Dear Friend:
The highlights of American Friends Service Committee work, in this our seventieth year, reflect the scope of our programs around the world. They included an Academy Award to AFSC staff member David Goodman for a film he produced and the launching of a program for the homeless in Boston. They ranged from Gaza where we helped open a new shirt factory which employs Palestinian refugee women, to many areas around the United States where AFSC staff and volunteers gave leadership in support of disarmament and to movements for peace and justice in Central America and South Africa.

What united these endeavors? First there are the spiritual roots of all AFSC work. Quaker faith in that of God in all persons defines the terms of the programs cited throughout this report. The work reflects a faith in people’s capacities, even in the darkest and most dismaying of circumstances. It also reflects a conviction that all life—that of the oppressed and that of the oppressor—is sacred.

Based on these enduring Friends’ principles, our programs are firm in their commitment to those who suffer injustice and to those who are working to become self-sufficient; they are steadfast in their practice of nonviolence as a force for change.

The second factor uniting our programs is AFSC’s profound...
respect for diversity. Although uniquely Quaker, since its earliest days in World War I, the AFSC has recognized that the spirit of love and truth works through the lives of people from all faiths and backgrounds. Our contributors, staff, volunteers and committees reflect the remarkable diversity of the human family. This diversity, in turn, energizes our endeavors and shapes our understanding of the world and the communities in which we work.

There is something precious and powerful in this mixture of long-standing Quaker spiritual heritage and engagement with people of many different origins—united in pursuit of a more just and peaceful world.

I hope that the pictures in this report, along with the examples of our work, will communicate how these unifying forces shaped AFSC’s work in 1986. More importantly, I hope the faces portrayed in the following pages will convey the gifts of human spirit and determination which repeatedly rekindle our enthusiasm for the efforts in which you and I are partners.

Sincerely,

Asia A. Bennett

Asia A. Bennett
Executive Secretary
Programs that reflect a confidence in people's capacities, even in the darkest of circumstances

In its programs overseas, AFSC puts its faith in people and communities to respond creatively, especially when help is made accessible to them as they seek their own way to self-reliance. The Quaker value of each individual means AFSC works often in very marginal settings, with people who are disenfranchised, the poorest people, the people who are out of power. The outcome of this is a project or process that helps people initiate social change from where they are. In 1986 AFSC worked beside people overseas as they became more self-sufficient, grew their own food, developed new water sources and improved agricultural production. The highlights follow:

☆ Provided humanitarian aid to those who were suffering because of the conflicts, warfare and political violence in Central America. The AFSC's Central America Assistance Fund provided material aid to refugees, displaced persons and others who were returning to their home villages. Funds were also provided to support community projects in areas of conflict. For example, the Fund supported a group of self-reliant peasants, displaced by the civil war in El Salvador, who were building houses to start a new community. AFSC help included two months worth of food for the 250 residents.

☆ Provided funds to Mexican groups for reconstruction and repair of housing damaged by the earthquake.

☆ Joined a pesticide project in Nicaragua as pesticide illnesses and deaths became a serious health problem. AFSC provided a health educator and an epidemiologist/physician as part of the outside resource team.

☆ Focused on health services in the southern region of war-torn Lebanon. AFSC's public health nurse supervised nurses who made home visits to physically handicapped people, and began a maternal-child-health education program for mothers. An AFSC grant helped restore the water supply to one refugee camp and to renovate a kindergarten in another.

☆ Supported a program of Israel's Van Leer Institute that sponsors school projects to help eradicate prejudicial stereotypes in Israeli society between Jews and Arabs.

☆ Helped start a new clothing factory in Gaza which is providing employment.

☆ Sent sorghum seed to needy farmers in Ethiopia in time for spring planting. Provided seeds and tools to nomad farmers in northern Mali. In southern Mali, AFSC hired well diggers to repair and dig new well.
wells for 15 women's cooperative gardens. Vegetables from the gardens sustained many families when crops failed because of the drought.

☆ Provided water buffalo (carabao) to unemployed sugar workers on the island of Negros in the Philippines. The workers have borrowed fallow land to grow rice and vegetables.

☆ Supplied materials to rural villagers in Laos to build small dams for improved irrigation.

☆ Established a vaccine lab in Kampuchea and arranged for four Khmers to be trained in vaccine production in Laos. The lab is able to produce one million doses of hemorrhagic septicemia vaccine a year to improve the health of draft animals needed for farming.
Programs that reflect a conviction that all life—that of the oppressed and the oppressor—is sacred.

AFSC's efforts for disarmament and peace, for non-military solutions to conflict, are based on a simple faith of that of God in every person and in the inclusive community which this faith implies. It is at the heart of AFSC's commitment to nonviolence. In some situations this means applying skills of conciliation, in others nonviolent confrontation. It means listening as well as speaking. It requires time and patience. The work focuses not only on situations of suffering, but on the causes of these sufferings. In 1986 AFSC provided leadership to local and national peace movements; and called for non-military solutions to the problems in the Middle East, Central America and the Philippines, and for a free South Africa without apartheid. It built bridges between U.S. citizens and citizens of the Soviet Union. Some of the highlights for the year:

- Helped form individual groups to work on apartheid, and then coalitions nationwide. AFSC staff members witnessed against apartheid in front of South African consulates and picketed ships unloading cargo from South Africa. They provided information urging divestment. AFSC-sponsored speaking tours on southern Africa issues attracted large and enthusiastic audiences. AFSC staff testified on the South African arms embargo before a United Nations committee in London.
- Produced a film, Witness to War, which received an Oscar for best short documentary as well as numerous film awards overseas.
- Continued to document, monitor and report the environmental dangers at the Rocky Flats nuclear weapons plant near Denver.
- Held a second US/USSR seminar in the Soviet Union in April as part of the on-going reciprocal seminar program. Held a successful conference on the Soviet Union and U.S.-Soviet relations in the spring entitled "Across the Abyss." More than 120 people from 25 states attended. The Disarmament Program now has a network of nearly 300 concerned people from most of the nation's 50 states who are committed to working on East-West issues.
- Made a vast amount of hard-to-get information on the military-industrial complex accessible at low cost to peace activists, journalists, students, concerned investors and planners.
- Worked in the United States to maintain a nationwide program of peace education and action about Central America, educating the public about the U.S. role in Central America and identifying alternative approaches to resolving the conflict.
☆ Worked in the United States to maintain a nationwide program of peace education and action about Central America, educating the public about the U.S. role in Central America and identifying alternative approaches to resolving the conflict.
☆ Brought about greater public understanding of the Arab-Israeli-Palestinian conflict through educational materials, slideshows, speakers, and study tours of the Middle east. AFSC also cooperated with other civic, religious and peace organizations on programs of Middle East peace education and action. In its efforts to empower the peacemakers of the region, AFSC helped these voices—on both sides—to be heard in the United States.
☆ Compiled a compelling documentary video, "South Africa Unedited," that shows life inside South Africa under the state of siege. The total footage was gathered by Afravision, a small London-based group, which provided it to the AFSC. The AFSC’s 30-minute presentation was shown at a Capitol Hill meeting in Washington before a large audience of press and Congressional aides.
Programs in the United States that reflect a commitment to a more just and humane world

Two Quaker principles bring particular strength to AFSC's work for justice in the United States: seeing each human being as of infinite worth, and a history of dissent from society's prevailing practices if those practices violate basic beliefs in equality and the value of each person. A belief in the worth of all people is evident in AFSC's deep engagement in U.S. communities of great racial and cultural diversity, communities which carry the burdens of poverty and powerlessness. Energies for change and inspiring commitment to struggle toward change lie in these communities. This is reflected in the programs in 1986 in which AFSC:

☆ Provided legal representation to Central Americans in Florida seeking political asylum, including Kankjobal Indians from Guatemala. Continued support of legal rights for undocumented workers in Florida, California and Washington; and support for farmworker organizations in the forefront of the struggle to assure the right to organize, to have decent housing and safe working conditions.

☆ Developed health education skills and preventive health care on Indian reservations in South Dakota.

☆ Addressed hunger and human needs of Appalachians in the coalfields of southwest Virginia. The AFSC HELP Center has evolved into the area's leading advocate for the hungry, poorly housed, unemployed and undereducated. Now community agencies and officials are more responsive to the growing poverty and depression brought on by the coal industry slump.

☆ Opened a conciliation center in Flushing, New York, which brings people together with a panel of trained community members for a resolution of the conflict before having to resort to the courts. It is quick, informal and a free service.

☆ Experimented with new crops and environmentally safe and economically viable farming practices. Strains of seeds carried to the U.S. by southeast Asian immigrants are being genetically improved to develop crops that Asian refugees can grow for the Asian-American food market in the Northern California area.
Provided new immigrants and farmworkers in California with the opportunity to upgrade their agricultural skills through programs with established farmers and local community colleges.

Worked to protect the rights of traditional water users in northern New Mexico, such as rural Hispanics. Found funds to repair ditches that carry irrigation water to the small farms and to build dams to divert water to where it is needed.

Provided workshops for Khmer and Haitian refugee women in New York City to assist them in understanding their new culture.

Created an Advocacy Center for Homeless Women in Boston where women define their own needs and develop campaigns to change public and private policies. In Hawaii, AFSC worked with leaders of the homeless population, clergy and other community groups seeking emergency shelter and permanent housing for homeless people.

In East Oakland, California AFSC staff worked with homeless people in an emergency shelter in which homeless people are organizing for self-government and for permanent solutions to their need for housing, food and jobs.

Held a conference in Washington, D.C. for youth leaders working with urban young people on issues of militarism.
### Officers of the AFSC Corporation
- **Chairperson**: Stephen G. Cary
- **Treasurer**: Oliver E. Rodgers
- **Executive Secretary**: Colin W. Bell
- **Executive Secretary Emeritus**: Asia Alderson Bennett

### Members of the Board of Directors
- Stanley Becker
- Dulany Bennett
- Sarah Curwood
- Cushing Dolbeare
- Joann Elder
- Deborah Fink
- Julia Forsythe
- William Hammond
- Carolyne Jordan
- Arlene Kelly
- Eric Kristensen
- Aki Kurose
- Shelli McWhorter
- Mariagnes Medrud
- David Miller
- Eric Moon
- Alex Morisey
- James Navarro
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  - **Vice Chairperson**: Paula Rhodes
- Doris Shamleffer
- Kenneth Story
- Laurence Strong
- John Sullivan
- Stephen Thiermann
  - **Vice Chairperson**: Robert Vitale
- Roland Warren
- Donald Warrington
- Paul Wehr
- Orville White

### Regional Executive Committee Clerks
- Verne Bechill
- Victoria Cooley
- Nemesio Domingo
- Armando Gaitán
- Lincoln Moses
- Katherine Nicklin
- Susan Snider
- Asenath Young
- Dean Young

### OPERATIONS FUNDS BALANCES

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balances 10/1/85</th>
<th>Net Changes</th>
<th>Ending Balances 9/30/86</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RESTRICTED FUNDS:</strong></td>
<td>$2,857,481</td>
<td>$956,667</td>
<td>$3,814,148</td>
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<tr>
<td><strong>UNRESTRICTED FUNDS:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unsold Real Estate and other non-marketable Assets</td>
<td>1,531,015</td>
<td>(230,597)</td>
<td>1,300,418</td>
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<td>Donor-deferred Suggestion Funds</td>
<td>1,021,911</td>
<td>(107,553)</td>
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<td>Designated Pension Fund</td>
<td>564,430</td>
<td>27,082</td>
<td>591,512</td>
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<td>Operating Reserves³</td>
<td>2,294,871</td>
<td>9,254</td>
<td>2,304,125</td>
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<td>Funds Functioning as Endowments</td>
<td>767,783</td>
<td>1,008,957</td>
<td>1,776,740</td>
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<tr>
<td>Bequests Designated for Use in Future Years⁴</td>
<td>10,939,241</td>
<td>(643,486)</td>
<td>10,295,755</td>
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<tr>
<td>Realized Capital Gains &amp; Other Funds</td>
<td>2,259,670</td>
<td>1,283,628</td>
<td>3,543,298</td>
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</tbody>
</table>

**Total** $19,378,921 $1,347,285 $20,726,206

1 Directed by donors for specific program use.
2 Special funds created by donors who make suggestions to AFSC regarding grants from their individual fund to appropriate programs and/or other charitable organizations.
3 AFSC national and regional offices maintain reserves to adjust short-run funding needs and provide for unexpected program opportunities.
4 Bequest income fluctuates unpredictably. In order to balance this flow of funds, AFSC creates a pool of several years' bequests and allocates 50% of the pool each year for program work. This policy assures program stability and continuity from year to year.
A copy of the complete financial statement audited by Deloitte Haskins & Sells is available from AFSC Accounting Department, 1501 Cherry Street, Philadelphia, PA 19102

<table>
<thead>
<tr>
<th>Statement of Income and Expenses for the Year Ending September 30, 1986</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income was provided by:</strong></td>
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<tr>
<td>Contributions (including donated materials of $274,543) ......</td>
</tr>
<tr>
<td>$12,571,212</td>
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<tr>
<td>Bequests (including matured annuity and life income gifts of $142,974)</td>
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<td>2,766,621</td>
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<td>Total Public Support</td>
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<td>15,337,833</td>
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<tr>
<td>Fees and Grants from Government Agencies</td>
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<tr>
<td>51,584</td>
</tr>
</tbody>
</table>

| Other Income:                                                 |
| Investment income, net of related fees (including gains/losses on investment transactions) |
| 3,446,462                                                     |
| Program Service Fees                                         |
| 500,963                                                      |
| Miscellaneous                                                |
| 347,457                                                      |
| Total Other Income                                           |
| 4,294,882                                                    |

| Total Income                                                  |
| 19,684,299                                                    |

| Expenses for:                                                 |
| Programs                                                      |
| Overseas: promoting economic and social justice, international understanding, human rights and the relief of human suffering (including donated materials of $235,863) |
| 5,265,637                                                     |
| Seeking peace, reconciliation and disarmament                  |
| 3,853,860                                                     |
| In the U.S.A.: rooting out those causes of violence which lie in poverty, exclusion and the denial of rights |
| 3,053,653                                                     |
| Special programs (including contributions of $304,372 to other service agencies) |
| 1,350,506                                                     |
| Total Programs                                                |
| 13,523,656                                                    |

| Supporting Services for Programs                              |
| Administration, Personnel, Accounting, Information Services, etc. |
| 2,712,855                                                     |
| Fundraising                                                   |
| 1,902,051                                                     |
| Total Supporting Services for Programs                        |
| 4,614,906                                                     |

| Property and Equipment                                        |
| 241,797                                                       |

| Total Expenses                                                |
| 18,380,359                                                    |

| Increase (decrease) of Income over Expenses                   |
| $1,303,940                                                    | $347,273 | $956,667 |
This annual report is a tribute to those working on AFSC projects around the world and to those whose encouragement and financial gifts make Quaker service possible. Our appreciation and gratitude to all who helped support our vision and goal of a more peaceful, just and compassionate society.

Contributions to AFSC are deductible for Federal income tax purposes

American Friends Service Committee

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Philadelphia, Pennsylvania 19102
1501 Cherry Street

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