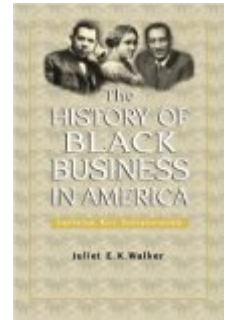


Juliet E.K. Walker. *The History of Black Business in America: Capitalism, Race, Entrepreneurship.* New York: Macmillan Press, 1998. xxv + 482 pp. \$56.25, cloth, ISBN 978-0-8057-1650-4.



Reviewed by Maceo Dailey

Published on H-Business (June, 1999)

In *The History of Black Business In America*, Juliet E. K. Walker makes a magnificent contribution to the literature on African American entrepreneurship and capitalism. Shattering myths, pointing to possibilities, and refining our thinking about procrustean racism, Professor Walker explores perceptively a world where blacks have been much maligned and vilified as incapable of mastering simple and/or world-shaking business attitudes and skills.

Writing boldly in her introduction, the author quickly alerts us to the value of the book: "Beginning in 1600s, Africans in America, slave and free, seized every opportunity to develop enterprises and participate as businesspeople in the commercial life of a developing new nation ... Why, after almost 400 years do we find black business activities in the late twentieth century existing at virtually the same level of industry participation as it did under slavery?"

From the first page of the book, we are carried through the maze of history to the answer: one that lies not in when-the-sinner-comes-to-the-mourner's-bench bromides, but the very serious

and destructive practice of American racism preventing blacks from access to resources and fair opportunities to develop. Professor Walker invites us to review and put asunder the old foolishness, the blaming the victim ad hominem argument, that black business failure and/or limited growth were rooted in African inexperience turned into African American ineptitude and lassitude.

Professor Walker was inspired to take up the question of the African American business ethos owing to the family lesson and lore of her great-great-grandfather, Free Frank (1777-1854), who entered the realm of commerce and business with good intentions that got good results. Previous scholars would have us believe that Free Frank was an anomaly in his determination and his more than modicum of success. Though he "could not read or write ... he could count," notes Walker. Free Frank established his own saltpeter (gunpowder) manufacturing business. He used profits to purchase his wife's freedom. In the intricacies of the slave world, Free Frank occupied a "triple status" as entrepreneur, intrapreneur, and field laborer, respectively operating his own business,

managing his absentee owner's farm, and producing as a worker. If Free Frank was in an awkward situation, he nonetheless made the best of circumstances in a world driven by capitalism. In this, he found himself within, as well as inspiration for, a great tradition of black men and women in business--dealing with the hard and unfair, but constantly showing resolve. If the stories of Free Frank and other African American business individuals were unappreciated by contemporaries, historians have compounded the ignorance by omitting black entrepreneurs and intrapreneurs from any serious discussion of the nexus between American racism and capitalism.

The evidence is overwhelming in Professor Walker's book that African slaves were not dumb-founded upon entry into America. Despite the disorientation, they found means of marketing goods for profits to improve their lot. Free blacks came forth too with similar stellar business strategies and successes. In the seventeenth century, Africans, as victims and profiteers, existed within a market for selling human capital on both sides of the Atlantic. Africans had great experience in market economies in their homeland as evinced by their trading organizations, secret societies, craft and merchant guilds, and cooperatives. African women also functioned significantly in trade and commerce on their continent. Certainly those skills were exported with them to the so-called new world, and their abilities were manifold in the names of Anthony Johnson, and later as attitudes and determination were carried over into the eighteenth and nineteenth centuries in the personages of Amos Fortune, Cyrus Bustill, Samuel Frances, William Leidesdorff, Stephen Smith, Norbert Rillieux, James Forten, John B. Vashon, Henriett S. Duterte, Eleanor Eldridge, and Lucy McWorter. But Walker reminds us that "Race-based exclusion from credit networks limited the commercial advancement of blacks throughout colonial America," as it did also in later centuries. Furthermore there were enacted laws to strip slaves of their property as they them-

selves used profits to purchase freedom for family members and friends, especially in the cases of slave women concerned about the welfare of their children. We are, perforce, made to face the fact that Africans and African Americans were thinking, business-minded individuals with agendas for progress.

Any doubt about a significant history of black capitalism prior to the late nineteenth century and early twentieth century should be dispelled by Martin Delaney's report in 1852, one giving an idea of the range of business activities of African Americans. Also the annual meetings of reform-minded blacks known as the National Negro Convention urged in 1834, in Hamiltonian fashion, that a black bank be created, and the convention underscored that idea again in 1847. One enterprising African American sought a seat on the New York Stock Exchange prior to the Civil War, but ultimately was denied in his request.

Black women during this period demonstrated their capability, though their numbers were small: in 1850, 438 of a total of 48,888 free African American females were property owners. Statistic revealed that by 1860 another 2,000 free black women in the South possessed property. The lesson was clear: "Those (women) who worked for themselves achieved more wealth than those who worked for others."

Within the pre-Civil War days was the embryonic black capitalism that gave rise to rapid movement in the period 1876-1901, dubbed the "Nadir" by scholar Rayford Logan (a conceptual framework we must now rethink owing to Professor Walker's book). Looked at another way, the era revealed the promises of freedom as mutual benefit societies and other youthful business enterprises were turned into manufacturing, real estate, banking, and insurance establishments. By 1876, some five million black southerners had purchasing power of \$300 million, remarkable when one considers the depths from which they came. By

1900, the total wealth of slightly more than ten million blacks was \$700 million.

African Americans had been enterprising enough to prepare their communities for the "Golden Age Of Black Business From 1900 to 1930," as Professor Walker sees it. She is right to redirect our attention to this era and the African American business dynamics now legendary black scholars of the period--Benjamin Brawley and Carter G. Woodson--understood and addressed so ably. Booker T. Washington's National Negro Business League was founded in Boston in 1900; W. E. B. Du Bois and John Hope even got a touch of capitalist fever as they adumbrated the "Talented Tenth" to action. Heman Perry of Atlanta, Madam C. J. Walker of New York, Jessie Binga of Chicago, Robert Church of Memphis, and Harry H. Pace of Chicago all proved to be some of the most imaginative and success-tasting black capitalists. Mound Bayou and Boley, respectively in Mississippi and Oklahoma, were townships demonstrating what black capitalism could do in microcosm. In other places in America, a black started a car manufacturing company; a company for making black dolls came into existence. Embalming fluid, hair care, and toothpaste producers emerged also during this period. Capitalist ideas abounded in the Universal Negro Improvement Association and Marcus Garvey-led black nationalist movement.

The Depression hit, however, and "New Thought" economic principles were born of necessity and introduced to black Americans most dramatically by the evangelist Father Divine (George Baker). Black churches and consumers came to believe in the "Double Duty Dollar" ("don't spend a dollar where you can't get a job"), as they established interracial Consumers Cooperative Associations and other economic projects for serving their communities. Blacks did much of this without the protection or encouragement of government, and, as Walker writes, we see in the later years the set asides of a paltry \$8.5 billion for minority corporations compared to \$246 billion for

white firms. So whites have had "affirmative action," so long built into the system that they sanctimoniously talk of free enterprise ability, individual initiative, and skillful business techniques as though they were endowed with them at birth and ordained with clever means of making money.

Coming to the modern period, the story revolves around many confident and enterprising African Americans such as H. J. Russell, John H. Johnson, Reginald Lewis, Ron Brown, Oprah Winfrey, Bill Cosby, Earl Graves, and Robert L. Johnson, a few of the nationally known individuals who strode on the scene knowing full well their abilities and what they wanted to achieve. In some instances, the black capitalists antedated the Civil Rights Movement. In other cases, they profited from the doors that were opened by the suffering and sacrifices of Rev. Dr. Martin Luther King, Jr., Malcolm X, Rosa Parks, Angela Davis, and H. "Rap" Brown. The emergent black capitalists of the post World War II era all demonstrated an ingenuous aptitude for business, despite being encumbered by racism as when the Federal Trade Commission peculiarly singled out John H. Johnson for scrutiny on one occasion and Reginald Lewis was indicted by foes for being "too greedy." One, therefore, cannot take lightly the observation of Beatrice founder and guiding force, Reginald Lewis, that "Here in this country there is a certain conspiratorial desire--regardless of what you do, how much you earn, you're still black. And that's meant to demean. But it only demeans if you allow it." The codeword in corporate America cannot be "beware of blackness," as it too frequently seems now! All benefit from inclusion; competition fosters better products, markets, and entrepreneurs. It remains for America to make this a reality as Professor Walker demonstrates so aptly in this book, a scholarly work that will remain the benediction for a long time to come on the meaning of the black American business tradition.

The prizes already bestowed on Professor Walker for this monumentally important book are well deserved. Picayune criticism, nonetheless, will surface, and here I can add my own by pointing to minor errors in spelling or printing: Herman Perry for Heman (p. 183) and Marvin Gay (p. 327) for Gaye. The last surname is also omitted from the index.

In addition in the category of perhaps asking too much of a scholar who already has done a prodigious amount of research: a fuller exploration is needed into institutional-church sponsored, black college curricula, and newspaper--endeavors to foster a black capitalist ethos and support for those business activities in the African American community. Howard University, for example, tried desperately in the twentieth century to direct attention to commerce, even exploring establishing a chair for the purpose. T. Thomas Fortune, the dean of African American journalism in the late nineteenth and early twentieth centuries (also both a Bookerite and Garveyite) sought to promote the concept of black capitalism on significant trips through the South and North.

Finally, while the book is compelling in its thesis, some may find it circumstantial in the absence of mastodon direct and systematic data (many times the hidden, misplaced, or destroyed evidence) showing that African American businesspeople hit that wall of racism when applying for loans or competing in markets. Whatever the pundits might argue, however, the reading audience should know that no effective discussion of the black community can go on without Professor Walker's book as a basis for understanding the peculiarities and promises of Black life in America.

Copyright (c) 1999 by EH.NET and H-Net. All rights reserved. This work may be copied for non-profit educational uses if proper credit is given to the author and the list. For other permission, please contact the EH.NET Administrator (administrator@eh.net; Telephone: 513-529-2850; Fax: 513-529-3308).

If there is additional discussion of this review, you may access it through the network, at
<https://networks.h-net.org/h-business>

Citation: Maceo Dailey. Review of Walker, Juliet E.K. *The History of Black Business in America: Capitalism, Race, Entrepreneurship*. H-Business, H-Net Reviews. June, 1999.

URL: <https://www.h-net.org/reviews/showrev.php?id=3190>



This work is licensed under a Creative Commons Attribution-Noncommercial-No
Derivative Works 3.0 United States License.