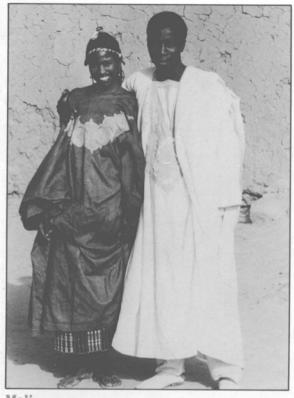
I saw also that there was an ocean of darkness and death, but an infinite ocean of light and love which flowed over the ocean of darkness. In that also I saw the infinite love of God...

from the Journal of George Fox (1647) Quaker Founder



Mali AFSC/Chua-oon



AMERICAN FRIENDS SERVICE COMMITTEE

Annual Report 1990

Dear Friends:

We send this Annual Report to you while the world is under the shadow of war. Like you, we feel the pain of shattered expectations, and we grieve for the human family, for the earth, for each life being sacrificed in the Persian Gulf.

In November, as this conflict escalated, Stephen G. Cary concluded a distinguished term of service as Chair of the Board of the American Friends Service Committee. Steve, who shared the life of the AFSC for 48 years as volunteer, staff, and advisor, reflected in his farewell address on the words of George Fox, the founder of the Religious Society of Friends: "I saw also that there was an ocean of darkness and death, but an infinite ocean of light and love which flowed over the ocean of darkness..."

We believe the "ocean of darkness" does not have the last word. Steve Cary Said:



With the AFSC I have seen the ocean of darkness, and it is a gift... I'm grateful for having had the opportunity to understand, to feel, to experience the enormity of evil because it seems to me that experience only enhances the sense of awe and wonder that one feels when he or she encounters the ocean of light.

Armenia AFSC/Martin Holladay



Laos village water project AFSC/Rumpt/Chagnon

Quaker Service works to free the light that is always present. We encounter the light, "that of God," in human beings: in our contributors, our colleagues, our advisors and in special ways among the people whom our programs support.

This Annual Report comes to you with a "sense of awe and wonder" at the strength of struggling people everywhere on earth. In places riddled with poverty and conflict, amidst oppressive social structures, they continue to trust the power of their love for each other, their children, their land and their future. They are the cultivators of lasting peace as they plant seeds of justice. As you see their faces and learn about their victories, join us in thanksgiving.

Asia A. Bennett Executive Secretary

IN A WORLD THAT DREAMS OF FREEDOM FROM POVERTY AND STRIFE...

Quaker Service is present in places around the world where there is danger of violence or where there is a need to alleviate the human suffering that results from conflict. AFSC fosters dialogue across political, economic and cultural boundaries that divide people, and encourages the exchange of experience and know-how among those challenged by similar problems.

Here is a sampling of AFSC's work around the world:

In the Middle East, the AFSC established an assistance fund for Asian and Arab evacuees affected by the Persian Gulf crisis.

After the Iraqi invasion of Kuwait, AFSC International Affairs Representatives traveled from their base in Amman, Jordan, throughout the region, evaluating the situation for the AFSC. They facilitated two off-the-record conferences for diplomats, journalists and other Quaker contacts.



Gaza home-based pre-school program (MUMS)

AFSC/Bill Pierre

The East Jerusalem Legal Aid Center provided attorney services for Palestinians and covered transportation costs for other lawyers to travel to a prison in the Negev Desert to confer with Palestinian clients detained without charges against them.

In 1990 AFSC supported programs that enhance Jewish-Arab understanding in Israel: the Van Leer Institute in its efforts to counteract stereotypes of Arabs and Jews in the Israeli school system; the Children Teaching Children project in Givat Haviva; and the Center for Arab Jewish Economic Development.

Last April, in the Chilean capital city of Santiago, grassroots health workers from Mexico, El Salvador, Honduras, Guatemala, Haiti, Peru, Brazil and Chile met to discuss their experiences and approaches as they provide services to poor communities. During their intensive two-week seminar they visited health projects in three cities and planned future cooperation.

In Haiti community groups growing from AFSC training sessions in the Grande Anse department organized three coordinating councils and initiated several cottage industries, such as sewing cooperatives, small scale agriculture, and animal husbandry, a community store and a tool lending bank.

T he AFSC-supported network of Community-Based Health Programs in the Philippines formed a national coordinating office for relief efforts after the July earthquake. AFSC established a relief fund and intensified training in disaster response in the community.

As part of the newly established Lebanon School Supplies Campaign, U.S. children and teachers are collecting school supplies and learning about the Middle East, reaching out to young students in war-torn Lebanon.

In November the United Nations adopted a landmark Convention which extends basic human rights to migrant workers and their families. The Quaker United Nations Office (QUNO) and other parts of the AFSC have worked toward this goal for ten years, promoting dialogue among affected countries and enabling the participation of migrant organizations in the drafting process.

Cooperatives of formerly nomadic people in Mali opened small stores in their settlements and established a grain bank after two years of good rice harvests. A two-month literacy campaign for Tamashek women was highly successful.

In Cambodia, after 16,000 peasants were displaced by military skirmishes, AFSC financed the purchase and distribution of survival kits — food, cooking and clothing items — as well as agricultural kits for the new planting season. Ongoing AFSC efforts include physical rehabilitation, animal health, small-scale irrigation and family food production.

In northeastern Brazil AFSC-trained organizers gave technical assistance to agricultural and goatraising projects and developed a revolving fund for farmers. The radio program of AFSC's agronomist reached thousands of peasants in the region.

Building an irrigation floodgate in Mali AFSC/Rinfret

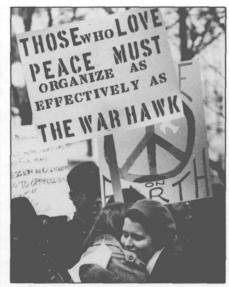


IN A WORLD THAT DARES TO DREAM OF PEACE...

AFSC works with individuals, groups and governments of all persuasions, always clear in its advocacy for nonviolent principles and its search for justice. AFSC's insights are sought by the press and electronic media in the United States and are shared with students, religious groups, legislators and many diverse grassroots networks. The Persian Gulf crisis has caused an unprecedented mobilization of staff in educational and informational roles in the United States. These are examples of AFSC's work for peace:

AFSC Youth and Militarism programs around the country were deluged with phone calls on conscientious objection to war and the possibility of conscription. Staff responded to the information demands of national and local media and conducted training workshops for counselors.

In August AFSC prepared "Perspectives on the Gulf Crisis," a briefing paper for peace and justice groups and the media, followed shortly thereafter by a "Talking Points" paper on the Middle East. The papers helped shape the initial response of many organizations and community groups to the escalating crisis in the Persian Gulf.



Gulf Crisis Demonstration
Philadelphia Daily News/Susan Winters

Throughout the United States AFSC responded to calls for information and participated in organizing peace vigils and press conferences, writing articles, producing educational and organizing packets and newsletters about the Gulf crisis.

Two young Palestinian women from the Israeli Occupied Territories participated in an AFSC Speaking Tour last March, talking about the Intifada and calling for Israeli-Arab negotiations and peace.

AFSC Representatives in the Middle East visited the United States in September and November, speaking about the deteriorating conditions in the region and pressing for alternative policies to the press, government officials, United Nations staff, religious groups and students.

AFSC participated in the visit of Nelson and Winnie Mandela to the United States in June, joining in the celebration of his freedom and the continuing struggle against apartheid.

In the publication *Horror, Struggle and Hope: Guatemala Faces the 1990s*, AFSC looked at the strong forces for change that have surfaced in the national dialogue in Guatemala in spite of increased human rights abuses, and at the prominent role of the military and worsening poverty for the majority.

After the brutal murder of six Jesuit priests and two women in El Salvador in November 1989 by the Salvadoran military, AFSC renewed its call for a political settlement and worked to stop U.S. military aid to the Salvadoran government.

In the aftermath of the U.S. invasion of Panama, AFSC issued reports and articles for the press. *Panama: A Second Look*, based on interviews conducted six months after the invasion, analyzes the difference between U.S. and Panamanian interests in the military offensive, and underscores the unmet needs of Panamanians made homeless by the action.

AFSC's report Swords Into Plowshares: Economic Conversion and the U.S. Based in the Philippines proposed alternative sources of employment and economic development and identified conditions needed to make these alternatives possible. In a new video, Miles from Peace: U.S. Bases in the Philippines, Filipino Subic Naval Base workers and women forced into prostitution by poverty talk about the impact of the bases in their lives.

During a five-day AFSC conference in Puebla, Mexico, last November, economists from Eastern Europe and Latin America exchanged experience and perspectives for a new economic era.

AFSC published John Feffer's Beyond Detente: Soviet Foreign Policy and U.S. Options, a historical analysis of the changes in the Soviet Union and the consequences of new policies for Eastern Europe and the Third World.

AFSC co-hosted the Southwest Indigenous Women's Gathering in Austin, Texas, where 50 Native American and Latina women discussed health, education, the environment and economic issues.



Oakland (CA) Youth & Militarism Program

AFSC/John Trimble

IN A NATION THAT DREAMS OF DIGNITY AND EQUALITY...

Since the 1920s, when it worked with striking coal miners and their families in the United States, the AFSC has had a history of challenging economic, racial and gender-based injustice in this society. AFSC believes people directly affected by problems are central to the analysis of those problems; they are a source of vision for change. Through the years this has meant joining the struggles of people of color, prisoners, workers, immigrants and poor people, especially women.

Facing the needs of a nation that spends its substance in war, AFSC is committed to lifting a strong voice for justice in the United States. Community work includes long-range efforts as well as more immediate activities addressing human needs:

Last August, with the support of AFSC's Project HOPE in Oakland, California, homeless people negotiated with the city and won the right to restore and occupy a building for a year. The non-profit corporation of the Oakland Union of the Homeless, supported by AFSC, received funding for construction of a 27 unit, two-story apartment complex. AFSC started a training program for



California Rural Economic Alternatives Project

AFSC/Diane Shandor

homeless people in organizing, housing development, fundraising, management and the provision of social services.

AFSC's project "200 Years of the Penitentiary:
Breaking Chains, Forging Justice" formed a
National Commission on Crime and Justice, a
panel of leaders from the African American, Asian
American, Native American and Latino communities. The Commission held hearings in
Philadelphia and Atlanta on the impact of the
system of incarceration on communities of color
and women, and elicited proposals for alternatives.
Major conferences on the penitentiary system were
held in Detroit, New Jersey and New York City.

AFSC published *The Fortress Economy: the Economic Role of the U.S. Prison System*, an indepth inquiry into the costs of incarceration, the role of prison labor and the function of prisons as "warehouses" of unemployed poor people.

Based on its experience with Mexican industrial workers at the U.S. border and the Women and Global Corporations Project, AFSC published *The Global Factory: Analysis and Action for a New Economic Era.* The book, heavily illustrated and plainly written, links the phenomenon of plant closings in the United States to the transfer of exploitive jobs to the Third World.

In June the AFSC cosponsored the conference "Binational Exchange: Popular Perspectives on Mexico-U.S. Relations." Community organizers, farm labor leaders, teachers, trade unionists and environmentalists from both countries met in Austin to discuss mutual concerns. In September the AFSC led a delegation of U.S. Latino elected officials to Mexico City, where they met with members of the Mexican government and educators, discussing the impact of the proposed Free Trade Agreement and the creation of a Center of Latino Culture in Mexico City.

In West Virginia AFSC staff were ambassadors of good will throughout the state's school system, educating young people on nonviolence, economic issues and international politics through music, storytelling and the participation of members of the community.

The AFSC testified before the U.S. House of Representatives Subcommittee on Human Rights on the treatment of undocumented immigrants by the U.S. Border patrol. Two AFSC representatives presented documented instances of human rights violations that have resulted in serious injury or death. The reports were widely publicized by the media.

AFSC supported the development of a Youth Center in the Passamaquoddy reservation of northeastern Maine, where youth engage in recreational activities, educational sessions with elders and cultural celebrations, gaining a sense of selfworth and a future. The model center will be replicated in other parts of the state.

In Miami AFSC's advocacy work led to a press expose of the inhuman conditions endured by immigrants and refugees in the Krome Detention Center of the U.S. Immigration and Naturalization Service, resulting in an official investigation.

The City of Seattle and the AFSC cooperated in a program to help gay and lesbian youth overcome their isolation through a telephone hotline, recreational activities and support groups.



West Virginia Economic Justice Program

Wayne County (WV) News/ Brice Wallace

Financial Results For Other Funds

	Land, Buildings and Equipment Fund	Endowment Funds	Annuity and Life Income Funds
Beginning Balances as of 10/01/89	\$2,982,004	\$3,288,904	\$18,054,890
Income provided by: Contributions & Bequests Net Investment Income. Miscellaneous Acturial Liability Adjustment	2,500 (2,085) 0 0	24,072 8,505 0 0	1,929,749 640,132 0 (897,577)
Total Income	\$415	\$32,577	\$ 1,672,304
Expenses for: Total Programs Services General Management Fundraising	163,728 140,250 26,547	0 0 0	0 0 0
Total Expenses	\$330,525	\$0	\$0
Excess (Deficiency) of Income Over Expenses	(\$330,110)	\$32,577	\$ 1,672,304
Other Changes in Fund Balances Matured Annuity & Income Gifts Property & Equipment Purchased	0 323,114	0	(722,192)
Total Other Changes	\$323,114	\$0	(\$722,192)
Ending Fund Balances as of 9/30/90	\$2,975,008	\$3,321,481	\$19,005,002

Operations Funds Balances

	Beginning Balances at 10/89	Net Changes	Ending Balances at 9/90
Restricted Funds ²	\$ 2,982,952	<\$ 289,760>	\$ 2,693,192
Unrestricted Funds Unsold Real Estate and other Non-Marketable			
Assets	4,841,106	<1,514,035>	3,327,071
Suggestion Fund ³	1,927,427	<3,270>	1,924,157
Fund	1,051,586	228,358	1,279,944
Operating Reserves ⁴	2,245,880	<15,816>	2,230,064
Endowments	1,729,015	11,817	1,740,832
Future Years ⁵	14,024,488	2,537,416	16,561,904
Realized Capital Gains and Other Funds ⁶	5,365,321	<645,321>	4,720,000
Total Unrestricted	\$31,184,823	\$ 599,149	\$31,783,972

¹Certain irrevocable gifts which AFSC has received under trust subject to payment of income to one or more beneficiaries for life.

²Directed by donors for specific program use.

³Special funds created by donors who make suggestions to AFSC regarding grants from their individual fund to appropriate programs and/or other charitable organizations.

⁴AFSC national and regional offices maintain reserves to adjust short-run funding needs and provide for unexpected program opportunities.

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.

Beginning FY '89, the Committee instituted a policy regarding the use of realized capital gains. \$953,000 were used for '90 budget purposes.



Statement of Income and Expenses for the Year Ending September 30, 1990

Nicaragua AFSC/Terry Foss

	Totals		Operations Funds Unrestricted Restricted	
Income was provided by:	Totals	Ulirestricteu	Restricted	
Contributions (Including donated materials of \$306,765)	13,371,939	6,680,478	6,691,461	
Bequests (including matured annuity/life income gifts and matured term	7 000 759	7 175 941	799 519	
dowment)	7,908,753	7,175,241	733,512	
Total Public Support	\$21,280,692	\$13,855,719	\$7,424,973	
Agencies	181,372	0	181,372	
Other Income: Investment income, net of related fees (including gains/losses on investment				
transactions)	3,588,901	3,242,513	346,388	
Program Service Fees	1,507,249	1,507,249	0	
Miscellaneous	234,233	487	233,746	
Total Other Income	5,330,383	4,750,249	580,134	
Total Income	\$26,792,447	\$18,605,968	\$8,186,479	
Expenses for:				
Programs				
Overseas: promoting economic and social justice, international under-				
standing, human rights and the relief				
of humen suffering (including donated				
materials of \$308,500)	7,065,143	1,697,522	5,367,621	
Seeking peace, reconciliation and	0.070.001	0.070.001	1 000 000	
disarmament	3,979,991	2,976,391	1,003,600	
exclusion and the denial of rights	5,098,806	3,561,406	1,537,400	
Special programs (including				
contributions of \$166,160 to other				
service agencies)	1,728,480	1,481,669	246,811	
Total Programs Supporting Service for Programs	\$17,872,420	\$ 9,716,988	\$8,155,432	
Administration, Personnel, Accounting,	9 409 961	9 109 454	220 007	
Information Services, etc	3,483,261 2,543,503	3,162,454 2,543,503	320,807	
Total Supporting Services for	2,343,303	4,543,503	0	
Programs	\$ 6,026,764	\$ 5,705,957	\$ 320,807	
Property and Equipment	323,114	323,114	0	
Total Expenses	\$24,222,298	\$15,746,059	\$8,476,239	
Increase (decrease) of Income over Expenses	\$ 2,570,149	\$ 2,859,909	(\$289,760	
Ехреносо	4 2,010,110	4 M10001000	(4200,100	

A copy of the complete audited financial statement is available from AFSC Accounting Department, 1501 Cherry Street, Philadelphia, PA 19102. These programs are made possible by the special partnership of AFSC's staff and advisors, sister organizations, the communities where the AFSC is at work, and the contributors large and small who fund AFSC's work. This Annual Report is a testimony of gratitude to all of them.

Contributions to AFSC are deductible for Federal income tax purposes.



Nicaragua AFSC/Terry Foss

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