

1. Greetings

2. I will go quickly through the slide presentation for the Tradition starting with a summary of Bill's essay (from the 12 & 12). Don't worry... if I go too fast, it will be available on my website at www.onwhatslenderthreads.com. My objective will be to hit the highpoints, so that we have plenty of time for discussion.

3. Discussions and questions. Everyone is invited to share anything that they have learned about that Tradition. I get so much knowledge from participants!

Disclaimers about this workshop

On What Slender Threads: A.A.'s Twelve Traditions from a Historical Perspective.

No need to purchase the book.

Audios and slides are posted on www.onwhatslenderthreads.com under “Workshop Resources”

Made possible by General Service Office literature, published research of historians, and wonderful friends in A.A. world-wide.

Any inferences in this study are strictly my own and in no way reflect the opinion of Alcoholics Anonymous

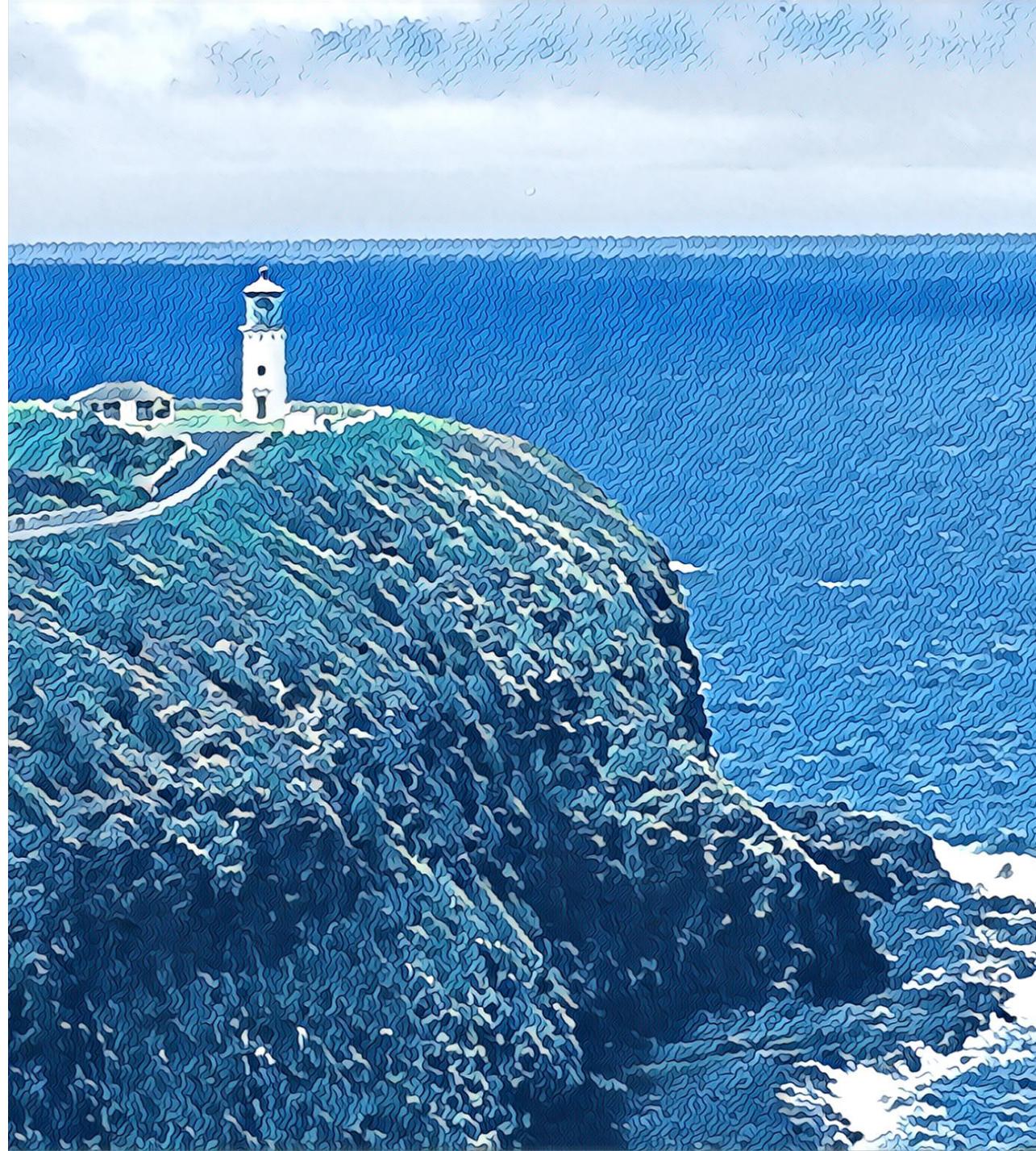
In keeping with the Eleventh and Twelfth Traditions, I try to avoid using the last names of any alcoholics including Bill W. and Dr. Bob.

We explored Traditions 1, 2, 3 , 4, and 5 – or how A.A. groups relate to each other: unity (we have a voice on A.A. as a whole), informed group (*spiritual* entity) decisions, membership, autonomy for delivering the individual group’s message, and our primary purpose.

Tradition 6 marks the beginning of how A.A. relates to the world outside by not relating to the world outside through affiliation with outside entities, thus avoiding problems with money, property, and prestige.

Now we examine why more needed to be said regarding problems with money – Tradition 7!

Our spiritual way of life is safe for future generations if, as a Society, we resist the temptation to receive money from the outside world. But this leaves us with a responsibility – one that every member ought to understand. We cannot skimp when the treasurer of our group passes the hat. Our groups, our areas, and AA as a whole will not function unless our services are sufficient and their bills are paid....when we are generous with the hat we give a token that we are grateful for our blessings and evidence that we are eager to share what we have found with all those who still suffer. *LoH*, p. 221



Tradition 7

Every A.A. group ought to be fully self-supporting, declining outside contributions.

(Twelve Steps and Twelve Traditions, 160).

The Original Point (Long Form): *Our A.A. experience has taught us that:*

The A.A. groups themselves ought to be fully supported by the voluntary contributions of their own members. We think that each group should soon achieve this ideal; that any public solicitation of funds using the name of Alcoholics Anonymous is highly dangerous, whether by groups, clubs, hospitals, or other outside agencies; that acceptance of large gifts from any source, or of contributions carrying any obligation whatever, is unwise.

(Twelve Steps and Twelve Traditions, 190 – 191).

(The Original Point - Long form continued)

Then, too, we view with much concern those A.A. treasuries which continue, beyond prudent reserves, to accumulate funds for no stated A.A. purpose. Experience has often warned us that nothing can so surely destroy our spiritual heritage as futile disputes over property, money, and authority. (*Twelve Steps and Twelve Traditions*, 190 – 191).

Tradition 7 – Bill’s Essay pp. 161 – 166

Self-supporting alcoholics? Whoever heard of such a thing?

When a society composed entirely of alcoholics says it’s **going to pay its bills**, that’s really news.

...people who had money thought ... it was high time we now—**sober—paid our own way.**

So our Fellowship stayed poor because it had to.

... another reason for our collective poverty. . . . While alcoholics would **spend lavishly on Twelfth Step cases**, they had a terrific **aversion to dropping money into a meeting-place hat for group purposes.**

Tradition 7 – Bill’s Essay pp. 161 – 166

So A.A., the movement, **started and stayed broke**, while its individual members waxed prosperous.

As A.A. emerged from **its infancy into adolescence**, we swung from the idea that we needed vast sums of money to the notion that A.A. shouldn’t have any.

“You can’t mix A.A. and money. We shall have to separate the spiritual from the material.”

... members had tried to make money out of their A.A. connections, and we feared we’d be **exploited**.

... benefactors had endowed clubhouses, and as a result there was **sometimes outside interference in our affairs**.

Tradition 7 – Bill’s Essay pp. 161 – 166

One A.A. group was given five thousand dollars to do with as it would. **The hassle over that chunk of money played havoc for years.**

Frightened by these complications, some groups refused to have a cent in their treasuries.

A.A. had to function...Meeting places cost ... to save whole areas from turmoil, small offices had to be set up....We saw that **if they weren’t, the man coming in the door couldn’t get a break.**

These simple services required small sums of money which we could and would pay ourselves.

Tradition 7 – Bill’s Essay pp. 161 – 166

Jack Alexander’s *Saturday Evening Post* piece broke in 1941, **thousands of frantic letters** from distraught alcoholics and their families hit the Foundation* letterbox in New York.

We’d have to have some more full-time help, that was sure.

So we asked the A.A. groups for voluntary contributions. **Would they send us a dollar a member a year?**

“To my surprise, the response of the groups was slow. I got mighty sore about it.

I motioned [a prize slippee] to my inside cubicle and produced a five-dollar bill. . . .The **intense relief on my friend’s face warmed by heart. I felt especially virtuous** as I thought of all the ex-drunks who wouldn’t even send the Foundation a dollar apiece, and here I was gladly making a five-dollar investment to fix a hang-over.

Tradition 7 – Bill’s Essay pp. 161 – 166

The meeting that night was at New York’s old 24th Street Clubhouse . . . **the treasurer gave a timid talk** . . . ‘Now boys, please go heavier on the hat tonight, will you?’

Still working on [a newcomer] , I fumbled and came up with a fifty-cent piece. . . .Hastily, I dropped it back and fished out a dime, which clinked thinly as I dropped it in the hat.

I realized that **my five-dollar gift to the slippee was an ego-feeding proposition, bad for him and bad for me.**

There *was* a place where money and spirituality would mix, and that was in the hat!”

... in 1948 ... [a late member] left Alcoholics Anonymous ... a sum of ten-thousand dollars. **Should A.A. take the gift?**

Tradition 7 – Bill’s Essay pp. 161 – 166

What a debate we had on that one! The Foundation was really hard up then.

Yes! Let’s take the money.

Then came the opposition. [They] already knew of a total of half a million dollars set aside for A.A. in the wills of people still alive.

[set up a disastrous The bequest] wasn’t that much, but like the alcoholic’s first drink it would, if taken, **inevitably chain reaction.**

Relieved of the responsibility, every alcoholic would shrug and say, “Oh, the Foundation is wealthy. Why should I bother?”

The Board would be isolated, and would fall under heavy attack of criticism....

Tradition 7 – Bill’s Essay pp. 161 – 166

[The Trustees] declared that for the principle that **A.A. always be poor.**

Bare running expenses plus a prudent reserve would be the Foundation’s financial policy.

The principle of **corporate poverty** was firmly and finally embedded in A.A. tradition.

... generated a wave of confidence in the integrity of *Alcoholics Anonymous*.

The irresponsible had become responsible

Thanks for the
meeting. Who's
picking up the tab?

Problems with money and an unsung A.A. hero, Hank P.

The Big Book was published **April 10, 1939**

March 1938 – Hank P. introduces “The Fund”

National model for future financial policies

“Collection and distribution” of monies “while diligently avoiding professionalism”

Only those who benefitted from the program could donate

Outside donations would be accepted with intent to pay back

Oversight by “disinterested party, who is not an alcoholic”

Hank sent his ideas to Amos March 16, 1938 and then

The Fund becomes the Alcoholic Foundation

March 17, 1938, Rockefeller, Jr. donates \$5,000 and says that it is a one-time only donation. There will be no more!

June 1938, Hank crafts a “neatly gotten up brochure” to attract more donations. (Schaberg, 177)

August 5, 1938, Hank, with non-alcoholic lawyer, John B. Wood, changed The Fund to The Alcoholic Foundation.

Tax-exempt status.

A few more well-connected Trustees.

Class A Trustees are non-alcoholic and represented the majority of the Board.

The first Class A's were John Wood, Frank Amos, and Willard Richardson.

Class B Trustees are “recovered alcoholics.”

The first Class B's were Bill R. and Dr. Bob.

Advisory Board with Bill, Hank, LeRoy Chipman, and Albert Scott.

“relief and rehabilitation” of alcoholics by supporting “personal work of a religious (but nonsectarian) nature,”

“places of rest or recuperation for alcoholics,”

financial assistance to alcoholics,

research in alcoholism, and

the publication of literature related to alcoholism.

“charted to do just about anything within the field of alcoholism except lobby for Prohibition.” (Schaberg, 236 – 237).

“Now our problems are over!”

Hank and Bill continued to seek funding using “Bill’s Story” and “There is a Solution,” as an incentive to invest; but with no success.

“What is the program of recovery?”

Bill started to write other chapters (but not about the recovery program) sometime in September.

And there is still no other substantial donation.



Desperate times called for desperate measures

October 1938 Bill and Hank try to pressure the Foundation for money.

The idea of dues is proposed by Albert Scott.

After some thought, dues are rejected by Bill and Hank.

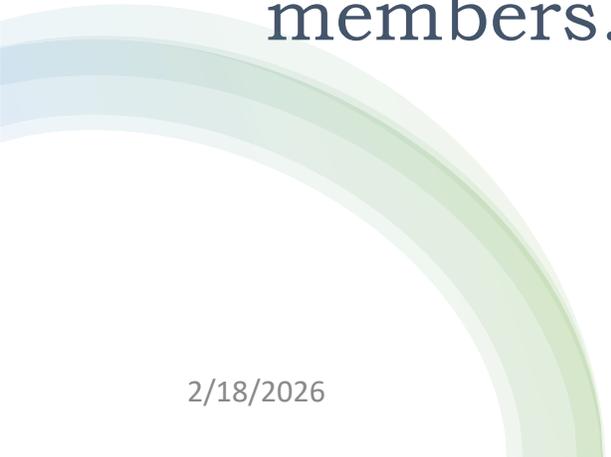
Dues would not safeguard against alcoholism – working with others would be the only safeguard.

Who wants to monitor alcoholics' payment of dues?



The miracle of that measured consideration by Hank and Bill is the early A.A. principle of “no dues or fees”

And it continues to be the standard for A.A.’s voluntary system of financial contributions from its own members.



Alcoholic Foundation was supposed to raise enough donations (\$15,000) to finance the book.

The former plan included creating a “private marketing organization” or “publishing firm” as a separate arm of the Foundation.

Furthermore, Hank grandly proposed that if they received more money than needed to publish the book, they would partition and return the excess to the donors.

One obstacle after another resulted in his changing this charitable ideal into a more aggressive and self-serving fund-raising approach.



Hank's next idea: The One Hundred Men Corporation

October 1938, the stock “idea”

Shares: 200 Hank/200 Bill/200 to
sell at \$25 per share

No one was buying

Late October into November, Prospectus
that was organized and transparent

December 1938, stocks started to sell
and Bill finally writes “How It Works”

Forty-four-ish stock certificates sold
(10 to alcoholics)

\$4,475 helped get the book across the
finish line



The fall-out from the stock scheme begins

At least some of the investors had to be aware of and accepted Bill's and Hank's majority holdings.

Their expectation for commensurate compensation was certainly reasonable.

Ruth Hock received free shares for her extraordinary services rendered during the “flying blind” period.

Lack of transparency about the stock idea from its inception . . . and for some years after.

Not everyone was aware of the stock deal.

Dr. Bob approved, but withheld the scheme from Akron/Cleveland.

Clarence S. and the Cleveland group did not find out about the stocks until the prepublication manuscript came out.

This, along with other complaints, created an almost insurmountable fissure in the Fellowship.

Eventually, Hank became the villain but . . .

Bill claimed that he protested these irregularities.

. . . characterizing [Hank] as “the serpent in the garden” of this selfless new recovery movement is just too convenient; completely ignoring the fact that Bill undeniably accepted the apple Hank offered him and took a bite. (Schaberg, 302)

Hank drank.

In his anger and bitterness, he ignored Bill’s and others’ pleas to come back to the Fellowship.

Ending the stock scheme does not end A.A.'s troubles

Early 1940, it is clear the book is going to make a lot of money. Bill and the Trustees want to get the stocks turned over to the Alcoholic Foundation.

Hank held out.

Until he was desperate for money . . .

By 1942 the Foundation, with the help of a Rockefeller loan, purchased or were given the remaining stocks.

Foundation “thereby assumed ownership of both the publishing company and the book.” (Schaberg, 302)

Dr. Bob and Ann continue to receive royalties.

Later, Bill would receive royalties.

Hank would always feel he was treated badly. (*Pass It On*, 236)

Bill's royalties kept him at Headquarters.

A.A.'s budding unity was starting to disintegrate.

Consequences of the stock scheme were imminent.

It only got worse

Flashback: In March 1938, Hank recommended:

“The Fund” should “have a definite procedure for handling money that would be above reproach should hostile parties later make any investigations into their affairs.” (Schaberg, 92)

Forestalling all “jealousies and political possibilities.” (Schaberg, 93)

Around 1942, Hank fomented anger and suspicion in an already disgruntled Clarence and others in Cleveland.

Among several heartbreaking accusations:

- Bill and Dr. Bob made truckloads of money off the book.
- Bill happened to have with him a “certified audit.”
- Members of the committee said they really didn’t believe the accusations, but . . .
- All was forgiven;
- But not forgotten . . . even to this day.

Ironically, Hank laid the groundwork for A.A.'s corporate poverty, self-support and fiscal responsibility.

That, a few years later, saved Bill and Dr. Bob (and the Fellowship) from anyone who would accuse them of financial improprieties –

Hank P.

Lessons and principles come from tremendous pain

Bill tempered his sadness by defending his accusers

Some “were genuinely distressed by what they regarded as an attempt to commercialize A.A.”

Important to “set the record straight.”

Bill applied this to his own personal finances.

That the use of money in A.A. is a matter of the gravest importance. Where its use ends and its misuse begins is the point we should vigilantly watch. A.A. Tradition: How It Developed



Tradition Seven
and property –
the original Big
Book
manuscript

1978 –

Lois gave the manuscript to Barry L.

Barry died in 1985.

2004 when it surfaced for auction – sold
\$1.5 million.

2007 sold for \$992,000.

2017 manuscript reappears for auction
again.

\$2.4 million sale to a private owner with
substantial legal costs to A.A.



A.A. treasurers,
good group
practices, and
transparency

Support should come from the group.

Clear records.

Regular financial reports.

Substantive financial decisions made by
the group whenever possible.

Transparency and receipts.

Especially for the newcomer.

Equally important means of self-support!

Support should come from the group – but not just financially

Self-support (pointing directly to Tradition Nine) includes

- Committee service

- Service that helps to run the meeting

- Rotation and participation by all group members

Especially for the newcomer.

The ego-feeding proposition of alcoholics and money:

I purchased cups, coffee, and other supplies for a group.

I declined reimbursement – a donation to the group.

My motive was to be helpful, but:

I deprived all other members of the group responsibility,

For sharing the group's expenses,

For the group being self-supporting, and

For making the group “reliant” on my contribution.

I introduced an element of unpredictability in terms of operating expenses for the group.



A.A. members'
contributions
and our
primary
purpose

. . . we don't need money.
The core of our A.A.
procedure is one alcoholic
talking to another, whether
that be sitting on a
curbstone, in a home, or at
a meeting. It's the message,
not the place; it's the talk,
not the alms.

The (Language of the Heart, 84)

Coming up: the Eighth Tradition

In Tradition Eight, we will see how money continued to plague A.A. well after the “flying blind” period.

Bill referred to this next period as A.A.’s biggest test for unity of the Fellowship.

Could there be an Alcoholics Anonymous World Services if A.A. did not appropriately compensate its members and others to make Twelfth Step work possible?

Would you like a weekly reminder?
Put your email in the chat and I'll
add you to the list.

Comments and questions?

contact

Lyn S.

whatslenderthreads@gmail.com

+1-240-462-4641

www.onwhatslenderthreads.com