Whether focusing on an individual human being, a small group, or an entire body of people, the American Friends Service Committee sought in the past year to put the human dimension ahead of all other considerations. It worked to help people attain better health and an adequate income, a sense of dignity and self-worth, and a life free from hunger and homelessness.

When the needs of people warranted, the Service Committee did not hesitate to speak out on issues of public policy, although such activity is more controversial than direct service to persons in distress. The Committee feels that to make an impact on injustice, inequality and inhumanity, and to work for a world free of war and armaments, it must accept the risks of controversy. A better world is well worth such risks.

Through the AFSC you are helping

THE URBAN POOR

In Santiago, Chile, AFSC continues to help support 145 feeding centers (comedores) serving over 15,000 meals a day. An AFSC-trained Chilean woman is working with community groups to encourage people to use their small plots of land to grow vegetables for home consumption. The project provides seeds and technical help. Two sewing workshops were organized for women to make such needed items as linens and school uniforms.

The mining region north of Santiago continues to be plagued by unemployment, family instability and poor housing, as well as by health problems. AFSC helps support 15 comedores and the training of health monitors to detect illness and malnutrition among those coming to be fed.

In Mexico City, in an area inhabited by 65,000 squatters, adult education sessions are helping residents achieve primary and high school certificates. A center for women offers information on health and nutrition, child care, family planning, employment and training. A second center provides child care for mothers who work.

The Zambian government-sponsored project to upgrade squatter communities in Lusaka has improved life for some 200,000 people. This year a group of citizens earned money digging water pipe trenches and purchased materials to build a health clinic. An agricultural extension worker, added to the staff, initiated a nutrition project with emphasis on kitchen gardens. With water available, families can grow two or three crops a year.
WOMEN

Of America’s 26 million poor, 20 million are women and children. Thirty-three per cent of female-headed households are below the poverty level (as compared to six per cent of male-headed households). For these women, the greatest need is adequate income, whether they work in the home or in outside jobs.

The AFSC’s Welfare Advocacy Project in Northwest Indiana is helping women—and men—to know their rights to such services and financial aid as food stamps, medicaid and welfare.

A major barrier to economic independence for women is lack of adequate and affordable day care. In Des Moines and Portland (Oregon) AFSC is helping home day care providers organize to improve the quality of child care and to obtain needed aid. In Portland, in less than two years, AFSC’s Neighborhood Options in Child Care has organized a Day Care Mothers’ Association; a USDA food program; an equipment-lending exchange, and a cooperative preschool run entirely by parents.

Problems of battered women and their children are the focus of work in New York City and Cambridge, Massachusetts. AFSC staff in Cambridge continue to assist a refuge for battered women and children, helping with practical problems and referring women to proper agencies.

In Chile, over 400 women completed a health education course, learning sound nutrition and hygiene, pre-natal and infant care. Of the mothers who participated in an area where malnutrition is endemic, only one of the babies checked was malnourished.

The new Women and Development Program based in Senegal, West Africa focuses on the grassroots projects of rural and small-town women in four Sahelian countries, helping them develop organizational and technical skills, links with other groups, and co-ops to improve the welfare of their families.

PRISONERS AND EX-PRISONERS

In Seattle, AFSC helped form an organization of families and friends of prisoners to press for needed changes in the prisons.

In Walpole Prison, in Massachusetts, workshops for prisoners have helped sensitize prisoners to racist attitudes, thereby reducing the level of violence in the prison.

In 17 states this past year AFSC staff worked to abolish capital punishment and to stop the passage of new capital punishment laws.

In Madison, Wisconsin AFSC began an ex-offender employment project helping men and women find jobs in a town where it is difficult to find work.

AFSC was the motivating force behind the Washtenaw Community Bail Fund in Ann Arbor, Michigan and an AFSC staff member serves on the Board. The Fund provides bail for low-income citizens (accused of mostly nonviolent crimes) in cases where the defendant or the defendant’s family cannot afford a private bail bondsman.

NATIVE AMERICANS

In 1977 five AFSC programs supported Native Americans in their struggle for sovereignty and equal rights under the law.

In Maine, AFSC Native American staff are working in their own communities to help struggling non-reservation Native American organizations whose sources of funds have diminished as a result of adverse publicity on the land claims issue. A film on the moral and ethical questions of the land claims of Maine Indians was produced for use in discussions with non-Indians.

In South Dakota, AFSC is helping educate the public about Native American sovereignty—the desire of Indians to control the institutions that affect their lives—which is acknowledged in the Fort Laramie Treaty of 1868.

In Washington State the AFSC was a prime mover in organizing a National Coalition to Support Treaty Rights, to combat the fear and hostility of whites.

In California AFSC staff helped document facts about state water and gas projects which threatened five Indian historical sites. The Native American staff member is informing the media on Native American issues in order to generate public action and support.

CITIZENS UNDER SURVEILLANCE

In five cities, AFSC is seeking through public education and action to end the abuses of special intelligence units or “red squads”.

AFSC joined a class action suit in Chicago which brought forth evidence of spying on leading citizens, housewives, church groups. AFSC joined three other suits challenging illegal surveillance by government officials and agencies.

CHILDREN AND YOUTH

The continuing use of children in commercial agriculture was revealed by AFSC this year in its report SCHOOL DAYS, SATURDAYS, SUNDAYS AND FIESTAS. The above title was the response of a seven-year-old to the question, “Do you work every day?” The 113-page document looks at local compliance with federal law, at the effect of field work on the health and formal education of children, and at the impact of child labor on farmworker income.

Continued
FOR A JUST WORLD ECONOMIC ORDER

In the last year AFSC sponsored more than 25 educational conferences on the new international economic order (NIEO) and the right sharing of the world's resources. An average of 200 people attended each conference and brought to the discussion a wide range of perspectives. The result: a better understanding of the demands of developing countries for a new international economic order and public discussion of how the U.S. should respond.

NARMIC's slide show SHARING GLOBAL RESOURCES, and a packet of resource materials on the NIEO, have received enthusiastic response from schools, peace and church agencies, community groups and some trade unions.

ON SOUTHERN AFRICA

In August, 14 persons on an AFSC study tour (accompanied by AFSC's Representative in southern Africa), traveled to the key majority-rulled countries of southern Africa to prepare for participation in AFSC's expanding public education program on southern Africa.

They visited a refugee camp in Botswana which shelters some 4,500 refugees, including children, from Rhodesia and South Africa. Botswana is struggling to help, but cannot meet all their needs. In October AFSC sent 150 bales of men's and boys' clothing to Botswana as an initial response to the problem, and contributed $5,000 to the Botswana Council of Churches' effort to help refugees.

In addition to the media work of study tour members, campaigns called on universities to divest themselves of investments in corporations doing business with South Africa. Among those agreeing to do this were the University of Massachusetts and the Oregon Board of Higher Education.

Working with coalitions and alone, AFSC has protested the advertising and sale of the Krugerrand, a gold coin from South Africa, and joined in a nationwide campaign to persuade U.S. banks to withdraw credit from South Africa.

ON THE MIDDLE EAST

AFSC's Middle East Program worked this past year to promote understanding and support for a peace settlement which provides for security for Israel and self-determination for the Palestinians. In the Middle East Quaker representatives facilitated communication among government officials, academics and other leaders.

Over 750 meetings were held on the Middle East which reached close to 12,000 people in 100 cities. In almost all cases these included people with limited knowledge of Middle East issues.

One of the most significant events brought together 250 people in Washington D.C. to discuss "The New Imperative for Israeli-Palestinian Peace." This was the first such conference in the U.S. and allowed for dialogue about a range of options for resolution of the conflict.

As a Quaker organization, the programs described above are carried on as an expression of a belief in the dignity and worth of each person, and in a faith in the power of love and nonviolence to bring about change. The work is supported by individuals of different faiths who care about service, development, justice and peace. Additional help is needed in the coming months to meet critical shortages for people around the world, and to expand ongoing programs. For more information please call or write the national AFSC office, or the nearest regional AFSC office listed below.

AMERICAN FRIENDS SERVICE COMMITTEE

Contributions to AFSC are deductible for Federal income tax purposes.

No. 753—80M—2-78—S.E.
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Continued
Farmers in the mountainous area of northern New Mexico receive AFSC support in their fight to remain self-sufficient. AFSC helps village residents protect the land and water rights of their villages against increasing encroachment by tourism and agribusiness.

In rural Mexico staff are working on problems of food production, community development, education, and the improvement in the quality of life among the materially poor. A better life in rural villages means less need to migrate to the cities or to the U.S. for work.

At Atlacomulco loans have helped residents start new income-producing enterprises—hat-making, rabbit-raising, a tannery for preparing rabbit skins for sale. Residents planted 20,000 fruit trees in six villages to help increase food supplies and self-sufficiency. AFSC promoted the idea and gave technical advice; the government donated the trees.

In Vicente Guerrero, solar energy has been introduced to heat water for public baths. A demonstration garden plot has sparked a garden at the school and home gardens as well. Community tree farming is planned as a way to halt soil erosion and to provide a future source of fuel. The project's aim is to promote and demonstrate village self-sufficiency in food and fuel.

Concerned with Mexican border issues, AFSC seeks to understand and publicize factors which cause undocumented workers to migrate to the United States. The Committee brought together concerned people on both sides to seek solutions to the problems of increased migration to and across the border, the human misery involved, the harassment encountered, and the tension between Mexicans and U.S. citizens.

In Bangladesh, in the rural province of Rajoir Thana, new crops are flourishing, adult education centers are providing classes for the illiterate, and new floating gardens offer a way to grow food in flood season. Commenting on the past year the director said, "This is the first year nobody starved to death."

An agricultural development project in several Mapuche (Indian) subsistence communities in southern Chile has not only improved village agriculture but also strengthened cooperation between villages. Mapuche farmers were encouraged to take training courses in dairy farming, animal husbandry, beekeeping and farm machinery. Women studied sewing, weaving and family health.

WAR VICTIMS

An AFSC delegation, visiting Vietnam in January, observed Vietnamese reconstruction programs, saw AFSC donations in use, and discussed new service programs. AFSC resumed providing materials for the Quang Ngai Rehabilitation Center for amputees and paraplegics now relocated at Qui Nhon.

AFSC is also supplying equipment to expand the wood screwmaking factory in Hanoi which now turns out 2,400 gross of wood screws a day using equipment Quaker Service provided last year. Delegation members reported to Congressional leaders upon their return.

The Service Committee is one of two American agencies with resident staff in Laos. To farmers of the devastated Plain of Jars AFSC delivered 80 water buffalo so they would have the means to cultivate their fields. AFSC also provided spare parts and tools for the repair of agricultural implements and for the training of Laotians who will make the necessary repairs.

AFSC intensified its efforts to persuade U.S. policymakers to provide reconstruction aid to Vietnam and Laos. AFSC also joined a Washington coalition whose efforts contributed to the defeat of an anti-Indochina amendment in the Senate. The amendment would have prohibited even indirect U.S. aid, such as through the World Bank or the U.N.

Through the AFSC you are working for peace and the resolution of conflict and on some of the vital issues of our time

ON HUMAN RIGHTS

Because of the work of AFSC and other organizations to expose torture and repression of human and political rights, there is growing public concern and controversy over the issue. Drawing on staff experience overseas, AFSC's human rights program focuses on the critical role of the U.S. government in maintaining governments which repress the economic, civil, social and political rights of their citizens. AFSC participated in the Coalition for a New Foreign and Military Policy which published a CITIZENS ACTION GUIDE TO HUMAN RIGHTS. The aim: to make human rights a basic principle of U.S. foreign policy by organizing grassroots community pressure.

ON DISARMAMENT

AND PEACE CONVERSION

The dangers of nuclear proliferation and the economic impact of the arms race on both developed and developing nations have given added urgency to the struggle for disarmament.

The cancelled production of the B-1 bomber late in June was encouraging to those involved in the long struggle toward that end. With the successful conclusion of that campaign, AFSC expanded its work on disarmament especially seeking an end to the nuclear arms race, the transfer of resources to human needs, and the conversion of military industries.

In Denver, AFSC, joining peace and environmental groups, turned its attention to the Rocky Flats nuclear weapons plant where there have been 200 industrial accidents and radioactive wastes have leaked into the soil and water supply. The publicity generated by the study prompted the governor to appoint an investigating commission on which an AFSC staff member now serves.

Continued
American Friends Service Committee, Incorporated

Financial Highlights for the Year Ended September 30, 1977

These highlights are taken from the complete financial statement audited by Haskins, Sells, C.P.A. A copy of the full report is available on request.

<table>
<thead>
<tr>
<th>PUBLIC SUPPORT AND REVENUE</th>
<th>TOTALS</th>
<th>OPERATIONS FUNDS</th>
<th>RESTRICTED</th>
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<tr>
<td>Contributions (including clothing of $208,835)</td>
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<td>Bequests</td>
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<td>Total Public Support</td>
<td>8,683,997</td>
<td>5,373,418</td>
<td>3,310,579</td>
</tr>
</tbody>
</table>

| Fees and Grants from Governmental Agencies | 297,950 | 297,950 |  |

| OTHER REVENUE |  |
|----------------|------------------|------------|
| Investment income, net of related fees | 749,350 | 665,012 | 84,338 |
| Program service fees | 295,776 | 295,776 |  |
| Miscellaneous | 170,971 | 170,971 |  |
| Total Other Revenue | 1,216,097 | 1,131,759 | 84,338 |

| EXPENSES | 10,198,044 | 6,505,177 | 3,692,867 |

Program Services
Overseas: promoting international understanding; human rights, economic and social justice, and the relief of human suffering through programs of communication, education, technical assistance and material aids (including clothing of $222,494)

Supporting Services
Management and General

| Fund Raising | 1,528,372 | 1,421,380 | 106,992 |
| Total Supporting Services | 1,230,886 | 1,224,378 | 6,508 |
| Total Expenses | 2,759,258 | 2,645,758 | 113,500 |
| Excess (deficiency) of Public Support and Revenue | 9,796,473 | 6,630,291 | 3,166,182 |
| Over Expenses | 401,571 | (125,114) | 526,685 |

Other Changes in Fund Balance
Property and Equipment Acquisitions from

| Unrestricted Funds | 111,586 | 111,586 |  |
| Total | 289,985 | (236,700) | 526,685 |

Fund Balances, Beginning of Year

| 8,685,613 | 6,730,242 | 1,955,371 |

Fund Balances, End of Year*

| $8,975,598 | $6,493,542 | $2,482,056 |

*Fund Balances, End of Year

In accordance with the Audit Guide for Voluntary Health and Welfare Organizations, all contributions are considered available for unrestricted use unless specifically restricted by the donor. In order to comply with the Audit Guide, the Committee classifies the Bequest Funds, Funds Functioning as Endowments and the Informal Pension Plan as Operations Funds for use in accordance with the following policies of the Board of Directors:

To spend Bequests generally over a period of two or more years, in order to use this fluctuating income most effectively for Committee programs.

To use only the income from Funds Functioning as Endowments, while maintaining the principal.

To provide pension benefits, at the Board of Directors’ discretion, for certain employees who are ineligible to participate in the Committee’s formal pension plan.

Restricted Funds represent amounts donated or granted to the Committee for use as specified by the donor.

| Fund Balances: |  |
|----------------|------------------|------------|
| Unrestricted Funds: |  |
| Undesignated | $1,097,612 |  |
| Designated: |  |
| Bequests | $4,869,596 |  |
| Funds functioning as endowments | 297,526 |  |
| Informal pension plan | 228,808 |  |
| Total designated | 5,395,930 |  |
| Total unrestricted | 6,493,542 |  |
| Restricted Funds: |  |
| Current Contributions | 1,609,072 |  |
| Bequests | 872,984 |  |
| Total restricted | 2,482,056 |  |
| Total fund balances | $8,975,598 |  |