

ACCION International

MEETING OF THE BOARD OF DIRECTORS

Tuesday, November 30, 1965

1:00 P.M.

AGENDA

Questions and Comments on Blatchford Report of November 26, 1965

Expansion of Program: Assistance to Other Countries in 1966

Legal and Administrative Matters:

Social Security Insurance and New York State Unemployment Tax

Office Needs

Organization:

Expanding the Board

Appointment of Officers

Titles

Finances:

Salary Changes for January 1966

Pending Requests to Corporations and Foundations for 1965

November 26, 1965

**ACCION International**

**TO: The Board of Directors**  
**FROM: J. H. Blatchford**  
**SUBJECT: Report on Activities of ACCION Movement**

- I Venezuela**
- II Argentina**
- III Other Countries**
  - A. Brazil**
  - B. Chile**
  - C. British Guiana**
  - D. Ecuador**
  - E. Peru**
  - F. Philippines**
  - G. Conclusions**
- IV A.I.D.**
- V ACCION International**
  - A. Organization and Administration**
  - B. Recruiting**
  - C. Fund Raising**
  - D. California**
  - E. Recent Comments on ACCION**

I

## Venezuela

ACCION EN VENEZUELA is currently working in 35 barrios with approximately 200,000 people. Last year, 5,015 self-help projects were organized and hundreds of companies and government agencies donated \$476,000 to these projects in supplies and technical services. This year that figure should be even higher. There are presently over 100 workers in the field.

The Venezuelan organization has received a great deal of attention recently. The program was mentioned many times during the recent CICPY Meeting held in Caracas for the leading industrialists of the hemisphere. Senator Jacob Javits spoke about ACCION at a luncheon before the American Chamber of Commerce and later visited the projects in two barrios of Caracas. In the evening he had dinner with the ACCION staff members. Jack Hood Vaughn also mentioned ACCION in a talk and the ACCION film was shown for the delegates.

ACCION was discussed and the film shown for the Congress of Venezuelan Industrialists in Macuto the following week.

Then on November 8th, the Board of ACCION EN VENEZUELA gave a dinner for the sponsors, friends and the field workers. Practically all of the Board, including Eugenio Mendoza, Gustavo Vollmer and Andres Boulton attended. There were 300 guests in all. The Hotel Tamanaco donated the dinner as a contribution to the movement.

The U.S. Ambassador and his wife, the Chief of A.I.D., a group of U.S. Congressmen, the Tennessee Partners of the Alliance, the Director of the Settlement House Movement in the U.S., as well as the Ambassadors of Britain and Peru were present.

The film was shown, corsages for the ladies were made by a florist business started by ACCION in one of the barrios, a giant banner made by the youth of another barrio, and telegrams were received from various barrios on the anniversary. The musical group from one barrio entertained.

The highlight of the evening was the handing out of certificates of recognition by the ACCION EN VENEZUELA President to the representatives of six barrios which had done the most in self-help and community action during the last year. The barrios chose their own representatives and send them to Caracas. Barcelona, Valencia, Maracay, Petare, Maracaibo and Caracas barrios all received awards. This represented 50,000 people of the slum areas. A moving speech was made by Josephina Hernandez, head of the coordinating committee of Barrio Isias Medina of Caracas. She spoke strongly of the great need for education in the barrios and of the future for her children and grandchildren. She lives in a 'rancho', has 8 children and expecting another. She can neither read nor write. She represents 18,000 people.

There were some 30 news stories on the event, before and after, including newsreels and TV. Several people sent in contributions as a result.

The Technical Training and Production Center Program is underway with two pilot programs in Maracay and Caracas. The special Projects Department is carrying these out under special grants from the Donner Foundation and MISEROR.

The Lutheran World Federation has come to Caracas from Geneva to pledge \$500,000 and enlist AEV's help in building and staffing a technical training center in Caracas.

Training Department has built up a strong training method and has a walth of training materials on community action work. Mr. William Barlow of VISION has promised to have them printed up.

The Year End Report was finally published in Spanish and sent to 10,000 contacts.

The Executive Committee and the ACCION EN VENEZUELA Staff have worked hard to raise the funds necessary to sustain the movement. \$310,000 has already been raised, but the movement is still \$90,000 short of funds necessary to finish the year.

30% of over 200 companies have increased this year. Over 40 new companies have been added. One matter of great concern to the Board has been the participation from the oil companies who have not increased contributions with ACCION growth nor have contributed in size comparable to the contribution of other companies relative to their size in the economy. The feeling of the Board is that the matter must be brought up at the head offices in New York. The Board has suggested that the President and Vice President come to New York in December and hold a luncheon to put forth the ACCION EN VENEZUELA program and seek support. They request the help of ACCION International in this.

President Leoni requested a report from ACCION on ways of combating juvenile delinquency in the barrios. A study called "Centers of Multiple Use" was submitted and well received. The National Government Training Institute has offered to help AEV to implement the plan. This can be done, but will take greater financial resources from the private sector than is now being received, another reason to represent the program to the heads of oil companies in New York.

## II. Argentina

Twelve field workers have been chosen and are presently working in 7 slum areas of Buenos Aires. Sufficient funds have been raised within Argentina to sustain the movement. Recruitment selection and training was done by using materials and methods supplied by Caracas.

A hemispheric meeting was held in Buenos Aires by the International Secretariat for Volunteer Service (ISVS) to discuss the expansion and creation of volunteer movements in Latin America. Miss Winifred Marich represented ACCION International, paid by the ISVS in Washington. Sr. Oswaldo Fernandez, Caracas Group Leader for AEV, represented AEV as a member of the Venezuelan delegation.

Both reported that the CAFE group was moving ahead quickly and confidently. They both said that they felt the volunteers chosen were excellent, but they felt that additional ACCION guidance would be necessary for the group to get beyond the initial "entering and knowing" stage into actual construction and education projects and then on to forming groups and leaders. However, they felt that the CAFE Board and staff will see this and ask for continued ACCION assistance in 1966. They added that the local CAFE people felt a strong sense of debt and appreciation to ACCION International for having organized and promoted the movement. The main point is that the Argentines are insisting on running things themselves and touchy about outside interference.

The Argentine Government has now been stimulated to begin a similar movement within Argentina and abroad. Washington brought a

group of six government officials, including the number two man in the Foreign Ministry, to Washington to see the Peace Corps and then send them to Venezuela to see ACCION EN VENEZUELA. The AEV Board took them to the barrios, showed the film and hosted a luncheon for Board and staff.

### III Other Countries

A. Brazil. Brazil shows signs of pulling out of a recent recession within six months and private companies should be in a mood for giving. Sao Paulo seems to be the place to start. There is a great deal of foreign and local industry, the "barrio" problems are great and, though not as great as Rio's problem, are growing. There is no Peace Corps in the State, and little being done in the favelas. Only drawback might be language for the foreigners going in.

B. Chile. I spoke with Augustin Edwards in Caracas. He invited me to come to Santiago to see the work in progress there. It sounds like there is a great need and a great deal of movement in both the private and public sector there. It would probably be worth seeing, if even to learn about other movements and techniques. I cannot say whether ACCION International could be of assistance there or not.

C. British Guiana. We have thoroughly researched this area. If ACCION International feels that another project quickly, though small, would help get supporters and backing, this might not be too difficult. One can go there on the way to or from Caracas or Brazil with no extra cost. The country is getting independence May 26th. The threat of unrest and communism is still strong. They will need help to get on their feet. Tendency is to say its a British problem, but AI might find acceptance that the British don't find. No Peace Corps or other international movements. Not a great deal of industry but Shell, Alcoa, Reynolds and large local firm, Brookers, might be interested. Might be stimulus toward getting greater participation in AI from Great Britain, funds from London. Another advantage is language, size, quick impact, importance (local unrest, communism).

Big disadvantage is relations with Venezuela. Strong feeling in Venezuela about boundary relations with Venezuela. Another possible disadvantage is spreading too thin. AI only used top people that can get things done. These are few and far between and many still needed in Venezuela. If taking on another country like Brazil, might dissipate forces.

However, maybe sending one man to live there a couple of months and report on problems and AI possibilities might help quickly to spread AI out from Venezuela and test Venezuelan reaction while not committing ourselves for a couple of months. James Nelson Goodsell, Latin American Editor of Christian Science Monitor, greatly urges that ACCION participate there. He has made two trips there.

D. Ecuador. On my 1960 trip I strongly recommended Guayaquil as a potential hot spot and place where Community Action is sorely needed. I recommended small pilot project there, in addition to Colombia, as a place to start..... Still feel this is a good possibility. Would need strong financing at this end and for first two years, since not a great deal of foreign industry there. However, Guayaquil is an active growing city with a strong businesslike flavor to it. In light of Galo Plaza's letter (see attached) it might be worth a trip for one week to look things over to see how AI could be of assistance.

E. Peru. The Belaunde Government is a democratically elected one which has launched a great many idealistic reform programs and propagandized them a great deal. The people of the countryside and the slums (Lima's are among the worst in Latin America), are waking up and expecting things because of this. This is necessary but dangerous in that Belaunde is starting something he may not be able to finish. He will need help from the private sector. Even more so, if he is blocked politically from accomplishing much of his program.

Now may be the time to move in Peru. John Gardner, a former AEV Board Member, is the head of Sears in Peru and could help mobilize the American community. Might be worth a trip to see what could be started in Lima. Peace Corps in strong but has had little success in slums. As of a few months ago, Belaunde was contemplating starting a movement of students to help in slums like they have been doing in the countryside. Last I heard, it hadn't gotten off the ground. Cerro de Pasco has indicated help if we work in Peru .... same with W.R. Grace.

F. Philippines. Country has a great need for this type of program. Past governments have been effective in rural areas in knocking out Huk movement and starting reforms, many based on self-help. However, according to several ACCION participants with past experience in the Philippines, slum problems in Manila are growing and nothing is being done.

Ev Bauman, head of Public Relations for Creole, recently returning from a year there, says a type of North American Association formed there and getting going would strongly back ACCION and feels Philippeans would accept it and work for the movement. In face of growing anti-Americanism there and throughout Asia, might be a possibility to consider.

G. Conclusions: I am needed for about one month more in Venezuela to draw up four year development plan for Board, submit it to Boards of foreign companies backing movement and to leading Venezuelan industrialists.

Then I'm available to travel to the rest of Latin American countries to explore setting up of Community Action Movements.

#### SUGGESTED PRIORITIES

1. Sao Paulo, Brazil. Largest nation, most important State to the country's decision making process. There is much industry here, many "barrio" problems, for which there is little being done, and no Peace Corps. Brazilians are easy people to talk with; they are open and enthusiastic. It will be easier to get "seed" support in the United States for AI in Brazil.

2. British Guiana. A small group to recruit and advise, show the way ..... quick, strong impact ..... language facility for new people, so can start right away to get results ..... open door to real long term interest and commitment from Great Britain for AI, easy transportation and easy to supervise.

3. Guayaquil. Small, well-defined area, commercial key to country, potential trouble spot, people open and easy to work with. Galo Plaza behind us and can open doors, get going soon. Would need U.S. finance for first couple years, say \$75,000 for the two years (plus 25% local).

I think we can have programs underway in these three countries by September 1966. All recruiting and training local people from the start, raising some local funds from the start and using foreign field workers and advisors, as necessary.

IV A.I.D.

There is a strong possibility of putting together a program that would get a large \$500,000 grant from A.I.D. from regional funds. Decision made in Washington for program from this end that hits several Latin American countries. There is already money waiting to be spent in British Guiana and Brazil, I'm told. Any of the other countries would be high priorities on A.I.D. list, I believe.

V ACCION InternationalA. Organization and Administration.Financial:

The accounting system has been tightened and simplified, and will be further changed in January. It has become a mixed system rather than a simple cash system. Mr. Roy Davis of Price Waterhouse & Co. has visited the office, and is guiding preparations for an uncomplicated audit.

Each recruiting office is now controlled from New York. Funds no longer go first to Cambridge and then to other offices. The maximum account balances set by the Board (\$500 for Berkeley and \$1,000 for Cambridge) have proven satisfactory.

Funds are transferred from the ACCION International account to the ACCION International Payroll account only by means of checks signed by two directors.

1965 expenses will be less than the budgeted figure, as shown on the enclosed budget reconciliation. See Annex A for financial statement for the first six months of 1965.

ACCION International now is exempt from Federal Income Tax, and has therefore severed its financial contacts with the Institute of International Education. This change aids the fund raisers. The Corporation is listed with the National Better Business Bureau and the National Information Bureau, so that prospective donors who check with these agencies will receive current information.

Income has been sufficient that all debts have been repaid, and net worth has risen from minus \$12,000 on June 30, 1965 to approximately plus \$14,000 on November 22, 1965 (the \$14,000 figure includes fixed assets). See Annex B for list of current contributors.

Insurance:

All offices of the corporation are insured against loss by fire and theft, by the General Accident Insurance Company.

Employees' Compensation Insurance, for all offices, has been written by the same company.

New York State Disability Benefits coverage has been written by the Life & Casualty Company. Such insurance is not required in Massachusetts. It is required in California, and steps are being taken to procure it.

The Marsh & McLennan Insurance Company of New York is the broker for the preceding three policies.

Insurance: (Continued)

Five of the Corporation's eleven employees have enrolled in a group Blue-Cross Blue-Shield Insurance Plan, the premiums for which are withheld from their paychecks, unless they request otherwise.

ACCION International may or may not, as it wishes, contribute under the Federal Insurance Contributions Act and under the New York State Unemployment Insurance Law. Whether to waive the exemptions and contribute are questions for the Board to decide.

Legal:

A form amending the Corporation's registration with the New York State Department of Social Welfare was submitted on November 5, 1965.

Forms have been prepared for filing with the Social Welfare Departments or equivalents in Massachusetts, California, San Francisco and Los Angeles (two agencies). These have been approved by Mr. Mendez-Capote and will be filed as soon as they have been signed by Mr. Kendall and Mr. Mendez-Capote.

The Corporation has been exempted from paying Federal Income Taxes and New York State Sales Taxes. It has applied for exemption from various New York City taxes, and is in the process of applying for exemption from California State Sales Tax. There is no such tax in Massachusetts.

ACCION International does not have to register to do business under the laws of any state in which it has an office.

The Office:

The Corporation's headquarters were moved in early November to Suite 9-A of 1945 East 52nd Street. The new suite has 400 more square feet than the old and costs \$125 more per month. It holds nine (9) desks, whereas the other office held five.

Furniture was donated by Standard Oil Company (N.J.) and the Pepsi-Cola Company (now PepsiCo. Inc.) The Mobil Oil Company contributed some equipment. Still needed are:

- 1 Collating Machine
- 1 Electric Typewriter
- 1 Electric Adding Machine
- 1 S.O.S. "Penney Saver" Ditto "Electrostatic" or other instant dry copier
- 2 Slide Projectors
- 3 16 mm Motion Picture Projectors with Screens
- 1 35 mm Still Camera
- 1 16 mm Motion Picture Camera
- 1 Large Framed Map of World or Western Hemisphere

New stationery has been designed, and a small quantity will be printed immediately.



Personnel:

Mr. Summer Offill, a recent graduate of Pomona College, is now the West Coast Recruiter. His secretary is Miss Gloria Peterson.

Mr. Terry Holcombe recruited in the Midwest last year and will do recruiting in New England and the Mid-West. He will do some fund raising from the Cambridge Office. Mrs. Helen Landis-Brown remains as the secretary in Cambridge.

Mr. James A. Losty has replaced Mr. Gary Glenn. Mr. Losty's title is Director of North American Recruitment. He is located in the New York Office so that all the organization's funds are centralized in New York.

The New York office staff now consists of Mr. Blatchford, Executive Director, Mr. Losty, Director of North American Recruitment, Mr. Crossley, Director of Development and Information, Mr. Norvell, Assistant to the Director, Mr. Weiss, Administrative Assistant, Miss Marsh, Executive Secretary, and a Typist-Receptionist. A recruiting Secretary will be added when she is needed.

All the men working for ACCION International have been to Venezuela in the past four months, to see the work and to meet the workers and staff.

Joseph H. Blatchford will be a full time employee of ACCION International as of January 1, 1966.

B. Recruiting

Thirty-eight persons were selected for field assignments in Venezuela during 1965. Twenty-seven members of the June group are now working in barrios throughout Venezuela.

Our September orientation was held at Columbia University, with outside speakers furnished by Columbia and Fordham Universities. High point of the orientation was a luncheon given by Standard Oil Company (N.J.) for the September selectees, which was also attended by two members of ACCION EN VENEZUELA'S Board of Directors.

Seven of the September group are currently in language school in Maracaibo. The remaining four have already been assigned to barrios. In most instances, 1965 personnel will replace their 1964 counterparts whose 18 month contracts will be completed in December of 1965 and March, 1966.

In the realm of international recruiting, the 1965 group included representation from Chile, Peru, Great Britain, New Zealand, Germany, Cuba and Norway. Closer coordination with Council of Europe, the National Union of Students and International Council of Volunteer Agencies should enable us to increase this representation in 1966. JHB made valuable contacts during a European trip in May. AI recruiting needs are known by over 200 agencies in Europe.

C. Fund Raising

	Amount	Number
1965 Cash Goal	\$105,000	x
Raised to Date	91,677	43
Corp. & Individ.	53,177	37
Foundations	38,500	6
Pending	x	98
Short to finish year	13,323	x

This represents an investment in time by Board Members for letters and calls; six months in this country for William Crossley on Corporations; 4 months for Dan Norvell on Foundations; and about one month for JHB.

With Crossley and Norvell working 10 months next year in this country and with greater participation from a larger Board, AI should be able to raise considerably larger amounts next year for an expanded program.

Many Companies are pending requests from AI. Board help is needed. (See Annex C)

Also, requests to Foundations are pending, for which Board contact is necessary. (See Annex D)

D. California

JHB spent one week in California, contacted 15 companies personally, 15 others by phone, had interviews in 2 newspapers (IA Times and SF Chronicle) and visited two universities (University of Nevada and UCIA). He went to Los Angeles, Santa Barbara, San Francisco, Palo Alto, Oakland, Reno, Nevada. He saw among others, H. Russell Smith, President of Avery Products Corporation, Leonard Firestone, and Louis Lundborg, Chairman of Bank of America. All promised to host luncheons or serve on local committees to get support.

E. Recent Comments on the ACCION Movement

A. Letter from Congressman John G. Dow of New York to Guillermo Espinosa, President of ACCION EN VENEZUELA.  
"We mention the ACCION quite often in our committee discussions, because it is such an outstanding example of a good, independent, non-profit effort to accomplish much at the level of the grass roots."

"I shall not forget your kindness or the work you are performing."

B. Letter from Professor Frederick Harbison, Director of Industrial Relations Section, Princeton University.

"Both of us were very much impressed ACCION and we felt that our very brief trip to the Barrios was most worthwhile. As far as community development projects go, I can truthfully say that my impression is that ACCION is the best I have seen so far. The objectives of the program appear to be clear and realistic, the extent of community participation seems to be unusually great, and

the caliber of the workers is certainly high. Certainly, as Ralph indicated to me, the Peace Corps could profit by some of the ideas and techniques of ACCION. I also feel that our community action projects in the States may have much to learn from your organization.

As I told you, my particular concern in visiting ACCION was to get some ideas which might possibly be applied in Africa. In this respect, I think that our short visit was productive."

Attached are clippings from Daily Journal, English language paper in Caracas.

# ANNEX A

ACCION International  
Consolidated Financial Statements  
January 1, 1963 to June 30, 1965  
(Prepared from the books without Audit)

## Statement of Income and Expenses

Income from Fund Raising \$27,408.50

1)

Expenses:

Salaries	621,194.15	
Payroll Taxes	1,002.12	
Office Expenses	6,999.01	
Furniture and Equipment	649.46	
Conferences	66.00	
Special Recruiters	975.98	
Regional Recruiting Expenses	2,457.89	
Orientalion (including transportation to orientation)	3,658.87	
Promotion and Publicity	1,538.94	
Travel, International	293.45	
Travel, Domestic	2,043.92	
Repayment of Loans to AIF	200.00	
Miscellaneous	95.48	
Total Expenses		<u>61,067.05</u>

Decrease in Net Worth

61,067.05

Net Worth, January 1, 1963 \$ 1,269.33

Decrease in Net Worth 13,400.53

Net Worth, June 30, 1965 (\$12,151.22)

## Balance Sheet

2)

Assets:

Cash on Hand	\$ 534.47	
Deposits	1,000.00	
Advances	<u>2,385.37</u>	
Total Assets		<u>\$4,019.84</u>

3)

Liabilities and Net Worth

Taxes Payable	\$ 891.06	
Accounts Payable - AIF	14,800.00	
Accounts Payable - Blanchford	300.00	
Total Liabilities	<u>\$16,191.06</u>	
Net Worth	<u>(\$12,151.22)</u>	
Total Liabilities and Net Worth		<u>\$4,019.84</u>

1) Does not include 1964 expenses paid in 1965, or portion of beginning balance transferred to ACCION EN VENEZUELA.

2) Does not include fixed assets.

3) 1964 expenses paid in 1965, and portion of beginning balance transferred to ACCION EN VENEZUELA, were deducted from beginning net worth.

# Annex B

November 22, 1965

## ACCION INTERNATIONAL

### CONTRIBUTORS TO DATE - 1965 PROGRAM

A.	<u>Cash Contributions (\$500 or More)</u>		
	American Can Company Foundation	\$1,000	
	American & Foreign Power Company	1,000	
	Anonymous Foundation	1,000	
	Arthur Anderson & Company	750	
	Chesebrough-Pond's International Ltd.	1,000	
	Continental Can Co., Inc.	1,000	
	Corn Products International	1,000	
	Council for Latin America	2,500	
	William H. Donner Foundation, Inc.	25,000	
	Ernst & Ernst International	500	
	First Federal Savings & Loan Ass'n of Puerto Rico	1,250	
	General Foods International	2,000	
	General Motors Overseas Operations	2,500	
	General Services Foundation	2,000	
	The Gillette Company	1,000	
	Haskins & Sells	750	
	I.B.E.C.	2,250	
	IBM World Trade Corporation	1,000	
	International Flavors & Fragrances Foundation, Inc.	500	
	International Harvester Co.	1,500	
	Johnson & Higgins	500	
	Koppers Co., Inc.	1,000	
	Lummus Company	750	
	Carl Marks Foundation	1,000	
	Merck, Sharp & Dohme International	500	
	Mobil Latin America, Inc.	1,100	
	New York Foundation	2,500	
	Oberlin College	660	
	PepsiCo., Inc.	4,900	
	Pfizer International	4,000	
	Price Waterhouse & Co.	1,200	
	Public Welfare Foundation	5,000	
	Puerto Rican Cement Co., Inc.	1,000	
	Quaker Oats Co.	500	
	Bennie C. Reagan	1,050	
	Barbara O. Rockefeller	1,000	
	Rodman C. Rockefeller	1,000	
	Rockefeller Brothers Fund	3,000	
	Smith, Kline & French	1,000	
	Standard Oil Company (N.J.)	5,000	
	U.S. Steel Foundation	2,500	
	Louis B. Warren (Homeland Foundation)	500	\$89,160
B.	<u>Miscellaneous (Less than \$500)</u>		1,867
		<u>Total</u>	<u>\$91,027</u>
C:	<u>Contributions in Kind</u>		
	Delta Air Lines, Inc. )	10 passages	
	Pan American World Airways)	10 passages - U.S. - Venezuela - U.S.	
	VIASA Air Lines )	20 passenger	

Annex C

TO: Board of Directors  
ACCION International

November 25, 1965

FROM: William B. Crossley, Jr.

Subject: Funding Contacts to Date

The following fund raising contacts we consider active pending accounts. Contributors as well as refusals have been removed from list included in memorandum of October 7, 1965.

<u>NAME</u>	<u>CONTACT</u>	<u>BY WHOM</u>	<u>METHOD</u>	<u>DATE</u>
Alcoa International	J. Wilson	R. Fenton	Letter	11/9
American Express Company, Inc.	M.F. Walker, Jr.	Wm. Crossley T.L. Wilkinson	Personal Letter	7/16
Ampex Corporation	B. A. Olerich J. P. Buchan	R. Fenton A. Rump Wm. Crossley	Letter Letter Letter	11/11 10/19 10/27
Arthur Young & Company	F. Weston	T.L. Wilkinson	Letter	
Avery Products Corporation	R. S. Avery H. R. Smith	J. Delafield J. Blatchford	Letter Personal	10/25
Bank of America	L. Lundborg	J. Blatchford	Personal	10/29
Bankers Trust Company	J. B. Young	Wm. Crossley D. Kendall	Personal Letter	11/23 11/23
Bethlehem Steel Company	P. B. Entekin J. V. Robertson	Wm. Crossley Wm. Crossley	Letter Letter	6/1 10/20
Borg-Warner Corporation	A. B. Kight	J. Delafield	Letter	9/8
Boyd, Weir & Sewell, Inc.	J. J. Clark	W. Lindsay Wm. Crossley D. Kendall	Letter Personal Letter	10/29 11/22 11/23
California Packing Corporation	E. McClendon J. E. Countryman	Wm. Crossley D. Kendall G. Seybolt	Letter Letter Letter	7/13 7/20 10/29
Campbell's Soups Int'l	E. P. Foltz	R. Fenton	Letter	11/11
Celanese Corp. of America	H. Blancke, Sr.	D. Kendall	Letter	10/19
Celanese International	J. Reist	Wm. Crossley Wm. Crossley	Personal Letter	6/17 10/5
Chase Manhattan Bank	D. Rockefeller	D. Kendall A. Boulton	Letter Letter	11/4 10/8
Chemical Bank N.Y. Trust Co.	J. Wolfe	T. Wilkinson Wm. Crossley D. Kendall	Letter Personal Letter	10/5 11/8 11/8

<u>NAME</u>	<u>CONTACT</u>	<u>BY WHOM</u>	<u>METHOD</u>	<u>DATE</u>
Chicago Bridge & Iron Company	R. P. Davies	Wm. Lindsay Wm. Crossley D. Kendall	Letter Personal Letter	11/18 11/19
Chrysler Corporation	S. L. Terry	R. Fenton	Letter	11/11
Chrysler International	T. W. Koos	J. Delafield	Letter	9/8
Colgate-Palmolive Company	G. H. Lesch	G. Seybolt D. Kendall	Letter Letter	11/2 10/19
Colgate-Palmolive Int'l Inc.	R. W. Young G. Sindahlson	Wm. Crossley Wm. Crossley	Personal Letter	11/1 10/5
Continental Grain Company	A. Maximo	Wm. Crossley	Letter	6/29
Continental Illinois National Bank & Trust Co. of Chicago	C. E. Lillien	A. Rump Wm. Crossley	Letter Letter	10/20 10/25
Douglas Aircraft Company, Inc.	D. Douglas	A. Boulton	Letter	10/8
Eli Lilly Int'l Corporation	R. A. MacNeill	J. Delafield	Letter	9/8
Fahnestock & Company	A. O. Koehn	Wm. Crossley	Personal	6/15
First National City Bank	G. Moore	J. Blatchford A. Boulton	Letter Letter	10/15 10/8
FMC Corporation International	A. W. Elwood	J. Delafield	Letter	9/8
B. F. Goodrich Company	F. J. Bastl	A. Rump Wm. Crossley	Letter Personal	10/19 11/16
Goodyear International Corp.	R. V. Thomas E. J. Delaney	R. Fenton Wm. Crossley	Letter Letter	11/11 7/22
W. R. Grace & Company	J. J. Meehan	Wm. Crossley J. Blatchford	Personal Personal	6/10
H. J. Heinz Company	H. J. Heinz II	A. Boulton D. Kendall	Letter Letter	10/8 10/18
H. J. Heinz Co. International	J. F. Allen	J. Delafield G. Seybolt	Letter	9/8 10/29
Hewlett-Packard Company	W. R. Hewlett	J. Delafield J. Blatchford	Letter Personal	9/8 10/27
Hooker Chemical Corporation	J. A. White, Jr. W. D. Morrison	Wm. Crossley D. Kendall J. Delafield	Personal Letter Letter	11/4 11/4 9/8

<u>NAME</u>	<u>CONTACT</u>	<u>BY WHOM</u>	<u>METHOD</u>	<u>DATE</u>
J. M. Huber Corporation	L. A. Lara	Wm. Crossley	Personal	6/15
	M. W. Huber	D. Kendall	Letter	10/19
	P. Shoenburg	Wm. Crossley	Personal	11/8
IT & T Corporation	E.J. Gerrity, Jr.	R. Fenton	Letter	11/15
ITT World Communications	J. Eldridge	Wm. Crossley	Letter	11/22
International Minerals & Chemical Corporation	C. S. Dennison	J. Delafield	Letter	9/8
		A. Rump	Letter	10/19
Johns-Manville Int'l Corp	D. Lattoraca P. Nikitovich	Wm. Crossley	Personal	10/27
		A. Rump	Letter	10/28
Johns-Manville Corporation	C. B. Burnett	D. Kendall	Letter	10/27
Kaiser Aluminum & Chemical Corp.	R. A. Clayton	J. Delafield	Letter	9/8
Kaiser Industries	D. Duffey	J. Blatchford	Personal	10/27
M. W. Kellogg Company	W. L. Smith	Wm. Lindsay	Letter	10/29
		Wm. Crossley	Personal	11/15
		D. Kendall	Letter	11/16
Kimberly-Clark Corporation International Division	P.A. Bachelder	A. Rump	Letter	10/19
		Wm. Crossley	Letter	10/27
Lily-Tulip Cup Corporation	J. La Rocca F. N. Hartmann	Wm. Lindsay	Letter	10/29
		Wm. Crossley	Personal	11/18
		D. Kendall	Letter	11/19
Liquid Carbonic Corporation	R. P. Winchell	A. Rump	Letter	7/21
Carl M. Loeb, Rhoades & Co.	F. A. Weil J. L. Loeb	Wm. Crossley	Personal	11/15
		D. Kendall	Letter	11/16
Manufacturers Hanover Trust Company	W. J. Paden J. R. Greene	Wm. Crossley	Personal	11/10
		D. Kendall	Letter	11/10
		R. Rockefeller	Letter	9/29
Marsh & McLennan	J. Holbrook	D. Kendall	Personal	10/29
Marsh & McLennan International	H. Fanjul	Wm. Crossley	Personal	10/28
McCulloch Corporation	R. P. McCulloch	J. Delafield	Letter	9/8
Mead Corporation	A. C. Harris	J. Delafield	Letter	9/8
		J. Blatchford	Letter	10/15
Mead Johnson International	L. E. Mills	Wm. Crossley	Letter	6/29
Merck, Sharp & Dohme	Dr. A.J. Knoppers	Wm. Crossley	Personal	11/1
		R. Fenton	Letter	11/3
		A. Rump	Letter	10/20



<u>NAME</u>	<u>CONTACT</u>	<u>BY WHOM</u>	<u>METHOD</u>	<u>DATE</u>
National Lead Company	A. H. Drewes	Wm. Lindsay	Letter	10/29
		Wm. Crossley	Personal	11/18
		D. Kendall	Letter	11/19
Neptune Meter Company	P. Montanye	Wm. Lindsay	Letter	10/29
		Wm. Crossley	Personal	11/19
	W. H. Cochrane	D. Kendall	Letter	11/20
Otis Elevator Company	F. S. Dunn	D. Kendall	Letter	10/8
Otis Elevator Company International Division	R. T. Brice	Wm. Crossley	Personal	10/7
	J. A. Black	Wm. Crossley	Personal	
Park Davis & Company	H. J. Loynd W. W. Bondesen	R. Fenton	Letter	11/10
		A. Rump	Letter	10/19
		Wm. Crossley	Letter	10/27
Remington Office Equipment	J. T. Jackson	Wm. Crossley	Personal	10/12
		J. Delafield	Letter	
Revlon International Corp.	D. G. Cone R. W. Armstrong	Wm. Crossley	Personal	11/22
		D. Kendall	Letter	11/23
Rockwell Manufacturing Co.	W. F. Rockwell	Wm. Crossley	Letter	7/21, 10/7
		D. Kendall	Letter	
Schering Corporation	D. H. Neumann F. J. Gleason	Wm. Crossley	Personal	11/3
		A. Rump	Letter	10/20, 11/4
J. Henry Schroder Banking Corp.	C. A. Carpenter	Wm. Crossley	Letter	11/9
G. D. Searle Inter-Amer. Co.	J. W. D. Crocker	A. Rump	Letter	10/20
		Wm. Crossley	Letter	10/25
Sears, Roebuck & Company	J. Gallagher Roy Hebard	D. Kendall	Letter	11/9
		A. Rump	Letter	7/21
		J. Blatchford	Personal	11/5
Singer Sewing Machine Co.	W. Roubik	Wm. Crossley	Personal	10/19
		Wm. Crossley	Letter	10/20
The Singer Company	E. E. Vose	Wm. Crossley	Personal	11/4
		D. Kendall	Letter	11/4
A. O. Smith International S.A.	D.J. O'Connell	J. Delafield	Letter	9/8
Sperry Rand Corporation	C. H. Schmitter H. F. Vickers	Wm. Crossley	Personal	11/11
		D. Kendall	Letter	10/13
St. Regis Paper Company	A. F. Storer W. R. Adams	Wm. Lindsay	Letter	
		Wm. Crossley	Personal	11/12
		D. Kendall	Letter	11/13
Starr Foundation (Amer. Int'l Underwriters Corp.)	A. K. Karg	Wm. Crossley	Letter	11/17

<u>NAME</u>	<u>CONTACT</u>	<u>BY WHOM</u>	<u>METHOD</u>	<u>DATE</u>
Stauffer Chemical Company	F. E. Cook	Wm. Crossley	Personal	11/23
	A. E. Albright	Wm. Lindsay	Letter	10/29
		D. Kendall	Letter	11/24
Sterling Products Int'l Inc.	J. H. Hayes	Wm. Crossley R. Fenton	Personal Phone	7/27
C. Tennant Sons & Co. of N.Y.	R. H. Cutler	Wm. Crossley	Personal	11/11
		D. Kendall	Letter	11/11
	A. Fletcher	Wm. Lindsay	Letter	
Timken Roller Bearing Co.	R. L. Frederick	A. Rump	Letter	10/20
Tippetts-Abbott-McCarthy-Stratton	G. T. McCarthy	T. Wilkinson	Letter	10/29
		Wm. Crossley	Personal	11/9
		D. Kendall	Letter	11/9
Tropical Gas Company, Inc.	F. H. Billups	D. Kendall	Letter	10/19
Tupman Thurlow Company, Inc.	J. E. Ward	G. Seybolt	Letter	
		Wm. Crossley	Personal	11/17
		D. Kendall	Letter	11/18
Union Carbide Corporation	B. Vander Poel	Wm. Crossley	Personal	7/20
		D. Kendall	Letter	10/5
Union Oil Company	N. T. Ugrin	J. Blatchford	Personal	10/22
United Shoe Machinery Co.	J. R. Coolidge	Wm. Crossley	Personal	7/23
		R. Fenton	Phone	
		G. Seybolt	Phone	
	W. S. Brewster	D. Kendall	Letter	10/19
Upjohn International	R. M. Boudeman	R. Fenton	Letter	11/11
U.S. Rubber International Co.	A. E. Denari	Wm. Crossley	Personal	11/19
	E. J. Higgins	Wm. Lindsay	Letter	10/29
		D. Kendall	Letter	11/20
Variah Associates International Operations	R. W. Kane	J. Delafield	Letter	9/8
Vickers, Inc. International Division	D. H. Baker	J. Delafield	Letter	9/8
Warner-Lambert International Division	R. H. Gleckner	R. Fenton	Letter	11/11
Westinghouse Electric International Company	A. C. Smrha	Wm. Crossley	Personal	6/9
		T. Wilkinson	Letter	11/17
Wyeth International Ltd.	L. E. Fichthorn	Wm. Crossley	Personal	5/26
		R. Fenton	Letter	10/14
Yale & Towne International, Inc.	M.M. Enzer	Wm. Crossley	Letter	11/15
	H. Valentine	J. Delafield	Letter	9/8

## ANNEX D

Foundation Fund-Raising since Fall campaign began has netted the following:

New York Foundation (received \$2500)	\$ 5,000
New York, N.Y.	
William H. Donner Foundation	25,000
Roanoke, Virginia	
Mary Reynolds Babcock Foundation (voted)	5,000
Winston-Salem, North Carolina	
General Services Foundation	2,000
Chicago, Illinois	
Tinker Foundation (promised)	1,000
New York, N.Y.	
Homeland Foundation (Louis B. Warren)	500
New York, N.Y.	
Carl Marks Foundation	1,000
New York, N.Y.	
	<hr/>
TOTAL	\$ 39,500

Foundations which have agreed to consider a grant to ACCION International:

Frelinghuysen Foundation	\$ 5,000	requested
Morristown, N.J.		
Ottinger Foundation (no amount specified)	.....	
New York, N.Y.		
Foundation for Youth and Student Affairs	25,000	(two years)
New York, N.Y.		
Menton Fund	5,000	
New York, N.Y.		
Mary P. Lord Foundation (no amount specified)	.....	
New York, N.Y.		
Vivian B. Allen Foundation	10,000	requested
New York, N.Y.		
Dr. Prynce Hopkins Funds	4,800	requested
Santa Barbara, California		
Sarah Mellon Scaife Foundation (no amt. spec.)	.....	
Pittsburgh, Pa.		
Nancy Reynolds Verney Foundation (no amt. spec.)	.....	
New York, N.Y.		

For next year, several foundations have been approached: The Rockefeller Brothers Fund, New York, and the Public Welfare Foundation of Washington, D.C. will be requested to make additional commitments to ACCION International. They have previously supported the ACCION EN VENEZUELA movement.

Mr. Frank Altschul of the Overbrook Foundation, Senator William Benton, Mrs. Robert E. Kintner, Mr. DeWitt Wallace of the Readers' Digest, and the Eli Lilly Endowment of Indianapolis, Ind. will be approached for general support to ACCION International.

Specially designed projects are being prepared to submit to the Alfred P. Sloan Foundation, the Field Foundation and the Ford Foundation.

The importance of foundation giving in the fund-raising picture of any organization makes it imperative that ACCION International devote more energies toward becoming acquainted with the directors of the above named foundations. Toward this end, it is suggested that the Board of Directors of ACCION International plan a series of luncheons throughout the coming year to invite foundation directors and corporate officials to hear about the program and to view the film recently developed by the Shell Company in Venezuela on the ACCION EN VENEZUELA program.

POTENTIAL BOARD MEMBERS or Officers

Sol Linowitz

Milton Rose, Secretary (*send?*)

George Moore

Louis Lundborg

Fred Foy

John Gallagher

J.R. White or Emilio Collado

Lauris Norstad or Robert Murphy

William Benton

Senator Jacob Javits

Mrs. Mary P. Lord

John Loeb

Keith Funsten

William Stolk

Henry Sargent

J. Richardson Dilworth

Louis B. Warren

Guillermo Espinosa, Chairman, ACCION EN VENEZUELA

~~Walter B. Wriston~~, Treasurer

*Geo Moore*

*Geo Resch*

November 26, 1965

**ACCION International**

**TO: The Board of Directors**  
**FROM: J. H. Blatchford**  
**SUBJECT: Report on Activities of ACCION Movement**

- I Venezuela**
- II Argentina**
- III Other Countries**
  - A. Brazil**
  - B. Chile**
  - C. British Guiana**
  - D. Ecuador**
  - E. Peru**
  - F. Philippines**
  - G. Conclusions**
- IV A.I.D.**
- V ACCION International**
  - A. Organization and Administration**
  - B. Recruiting**
  - C. Fund Raising**
  - D. California**
  - E. Recent Comments on ACCION**

I

## Venezuela

ACCION EN VENEZUELA is currently working in 35 barrios with approximately 200,000 people. Last year, 5,015 self-help projects were organized and hundreds of companies and government agencies donated \$476,000 to these projects in supplies and technical services. This year that figure should be even higher. There are presently over 100 workers in the field.

The Venezuelan organization has received a great deal of attention recently. The program was mentioned many times during the recent CICPY Meeting held in Caracas for the leading industrialists of the hemisphere. Senator Jacob Javits spoke about ACCION at a luncheon before the American Chamber of Commerce and later visited the projects in two barrios of Caracas. In the evening he had dinner with the ACCION staff members. Jack Hood Vaughn also mentioned ACCION in a talk and the ACCION film was shown for the delegates.

ACCION was discussed and the film shown for the Congress of Venezuelan Industrialists in Macuto the following week.

Then on November 8th, the Board of ACCION EN VENEZUELA gave a dinner for the sponsors, friends and the field workers. Practically all of the Board, including Eugenio Mendoza, Gustavo Vollmer and Andres Boulton attended. There were 300 guests in all. The Hotel Tamanaco donated the dinner as a contribution to the movement.

The U.S. Ambassador and his wife, the Chief of A.I.D., a group of U.S. Congressmen, the Tennessee Partners of the Alliance, the Director of the Settlement House Movement in the U.S., as well as the Ambassadors of Britain and Peru were present.

The film was shown, corsages for the ladies were made by a florist business started by ACCION in one of the barrios, a giant banner made by the youth of another barrio, and telegrams were received from various barrios on the anniversary. The musical group from one barrio entertained.

The highlight of the evening was the handing out of certificates of recognition by the ACCION EN VENEZUELA President to the representatives of six barrios which had done the most in self-help and community action during the last year. The barrios chose their own representatives and send them to Caracas. Barcelona, Valencia, Maracay, Petare, Maracaibo and Caracas barrios all received awards. This represented 50,000 people of the slum areas. A moving speech was made by Josephina Hernandez, head of the coordinating committee of Barrio Isias Medina of Caracas. She spoke strongly of the great need for education in the barrios and of the future for her children and grandchildren. She lives in a 'rancho', has 8 children and expecting another. She can neither read nor write. She represents 18,000 people.

There were some 30 news stories on the event, before and after, including newsreels and TV. Several people sent in contributions as a result.

The Technical Training and Production Center Program is underway with two pilot programs in Maracay and Caracas. The special Projects Department is carrying these out under special grants from the Donner Foundation and MISEROR.

The Lutheran World Federation has come to Caracas from Geneva to pledge \$500,000 and enlist AEV's help in building and staffing a technical training center in Caracas.

Training Department has built up a strong training method and has a wealth of training materials on community action work. Mr. William Barlow of VISION has promised to have them printed up.

The Year End Report was finally published in Spanish and sent to 10,000 contacts.

The Executive Committee and the ACCION EN VENEZUELA Staff have worked hard to raise the funds necessary to sustain the movement. \$310,000 has already been raised, but the movement is still \$90,000 short of funds necessary to finish the year.

30% of over 200 companies have increased this year. Over 40 new companies have been added. One matter of great concern to the Board has been the participation from the oil companies who have not increased contributions with ACCION growth nor have contributed in size comparable to the contribution of other companies relative to their size in the economy. The feeling of the Board is that the matter must be brought up at the head offices in New York. The Board has suggested that the President and Vice President come to New York in December and hold a luncheon to put forth the ACCION EN VENEZUELA program and seek support. They request the help of ACCION International in this.

President Leoni requested a report from ACCION on ways of combating juvenile delinquency in the barrios. A study called "Centers of Multiple Use" was submitted and well received. The National Government Training Institute has offered to help AEV to implement the plan. This can be done, but will take greater financial resources from the private sector than is now being received, another reason to represent the program to the heads of oil companies in New York.

## II. Argentina

Twelve field workers have been chosen and are presently working in 7 slum areas of Buenos Aires. Sufficient funds have been raised within Argentina to sustain the movement. Recruitment selection and training was done by using materials and methods supplied by Caracas.

A hemispheric meeting was held in Buenos Aires by the International Secretariat for Volunteer Service (ISVS) to discuss the expansion and creation of volunteer movements in Latin America. Miss Winifred Marich represented ACCION International, paid by the ISVS in Washington. Sr. Oswaldo Fernandez, Caracas Group Leader for AEV, represented AEV as a member of the Venezuelan delegation.

Both reported that the CABE group was moving ahead quickly and confidently. They both said that they felt the volunteers chosen were excellent, but they felt that additional ACCION guidance would be necessary for the group to get beyond the initial "entering and knowing" stage into actual construction and education projects and then on to forming groups and leaders. However, they felt that the CABE Board and staff will see this and ask for continued ACCION assistance in 1966. They added that the local CABE people felt a strong sense of debt and appreciation to ACCION International for having organized and promoted the movement. The main point is that the Argentines are insisting on running things themselves and touchy about outside interference.

The Argentine Government has now been stimulated to begin a similar movement within Argentina and abroad. Washington brought a

group of six government officials, including the number two man in the Foreign Ministry, to Washington to see the Peace Corps and then send them to Venezuela to see ACCION EN VENEZUELA. The AEV Board took them to the barrios, showed the film and hosted a luncheon for Board and staff.

### III Other Countries

A. Brazil. Brazil shows signs of pulling out of a recent recession within six months and private companies should be in a mood for giving. Sao Paulo seems to be the place to start. There is a great deal of foreign and local industry, the "barrio" problems are great and, though not as great as Rio's problem, are growing. There is no Peace Corps in the State, and little being done in the favelas. Only drawback might be language for the foreigners going in.

B. Chile. I spoke with Augustin Edwards in Caracas. He invited me to come to Santiago to see the work in progress there. It sounds like there is a great need and a great deal of movement in both the private and public sector there. It would probably be worth seeing, if even to learn about other movements and techniques. I cannot say whether ACCION International could be of assistance there or not.

C. British Guiana. We have thoroughly researched this area. If ACCION International feels that another project quickly, though small, would help get supporters and backing, this might not be too difficult. One can go there on the way to or from Caracas or Brazil with no extra cost. The country is getting independence May 26th. The threat of unrest and communism is still strong. They will need help to get on their feet. Tendency is to say its a British problem, but AI might find acceptance that the British don't find. No Peace Corps or other international movements. Not a great deal of industry but Shell, Alcoa, Reynolds and large local firm, Brookers, might be interested. Might be stimulus toward getting greater participation in AI from Great Britain, funds from London. Another advantage is language, size, quick impact, importance (local unrest, communism).

Big disadvantage is relations with Venezuela. Strong feeling in Venezuela about boundary relations with Venezuela. Another possible disadvantage is spreading too thin. AI only used top people that can get things done. These are few and far between and many still needed in Venezuela. If taking on another country like Brazil, might dissipate forces.

However, maybe sending one man to live there a couple of months and report on problems and AI possibilities might help quickly to spread AI out from Venezuela and test Venezuelan reaction while not committing ourselves for a couple of months. James Nelson Goodsell, Latin American Editor of Christian Science Monitor, greatly urges that ACCION participate there. He has made two trips there.

D. Ecuador. On my 1960 trip I strongly recommended Guayaquil as a potential hot spot and place where Community Action is sorely needed. I recommended small pilot project there, in addition to Colombia, as a place to start..... Still feel this is a good possibility. Would need strong financing at this end and for first two years, since not a great deal of foreign industry there. However, Guayaquil is an active growing city with a strong businesslike flavor to it. In light of Galo Plaza's letter (see attached) it might be worth a trip for one week to look things over to see how AI could be of assistance.

*Venezuela*

*Franklin  
Gardner*

*Jose  
Garcia  
Guayaquil  
Repse*



E. Peru. The Belaunde Government is a democratically elected one which has launched a great many idealistic reform programs and propagandized them a great deal. The people of the countryside and the slums (Lima's are among the worst in Latin America), are waking up and expecting things because of this. This is necessary but dangerous in that Belaunde is starting something he may not be able to finish. He will need help from the private sector. Even more so, if he is blocked politically from accomplishing much of his program.

Now may be the time to move in Peru. John Gardner, a former AEU Board Member, is the head of Sears in Peru and could help mobilize the American community. Might be worth a trip to see what could be started in Lima. Peace Corps in strong but has had little success in slums. As of a few months ago, Belaunde was contemplating starting a movement of students to help in slums like they have been doing in the countryside. Last I heard, it hadn't gotten off the ground. Cerro de Pasco has indicated help if we work in Peru .... same with W.R. Grace.

F. Philippines. Country has a great need for this type of program. Past governments have been effective in rural areas in knocking out Huk movement and starting reforms, many based on self-help. However, according to several ACCION participants with past experience in the Philippines, slum problems in Manila are growing and nothing is being done.

Ev Bauman, head of Public Relations for Creole, recently returning from a year there, says a type of North American Association formed there and getting going would strongly back ACCION and feels Philippeans would accept it and work for the movement. In face of growing anti-Americanism there and throughout Asia, might be a possibility to consider.

G. Conclusions: I am needed for about one month more in Venezuela to draw up four year development plan for Board, submit it to Boards of foreign companies backing movement and to leading Venezuelan industrialists.

Then I'm available to travel to the rest of Latin American countries to explore setting up of Community Action Movements.

#### SUGGESTED PRIORITIES

1. Sao Paulo, Brazil. Largest nation, most important State to the country's decision making process. There is much industry here, many "barrio" problems, for which there is little being done, and no Peace Corps. Brazilians are easy people to talk with; they are open and enthusiastic. It will be easier to get "seed" support in the United States for AI in Brazil.

2. British Guiana. A small group to recruit and advise, show the way ..... quick, strong impact ..... language facility for new people, so can start right away to get results ..... open door to real long term interest and commitment from Great Britain for AI, easy transportation and easy to supervise.

3. Guayaquil. Small, well-defined area, commercial key to country, potential trouble spot, people open and easy to work with. Galo Plaza behind us and can open doors, get going soon. Would need U.S. finance for first couple years, say \$75,000 for the two years (plus 25% local).

I think we can have programs underway in these three countries by September 1966. All recruiting and training local people from the start, raising some local funds from the start and using foreign field workers and advisors, as necessary.

IV A.I.D.

There is a strong possibility of putting together a program that would get a large \$500,000 grant from A.I.D. from regional funds. Decision made in Washington for program from this end that hits several Latin American countries. There is already money waiting to be spent in British Guiana and Brazil, I'm told. Any of the other countries would be high priorities on A.I.D. list, I believe.

V ACCION InternationalA. Organization and Administration.Financial:

The accounting system has been tightened and simplified, and will be further changed in January. It has become a mixed system rather than a simple cash system. Mr. Roy Davis of Price Waterhouse & Co. has visited the office, and is guiding preparations for an uncomplicated audit.

Each recruiting office is now controlled from New York. Funds no longer go first to Cambridge and then to other offices. The maximum account balances set by the Board (\$500 for Berkeley and \$1,000 for Cambridge) have proven satisfactory.

Funds are transferred from the ACCION International account to the ACCION International Payroll account only by means of checks signed by two directors.

1965 expenses will be less than the budgeted figure, as shown on the enclosed budget reconciliation. See Annex A for financial statement for the first six months of 1965.

ACCION International now is exempt from Federal Income Tax, and has therefore severed its financial contacts with the Institute of International Education. This change aids the fund raisers. The Corporation is listed with the National Better Business Bureau and the National Information Bureau, so that prospective donors who check with these agencies will receive current information.

Income has been sufficient that all debts have been repaid, and net worth has risen from minus \$12,000 on June 30, 1965 to approximately plus \$14,000 on November 22, 1965 (the \$14,000 figure includes fixed assets). See Annex B for list of current contributors.

Insurance:

All offices of the corporation are insured against loss by fire and theft, by the General Accident Insurance Company.

Employees' Compensation Insurance, for all offices, has been written by the same company.

New York State Disability Benefits coverage has been written by the Life & Casualty Company. Such insurance is not required in Massachusetts. It is required in California, and steps are being taken to procure it.

The Marsh & McLennan Insurance Company of New York is the broker for the preceding three policies.

Insurance: (Continued)

Five of the Corporation's eleven employees have enrolled in a group Blue-Cross Blue-Shield Insurance Plan, the premiums for which are withheld from their paychecks, unless they request otherwise.

ACCION International may or may not, as it wishes, contribute under the Federal Insurance Contributions Act and under the New York State Unemployment Insurance Law. Whether to waive the exemptions and contribute are questions for the Board to decide.

Legal:

A form amending the Corporation's registration with the New York State Department of Social Welfare was submitted on November 5, 1965.

Forms have been prepared for filing with the Social Welfare Departments or equivalents in Massachusetts, California, San Francisco and Los Angeles (two agencies). These have been approved by Mr. Mendez-Capote and will be filed as soon as they have been signed by Mr. Kendall and Mr. Mendez-Capote.

The Corporation has been exempted from paying Federal Income Taxes and New York State Sales Taxes. It has applied for exemption from various New York City taxes, and is in the process of applying for exemption from California State Sales Tax. There is no such tax in Massachusetts.

ACCION International does not have to register to do business under the laws of any state in which it has an office.

The Office:

The Corporation's headquarters were moved in early November to Suite 9-A of 1245 East 52nd Street. The new suite has 400 more square feet than the old and costs \$125 more per month. It holds nine (9) desks, whereas the other office held five.

Furniture was donated by Standard Oil Company (N.J.) and the Pepsi-Cola Company (now PepsiCo. Inc.) The Mobil Oil Company contributed some equipment. Still needed are:

- 1 Collating Machine
- 1 Electric Typewriter
- 1 Electric Adding Machine
- 1 S.O.S. "Penney Saver" Ditto "Electrostatic" or other instant dry copier
- 2 Slide Projectors
- 3 16 mm Motion Picture Projectors with Screens
- 1 35 mm Still Camera
- 1 16 mm Motion Picture Camera
- 1 Large Framed Map of World or Western Hemisphere

New stationery has been designed, and a small quantity will be printed immediately.

Personnel:

Mr. Sumner Offill, a recent graduate of Pomona College, is now the West Coast Recruiter. His secretary is Miss Gloria Peterson.

Mr. Terry Holcombe recruited in the Midwest last year and will do recruiting in New England and the Mid-West. He will do some fund raising from the Cambridge Office. Mrs. Helen Landis-Brown remains as the secretary in Cambridge.

Mr. James A. Losty has replaced Mr. Gary Glenn. Mr. Losty's title is Director of North American Recruitment. He is located in the New York Office so that all the organization's funds are centralized in New York.

The New York office staff now consists of Mr. Blatchford, Executive Director, Mr. Losty, Director of North American Recruitment, Mr. Crossley, Director of Development and Information, Mr. Norvell, Assistant to the Director, Mr. Weiss, Administrative Assistant, Miss Marsh, Executive Secretary, and a Typist-Receptionist. A recruiting Secretary will be added when she is needed.

All the men working for ACCION International have been to Venezuela in the past four months, to see the work and to meet the workers and staff.

Joseph H. Blatchford will be a full time employee of ACCION International as of January 1, 1966.

B. Recruiting

Thirty-eight persons were selected for field assignments in Venezuela during 1965. Twenty-seven members of the June group are now working in barrios throughout Venezuela.

Our September orientation was held at Columbia University, with outside speakers furnished by Columbia and Fordham Universities. High point of the orientation was a luncheon given by Standard Oil Company (N.J.) for the September selectees, which was also attended by two members of ACCION EN VENEZUELA'S Board of Directors.

Seven of the September group are currently in language school in Maracaibo. The remaining four have already been assigned to barrios. In most instances, 1965 personnel will replace their 1964 counterparts whose 18 month contracts will be completed in December of 1965 and March, 1966.

In the realm of international recruiting, the 1965 group included representation from Chile, Peru, Great Britain, New Zealand, Germany, Cuba and Norway. Closer coordination with Council of Europe, the National Union of Students and International Council of Volunteer Agencies should enable us to increase this representation in 1966. JHB made valuable contacts during a European trip in May. AI recruiting needs are known by over 200 agencies in Europe.

C. Fund Raising

	Amount	Number
1965 Cash Goal	\$105,000	x
Raised to Date	91,677	43
Corp. & Individ.	53,177	37
Foundations	38,500	6
Pending	x	98
Short to finish year	13,323	x

This represents an investment in time by Board Members for letters and calls; six months in this country for William Crossley on Corporations; 4 months for Dan Norvell on Foundations; and about one month for JHB.

With Crossley and Norvell working 10 months next year in this country and with greater participation from a larger Board, AI should be able to raise considerably larger amounts next year for an expanded program.

Many Companies are pending requests from AI. Board help is needed. (See Annex C)

Also, requests to Foundations are pending, for which Board contact is necessary. (See Annex D)

D. California

JHB spent one week in California, contacted 15 companies personally, 15 others by phone, had interviews in 2 newspapers (LA Times and SF Chronicle) and visited two universities (University of Nevada and UCIA). He went to Los Angeles, Santa Barbara, San Francisco, Palo Alto, Oakland, Reno, Nevada. He saw among others, H. Russell Smith, President of Avery Products Corporation, Leonard Firestone, and Louis Lundborg, Chairman of Bank of America. All promised to host luncheons or serve on local committees to get support.

E. Recent Comments on the ACCION Movement

- A. Letter from Congressman John G. Dow of New York to Guillermo Espinosa, President of ACCION EN VENEZUELA.  
"We mention the ACCION quite often in our committee discussions, because it is such an outstanding example of a good, independent, non-profit effort to accomplish much at the level of the grass roots."

"I shall not forget your kindness or the work you are performing."

- B. Letter from Professor Frederick Harbison, Director of Industrial Relations Section, Princeton University.

"Both of us were very much impressed ACCION and we felt that our very brief trip to the Barrios was most worthwhile. As far as community development projects go, I can truthfully say that my impression is that ACCION is the best I have seen so far. The objectives of the program appear to be clear and realistic, the extent of community participation seems to be unusually great, and

the caliber of the workers is certainly high. Certainly, as Ralph indicated to me, the Peace Corps could profit by some of the ideas and techniques of ACCION. I also feel that our community action projects in the States may have much to learn from your organization.

As I told you, my particular concern in visiting ACCION was to get some ideas which might possibly be applied in Africa. In this respect, I think that our short visit was productive."

Attached are clippings from Daily Journal, English language paper in Caracas.