed in the car and tore into a box lunch given us by the South Eastern Railway Hotel. She and Phoebe joined us later inside for the ubiquitous and thirst quenching Coca Cola. Larry and I ate dhal, chicken curry, and chippati. It wasn't to bad and if you can get used to greasy plates and spoons, dirty walls and birds flying in and out the window a rest house is not a bad place to eat. Much more interesting than McDonalds I think, though Margaret would be sure to disagree. Anyway its definately a good thing that Phoebe not be exposed to this type of lunch. The hard boiled eggs and chicken sandwiches she had in the car were much safer.

After Konarak we drove to Bhubaneswar. The drive, a short one of 40 kilometers, is beautiful. Tropical vegetation and quaint villages make up most of the scenery. There are very few cars on the road, but lots of bullocks, bullock carts etc. The main temple in Bhubaneswar is the Lingaraj temple, similar to the temple in Puri.

We later met the Calcutta bound Puri Express at the Bhubaneswar Station (rather than returning to Puri) and were on our way home. j We met some interesting people at the station. One was an aggressive shoe shine boy who would not take no for an answer. After trying to convince the youth that we did not need a shine many curious onlookers had gathered. I finally said ok. After he finished my shoes he jumped over to Larry who also agreed to have a shine. I told Larry I'd give the boy a rupee for both of us. The boy took the rupee from me and then tried to get some money from Larry. We said no no, 1 rupee for both. The boy smiled and the crowd of ~~in~~ of ~~in~~ people laughed. We also met a graduate student from the University of San Francisco who had spent the last 5 years in India and Nepal studying classical Hindu and Buddhist art.

After a nites sleep on the train we arrived in Calcutta at 5 on Monday morning. Sabudine was there with the car to pick us up. Home for breakfast and off to work by 8 o'clock. A rather nice trip.

l o v e s t e v e

May 26, 1973

Dear Folks,

My desk faces a window which looks out over the court-yard of our apartment house complex. I can see our twin apartment building across the way with its red and grey facade. A tree blocks part of it, but only up to the fourth of its 8 floors. What catches the eye, however, is the torrential downpour of rain. I don't think I've seen anything like it since experiencing the tempests on the French Atlantic coast. The monsoon is not officially here, it is due in Calcutta in mid-June. I am watching what is called a north-wester, or a pre-monsoon shower.... some shower.

Margaret is at the Woodlands Nursing Home feeling great after giving birth to Jacob Stephen (9Pounds) on Thursday, May 23, 1973. A cable has already been sent to you announcing his birth, and we will try to reach you by phone when Margaret comes home tomorrow.

J.S.'s birth was far from a replay of Phoebe's. Margaret had had about 5 false alarms in the previous 10 days, and we were beginning to wonder if it would ever happen. Finally, on Tuesday the 21st, Dr. Mehta (Mrs.) agreed that Margaret be admitted into the Nursing Home on Thursday to be induced. On Thursday morning Margaret felt the time was near anyway, as early in the morning she had lost the mucus plug. Still, there were no signs of contractions or labor. She got to the nursing home about 7:30 am, began receiving glucose intravenously at 9:30 am, went into labor at 10:30 am and gave birth at 11:30 am. It all happened so fast that the doctor hardly had time to get to the hospital. Margaret was fearful of giving birth "natural childbirth" as she recalled the extreme suffering she went through for Phoebe. However, after only three contractions, J.S. came into the world. Naturally, the father was in the delivery room supervising the whole operation. It is a wonderful experience. It falls into the same category as Fourth of July parades, men walking on the moon, and Jumbo jets. The matron of the hospital came into the delivery room shortly after the birth and was astonished to see me taking pictures of J.S. even before he had been cleaned up. She wondered what he was going to feel like when he got older and saw the pictures.

I haven't done much at work for the last couple of days. By the way the clerical staff have been on strike for 2 weeks. Officers are performing the essential functions of the bank.

We are looking forward to seeing you in July. I'll send you a detailed itinerary later, but roughly it will be: Karachi, 1 day; Amsterdam 3 days; New York 2 days; New England 7 days; Houston 2 days; Provo 13 days; Honolulu 2 days; Hong Kong 3 days. That should add up to about 5 weeks. Hope to talk to you on the phone tomorrow. Love Steve Marg and Phoebe

July 1, 1972

Dear Folks,

Interesting about Miller and the US Open. I'll bet people are really excited. Sometimes I get the feeling that you have the impression that since we are so far away we do without first hand news about what is happening in the states. Would you have told us about Miller winning the Open had we lived in Boston, for instance? Well, while we want you to continue to write us about anything and everything you want to, we also want to assure you that we devour rapidly almost any current U.S. publication. We get weekly the International Editions of Time and Newsweek as quickly as you get your local version. We are subscribers to the International Herald Tribune (affiliate of the New York Times and the Washington Post) and receive this paper daily. We receive the West Coast edition of the Wall Street Journal by air sometimes as quick as a day late, although most times it is 2 to 3 days late, the bank receives that is. When we have people over we discuss Watergate, whether Nixon should resign etc. etc. By the way, I think he should, what do you think? I follow Hank Aaron's quest to break Ruth's all-time home run record. Informationwise, the Indian English language papers are a loss, so we are forced to read American publications for news and information. I find out more about conditions in India from Newsweek, than from Calcutta's Statesman. The Statesman will not tell you that there is a serious drought and food shortage in the country, for example. While Indians are proud of their Free Press, which indeed it is, the press is so Pro Indira Ghandi that it prints almost nothing which would cast aspersions on her. What I am saying, I guess, is that India's press is not discerning or critical. So, while we don't live in the 20th century, at least we can read about it.

The real purpose of this letter was to record an experience yesterday which was a first for me. I had to ask a man for his resignation for dishonesty. Now I suppose that this is nothing new, but there are, in my opinion, certain remarkable aspects of yesterday's experience.

We had a Credit Investigator named Mishra whose job it was to visit various firms around the city to get credit checkings on some of our borrowing clients. This man's job involves doing the checking, filling out a report, and then submitting a petty cash voucher reimbursing himself for expenses incurred doing the checking (taxi etc.) Well, the man had been making up phoney checkings and then submitting the voucher reimbursing himself for expenses which he really didn't incur. Once we had collected sufficient evidence on the guy, including written statements of denial by firms claimed to have been visited by him, it was my job to ask for his resignation.

July 1, 1972

In truth, my gut was very happy in anticipation of the occasion. Mishra had been president of the employees club and had been suspected of funds mis appropriation. This, however, could not be proved. At the same time he had been one of the most belligerent demonstrators during the agitations during the first part of the year, hurling all kinds of insults at officers, including myself. My task was clear-cut. I could lose my job as Operations Supervisor if it came to the attention of the Comptrollers that I was aware of a defalcation and did nothing to report it or to dismiss the employee. Our procedures dictate that fraud be immediately reported and that the employee, whether or not he benefited, be immediately dismissed. Now the reason that this experience is unique, is this: Most employees, when confronted with fraud, and given a chance to quietly resign, do so in minutes, slipping out the back way ashamed to face their comrades with the truth. Not this guy. He couldn't believe this was happening to him. He had two choices. Resign, in which case the bank would not prejudice him in his future attempts to seek employment, or to undergo criminal prosecution where he would surely be convicted of fraud. He couldn't choose. He kept thinking there was some other way out. First he pleaded that he would sign a guarantee in favor of the bank promising not to engage in fraudulent activities in the future. Next, he pleaded for mercy, admitting his guilt. I then gave him a time deadline, 10 o'clock -- it was then 11:30 am by which time if he didn't sign the resignation letter, I would leave the bank (it was Sat. half day) and criminal proceedings would be initiated on Monday. He then, of all things, went to his Union. Now union, even in India, will back up an employee guilty of fraud. But not our Union. No they came in with a deputation, denouncing the crime, but asking for mercy for the guy -- after all, he was one of their chief belligerents and they were losing one of their number. Finally after 3 hours of tension, this guy signed his resignation letter and took the back exit, but not before everyone in the bank knew of the exact nature of his crime. I haven't put as much as I could have into this description, but don't you find it bizarre that this employee behaved the way he did? I guess he just couldn't believe that there wasn't some way out. Indeed he has always been led to believe this in past management/employee confrontations where the Union has always been able to exact something out of management through threat and coercion. Not any more, at least where fraud is involved. This is the first time in several years that a man has been booted out of the bank for any reasons. The Indian clerical employee has as much security in his job as any one in the world. He cannot be terminated for anything short of fraud or violence or a court conviction of some sort. The courts are so slow as to void the impact of the latter alternative. In the end it was not, as I had thought it was going to be, a very pleasant experience to terminate an employee. All in all, this man is now pretty well doomed. In the Calcutta job market, 50% of the college graduates are unemployed, and Citibank employment is considered top pick. Will now jump to responding to Dad's June 8 letter.