

The credit-union serves as the financial nucleus of the organization, offering in addition to its normal functions of a saving and lending institution, a line of credit system which means that—

(a) for the member-consumer, it will be possible to establish a line of credit through the credit union in order to charge purchase with participating merchants. The credit union reimburses the merchant, debiting the member-consumer's account. In effect this reduces the consumer-merchant relationship to a cash basis, relieving the merchant of the cost and anxiety of a store-operated credit system.

(b) for the member-merchant, the same relationship is set up between wholesalers and other creditors and the merchant. By putting the small merchant of a "cash" basis, his costs are lowered, his credit and bargaining power with the distributors is strengthened.

The other services work in a similar manner: The legal advisory element, acting as educator, will train individual consumers in preventive action, alerting them about their rights as consumers, and where legal redress or protection can be sought. The neighborhood merchant, frequently ignorant of his rights as an entrepreneur in the free enterprise system, needs guidance and counseling on the many laws and resources designed for protection and promotion of small business.

The presently organized consumer block councils will be enlarged by adding those merchants who are participants in the program and will be known as Consumer-Merchant Block Councils.

The CABS consumer action and education program will be initiated and guided by the Project Director through the Consumer-Merchant Block Councils.

The Councils will sponsor training and education programs for residents and members of the program. Included in the curriculum will be—

- (1) Orientation on CABS program and services.
- (2) The Credit Union and its services.
- (3) Buying Clubs, their organization and value.
- (4) the marketing problems of Bedford-Stuyvesant.
- (5) the wise use of credit; techniques of saving.
- (6) Consumer-Merchant problems.
- (7) Economic Cycles and their meaning; problems of supply and demand; impact of economic forces on consumer and merchant.
- (8) Techniques of comparative shopping.
- (9) Legislation for consumers; legislation for merchants.
- (10) Bookkeeping and accounting; wholesale buying techniques; tax corporation and bankruptcy problems (for the small merchant).

In addition to the training program, the Councils will set up subcommittees, the purpose of which will be to effect liaison with other programs and resources in the general area, to organize buying clubs for individual consumers, to organize buying clubs or buying cooperatives for resident merchants.

The Block Councils will also serve as local consumer information centers, and as referral points to the CABS Consumer Action/Credit Union Center.

VI. PROJECT PERSONNEL AND ORGANIZATION

The Project Director will be Mrs. Gladys R. Aponte. Mrs. Aponte received her B.A. in Political Science (1958), M.A. in Public Administration (1959), and LL.B. in Corporation Law (1962), all from The University of Puerto Rico.

From 1962-63 she was a Contract Compliance Officer for the New York City Commission on Human Rights; from 1963-65 she acted as Program Developer in Consumer Education, again with the Human Rights Commission. From 1965 to the present she has been the director of the Consumer Education Program of Youth in Action, Inc.

As Consumer Education Director for YIA she has developed a nucleus of highly trained neighborhood aides (over 40), organized 64 blocks of YIA's Area II into consumer block councils, each having its own elected chairman.

A substantial number of residents have become well-educated in consumer problems as a result of the block organization and training accomplished by the Project Director over the past year.

The proposal is the result of considerable planning and discussion by the residents who have been involved in the program thus far.

Evidence of involvement and resident participation is witnessed by the petition of over 7,000 persons who pledge support for a neighborhood credit union.