# WAGING PEACE AROUND THE WORLD





For hundreds of years, a child leading a blind elder has been the fate of families stricken with river blindness in Africa and Latin America. Now controlling this ancient scourge is possible thanks to the efforts of The Carter Center and others.

On the cover: Visitors strolling on The Carter Center's grounds now come upon this striking bronze sculpture of a child leading a blind man by the end of a stick. The man is a victim of river blindness (onchocerciasis), a parasitic disease that threatens more than 100 million people, primarily in Africa. Created by internationally recognized sculptor R.T. Wallen and donated by John and Rebecca Moores, Sightless Among Miracles represents the Center's commitment to controlling river blindness.

# Message From Jimmy Carter, Chair of the Board of Trustees

Jimmy and Rosalynn Carter review proposals at a headsof-state summit in Tunis to address conflict in the Great Lakes region of Africa.

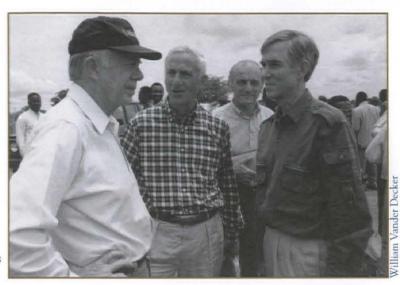


In 1983, Kosalynn and I Committed ourselves to developing The Center Center and its programs. As our in fluence and good Will have grown, we have now become a Strong force for peace and freedom\_ The building blocks frue globel Community. We are quateful to The staff The Carter Center and to wer many partners who have joined us in reaching out to some the world's most needy people.

Timuny

# Message From John Hardman, Executive Director of The Carter Center

Jimmy Carter; Roy Vagelos, former chairman of Merck & Co. Inc.; and John Hardman visit the site of a river blindness project in Africa.



homas Jefferson wrote that "it is wonderful how much may be done if we are always doing." I'm pleased to report that fiscal year 1995-96 was another extraordinary year of "doing" at The Carter Center. But, as always, we didn't do it alone.

This year, we applied the principles of partnership and cooperation to monitor the first-ever Palestinian elections, produce an award-winning film to reduce the stigma of mental illnesses, treat almost 4 million people with medicine that will save their sight, bring together African leaders in the Great Lakes region to try to end the horrible suffering there, and reach the 97 percent mark toward the global eradication of Guinea worm disease.

Only a handful of Carter Center staff work on each of these and other projects to promote peace and democracy and to improve health. But it takes literally hundreds, even thousands, of people to reduce the number of cases of Guinea worm, for example. Instead of creating a complex bureaucracy, The Carter Center creates a network. We join hands with key individuals and organizations, who in turn reach out to their constituents and contacts, until together we have woven the fabric of a system so strong that it can wipe out a disease that has plagued human beings for thousands of years. Each group—each person—brings

something unique and valuable to the table, making the impossible a reality.

Let me elaborate on another example of how we apply the principles of cooperation to increase our effectiveness manyfold. For years, Mrs. Carter has led a national campaign to educate people about mental illnesses. Many groups are working on the same issues, vet they rarely come together to share information or to agree on common strategies. But for 11 years, they have gathered at the Annual Rosalvnn Carter Symposium on Mental Health Policy to pool their resources and resolve toward reducing the stigma and discrimination against those with mental illnesses. One of the legacies of these meetings is the establishment of the Rosalynn Carter Fellowships in Mental Health Journalism, which will contribute to developing a cadre of reporters who are betterinformed about mental health issues.

Our work would not be possible without the help of our dedicated partners. In recent years, The Carter Center has received funding from nine of the 10 largest grant-making foundations in the country. Although American foundations provide funds that sustain our varied programs, a significant portion of our support comes from individuals, corporations, and development assistance programs in the United States and overseas. More than 125,000 direct-mail

donors are another vital source of unrestricted support for the Center. Recently, the American Institute of Philanthropy, an independent charity watchdog group, gave The Carter Center a grade of "excellent" based on how well we spend the money we raise.

And there is more good news. Once again, our budget is balanced, and our endowment was valued at nearly \$75 million at the end of this fiscal year.

To assure that our work continues, The Carter Center conducted three studies during 1995-96 looking at our future. As a result, a planning committee was appointed to develop a new strategic plan for the Center. The committee instituted a planning process that involved the Board of Trustees, representatives of Emory University, donors, friends, and staff. Their input has resulted in a plan that will strengthen our commitment to the prevention and resolution of conflict and the control and eradication of disease. The new plan will take effect in 1997-98.

We look forward to continuing our work for peace and development as we enter another exciting year of "doing" at The Carter Center.

John Hardman

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A woman in the Dominican Republic gives her ballot to a poll worker in the June 1996 presidential election, witnessed by The Carter Center's Council of Freely Elected Heads of Government and the National Democratic Institute.







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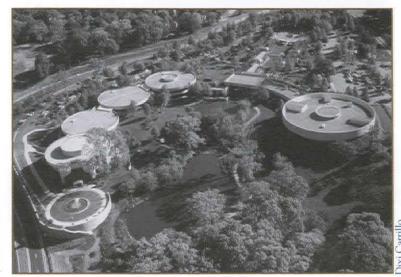


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# ABOUT THE CARTER CENTER

The Carter Center is located in a 35-acre park two miles from downtown Atlanta. The complex houses offices for the former president and first lady and most of the Center's staff.



## What is The Carter Center's role?

The Carter Center is dedicated to creating a world where every man, woman, and child has the opportunity to live in peace. It strives to relieve suffering in the United States and around the world through collaborative initiatives in democratization and development, global health, and urban revitalization.

#### What principles guide the Center's work?

The Center is a nonprofit, nongovernmental organization (NGO) founded in 1982 by Jimmy and Rosalynn Carter in partnership with Emory University. The Center:

- translates academic research and analysis into action-oriented programs that have improved people's lives in more than 65 countries around the world.
- forms partnerships with and among individuals and groups working on the same problems.
- is not affiliated with any political, religious, or governmental organization.
- avoids duplicating the efforts of other agencies or institutions.

#### Who directs the Center's programs?

Programs are directed by resident experts and fellows, some of whom teach at Emory University. They design and implement activities in cooperation with President and Mrs. Carter, networks of world leaders, other NGOs, and partners in the United States and abroad.

The Center is governed by a Board of Trustees, chaired by President Carter (see page 28 for members). The Center's Board of Councilors provides its programs with the advice and support of prominent regional and local leaders. (See page 30 for members.)

# What are the Center's major accomplishments?

Democratization and Development

- Monitoring multiparty elections in more than a dozen countries to assure fairness.
- Seeking peaceful solutions to civil conflicts in places such as Sudan, Bosnia, the Korean Peninsula, and the Great Lakes region of Africa through the International Negotiation Network.
- Promoting democracy and economic cooperation in the Western Hemisphere through the Council of Freely Elected Heads of Government.
- Strengthening human rights and economic development in emerging democracies such as Guyana, Ethiopia, Zambia, and Liberia.
- Preventing human rights violations worldwide through the International Human Rights Council.

#### Global Health

■ Leading a worldwide campaign that has achieved 97 percent eradication of Guinea worm disease in Africa and parts of Asia. Guinea worm will be only the second

disease after smallpox to be eradicated.

- Fighting river blindness in Africa and Latin America through a coalition to control the disease.
- Helping farmers in Africa triple or quadruple their yields of corn, wheat, and other grains.
- Working to erase the stigma of mental illness and to improve access to and quality of care for the 50 million Americans who experience mental disorders every year.
- Promoting preventive health care in communities through a network of faith groups in U.S. cities.
- Developing a national strategy to reduce firearm violence against children—the leading cause of death among Americans under age 24.

#### Urban Revitalization

Launching The Atlanta Project (TAP), a grassroots effort that addresses the social problems associated with urban poverty by focusing on children and families. Another program, The America Project, shares TAP's experience with cities and towns nationwide.

#### Where is the Center located?

The Carter Center is located in a 35-acre park two miles from downtown Atlanta. Four circular, interconnected pavilions house offices for the former president and first lady and most of the Center's staff. The complex includes the nondenominational Cecil B. Day Chapel and other conference facilities. The Center also owns the nearby Kirbo

Building and leases office space from the City of Atlanta for The Atlanta Project and The America Project.

The Jimmy Carter Library and Museum, which adjoins the Center, is owned and operated by the National Archives and Records Administration of the U.S. government. The Center and Library are known collectively as The Carter Presidential Center.

#### How is the Center funded?

Construction of the Center's facilities was financed by private donations from individuals, foundations, and corporations. These donors also support the current annual operating budget of \$26 million. The Jimmy Carter Library and Museum, also built with private funds, was deeded to the federal government after construction.

The Carter Center Inc. (Tax I.D. No. 58-1454716) is a 501(c)(3) charitable organization, and contributions by U.S. citizens and companies are tax-deductible. For information concerning donations, contact the Office of Development at (404) 420-5119.

#### How large is the Center's staff?

The Center employs 180 full- and parttime people based primarily in Atlanta. Field representatives have been stationed



The Carter Center's Ivan Allen III Pavilion includes offices, meeting rooms, and the Cecil B. Day Chapel, which seats up to 450 people for conferences and other events.

in Guyana, Liberia, Ethiopia, Nicaragua, Sudan, and other countries.

#### How do people become involved in the Center's work?

More than 100 undergraduate and graduate students work with Center programs for academic credit or practical experience each year. Approximately 130 volunteers donate an average of one day of their time each week to the Center. They

work with Center programs, assist with special events, and conduct a limited number of private tours. For volunteer information, call (404) 420-5105. To learn more about internships, call (404) 420-5151.

#### Is the Center open to the public?

The Carter Center is open to the public by business appointment or for special events. Guests may rent space for meetings, conferences, receptions, and other events. For availability and pricing, call the Events Office at (404) 420-5112.

The Museum of the adjoining Jimmy Carter Library is open Monday through Saturday from 9 a.m. to 4:45 p.m. and Sunday from noon to 4:45 p.m. It features exhibits on the American presidency, the Carter administration, and more. Admission is \$5 for adults, \$4 for senior citizens 55 and older, and free for children 16 and under. For more information about the Museum, call (404) 331-0296.

# How can people learn more about the Center's work?

For inquiries and a list of publications, call the Office of Public Information at (404) 420-5117. Information also is available on the World Wide Web at: http://www.emory.edu CARTER\_CENTER.



The Carter Center adjoins The Jimmy Carter Library and Museum, which is operated by the National Archives and Records Administration of the U.S. government.



# SIGHTLESS AMONG MIRACLES: THE FIGHT TO RID THE WORLD OF RIVER BLINDNESS

"Nearness to large rivers eats the eye."

- West African proverb

n an isolated village in Africa, two figures slowly move in tandem across the landscape. First comes a young boy, and close behind him walks a man, tethered to the child by a stick. The boy still has good sight; his elder is blind. The stick is the man's lifeline. Without it and the boy, the man cannot make his way through a world he cannot see.

The eyesight of this man and thousands of other people has been lost to a devastating disease that occurs in parts of the undeveloped world. It is spread when parasites enter the human body through the bite of blackflies that breed in the waters of swiftly moving streams and rivers. In Africa (where 99 percent of all cases are found), Latin America, and parts of the Middle East, some 120 million people are at risk of contracting river blindness (onchocerciasis).

Victims of this disease are afflicted with incessant and debilitating itching, skin rashes, eyesight damage, and often blindness. People suffering from the itching find it difficult to work, and those with unsightly skin blemishes are sometimes ostracized from their communities. According to the World Health Organization, 18 million people are infected. Of those, more than 750,000 suffer from serious sight impairment, and 270,000 are blind. In some communities, 15 percent of the population may be blind and up to 40 percent of adults visually impaired.

For victims unable to perform the manual labor that most jobs entail, life

spans are reduced an average of 10 years. The social life of villages is disrupted when adults cannot work, children are forced to care for their disabled elders, and adolescents, fearing they may become blind themselves, leave home. Most river blindness occurs among people living on fertile land near rivers and streams, where blackflies breed. In many instances, the fly infestation forces farmers to abandon their land entirely.

#### A New Partnership

The Carter Center has been involved since 1988 in a worldwide effort to control river blindness through its partnership with the Atlanta-based Task Force for Child Survival and Development. In April 1996, the Center stepped up its participation by absorbing the River Blindness Foundation (RBF) to create the Global 2000 River Blindness Program (GRBP). Modeled on the Center's successful fight to eradicate Guinea worm disease, which has now been reduced by 97 percent, GRBP will expand free distribution of the drug Mectizan® (ivermectin MSD)—the most powerful weapon against river blindness. GRBP also will provide educational training and help local residents establish sustainable, community-based treatment programs. These efforts are led by Donald Hopkins, M.D., associate executive director-control and eradication of disease programs for The Carter Center, and Deputy Director Frank Richards, M.D., an epidemiologist on loan from the Centers for Disease Control

and Prevention.

Before the advent of Mectizan®, larvicides and other drugs were used, but they had major drawbacks, including high cost and serious side effects. Mectizan®, however, is safe and can be used to treat people already afflicted by killing the parasites in their bodies and to prevent occurrence of disease in others. Only one yearly dose of Mectizan® is required for prevention and treatment, and it is taken orally.

Ivermectin was originally discovered by Merck & Co. Inc. as part of its veterinary research program. A subsequent research program demonstrated the potential of the human formulation known as Mectizan<sup>®</sup>. Its efficacy and safety in humans was confirmed in trials that began in 1981. In 1987, Merck officials, knowing that people who needed Mectizan<sup>®</sup> would not be able to afford it, announced they would donate the drug for as long as needed to treat and prevent river blindness.

In 1988, the Task Force and Merck created the Mectizan® Expert Committee to oversee and ensure the appropriate distribution of Mectizan® by all river blindness programs worldwide. The committee is composed of internationally recognized river blindness and public health experts and is chaired by William Foege, M.D., Carter Center senior health policy fellow and Task Force executive director.

In 1995, The Carter Center joined forces with The World Bank and other international partners in a 12-year, \$124

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More than 150 guests helped dedicate "Sightless Among Miracles," including (from left) Rebecca Moores, Jimmy and Rosalynn Carter, John Moores, and Raymond and Gladie Gilmartin of Merck & Co. Inc.

million project to fight river blindness in sub-Saharan Africa through the African Programme for Onchocerciasis Control, whose goal is to facilitate establishment of sustainable community-based programs to distribute Mectizan® in 16 African countries.

Distribution of the drug has steadily increased. During 1988 and 1989, about 500,000 people were treated. In 1990 the number rose to 1.3 million, and in 1995, more than 10 million people were being reached in endemic countries of Africa and Latin America.

The new Global 2000 River Blindness Program has acquired most of RBF's operations. "This allows us to expand our role and continue to fulfill our mission of action-oriented involvement," said former President Jimmy Carter. "The Carter Center and the River Blindness Foundation have long had a common goal. We both want to prevent the needless suffering of millions of people in the developing world who contract this disease."

"I believe combining the powerful resources of these two institutions will have a significant impact on the global effort to control this horrible disease," said John Moores, who with his wife, Rebecca, co-founded RBF in 1990. "The Carter Center's proven success in other disease control and eradication efforts and President Carter's personal commitment to the program underscore this position."

In November 1996, a bronze sculpture called "Sightless Among Miracles" was installed on the grounds of The Carter Center. Created by sculptor R.T. Wallen and donated by John and Rebecca Moores, it is a duplicate of a work at Merck's world headquarters in New Jersey, a haunting tableaux of a small boy leading a blind man. "I look forward to the day when the only places you'll see a child leading an adult with a stick is at Merck headquarters and in the garden of The Carter Center," said former First Lady Rosalynn Carter.

# NIGERIA TACKLES CHALLENGES POSED BY RIVER BLINDNESS

n February 1996, Nigeria observed its second annual National Onchocerciasis Day to raise awareness about the disease and its prevention. Approximately 6.7 million Nigerians received Mectizan<sup>®</sup> in 1996. While it is still short of the estimated 40 million Nigerians at risk for river blindness, the 1996 total nearly tripled the number of people treated in 1994. It also illustrates how countries in Africa and Latin America are taking more responsibility for treating the disease.

Nigeria's federal minister of health summarized the challenge that river blindness poses to his country. "We need to remind ourselves that we cannot afford to depend entirely on organizations and agencies for help," said Ihechukwu Madubuike, M.D. "The problem is ours. The task is to put in place a community-based, self-sustaining program. The fight against *onchocerciasis* is a fight that must be won."



# GUINEA WORM DISEASE: 97 PERCENT ERADICATED

s a result of the intensive campaign undertaken by what Donald Hopkins, M.D., calls "a grand coalition," the eradication of Guinea worm disease (dracunculiasis) is in sight.

The imminent victory was celebrated in December 1995 in Washington, D.C., where The Carter Center hosted 200 dignitaries and guests representing other nongovernmental organizations (NGOs), international health agencies, governments, and donors involved in the worldwide effort to abolish the disease. *Dracunculiasis* will be the second disease eliminated by deliberate plan. The first was smallpox, eradicated in 1977 as the result of global cooperation.

"With the important help of people in the affected villages themselves, we have achieved 97 percent of our goal in the fight against Guinea worm disease," said Dr. Hopkins, who oversees health programs for The Carter Center. "Our job now is to eliminate the remaining 3 percent of cases as soon as possible. We estimate that we are within two to three years of finishing the job."

"We are, in terms of American football, on the five-yard line," said J. Brian Atwood, administrator for the U.S. Agency for International Development, one of the coalition partners.

#### **Disruption to Lives**

Guinea worm disease is found in India, Yemen, and 16 African countries. People become infected by drinking stagnant water contaminated with microscopic worm larvae that migrate through the body, grow, and a year later emerge slowly through the skin of the human host as threadlike worms, sometimes as long as 3 feet. Emergence of the worm is so painful it debilitates the human host. The functioning and economic stability of villages are disrupted as children cannot attend school and farmers cannot tend their crops.

"One study showed that rice farmers alone in one small area of Nigeria lost an estimated \$20 million in potential profits each year because they could not work," said Dr. Hopkins. "Another study showed that school absenteeism sometimes exceeded 60 percent, either because children contracted the disease or because they had to work in place of other family members who were victims."

Often the disease causes permanent scarring and, in the worst instances, crippling similar to polio. No cure exists, but Guinea worm disease can be eradicated through health education and simple prevention methods (such as straining water through



Straining water through a cloth filter is the simplest, most effective way to prevent Guinea worm disease. The cloth enables people to filter out fleas carrying Guinea worm larvae, making their water safe to drink.

cloth filters and purifying water sources with a nontoxic larvicide) instituted by the global coalition.

In 1986, The Carter Center's Global 2000 program began to lead intense eradication efforts in collaboration with the Centers for Disease Control and Prevention. Since then, the number of cases worldwide has gone from approximately 3.5 million to fewer than

130,000 in 1995. The reduction is especially noteworthy since most endemic countries did not begin eradication programs until 1990 or later.

Transmission of the disease probably has been successfully interrupted in India, which reported only nine cases in 1996, and in Kenya, which has reported no indigenous cases since May 1994. Pakistan eradicated the infection in 1993. In countries where very few people have Guinea worm, investigators are able to examine them individually, determining the origin of the infection and making sure they do not transmit the disease by wading or bathing in water sources.

#### The Challenge in Sudan

Sudan, the largest country in Africa, remains problematic for the global eradication effort because a 14-year-old civil war has hindered efforts to fight the disease, particularly in embattled areas of the south. Much progress was made, however, during and since the four-month cease-fire brokered by Jimmy and Rosalynn Carter in March 1995.

During this cease-fire, the most extensive ever undertaken to help prevent a disease, health workers were able to move freely in the country and found more than 2,000 villages where Guinea worm was present, as opposed to the 780 that were known in 1994. They also began to educate villagers about dracunculiasis and distributed 230,000 of the simple filters needed to rid drinking water of worm larvae. In addition, inroads were made against river blindness and some other diseases endemic to Sudan.

"Eradicating Guinea worm will prove to the global community that our knowledge and tools are sufficient to repeat the example of smallpox eradication," said former President Jimmy Carter. "Many people in very remote areas who fought Guinea worm now can easily transfer their knowledge to new disease prevention and control programs."



# REDUCING THE STIGMA OF MENTAL ILLNESS

"What most of society does not understand is that everyone with a brain is as susceptible to mental illness as everyone with lungs is to pneumonia."

—Author Kathy Cronkite

he diagnosis of depression was a great relief for me. If what I had was an illness with a name and a treatment, then I knew there was hope," said Kathy Cronkite, author and daughter of broadcast journalist Walter Cronkite.

In April 1996, Ms. Cronkite joined academy award-winning actor Rod Steiger for a candid discussion about their battles with clinical depression. The program, "Coping With the Stigma of Mental Illness," was hosted by Rosalynn Carter as part of the 1995-96 series "Conversations at The Carter Center."

"The stigma of mental illness is a prejudice, like a racial prejudice, or a religious prejudice," Mr. Steiger said. "But knowledge can take prejudicial fears away."

Since 1991, The Carter Center's Task

Force on Mental Health Policy, chaired by Mrs. Carter, has worked to educate people about mental illness, one of the most serious, unrecognized, underreported health problems in the United States. Through its Mental Health Program, work goes on year-round to coordinate the efforts of professionals in various mental health disciplines. Once a year, the program convenes the Rosalynn Carter Symposium on Mental Health Policy, which draws leaders from across the nation, and co-sponsors the Georgia Mental Health Forum, which complements the national meeting by addressing issues of concern in the state. "The forum is an excellent opportunity to review and renew the best approaches of Georgia's ongoing mental health reform movement," said John Gates, director of the Mental Health Program.

The program also recently initiated the Rosalynn Carter Fellowships for Mental Health Journalism and issued a 27-minute video of the "Coping With the Stigma of Mental Illness" discussion in which Mr. Steiger and Ms. Cronkite participated. Narrated by actress Joanne Woodward, the video is being distributed nationwide to civic organizations and mental health associations. Shown at the national Mental Health Association's annual meeting in June 1996, the video recently won the Gold Award given at Worldfest, a leading North American international film festival.

Prominent among the problems surrounding mental illnesses is a general lack of awareness of the increasing body of research pointing to their biochemical origins and of the effective treatments now available. "Mental illnesses can be diagnosed and treated much like diabetes or heart disease," Mrs. Carter said. "There is no reason for anyone with a mental illness to be ashamed. We must let the world know that most people with mental illnesses can live at home, hold jobs, and function as contributing members of society."

Also problematic is the fact that health insurance often does not adequately cover treatment or does not cover it at all. "Too many companies do not think they can afford to offer better mental health coverage," said Richard Frank, professor of health economics at Harvard Medical School and keynote speaker at the November 1996 sympo-

## FIVE THINGS YOU CAN DO TO FIGHT THE STIGMA OF MENTAL ILLNESS

- Avoid using discriminatory slang such as "crazy" to describe people or situations.
- Write to editors of books, newspapers, or magazines that include expressions or descriptions that may demean someone suffering from a mental illness.
- Call television and radio stations if a program includes inappropriate references to or descriptions of people afflicted with mental illnesses.
- Point out to store managers displays that use discriminatory advertising.
- Realize that people with mental illnesses usually are not dangerous or violent. More often they are victims, not perpetrators, of crime.

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sium. "Yet companies lose billions of dollars a year in decreased productivity from such conditions as stress, anxiety, and depression, which in turn can lead to serious physical illnesses." The answer, he said, may lie in companies banding together to create a large purchasing alliance so that they can negotiate for lower prices and expanded policies.

"Many problems surround mental illnesses and their treatment," Ms. Cronkite said. "But more important, there is a lot we can do about it. First and foremost, we need to educate ourselves and get accurate information from reliable sources such as The Carter Center. Then we need to educate others."



Author Kathy Cronkite and actor Rod Steiger talk candidly about their battles—and victories—with clinical depression in the video "Coping With the Stigma of Mental Illness."

# THE MENTAL HEALTH ADVOCACY OF ROSALYNN CARTER

or 20 years Rosalynn Carter has been a driving force in efforts to remove the stigma that accompanies mental illness. Writing about her early efforts in her autobiography, First Lady From Plains, she said: "I wanted to take mental illness

and emotional disorders out of the closet, to let people know it is all right to admit having a problem. ... If only we could consider mental illnesses as straightforwardly as we do physical illnesses, those affected could seek help and be treated in an open and effective way."

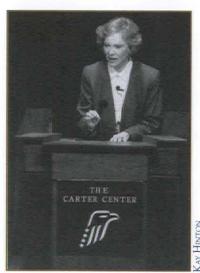
Mrs. Carter's activism began while her husband was governor of Georgia from 1971-75. During his campaign for that office, she said, "So many people would ask me what Jimmy would do for an emotionally disturbed child, a mentally ill friend or sibling, or someone else in the family." She raised the question with her husband, who as governor appointed a commission to improve services to the mentally and emotionally handicapped and made Mrs. Carter one of the commissioners.

"I toured facilities in the country and the state to see what the needs were and volunteered at a regional hospital in the Atlanta area," she said. "I found that no one was speaking out for those suffering from mental illness. Families were keeping mentally ill people hidden. That's how my education began."

During the Carter administration, Mrs. Carter continued her

work as honorary chair of the Presidential Commission on Mental Health from 1977-78. She has received numerous honors, including the Volunteer of the Decade Award from the National Mental Health Association, the Dorothea Dix Award from the Mental Illness Foundation, and the Outstanding National Leadership Public Service Award from the American Mental Health Fund. In the fall of 1996 she joined other dignitaries from more than 20 countries to sign a resolution to improve mental health and well-being in the Americas.

"Everything has changed since I began working in the mental health field," Mrs. Carter said. "We know much more about the brain and what causes mental illnesses. We have new medications that help people who couldn't be helped before. Those who suffer from mental illnesses can lead normal and productive lives. We want to share that good news."



Rosalynn Carter, who chairs The Carter Center's Mental Health Task Force, has been a leading advocate on behalf of people with mental illnesses for more than 20 years.





Jimmy Carter and Palestinian President Yassir Arafat answer questions from journalists outside of Mr. Arafat's office in Gaza City. Although The Carter Center-NDI observer team cited some irregularities, they found the Palestinian elections to be generally free and fair.

# The Palestinian Elections: A Vote for Peace and Democracy

n Jan. 20, 1996, Palestinian women and men participating in the first general election in their history chose Yassir Arafat as president of the new self-governing entity called the Palestinian Authority Council.

President Arafat, who campaigned in favor of seeking Palestinian autonomy through achieving a final peace accord with Israel, received 88 percent of the vote. His sole opponent ran on a platform of opposition to the peace agreement. On election day, a 45-year-old Palestinian store owner expressed the feelings of many. "People without democracy live in darkness," he told USA Today. "Now we will move forward into the new world."

In addition to electing Mr. Arafat as president, Palestinians chose members of the Palestinian Legislative Council. This

88-member legislature and an Interim Self-Government will serve until the Palestine Liberation Organization and Israel reach an agreement on the final status of the West Bank, East Jerusalem, and the Gaza Strip. The target date for the final peace accord is May 1999.

Among the hundreds of international observers present for the election was a 40-member multinational team from The Carter Center and the Washington, D.C.-based National Democratic Institute (NDI). The election brought out 90 percent of registered voters in the Gaza Strip and 85 percent in the West Bank.

In both areas, the mood was festive as red, white, black, and green Palestinian flags flew in the sunny central squares and people formed long lines at polling places. CNN reported that in the West Bank town of Bethlehem, so many people voted that before the day was over, officials had

to jam ballots into the boxes with a stick.

The Carter Center-NDI delegation was led by former Polish Prime Minister Hanna Suchocka and former President Jimmy Carter, who brokered the Camp David Accords and the Israeli-Egyptian peace treaty. Delegation members included election experts, elected officials, and political party and civic leaders from 11 countries. Speaking the day after the Palestinian elections, President Carter said, "I look upon yesterday as one of the turning points in the history of the Middle East."

#### **Two Years of Preparation**

Part of the success of the Palestinian election stemmed from work done by The Carter Center and NDI long before Jan. 20. For two years leading up to the election, NDI staff monitored preparations, including voter and candidate

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"One young woman, waiting with three children, explained that she was there `because we're building a homeland, and I want to participate.' Asked how she thought her vote would help, she said, `It's only one vote, but it can mean the difference between a winner and a loser.'"

—The New York Times, Jan. 21, 1996

registration, the political environment, voter education, media coverage, the campaign, and the role security forces would play on election day. Delegates were present on election day and thereafter, as ballots were counted and tabulated and as the results were announced.

In spite of careful preparations and the presence of monitors, some relatively minor voting problems did occur. "These included campaign activities within polling places, problems with secrecy of ballots, general disorganization, and some intimidation by party agents and security officials," said Harry Barnes, director of The Carter Center's Conflict Resolution and Human Rights programs. "However, while we don't want to minimize these and other irregularities, we saw no pattern of fraud or manipulation. Overall, the Palestinian people had their first opportunity to choose their leaders, and they did so with enthusiasm and a high degree of civic responsibility."

#### **Easing Voter Intimidation**

Once voters began casting their ballots, Carter Center-NDI delegates heard complaints from Palestinian candidates and leaders that the large Israeli security presence around the polling sites and the arrest of Palestinian election monitors were discouraging voter participation in East Jerusalem. In the West Bank and Gaza, Palestinians were voting at a very high rate.

President Carter conveyed these concerns to the Israeli government. By early afternoon, when he returned to the East Jerusalem polling stations, the number of Israeli military and police had been reduced significantly, and the level of voter participation had increased.

"The Carter Center has been a pioneer in election-mediation before, during, and after elections to assure that all the parties believe they have a fair chance and the election process is neutral," said Robert Pastor, a Carter Center fellow and member of the delegation. "In this case, President Carter was able to contact the Israeli government in a way that permitted the problem to be solved quickly."

Less than three months after the January election, the newly elected Palestinian Legislative Council met for the first time in Gaza City. For Palestinians, who in public opinion polls and elsewhere clearly expressed their desire for democracy, the event marked a milestone on the road to democratic self-government.

# Emory University President Observes Palestinian Elections

illiam Chace, president of Emory University in Atlanta, freely admits that he is no expert on election monitoring or

emerging democracies. Invited by Jimmy Carter to observe the Jan. 20 elections in Palestine, he made the trip "to try and understand more completely the activities of The Carter Center, to



William Chace

help broaden the international reach of the university, and to deepen my understanding of the Palestinian state of affairs," he said.

President Chace's participation as an election observer exemplifies the strong ties between The Carter Center and Emory. Each year, approximately 75 Emory students gain real-world experience in election-monitoring, conflict resolution, human rights, and other areas through the Center's internship program. Some of the Center's program directors and fellows teach at the university. In addition, President Chace is one of several Emory representatives who serve on the Center's Board of Trustees. Observing the Palestinian elections allowed President Chace to experience The Carter Center in action.

"It's a powerful thing to see a person vote for the first time in his or her life," he said.

# THE CARTER CENTER MISSION STATEMENT

The Carter Center brings people and resources together to promote peace and human rights, resolve conflicts, foster democracy and development, and fight poverty, hunger, and disease throughout the world. The nonpartisan Center, which is affiliated with Emory University, builds partnerships to address complex and interrelated problems. By drawing on the experience and participation of former U.S. President Jimmy Carter and other world leaders, by fostering collaboration and avoiding duplication of existing efforts, and by combining effective action plans with research and analysis, the Center can achieve goals beyond the reach of single individuals or organizations. The Center is guided by the principle that people, with the necessary skills, knowledge, and access to resources, can improve their own lives and the lives of others.

# CONFLICT RESOLUTION PROGRAM

"Millions of innocent civilians continue to be killed, raped, maimed. displaced, and traumatized by war. In 1995 alone, between 30,000 and 60,000 military personnel and civilians were killed. Another 15 million now live as refugees. forced to flee their homes as a result of armed conflicts." -Andrew Young. INN member

#### DEMOCRATIZATION AND DEVELOPMENT



Former Tanzania President Julius Nyerere (from left) joins then-Burundi President Sylvestre Ntibantunganya, Uganda President Yoweri Museveni, former U.S. President Jimmy Carter, Tunisia President Zine Lele Abedine Ben Ali, then-Zaire President Mobutu Sese Seko, Rwanda President Pasteur Bizimungu, former U.S. First Lady Rosalynn Carter, and former Mali President Amadou Toumani Touré at the March 1996 heads-of-state summit in Tunis. The Carter Center organized the summit to address the conflict in the Great Lakes region of Africa.

bout 30 major armed conflicts now are taking place around the world, and the numbers have held steady for a decade. The Conflict Resolution Program brings together skilled peacemakers to try to ease the suffering caused by war. Through its 25-member International Negotiation Network (INN), the program monitors conflicts weekly and, upon request, offers advice and assistance to resolve disputes. Chaired by Jimmy Carter, the INN includes world leaders and conflict resolution experts who help prevent and end

conflicts by facilitating communication among parties and providing a neutral, unofficial forum for negotiations.

The INN works on both a public and private level, bringing visibility to some conflicts while working quietly to resolve others. In the past few years, public efforts have involved intervention by President Carter and INN members in Korea, Haiti, Bosnia, Sudan, and the Great Lakes region of Africa. For example, in October 1995, the presidents of Zaire, Tanzania, Rwanda, Burundi, and



## Democratization and Development

Uganda asked The Carter Center to help them explore steps to increase stability in the Great Lakes. One month later, President Carter and INN member Desmond Tutu facilitated an unprecedented regional summit in Cairo. At a March 1996 follow-up summit in Tunis, the leaders reaffirmed their pledge to advance peace, justice, reconciliation, stability, and development in the region. Among their goals was stimulating the return of refugees to Rwanda and curbing escalating violence in Burundi.

At a more private level, the INN continues to

monitor conflicts in Algeria, Burma, Georgia, India, Iraq, Nigeria, Serbia, and the West Bank/ Gaza. In an effort to diffuse internal tensions in the Baltic state of Estonia, several members of the INN collaborated on a series of workshops that involved high-level representatives of different ethnic groups. This process brought people together for private discussions that have led to Russians being invited to Estonian sessions of parliament and to cooperation on new joint projects.

### THE INTERNATIONAL NEGOTIATION NETWORK

The International Negotiation Network includes world leaders and experts from organizations, universities, and foundations who offer advice and assistance to resolve conflicts. Members include:

**Jimmy Carter**, Former President of the United States

Oscar Arias Sánchez, Former President of Costa Rica; Founder, Arias Foundation for Peace and Human Progress; and Nobel Laureate (1987)

Eileen Babbitt, Director, Education and Training, United States Institute of Peace

**Tahseen Basheer,** Former Egyptian Ambassador; former Permanent Representative to the League of Arab States

Javier Pérez de Cuéllar, Former Secretary-General, United Nations

Hans Dietrich Genscher, Former Vice Chancellor and Minister of Foreign Affairs, Federal Republic of Germany

Tommy Koh, Professor; Former Singapore Ambassador to the United States

Christopher Mitchell, Professor, Institute for Conflict Analysis and Resolution, George Mason University

Olusegun Obasanjo, Former President of Nigeria; Founder and Chair, Africa Leadership Forum (currently imprisoned in Nigeria)

Lisbet Palme, Director, Swedish Committee for UNICEF

Robert Pastor, Director, Latin American and Caribbean Program, The Carter Center

Shridath Ramphal, Former Secretary-General, Commonweath of Nations; Co-Chair, Commission on Global Governance Barnett Rubin, Director, Center for Preventive Action, Council on Foreign Relations

Kumar Rupesinghe, Secretary-General, International Alert

Harold Saunders, Former U.S. Assistant Secretary of State; Director, International Programs, The Kettering Foundation

Marie Angélique Savané, Former Director, Africa Division, U.N. Population Fund

Desmond Tutu, President, All Africa Conference of Churches; Nobel Laureate (1984)

Brian Urquhart, Former U.N. Undersecretary-General for Peacekeeping; The Ford Foundation

William Ury, Director, Project on Preventing War, Program on Negotiation, Harvard Law School

Cyrus Vance, Former U.S. Secretary of State; U.N. Special Envoy to the Former Yugoslav Republic of Macedonia

Vamik Volkan, Director, Center for the Study of Mind and Human Interaction, University of Virginia

Peter Wallensteen, Professor, Department of Peace and Conflict Research, Uppsala University, Sweden

Elie Wiesel, Professor, Boston University; Nobel Laureate (1986)

Andrew Young, Former U.S. Ambassador to the United Nations

I. William Zartman, Jacob Blaustein Professor of International Organization and Conflict Resolution, The Paul H. Nitze School of Advanced International Studies, Johns Hopkins University

# CONFLICT RESOLUTION PROGRAM

"African presidents will appeal directly to 2 million Rwandan and Burundian refugees to go home in a video being taped at a Tunis peace summit." "The peace directly to 2

"The novel approach will allow the Hutu refugees in camps in Zaire, Tanzania, and Burundi to hear safety guarantees and other commitments from leaders...in the Great Lakes region of Central Africa.

"The refugees, who mostly fled Rwanda after their Hutu tribesmen committed the 1994 genocide there, are refusing to go home, saying they fear reprisals by Tutsi survivors."

—Reuters News Service, March 17, 1996



# GLOBAL DEVELOPMENT INITIATIVE

"We believe this strategy will come to signify faith in the future and in our ability to work together in a multicultural society to achieve betterment for all. This marks the first time that Guyanese of all races, religions and political persuasions have come together to draft the blueprint of our future. For the international community this strategy initiates a fruitful dialogue and marks a new era of —Cheddi Jagan, the late president of

#### DEMOCRATIZATION AND DEVELOPMENT

hen Guyana's first democratically elected government in 28 years took power in 1992, it faced daunting challenges, including a high rate of poverty, a burdensome foreign debt, and a severely weakened social and physical infrastructure. In response, Guyana's government began drafting a plan for sustainable growth with assistance from the Global Development Initiative (GDI).

Known as the National Development Strategy, the document examines development options in more than 30 areas and proposes policies within a framework of environmental and fiscal sustainability. Policies included in the strategy are not based exclusively on the deliberations of a few high-level government ministers. They reflect input from the private sector, nongovernmental organizations (NGOs), the labor movement,

academia, and international donor agencies.

In June 1996, the GDI Advisory Groupcomprised of officials from major development assistance agencies such as The World Bank and the U.S. Agency for International Development, NGOs, and other development practitioners reviewed the work in progress in Guyana. The president and finance minister presented the effort, with the leader of the major opposition party offering his insights. As a result of the meeting, GDI was encouraged to support efforts to implement the strategy and to work with donors to apply the principles of the Guyana model in other countries. Guyana released the National Development Strategy for public comment in 1997. The full draft is available at the Guyanese government's site on the World Wide Web: http://www.guyana.org.

# COLLABORATIVE PROJECT HELPS SET POLICY FOR LAND USE IN GUYANA

The interior of Guyana holds vast mineral and forest resources and is home to the country's Amerindian population. Recent expansion of mineral and timber extraction in this region has raised concerns over environmental and social consequences. Balancing this complex set of economic, social, and environmental considerations was the focus of GDI's Project for Collaboration and Consultation on Land Use in Guyana.

Directed by a National Steering Committee (NSC) of various stakeholder groups, the project sought input from interior communities to develop a natural resource management plan. NSC members drafted a document that served as the basis for 18 consultations held throughout the country's interior. In May 1996, a national consultation was held in Georgetown, Guyana, before the document was finalized and adopted by the government.



#### Democratization and Development

or more than 20 years, Jimmy and Rosalynn
Carter have appealed to world leaders on behalf of individuals or groups who suffer violations of their rights. Providing the expertise and advice for this work is a central focus of the Human Rights Program (HRP). In cases such as the mistreatment of children in a Louisiana detention facility or the unjust incarceration of human rights activists in Turkey, The Carter Center has become a voice for the voiceless in many parts of the world, often leading to an improved situation.

HRP assists governments in developing strong human rights protections and works to improve worldwide enforcement of human rights safeguards. For example, HRP has provided technical assistance to Ethiopia, Guyana, and Rwanda to enhance human rights protection by the judicial system, police, and other state institutions.

HRP staff work with nongovernmental organizations (NGOs) to enhance independent voices in other countries. In September 1995, HRP organized a workshop on fact-finding techniques for human rights organizations in Liberia. In July 1996, HRP staff returned to Guyana to conduct a workshop on community policing, a philosophy that promotes a problem-solving approach between the community and law enforcement officers.

The Carter Center's International Human Rights Council is a coalition of activists and scholars who work together toward a more effective global human rights movement. The Council focuses on increasing collaboration among NGOs and intergovernmental organizations, including the United Nations, to improve the effectiveness of their work.

# THE INTERNATIONAL HUMAN RIGHTS COUNCIL

The International Human Rights Council works to increase collaboration among organizations and world leaders to advance and protect human rights worldwide. Members include:

Jimmy Carter, Council Chair and Former President, United States

Rosalynn Carter, Former First Lady, United States

Philip Alston, Chair, U.N. Committee on Economic and Social Rights, Australia

Hanan Ashrawi, Minister of Higher Education, Palestinian National Authority

Florence Butegwa, Coordinator, Women in Law and Development, Zimbabwe

Radhika Coomeraswamy, U.N. Special Rapporteur on Violence Against Women, Sri Lanka

Patricia Derian, Former Assistant Secretary for Human Rights, United States

Clarence Dias, President, International Center for Law and Development, United States and India

Walter Echo-hawk, Senior Attorney, Native American Rights Fund, United States

Felice Gaer, Executive Director, Jacob Blaustein Institute for the Advancement of Human Rights, United States

Hina Jilani, Human Rights Lawyer, Pakistan Wei Jingsheng, Human Rights and Democracy Activitist, Detained, People's Republic of China Elaine Jones, Director-Council, NAACP Legal Defense & Educational Fund, United States

Sia Kaxinawa, Co-founder, Alliance of the Peoples of the Forest, Brazil

Teddy Kollek, Former Mayor of Jerusalem, Israel Ewa Letwoska, First Ombudsperson in Eastern Europe, Poland

Gay McDougall, Executive Director, International Human Rights Law Group, United States

Bacre Waly N'Diaye, U.N. Special Rapporteur for Extrajudicial, Summary, or Arbitrary Executions, Senegal

Pedro Nikken, Former U.N. Special Rapporteur on El Salvador, Venezuela

Jacquelin Pitanguy, Head of CEPIA, a National Education Organization, Brazil

Michael Posner, Director, Lawyers Committee for Human Rights, United States

Nigel Rodley, U.N. Special Rapporteur on Torture, United Kingdom

Mohammed Sahnoun, U.N./OAU Special Envoy to the Great Lakes Region, Algeria

Dorothy Thomas, Director, Women's Rights Project, Human Rights Watch, United States

Andrew Whitley, Chief of Staff, U.N. Conference on Trade and Development, Switzerland

Laurie Wiseberg, Executive Director, Human Rights Internet, Canada

Mona Zulficar, Lawyer and Member of the New Civic Forum, Egypt

# HUMAN RIGHTS PROGRAM

"Lay the axe to the root and teach governments humanity."

—Thomas Paine, political philosopher and author, 1737-1809



# LATIN AMERICAN AND CARIBBEAN PROGRAM

"We are beginning a new era. A new generation of politicians has taken office with the desire to do things for the good of the nation."

—Leonel Fernández after voters elected him president of the Dominican Republic in June 1996

#### DEMOCRATIZATION AND DEVELOPMENT

n the last decade, Latin America has been transformed from a region dominated by military dictatorships to one led by democratically elected leaders. The Latin American and Caribbean Program (LACP) has played an active role by promoting democracy, conflict resolution, and economic cooperation throughout the region.

Contributing to these efforts is The Carter Center's Council of Freely Elected Heads of Government, a group of current and former heads of state from the Western Hemisphere. The Council monitors and mediates elections, works on post-election democratic consolidation, and helps infant democracies deal with problems such as unresolved debt and property disputes.

In June 1996, members of the Council and the National Democratic Institute were present in the Dominican Republic when voters chose Leonel Fernández as their new president in a run-off election. The nation crossed a crucial threshold of democratic consolidation when the losing candidate in the extremely close race accepted the results within 18 hours of the close of voting.

LACP staff and Council members journeyed five times to Nicaragua in 1995-96 to monitor

preparations for the October 1996 presidential election, observe the voting, and mediate post-election disputes. Although the election was held on Oct. 20, Arnoldo Alemán wasn't declared the victor until late November, marking the end of one of the most complex elections ever monitored and mediated by the Council.

In 1995, the LACP and its Council initiated a project to better understand economic and political change in Cuba through talks with leaders of the Cuban and U.S. governments and the Cuban-American exile community to try to promote dialogue with the Cuban government. Discussion is continuing privately on both sides.

#### From West to East

Drawing on his years of experience with elections in the West, LACP Director Robert Pastor visited China, Hong Kong, and Taiwan in July 1996 to discuss The Carter Center's experiences in monitoring elections. As a result of his discussions with the Ministry of Civil Affairs in China, The Carter Center was invited to observe village elections in 1997 and to advise the ministry on ways to improve the electoral process.

## THE COUNCIL OF FREELY ELECTED HEADS OF GOVERNMENT

The Council of Freely Elected Heads of Government promotes democracy, conflict resolution, and economic cooperation throughout the Western Hemisphere. Members include: Jimmy Carter, Council Chair, Former President of the United States

George Price, Vice-Chair, Former Prime Minister of Belize

Ernesto Pérez Balladares, President of Panama Rafael Caldera, President of Venezuela Fernando Henrique Cardoso, President of Brazil Leonel Fernández, President of the Dominican Republic

Carlos Saúl Menem, President of Argentina P.J. Patterson, Prime Minister of Jamaica Gonzalo Sanches de Lozada, President of Bolivia Julio Mariá Sanguinetti, President of Uruguay Rául Alfonsín, Former President of Argentina Nicholás Ardito-Barletta, Former President of Panama Oscar Arias Sánchez, Former President of Costa Rica

Jean-Bertrand Aristide, Former President of Haiti
Patricio Aylwin Azócar, Former President of Chile
Fernando Belaúnde Terry, Former President of Peru
Belisario Betancur, Former President of Colombia
Rodrigo Carazo, Former President of Costa Rica
Vinicio Cerezo, Former President of Guatemala
Joseph Clark, Former Prime Minister of Canada
John Compton, Former Prime Minister of St. Lucia
Gerald Ford, Former President of the United States
Osvaldo Hurtado, Former President of Ecuador
Luis Alberto Lacalle, Former President of Uruguay
Alfonso López Michelsen, Former President of
Colombia

Carlos Andrés Pérez, Former President of Venezuela Erskine Sandiford, Former Prime Minister of Barbados

Edward Seaga, Former Prime Minister of Jamaica Pierre Trudeau, Former Prime Minister of Canada



## GLOBAL HEALTH

n 1985, people in the developed world routinely saw images of men, women, and children starving in Ethiopia. Today, thanks to the efforts of the Global 2000 Agriculture Program, Ethiopia's recordbreaking harvest amounts to more than 11 million tons of grain.

Global 2000 collaborates with the Sasakawa Africa Association to teach farmers in Ethiopia and 11 other African countries how to grow more food. Through this partnership, known as Sasakawa-Global 2000 (SG 2000), farmers learn improved agricultural methods that can double and triple their yields of corn, wheat, and other grains.

SG 2000 works with each nation's ministry of agriculture to establish a five-year program that becomes

self-sustaining upon completion. Farmers who participate plant half of their two-acre plots using traditional methods and the other half using SG 2000 techniques. Local agricultural extension agents work side-by-side with farmers to cultivate plots using high-yielding seeds, moderate amounts of fertilizer and pesticide, and more productive timetables for planting, weeding, and harvesting. Invariably, the SG 2000 plot produces two to four times more food than the traditional one.

In Sudan alone wheat production rose by 500 percent in five years. Ethiopia enjoyed a record harvest of maize in 1995, producing almost 80 percent more than in 1994. To date, more than 600,000 test plots have been established in SG 2000 countries.

# GHANA'S QPM CROP PROVIDES IMPROVED NUTRITION FOR CHILDREN

n 1989, Jimmy Carter; Norman Borlaug, Nobel laureate and senior agriculture advisor for Global 2000; and William Foege, M.D., then-executive director of The Carter Center; flew to Ghana to speak with President Jerry Rawlings. Their mission: to ask President Rawlings to allow SG 2000 to use his country as a test site for a new strain of corn called Quality Protein Maize (QPM).

This genetically improved variety of corn is especially important to the health and physical development of poor children and is one of the most promising new cereal foods in Africa. Impoverished babies usually are weaned on a cereal grain. QPM is almost as nutritionally

complete as milk, and, unlike regular corn, contains all the essential amino acids for proper protein nutrition.

President Rawlings agreed to The Carter Center's proposal, and by the end of 1995, QPM production had grown from a mere test site to one-third of Ghana's maize crop.

In June 1996, The Carter Center, at the invitation of the People's Republic of Korea, sent a team of agricultural experts to North Korea. Led by Dr. Borlaug, the delegation shared information about new technologies in agriculture. Arrangements now are under way to provide an exchange of scientists between North Korea and the QPM program in Ghana.

# AGRICULTURE PROGRAM

"I had always hoped to live to see Ethiopia producing enough grain to feed its people but had never expected it to happen so soon and so fast. ... We are all very grateful for what you have done to make our wildest dreams come true."

—Ethiopian Prime Minister Meles Zenawi in a letter to Jimmy Carter



# GUINEA WORM ERADICATION PROGRAM

"The Guinea worm is a classic obstacle to development: It generally affects the poorest and the most rural areas. It has devastating effects on health, agricultural production, and education."

—J. Brian Atwood,

administrator, U.S.

Agency for Interna-

tional Development

# RIVER BLINDNESS PROGRAM

"The model of sustainable, community-based distribution of Mectizan" to control river blindness can be adapted to combat other widespread diseases of the less-developed world." —Donald Hopkins, M.D., associate executive director-

control and eradication

of disease



#### GLOBAL HEALTH

n affected African countries, village-based health-care workers follow up on individual reported cases of Guinea worm (*dracunculiasis*). They are part of a worldwide coalition led by The Carter Center's Global 2000 Program to eradicate the disease from Africa and parts of Asia.

By late 1996, Global 2000 and its partners had eradicated Guinea worm in Pakistan and reduced the annual incidence in all endemic countries by 97 percent. Approximately 70 percent of all remaining cases in the world now are found in Sudan, where an ongoing civil war impedes efforts to prevent the disease.

People become infected by drinking water containing Guinea worm larvae. These larvae live in their human hosts for a year, growing into threadlike worms up to 3 feet long and then emerging slowly through painful blisters on the skin.

As dracunculiasis moves closer to eradication, efforts in countries outside Sudan now focus on case

containment. As each case is discovered, health workers clean, dress, and bandage the wound where the Guinea worm is emerging and instruct the villager to stay out of ponds and other water sources to prevent contamination. Abate, a nontoxic larvicide donated by American Home Products (formerly American Cyanamid), is used to kill any parasites that are already in the water source. Health workers also ensure that each villager knows how to strain drinking water with a special cloth, donated by the DuPont Company and Precision Fabrics Group Inc., that filters out Guinea worm larvae.

"Every family has such a filter now, and I have shown everyone ... how to use it," one worker says proudly. "Nobody here drinks unfiltered water anymore."

With this commitment, eradication of Guinea worm soon will be a reality (see page 8 to learn more about Guinea worm eradication).

In 1996, The Carter Center and the River Blindness Foundation (RBF) joined forces in the effort to fight river blindness disease (onchocerciasis). The Global 2000 River Blindness Program (GRBP) was launched in April when The Carter Center assumed RBF, a nonprofit organization based in Houston, Texas.

The program's mission is to bring about the global control of river blindness, a parasitic infection endemic to Africa and Latin America. People get the disease when they are bitten by blackflies that breed in fast-flowing rivers and streams. They suffer from incessant itching, eyesight damage, and often total blindness. Taking one oral dose of the drug Mectizan® each year prevents the disease.

Working with ministries of health and other nongovernmental organizations (NGOs), GRBP assists health workers and local residents in establishing sustainable community-based Mectizan® distribution programs. GRBP receives Mectizan® tablets from the pharmaceutical firm Merck & Co. Inc. after applying to and receiving approval from

the Mectizan® Expert Committee of the Mectizan® Donation Program. The committee is based at The Task Force for Child Survival and Development, an Atlanta-based partner of The Carter Center.

In Africa, GRBP maintains field offices in Cameroon, Nigeria, Sudan, and Uganda. In Latin America, GRBP works from a regional office in Guatemala, which serves the national programs of Brazil, Colombia, Ecuador, Guatemala, Mexico, and Venezuela.

The Carter Center also has a permanent seat on the technical consultative committee of the African Programme for Onchocerciasis Control (APOC). Led by The World Bank, APOC is a partnership of governments, NGOs, and international agencies that will raise \$124 million over 12 years to establish river blindness programs in 16 African countries. The World Health Organization is the executing agency for APOC (see pages 6-7 to learn more about river blindness).

## GLOBAL HEALTH

edical research shows that a large number of premature deaths—those before age 65—are preventable. The Interfaith Health Program (IHP) attempts to mobilize the 150 million members of U.S. faith groups to promote wellness and prevent disease through collaboration with public health efforts in communities. By linking the resources of faith groups with other key partners, congregations are able to reach out to residents, especially those at risk of injury or disease because of factors such as economics or age.

In recent years, IHP hosted consultations in 20 U.S. cities to share the most effective and promising approaches. As a result, more and more faith groups are starting programs to combat a range of health problems associated with adolescence, caregiving, AIDS, homelessness, aging, violence, substance abuse, and mental illnesses. In 1996, IHP launched a national "Faith and Health Consortium" to help schools of public health and theology develop curricula to involve religious groups in health issues.

IHP is on-line with congregations through the World Wide Web. Its IHP-NET (www.interaccess. com.ihpnet/) provides a forum for dialogue and



Jimmy Carter was on hand to congratulate Youngmi Kim for completing her training as a congregational health promoter by the Atlanta Interfaith Health Program, a local program of IHP. She is one of 34 members of African-American, Hispanic, Vietnamese, and Korean faith groups who were commissioned in 1996.

resource-sharing that links health-care professionals, clergy, public health officials, and lay people around the world.

n 1990 alone, nearly 4,500 children under age 19 died from gunshot wounds in the United States. To address this tragic trend, the Not Even One (NEO) program calls on faith communities, schools, families, local governments, and public health and social agencies to end firearm violence against children. The program unites these groups with the philosophy that "not even one" death of a child by firearms is acceptable or inevitable.

Working with the Centers for Disease Control and Prevention and the Rollins School of Public Health at Emory University, NEO creates Community Action Teams (CATs). Each CAT comprises

community leaders, persons directly affected by such tragedies, and members of public health and police departments, schools, and social service agencies in high-risk areas. Members are trained to gather and share information on possible causes of firearm violence that could lead to prevention strategies. They learn the same methods that public health professionals use to contain and prevent disease.

In 1996, CATs were established at demonstration sites in Compton and Long Beach, Calif., and Santa Fe/Albuquerque, N.M. A third site in Atlanta is planned for 1997. NEO will evaluate their efforts to develop a prevention model for use nationwide.

## Interfaith Health Program

"Health is more than the absence of disease. It includes the mental and spiritual as well as the physical. It includes the health of communities as well as the health of individuals."

—Gary Gunderson, director, Interfaith Health Program

# NOT EVEN ONE PROGRAM

"Protecting children must become the responsibility of every community. Our hope is that those steps most likely to save our children will become habitual where they are most needed."

—Wallace Woodard.

director, Not Even One



# MENTAL HEALTH PROGRAM

"The Georgia Mental Health Forum continues Mrs. Carter's long-term commitment to improving mental health services for Georgia citizens. It provides an excellent opportunity to review and renew the best approaches of Georgia's reform movement to improve mental health care."

—John Gates, director, Mental Health Program

#### GLOBAL HEALTH

an managed health care serve the public interest in the delivery of quality mental health services? More than 200 leaders from 60 major mental health organizations, government agencies, and managed care groups tackled that question during the 11th Annual Rosalynn Carter Symposium on Mental Health Policy.

By the time the November 1995 symposium concluded, consumers, family members, providers, payers, managed care executives, and Medicaid and mental health officials had made recommendations for achieving equitable, quality, affordable managed care for those with mental illnesses.

The Mental Health Program addresses such public policy issues through the symposium and the activities of the Mental Health Task Force, established by Rosalynn Carter in 1991. The Task Force identifies major mental health issues, convenes

meetings, and develops initiatives to reduce stigma and discrimination against people with these diseases.

In 1995, the Mental Health Program established the Georgia Mental Health Forum, a one-day program that complements the national symposium by addressing issues of concern to the state's mental health community. Sponsored by the Mental Health Program, the Mental Health Association of Georgia, and the Georgia Parent Support Network, the forum on "Within Community" examined improvements in mental health services and outcomes since the passage of House Bill 100 in April 1993. The bill created regional and community service boards that plan, govern, and evaluate local mental health services. (See pages 9-10 to learn more about fighting the stigma of mental illnesses.)

## THE MENTAL HEALTH TASK FORCE

Rosalynn Carter, Chair, Former First Lady of the United States

Jane Delgado, President and CEO, National Coalition of Hispanic Health and Human Services Organizations

Nancy Domenici, Past Member, Board of Directors of the National Alliance for the Mentally Ill; Past Member, National Advisory Mental Health Council

Leon Eisenberg, Pressley Professor of Social Science and Professor of Psychiatry, Emeritus, Harvard Medical School, Department of Social Medicine

Jack Gordon, President, Hospice Foundation of

Leslie Scallet, Vice President, The Lewin Group Franklin Skinner, Retired Chairman and CEO, BellSouth Telecommunications Inc.

Richard Surles, Executive Vice President, Merit Behavioral Care Corporation

#### **Ex-Officio Members**

Thomas Bryant, Former Chairman, President's

Commission on Mental Health; Chairman, Non-Profit Management Associates Inc.

Kathryn Cade, Former White House Projects Director for First Lady Rosalynn Carter, Group Managing Director, Treasury, Bank of Boston

Jeffrey Houpt, Dean, School of Medicine, University of North Carolina at Chapel Hill

#### **National Advisory Council**

Johnnetta Cole, President, Spelman College Robert Ray, Former Governor of Iowa, President and CEO, Blue Cross & Blue Shield of Iowa

Antonia Novello, Former Surgeon General of the United States; Special Representative to UNICEF

Donald Richardson, Co-Founder, Vice President, National Alliance for Research on Schizophrenia and Depression

Jennifer Jones Simon, President and Chairman of the Board, The Norton Simon Museum William Woodside, Chairman, Sky Chefs Inc. Joanne Woodward, Actress, Director



#### Urban Revitalization

he Atlanta Project (TAP) was launched in 1992 to help people in inner-city communities gain access to the resources they need to improve their lives.

Since then, TAP has forged partnerships among residents, service providers, other nonprofits, and universities to develop new models for community involvement in problem-solving. Residents have worked with these partners to initiate more than 400 projects.

TAP completed its first phase of operation in 1996 and announced plans for a second phase that will focus specifically on children and families. Begun in January 1997, Phase II will implement programs to:

- increase the number of high school graduates through after-school programs in middle schools.
- recruit businesses to generate new jobs so that welfare recipients can leave public assistance.
- enroll more low-income students in pre-kindergarten classes.
- increase the number of family health clinics.

Four cluster area offices, each of which will serve several neighborhoods, will support community initiatives by helping residents establish new collaborative programs.

# TAP PROVIDES LEGACIES FOR ATLANTA AND GEORGIA RESIDENTS

AP's first five years laid the foundation for a number of legacies that continue today. Here are some examples:

- In the Therrell Cluster, TAP residents and United Parcel Service, the cluster's corporate partner, worked with the YMCA, the Optimist Club, and the local Atlanta Police precinct to establish The Family Tree. Serving as a resource center, The Family Tree provides educational, technological, and business development training and assistance for children, youths, and families who live near Therrell High School. The Family Tree is an independent, nonprofit organization, managed by a board of directors comprised of local residents.
- The 110,000 infants born in Georgia every year each receive an America's Youth Passport, a practical tool for parents to record health and

safety information about their children. Passports originally were sent to the state's 100 hospitals that deliver babies. To broaden their distribution and use, the Georgia Chapter of the American Academy of Pediatrics will share the passports with private pediatricians across the state. The Georgia Chapter assumes management of the passport program in 1997. Florida is one of several states that may use the passports as well.

■ The Southside Legal Center is bridging a gap for residents whose incomes are too large to make them eligible for Legal Aid and too small to hire a private attorney. With support from the Atlanta law firm Hunton and Williams, the center offers legal services for a flat fee of \$50, plus any required court filing fees. In 1996, the center handled nearly 70 cases related to family matters, housing, real estate, business, and guardianship.

# THE ATLANTA PROJECT

"TAP's first five years provided a legacy that must continue. The learning process, which involved residents. nonprofit organizations corporations, and academic institutions, has been a valuable foundation for making changes to improve the lives of children and families in Atlanta."

—Jane Smith, director, The Atlanta Project



# THE AMERICA PROJECT

"All across America, people of compassion and good will are struggling to find new solutions to the persistent problems of poverty that are endemic to our nation's inner cities. By sharing ideas, pooling our resources, and working together, we can help make life better for this country's neediest citizens."

—Dan Sweat, late director, The America Project

## Urban Revitalization

he America Project shares the lessons learned in Phase I of The Atlanta Project (TAP) with cities and towns across the country. It also identifies and highlights other innovative initiatives, acting as a catalyst for urban community-building.

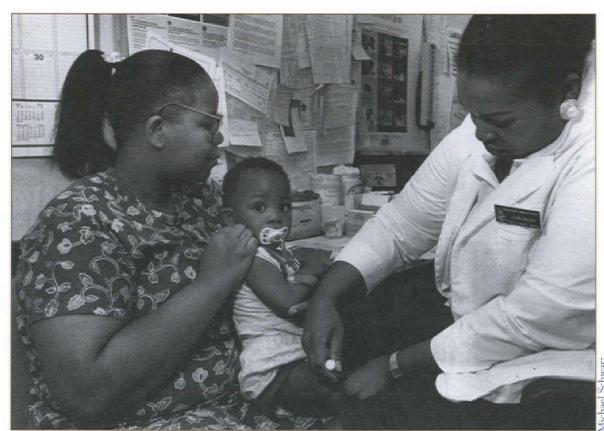
Delegations from around the country and the world continue to express interest in TAP and other urban strategies. In 1996, The America Project hosted more than 75 groups from the United States, Europe, and Latin America. Other accomplishments include:

"Initiating Community-Building Strategies" marked the first of three conferences in the "Seeking Solution" series. The goal is to share ideas for strategies and policies that promote

urban community-building.

■ A new film, "Rebuilding America's Communities," highlights revitalization efforts in Atlanta, Baltimore, New York's South Bronx, and Oakland, Calif. The film has been distributed to dozens of groups and individuals to demonstrate the potential of community-building efforts.

Working with The Public Relations
Society of America (PRSA), The America
Project has developed a training workshop for
public relations professionals around the country.
"Effective Urban Communications" includes a
video and print materials for use by PRSA's 100
chapters nationwide to help public relations
professionals better promote community-based
programs that address urban problems.



The America Project shares the lessons learned in Phase I of TAP with cities and towns across the country. TAP will focus specifically on children and families in Phase II.





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President YKK (U.S.A.)

**Ted Turner** 

Vice Chairman Time Warner

Erik Vonk

CEO

Randstad Staffing Services

**Cecil Walker** 

President and CEO Gannett Broadcasting

Jackie Ward

President and CEO Computer Generation

John Wieland

President John Wieland Homes

John Williams

Chairman and CEO Post Properties

Sam Williams

President

Metropolitan Atlanta Chamber of Commerce

Virgil Williams

Chairman and CEO Williams Group International

**Charles Wolf** 

President and CEO Wolf Camera and Video

Robert Woodson

Chairman of the Board John H. Harland Company

**Robert Yellowlees** 

Chairman and CEO National Data Corporation

Ex Officio Members

Zell Miller

Governor of Georgia

**Bill Campbell** 

Mayor of Atlanta

William Chace

President of Emory University

## The Carter Center Combined Financial Statements and Schedule as of Aug. 31, 1996 and 1995 Together With Accountants' Review Report

Report of Independent Public Accountants

#### To the Board of Trustees of The Carter Center:

Te have reviewed the accompanying combined statements of financial position of THE CARTER CENTER (an entity comprised of The Carter Center Inc. and the Carter Center of Emory University, a division of Emory University) as of Aug. 31, 1996 and 1995 and the related combined statements of activities and cash flows for the years then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of management of the combined entities.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, with the exception of the matter discussed in the following paragraph, we are not aware of any material modifications that should be made to the financial statements referred to above in order for them to be in confor-

mity with generally accepted accounting principles.

In 1996, The Carter Center adopted the provisions of Statement of Financial Accounting Standards Nos. 116 and 124, "Accounting for Contributions Received and Contributions Made" and "Accounting for Certain Investments Held by Notfor-Profit Organizations," respectively. Both statements were adopted retroactively. The impact of the adoption of these statements is discussed in Note 8 to the financial statements. Additionally, The Carter Center presents its financial statements in accordance with Statement of Financial Accounting Standards No. 117, "Financial Statements of Not-for-Profit Organizations." This statement requires certain not-for-profit organizations to provide a statement of functional expenses. Management of The Carter Center has elected not to provide this statement for the years ended Aug. 31, 1996 and 1995 with the accompanying financial statements.

Arthur Anderson LLP

Atlanta, Ga. Dec. 20, 1996

#### THE CARTER CENTER COMBINED STATEMENTS OF FINANCIAL POSITION AUG. 31, 1996 AND 1995

| <u>ASSETS</u>  | <u>1996</u>              | <u>1995</u>                     |
|--|--------------------------|---------------------------------|
| CASH AND CASH EQUIVALENTS, including restricted cash of \$5,115,289 and \$7,889,160 in 1996 and 1995, respectively   |                          |                                 |
| ACCOUNTS RECEIVABLE:   | \$ 11,180,106            | \$ 9,785,735                    |
| Due from federal funding agencies<br>Other   | 1,220,856<br>101,752     | 2,359,897<br>98,520             |
| Related party  | 18,196                   | 12,131                          |
| PLEDGES RECEIVABLE   | 1,340,804<br>9,841,442   | 2,470,548<br>17,014,534         |
| GRANTS RECEIVABLE  | 196,270                  | 116,442                         |
| INVENTORY<br>PREPAID RENT  | 1,735,877                | 662,767                         |
| RESTRICTED ENDOWMENT INVESTMENTS,  | 441,844<br>74,744,607    | 52,222,845                      |
| at market RESTRICTED INVESTMENT IN OFFICE BUILDING,  |                          |                                 |
| at cost, less accumulated depreciation of  |                          |                                 |
| \$232,574 and \$196,684 in 1996 and 1995, respectively   | 1,017,281                | 1,050,656                       |
| PROPERTY, PLANT, AND EQUIPMENT, at cost or fair market value at date of gift (Note 4)  | 15,564,504               | 16,263,657                      |
| ARTWORK PREPAID EXPENSES AND OTHER ASSETS  | 971,150                  | 814,850                         |
| PREPAID EXPENSES AND OTHER ASSETS  | 214,147<br>\$117,248,032 | $\frac{247,741}{\$100,649,775}$ |
|  |                          |                                 |
| LIABILITIES AND NET ASSETS   | 1996                     | 1995                            |
| ACCOUNTS PAYABLE AND ACCRUED EXPENSES:   | •                        |                                 |
| Operating<br>Related party   | \$ 1,512,917             | \$ 2,046,885<br>56,591          |
| The second section of the second section of the second section of the second section s | 1,512,917                | 2,103,476                       |
| GRANT PAYABLE  | 0                        | 14,208                          |
| COMMITMENTS AND CONTINGENCIES (Note 10) NET ASSETS:  |                          |                                 |
| Unrestricted: Designated by the Board of Trustees for maintenance  |                          |                                 |
| of property and equipment  Designated by management as an addition   | 477,204                  | 431,460                         |
| to endowment investments   | 4,467,219                | 4,246,964                       |
| Unrealized gain on restricted endowment investments<br>Undesignated  | 36,292,030<br>24,007,304 | 18,126,393<br>20,832,971        |
| Total unrestricted   | 65,243,757               | 43,637,788                      |
| Temporarily restricted Permanently restricted  | 7,826,814<br>42,664,544  | 12,781,387<br>42,112,916        |
| Total net assets   | 115,735,115              | 98,532,091                      |
|  | \$117,248,032            | \$100,649,775                   |

The accompanying accountants' review report, notes to financial statements, and Schedule I should be read in conjunction with these combined statements.

#### THE CARTER CENTER COMBINED STATEMENT OF ACTIVITIES FOR THE YEAR ENDED AUG. 31, 1996

| REVENUES AND SUPPORT:  | Unrestricted   | Temporarily<br>Restricted  | Permanently<br>Restricted   | Total   |
|--|--|--|---|---|
| Contributions:   |  |  |   |   |
| Operating Programs:  | \$ 8,343,063   | \$ 407,330   | \$ 0  | \$ 8,750,393  |
| Democratization and development<br>Global and domestic health<br>Urban revitalization<br>Cross program<br>In-kind goods and services:  | 0 0 0  | 2,289,019<br>4,253,005<br>2,457,081<br>660,828   | 0 0 0   | 2,289,019<br>4,253,005<br>2,457,081<br>660,828  |
| Democratization and development Global and domestic health Urban revitalization Cross program Construction Endowment  Endowment fund earnings  | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>8,343,063   | 120,175<br>5,159,797<br>2,296,044<br>0<br>58,315<br>0<br>17,701,594                              | 0<br>0<br>0<br>0<br>0<br>587,518<br>587,518                           | 120,175<br>5,159,797<br>2,296,044<br>0<br>58,315<br>587,518<br>26,632,175   |
| Appreciation of restricted   | 1,837,177  | .0   | 0   | 1,837,177   |
| endowment investments Excess of rental expenses over revenues,   | 18,165,637   | 0  | 0   | 18,165,637  |
| excluding depreciation, from office buildir<br>Depreciation of office building<br>Facilities use income<br>Interest and investment income<br>Net assets released from restrictions:  | (5,269)<br>0<br>291,265<br>289,444   | 0<br>0<br>0<br>53,346  | (35,890)<br>0<br>0  | (5,269)<br>(35,890)<br>291,265<br>342,790   |
| Democratization and development Global and domestic health Urban Revitalization Cross program Construction Operating Total revenues and support  | 4,543,843<br>16,125,698<br>8,848,648<br>184,574<br>58,315<br>407,330<br>59,089,725   | (4,543,843)<br>(16,125,698)<br>(8,848,648)<br>(184,574)<br>(58,315)<br>(407,330)<br>(12,413,468) | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>551,628                       | 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>47,227,885  |
| EXPENSES:  |  | (12,113,,600)  | 331,020   | 11,221,003  |
| Program: Democratization and development Global and domestic health Urban revitalization Cross program Fund-raising office Endowment campaign Communications and publications office Events office General and administrative Legal and accounting Common area Depreciation Total expenses CHANGE IN NET ASSETS ACQUISITION OF RIVER | \$ 3,594,197<br>15,196,054<br>8,281,720<br>1,393,692<br>3,331,918<br>237,998<br>486,368<br>289,568<br>1,997,778<br>239,511<br>1,366,380<br>1,068,575<br>37,483,759<br>21,605,966 | \$ 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0   | \$ 0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0<br>0 | \$ 3,594,197<br>15,196,054<br>8,281,720<br>1,393,692<br>3,331,918<br>237,998<br>486,368<br>289,568<br>1,997,778<br>239,511<br>1,366,380<br>1,068,575<br>37,483,759<br>9,744,126 |
| BLINDNESS FOUNDATION (Note 9)  | 0  | 7,458,895  | 0   | 7,458,895   |
| NET ASSETS AT BEGINNING OF YEAR<br>NET ASSETS AT END OF YEAR   | 43,637,788<br>\$65,243,757   | 12,781,387<br>\$ 7,826,814   | 42,112,916<br>\$42,664,544  | 98,532,091<br>\$115,735,115   |

The accompanying accountants' review report, notes to financial statements, and Schedule I should be read in conjunction with this combined statement.

#### THE CARTER CENTER COMBINED STATEMENT OF ACTIVITIES FOR THE YEAR ENDED AUG. 31, 1995

| REVENUES AND SUPPORT:  | Unrestricted | Temporarily<br>Restricted | Permane<br>Restrict |      | Total        |
|--|--------------|---------------------------|---------------------|------|--------------|
| Contributions:   |              |                           |                     |      |              |
| Operating  | \$ 6,881,815 | \$ 242,477                | \$                  | 0    | \$ 7,124,292 |
| Programs:  | \$ 0,001,013 | Ψ 212,111                 | Ψ                   |      | Ψ 1,12 1,272 |
| Democratization and development                                | 0            | 3,803,976                 |                     | 0    | 3,803,976    |
| Global and domestic health                                     | 0            | 6,264,257                 |                     | 0    | 6,264,257    |
| Urban revitalization   | 0            | 2,990,613                 |                     | 0    | 2,990,613    |
| Cross program  | 0            | 242,401                   |                     | 0    | 242,401      |
| In-kind goods and services:                                    |              |                           |                     |      |              |
| Democratization and development                                | 0            | 17,851                    |                     | 0    | 17,851       |
| Global and domestic health                                     | 0            | 2,599,981                 |                     | 0    | 2,599,981    |
| Urban revitalization   | 0            | 2,643,595                 |                     | 0    | 2,643,595    |
| Cross program  | 0            | 0                         |                     | 0    | 0            |
| Construction   | 0            | 975,151                   | 071                 | 0    | 975,151      |
| Endowment  | ( 001 015    | 10.700.202                | 871,                |      | 871,595      |
| F 1 6 1 :  | 6,881,815    | 19,780,302                | 871,                | -    | 27,533,712   |
| Endowment fund earnings  | 1,678,520    | U                         |                     | 0    | 1,678,520    |
| Appreciation of restricted                                     | 10,559,727   | 0                         |                     | 0    | 10,559,727   |
| endowment investments Excess of rental revenues over expenses, | 10,559,727   | O                         |                     | U    | 10,339,121   |
| excluding depreciation, from office                            |              |                           |                     |      |              |
| building   | 25,697       | 0                         |                     | 0    | 25,697       |
| Depreciation of office building                                | 23,031       | Õ                         | (38,5               | (80) | (38,508)     |
| Facilities use income  | 295,069      | Ö                         | (30,3               | 0    | 295,069      |
| Interest and investment income                                 | 217,202      | 174,175                   |                     | 0    | 391,377      |
| Net assets released from restrictions:                         |              |                           |                     |      | 2            |
| Democratization and development                                | 3,466,781    | (3,466,781)               |                     | 0    | 0            |
| Global and domestic health                                     | 10,744,752   | (10,744,752)              |                     | 0    | 0            |
| Urban revitalization   | 10,681,386   | (10,681,386)              |                     | 0    | 0            |
| Cross program  | 178,870      | (178,870)                 |                     | 0    | 0            |
| Construction   | 975,151      | (975,151)                 |                     | 0    | 0            |
| Operating  | 262,477      | (262,477)                 | - 022               | 0    | 0            |
| Total revenues and support                                     | 45,967,447   | (6,354,940)               | 833,                | ,087 | 40,445,594   |
| EXPENSES:  |              |                           |                     |      |              |
| Program:   |              |                           |                     |      |              |
| Democratization and development                                | \$ 2,653,768 | \$ 0                      | \$                  | 0    | \$ 2,653,768 |
| Global and domestic health                                     | 10,166,241   | 0                         | 4                   | 0    | 10,166,241   |
| Urban revitalization   | 10,070,679   | 0                         |                     | 0    | 10,070,679   |
| Cross program  | 1,917,291    | 0                         |                     | 0    | 1,917,291    |
| Fund-raising office  | 2,518,612    | 0                         |                     | 0    | 2,518,612    |
| Endowment campaign   | 203,017      | 0                         |                     | 0    | 203,017      |
| Communications and publications office                         | 429,275      | 0                         |                     | 0    | 429,275      |
| Events office  | 275,555      | 0                         |                     | 0    | 275,555      |
| General and administrative                                     | 1,221,132    | 0                         |                     | 0    | 1,221,132    |
| Legal and accounting   | 168,998      | 0                         |                     | 0    | 168,998      |
| Common area  | 1,005,744    | 0                         |                     | 0    | 1,005,744    |
| Depreciation   | 972,200      | 0                         |                     | 0    | 972,200      |
| Total expenses   | 31,602,512   | 0                         |                     |      | 31,602,512   |
| CHANGE IN NET ASSETS   | 14,364,935   | (6,354,940)               | 833                 | ,087 | 8,843,082    |
| NET ASSETS AT BEGINNING OF YEAR                                | 29,272,853   | 19,136,327                | 41,279              | ,829 | 89,689,009   |
| NET ASSETS AT END OF YEAR                                      | \$43,637,788 | \$12,781,387              | \$42,112            |      | \$98,532,091 |
|  |              |                           |                     |      |              |

The accompanying accountants' review report, notes to financial statements, and Schedule I should be read in conjunction with this combined statement.

#### THE CARTER CENTER STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED AUG. 31, 1996 AND 1995

| CASH FLOWS FROM OPERATING ACTIVITIES:                     | 1996                 | 1995                 |
|---|----------------------|----------------------|
| Change in net assets                                      | \$17,203,021         | \$ 8,843,082         |
| Adjustments to reconcile change in net assets to net cash | \$11,200,021         | Ψ 0,075,002          |
| provided by operating activities:                         |                      |                      |
| Depreciation  | 2,045,531            | 2,216,450            |
| Donated inventory   | (1,735,877)          | 2,210,430            |
| Increase in fair market value of endowment investments    | (18,165,637)         | (10,559,727)         |
| Changes in operating assets and liabilities:              | (10,103,031)         | (10,339,121)         |
| Accounts receivable                                       | 1,129,744            | (2,154,137)          |
| Grants receivable   | (79,828)             | 25,551               |
|   |                      |                      |
| Pledges receivable  | 7,173,092<br>220,923 | 1,172,047<br>223,602 |
| Prepaid rent  |                      |                      |
| Prepaid expenses and other assets<br>Artwork              | 33,597               | (52,137)             |
|   | (156,300)            | (34,400)             |
| Accounts payable and accrued expenses                     | (590,556)            | 1,320,292            |
| Grants payable  | (14,208)             | 14,208               |
| Contributions restricted for investment                   | (4,577,059)          | (1,452,701)          |
| Total adjustments   | (14,716,578)         | (9,280,955)          |
| Net cash provided by (used in) operating activities       | 2,486,443            | (437,870)            |
| CASH FLOWS FROM INVESTING ACTIVITIES:                     |                      |                      |
|   |                      |                      |
| Construction and purchase of property and equipment,      | (1 212 00()          | (1.110.503)          |
| net of related payables                                   | (1,313,006)          | (1,110,582)          |
| Endowment investments                                     | (4,356,125)          | (3,089,637)          |
| Net cash used in investing activities                     | (5,669,131)          | (4,200,219)          |
| CARLET ONE FROM FRANCISIS ACTIVITIES                      |                      |                      |
| CASH FLOWS FROM FINANCING ACTIVITIES:                     |                      |                      |
| Proceeds from contributions restricted for:               | 1 222 250            | 1 222 122            |
| Investment in endowment                                   | 4,232,359            | 1,000,400            |
| Investment in plant                                       | 344,700              | 452,301              |
| Net cash provided by financing activities                 | 4,577,059            | 1,452,701            |
| NET WORLDE (DEODE LOE) IN CACH AND                        |                      |                      |
| NET INCREASE (DECREASE) IN CASH AND                       | 1 204 271            | (2.105.300)          |
| CASH EQUIVALENTS  | 1,394,371            | (3,185,388)          |
| O LOTE AND O LOTE DOLLMAN TRANS                           |                      |                      |
| CASH AND CASH EQUIVALENTS                                 | 0.705.775            | 12.071.122           |
| AT BEGINNING OF YEAR                                      | 9,785,735            | 12,971,123           |
| CARLAND CARLECTIFICATION OF THE COLUMN                    | 011 100 100          | A 0 505 505          |
| CASH AND CASH EQUIVALENTS AT END OF YEAR                  | \$11,180,106         | \$ 9,785,735         |
|   |                      |                      |

The accompanying accountants' review report, notes to financial statements, and Schedule I should be read in conjunction with these combined statements.

# THE CARTER CENTER NOTES TO COMBINED FINANCIAL STATEMENTS AND SCHEDULE AUG. 31, 1996 AND 1995

#### 1. ORGANIZATION AND OPERATION

The Carter Center (CC) is comprised of The Carter Center, Inc. (CCI) and the Carter Center of Emory University (CCEU), a division of Emory University. Both entities are exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. A separate financial statement audit is performed annually for both CCI and Emory University.

#### The Carter Center Inc.

Carter Presidential Library Inc. (CPL) was organized Oct. 26, 1981, under the laws of Georgia as a nonprofit corporation to be operated exclusively for charitable and educational purposes. During 1986, CPL changed its name to Carter Presidential Center Inc. (CPC). Effective January 1988, CPC changed its name to The Carter Center Inc.

CCI's major program is a long-term effort to address certain problems of poverty in Atlanta, Ga. including teenage pregnancy, drug addiction and crack babies, juvenile delinquency, school dropouts, homelessness, and unemployment. It proposes to marshal the support of all government agencies, local organizations, the business and professional community, universities, churches and synagogues, and individual volunteers in that effort. This program, referred to as The Atlanta Project (TAP), was begun in the fiscal year ended Aug. 31, 1992.

As of Sept. 1, 1995, Global 2000 Inc. (Global), an entity affiliated with CCI, merged with CCI. Global draws its inspiration from The Global 2000 Report to the President commissioned by former President Jimmy Carter during his administration. Projecting trends in population growth and environmental degradation into the 21st century, the report depicts a spiral of poverty, disease, hunger, and social injustice in rural areas of developing countries that could seriously threaten economic stability and world peace.

Global's goal is to encourage sustainable development and equitable and responsible use of resources by promoting food self-reliance, improving health and the environment, and encouraging sound population policies.

During the years ended Aug. 31, 1996 and 1995, Global operated health programs in Burkina Faso, Ghana, Kenya, Mali, Niger, Nigeria, Sudan, and Uganda. In addition, Global provides technical and policy advice and other assistance, both financial and in-kind, to health, agriculture, and environmental programs in various developing nations.

As of Sept. 1, 1995, the Carter-Menil Human Rights Foundation merged with CCI. President Carter and Dominique de Menil established the Carter-Menil Human Rights Foundation in 1986 to promote the protection of human rights. The foundation regularly awards the Carter-Menil Human Rights Prize, a \$100,000 gift to individuals or organizations for their outstanding efforts on behalf of human rights, often at great personal sacrifice. The award enables human rights activists to continue their work and focuses global attention on their struggles for justice.

#### The Carter Center of Emory University

CCEU, which is housed at The Carter Center, is a department of Emory University. It was formed on Sept. 1, 1982, to identify and address selected international and domestic public policy issues through nonpartisan study, research, activities, conferences, and publications. These selected international and domestic issues include health, human rights, democratization, development, and international conflict resolution.

# 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER MATTERS

#### Contributions

CC records gifts, including unconditional promises to give, of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the combined statements of activities as net assets released from restrictions.

CC records gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, CC reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

#### Donated Goods and Services

Donated materials and equipment, including artwork, are reflected as contributions at their estimated fair market values when an unconditional promise to give has been received. Donated services are reflected as contributions if the following criteria are met: the services received or to be received create or enhance nonfinancial assets or the services require specialized skills, are provided by individuals possessing those skills, and would need to be purchased if not provided by donation. Donated services are recognized as the services are performed.

The services of loaned executives for TAP and certain other services have been recorded in the accompanying financial statements. No amounts are recorded in the accompanying financial statements for other donated services (volunteers, organizational planning, and meeting facilitation), since the criteria discussed above were not met with respect to these services.

The components of donated goods and services for the years ended Aug. 31, 1996 and 1995 are as follows:

|                             | 1996        | 1995        |
|-----------------------------|-------------|-------------|
| Democratization and         |             |             |
| development:                |             |             |
| Transportation              | \$ 120,175  | \$ 17,851   |
| Global and domestic health: |             |             |
| Transportation              | 0           | 127,490     |
| Water filtration material   |             |             |
| and chemicals               | 1,721,797   | 2,472,491   |
| Mectizan® tablets           | 3,438,000   | 0           |
| Urban revitalization:       |             |             |
| Loaned executives           | 1,837,685   | 2,037,189   |
| Operating expenses and      |             |             |
| utilities:                  |             |             |
| Headquarters                | 92,134      | 89,519      |
| Clusters                    | 366,225     | 516,887     |
| Total                       | \$7,576,016 | \$5,261,427 |

#### Artwork

CC has capitalized artwork since its inception.

#### Inventory

Inventory consists of Mectizan® tablets, which are used to treat onchocerciasis (river blindness). Inventory with a value of \$3,805,947 was acquired in conjunction with the River Blindness Foundation asset acquisition (Note 9). Additional inventory was received as an in-kind donation and was valued at market value at the time of the gift. Inventory is valued using the first-in, first-out method of accounting.

#### Net Assets

#### Unrestricted

The Board of Trustees of CC has authorized the designation of a portion of the unrestricted net assets for maintenance of property and equipment. The annual designation amount is currently \$116,000.

Included in unrestricted net assets at Aug. 31, 1996 and 1995 are \$4,467,219 and \$4,246,967, respectively, of surplus operating funds which have been designated by CC's management as endowment funds.

Unrestricted net assets at Aug. 31, 1996 and 1995 also include \$36,291,850 and \$18,126,393, respectively, of unrealized gains on restricted endowment investments. These gains are classified as increases in unrestricted net assets due to the lack of explicit donor stipulations which would temporarily or permanently restrict their use.

Temporarily Restricted

Temporarily restricted net assets are available for the following purposes for the years ended Aug. 31, 1996 and

| 5    |
|------|
|      |
| ,859 |
| ,688 |
| ,910 |
| ,930 |
| ,387 |
| ,6   |

Permanently Restricted

The principal of permanently restricted net assets is restricted to investment in perpetuity. The income from these endowments is expendable to support the activities of CC.

Restricted Investment in Office Building

CCI purchased an office building with endowment funds during 1990. During the years ended Aug. 31, 1996 and 1995, approximately \$2,500 and \$9,900, respectively, of endowment funds were invested in additional building improvements. As of Aug. 31, 1996, the building was partially occupied by CCI who is now the only tenant. Revenues from this investment totaled approximately \$29,000 and \$117,000 for the years ended Aug. 31, 1996 and 1995, respectively.

The difference between rental revenues and expenses relating to this building has been included in revenues and support in the accompanying statements of activities.

Cash and Cash Equivalents

CC's cash equivalents represent highly liquid investments with an original maturity of three months or less. Restricted cash includes cash restricted by the donor for a specific purpose.

Principles of Combination

The combined financial statements include the accounts of CC. All significant intercompany transactions have been eliminated.

#### Reclassifications

Certain prior year amounts have been reclassified to conform with the current year presentation.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### 3. PLEDGES RECEIVABLE

During the year ended Aug. 31, 1996, CC retroactively adopted Statement of Financial Accounting Standards ("SFAS") No. 116, "Accounting for Contributions Received and Contributions Made." Refer to Note 8 for an explanation of the impact on opening net assets and the restatement of the activity for the year ended Aug. 31, 1995.

On the statements of financial position, pledges receivable represent unconditional promises of donors to give to CC in future years. SFAS No. 116 requires that revenue be recognized for each pledge when the promise to give is made by the donor. Pledges are recorded as of their pledge date at the net present value of their estimated future cash flows. The amount of periodic amortization of the discount is recorded in subsequent periods as contribution income according to each respective donor-imposed restriction, if any. Pledges receivable as of Aug. 31, are classified as follows:

| 1996   | 1995  |
|--|---|
|  |   |
| \$ 0   | \$ 150,000  |
| 571,882  | 744,650   |
|  |   |
| 220,199  | 0   |
| 2,904,166  | 6,043,464   |
| 630,453  | 916,838   |
| The state of the s |   |
| 5,514,742  | 9,159,582   |
| \$9,841,442  | \$17,014,534  |
|  | 571,882<br>220,199<br>2,904,166<br>630,453<br>5,514,742 |

The anticipated receipts of these receivables as of Aug. 31, 1996 and 1995 were as follows:

| 1996        | 1995   |
|-------------|--|
| \$3,727,699 | \$ 8,436,415   |
| 1,760,000   | 4,701,283  |
| 6,617,845   | 6,717,845  |
| (2,264,102) | (2,841,009)  |
| \$9,841,442 | \$17,014,534   |
|             | \$3,727,699<br>1,760,000<br>6,617,845<br>(2,264,102) |

#### 4. PROPERTY, PLANT, AND EQUIPMENT

The components of property, plant, and equipment which, except for land, are depreciated on a straight-line basis are as follows at Aug. 31, 1996 and 1995:

|                        | 1996         | 1995         | <u>Useful</u><br>Lives |
|------------------------|--------------|--------------|------------------------|
| Land                   | \$ 296,732   | \$ 296,732   | N/A                    |
| Buildings              | 15,581,171   | 15,520,084   | 30 years               |
| Grounds and land       |              |              |                        |
| improvements           | 1,501,705    | 1,288,077    | 10 years               |
| Furniture and fixtures | 1,471,053    | 1,354,590    | 5 to 10 years          |
| Office equipment       | 1,656,599    | 1,365,407    | 5 years                |
| Computer equipment     | 474,316      | 332,676      | 3 to 5 years           |
| TAP equipment          | 2,838,495    | 2,838,495    | 3 years                |
| Building               |              |              |                        |
| improvements           | 452,088      | 407,208      | 15 years               |
| Vehicles               | 1,381,140    | 939,522      | 3 years                |
|                        | 25,653,299   | 24,342,791   |                        |
| Less accumulated       |              |              |                        |
| depreciation           | (10,088,795) | (8,079,134)  |                        |
|                        | \$15,564,504 | \$16,263,657 |                        |

Non-U.S. property and equipment used in field programs, except for automobiles, have been expensed in the period purchased.

#### 5. INVESTMENTS

During the year ended Aug. 31, 1996, CC retroactively adopted SFAS No. 124, "Accounting for Certain Investments Held by Not-for-Profit Organizations." Refer to Note 8 for an explanation of the impact on opening net assets and the restatement of the activity for the year ended Aug. 31, 1995.

SFAS No. 124 requires investments in equity securities with readily determinable fair values and all debt securities to be reported at their fair values. The fair values are estimated based on the current market values.

CC has invested a portion of its endowment in a pooled investment fund which invests in a composite of cash equivalents, bonds, common stock, mutual funds, and other assets. These investments are presented in the accompanying statements of financial position at their fair values. The cost basis for these investments was \$38,447,042 and \$34,096,452 as of Aug. 31, 1996 and 1995, respectively.

Total return on investments was as follows for the years ended Aug. 31, 1996 and 1995:

|                              | 1996         | 1995         |
|------------------------------|--------------|--------------|
| Investment income, including |              |              |
| net realized gains or losses | \$ 1,837,177 | \$ 1,678,520 |
| Net unrealized gains         | 18,165,637   | 10,559,727   |
| Total return on investments  | \$20,002,814 | \$12,238,247 |

Total return on investments was unrestricted for the years ended Aug. 31, 1996 and 1995.

#### 6. LEASES

CC leases space to various entities under noncancelable leases with various terms. A business agreement with CC's caterer has no annual rent; rather, CC receives 5 percent to 10 percent of the tenant's gross revenues, as defined. Rental income from these leases is included in facilities-use income in the accompanying statements of activities.

#### 7. THE ATLANTA PROJECT HEADQUARTERS LEASE

CC leases space for TAP headquarters under an agreement with an initial term of two years, which commenced May 1, 1992, and two renewal terms of two years each. CC is not obligated to pay any base rents during the initial or renewal terms of the lease, as CC expended more than \$500,000 toward leasehold improvements. The space leased by CC was provided as is, and all leasehold improvements funded by CC become a part of the lessor's property. The value of the contributed space is not reflected in the accompanying financial statements, since it is not susceptible to objective measurement or valuation.

The lessor provides all utilities and pays for operating expenses, except insurance, and CC reimburses the lessor a stipulated amount per square foot. If CC's reimbursement is less than the lessor's cost of providing such operating expenses and utilities, the unreimbursed amount is reflected as

donated operating and utilities expense.

CC did not expend any funds toward leasehold improvements during the years ended Aug. 31, 1996 and 1995. In prior years, such amounts have been included in prepaid rent in the accompanying statements of financial position. Leasehold improvements include the estimated fair value of any donated goods and services relating to leasehold improvements and an estimated value of contributed profit resulting from the contractor's providing services at cost. This profit has been valued based on comparable profit margins charged in the industry.

Prepaid rent is being amortized over the entire term of the lease, assuming both renewal options are exercised, commencing with the date the space was occupied. Rent expense for this space was approximately \$221,000 and \$224,000 during the years ended Aug. 31, 1996 and 1995,

respectively.

#### 8. ADOPTION OF ACCOUNTING

Pronouncements

In 1996, CC adopted the provisions of SFAS Nos. 116 and 124 (Notes 3 and 5). The impact of the adoption of these pronouncements is summarized below:

|                               | Unrestricted | Temporarily<br>Restricted | Permanently<br>Restricted |
|-------------------------------|--------------|---------------------------|---------------------------|
| Net assets previously reporte | ed           |                           |                           |
| Sept. 1, 1994                 | \$21,039,616 | \$10,904,704              | \$31,991,443              |
| Adoption of<br>SFAS No. 116   | 666,571      | 8,231,623                 | 9,288,386                 |
| Adoption of<br>SFAS No. 124   | 7,566,666    | 0                         | 0                         |
| Restated net assets           | \$29,272,853 | \$19,136,327              | \$41,279,829              |

9. RIVER BLINDNESS FOUNDATION (RBF)

On May 1, 1996, CC acquired RBF, which works to control river blindness in areas of Africa and Latin America. The results of RBF's operations have been combined with those of CC since the date of acquisition. The acquisition was accounted for using the purchase method of accounting. Because there was no exchange of consideration, no goodwill was recorded. The fair value of assets acquired was \$7,458,895 and was credited directly to net assets.

#### 10. COMMITMENTS AND CONTINGENCIES

Litigation and claims have been filed against CC in the ordinary course of business. While the outcome of these actions is not presently determinable, management believes that the probable resolution of such contingencies will not materially affect the financial position or results of operations of CC.

# THE CARTER CENTER COMBINING STATEMENT OF FINANCIAL POSITION AUGUST 31, 1996

|  | CCI   | CCEU   | Eliminations                              | Total   |
|--|---|--|---|---|
| CASH AND CASH EQUIVALENTS, including restricted cash of \$5,115,289  ACCOUNTS RECEIVABLE:  Due from federal funding agencies Other  Related parties  | \$ 10,411,098   | \$ 769,008   | \$ 0                                      | \$ 11,180,106   |
|  | 1,003,997<br>101,752<br>637,386<br>1,743,135  | 216,859<br>0<br>0<br>216,859   | 0<br>0<br>(619,190)<br>(619,190)          | 1,220,856<br>101,752<br>18,196<br>1,340,804   |
| PLEDGES RECEIVABLE GRANTS RECEIVABLE INVENTORY PREPAID RENT RESTRICTED ENDOWMENT INVESTMENTS, at market RESTRICTED INVESTMENT IN OFFICE BUILDING, at cost, less accumulated depreciation of \$232,574 PROPERTY, PLANT, AND EQUIPMENT, at cost or fair market value at date of gift ARTWORK PREPAID EXPENSES AND OTHER ASSETS | 9,414,389<br>0<br>1,735,877<br>441,844  | 427,053<br>196,270<br>0  | 0<br>0<br>0<br>0                          | 9,841,442<br>196,270<br>1,735,877<br>441,844  |
|  | 68,345,837  | 6,398,770  | 0   | 74,744,607  |
|  | 1,017,281   | 0  | 0   | 1,017,281   |
|  | 15,521,507<br>971,150<br>214,147<br>\$109,816,265                                   | 42,997<br>0<br>0<br>\$8,050,957  | 0<br>0<br>0<br>\$(619,190)                | 15,564,504<br>971,150<br>214,147<br>\$117,248,032                                   |
| ACCOUNTS PAYABLE AND ACCRUED EXPENSES:   |   |  |   |   |
| Operating Related party  | \$ 1,468,679<br>0<br>1,468,679  | \$ 44,238<br>619,190<br>663,428  | \$ 0<br>(619,190)<br>(619,190)            | \$ 1,512,917<br>0<br>1,512,917  |
| NET ASSETS:<br>Unrestricted:   |   |  |   |   |
| Designated by the Board of Trustees for maintenar<br>of property and equipment<br>Designated by management as an addition  | 477,204   | 0  | 0   | 477,204   |
| to endowment investments   | 4,179,860   | 287,359  | 0   | 4,467,219   |
| Unrealized appreciation on restricted endowment investments  | 32,481,411  | 3,810,619  | 0   | 36,292,030  |
| Undesignated Total unrestricted Temporarily restricted Permanently restricted Total net assets   | 23,783,722<br>60,922,197<br>7,641,107<br>39,784,282<br>108,347,586<br>\$109,816,265 | 223,582<br>4,321,560<br>185,707<br>2,880,262<br>7,387,529<br>\$8,050,957 | 0<br>0<br>0<br>0<br>0<br>0<br>\$(619,190) | 24,007,304<br>65,243,757<br>7,826,814<br>42,664,544<br>115,735,115<br>\$117,248,032 |
|  | <del>\$107,010,203</del>  | 40,000,001   | 4(01),170)                                | 4111,210,032  |

The accompanying accountants' review report and notes to financial statements should be read in conjunction with this combining statement.

The Carter Center would like to thank Maloney Design Studio and Perfect Image for their assistance in producing this report.

Copywriting by Beth Dawkins Bassett with assistance from Pam Auchmutey

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