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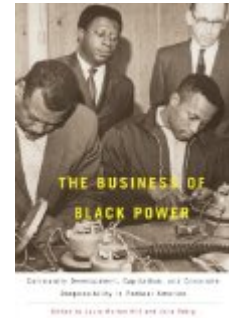
in the Humanities & Social Sciences

Laura Warren Hill, Julia Rabig, eds. *The Business of Black Power: Community Development, Capitalism, and Corporate Responsibility in Postwar America*. Rochester: University of Rochester Press, 2012. 354 pp. \$29.95 (paper), ISBN 978-1-58046-440-6.

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Making Black Power Pay

In the subtitle of *The Business of Black Power*, editors Laura Warren Hill and Julia Rabig tackle what appears on the surface conflicting models of economic power: “capitalism” and “community development.” The essays in the collection wrestle with the relationship between these paradigms of economic development by focusing on a specific moment in US history: the Black Power era. As broadly conceived by the new Black Power studies, the era stretched from the late 1950s to the early 1980s although the works here focus on the mid-1960s to the late 1970s.

The essays make significant contributions to the historiographies of business history and Black Power history. Issues of race, gender, and class, so integral to understanding power, identity, and meaning in US history, reveal their analytic and interpretive value in telling these stories that conventional business histories often fail to grapple with or take the full measure of. The more ambitious histories of capitalism remind us that race, gender, and class are not just incidental but fundamental in exploring how business is done. *The Business of Black Power* tackles just such an ambitious project.

To their great credit, the contributors mine traditional and nontraditional business sources, such as annual reports, marketing materials, corporate memoranda and correspondence, community newsletters, and oral histories. They recover the oft-ignored economic ambitions of the movement, something that contemporaries openly

conceded but that historians have been slow to acknowledge despite the movement’s professed commitment to economic development. The editors critique black capitalism as an ideology that shaped black liberation efforts, as a principle that guided government and corporate initiatives, and as a practice that worked within and outside of the separate black economy.

The Business of Black Power focuses squarely on those economic dimensions of Black Power. Black Power activists and scholars alike certainly critiqued capitalism and addressed issues of economic justice, particularly through community-based activism to eradicate poverty and articulate welfare rights. However, labor and business creation were also significant. Indeed, a Black Power advocate in late 1960s Rochester expressed the sentiment that “all power—political, social, and civil—derived from economic power” (p. 53). The present collection explores the complicated story of economic justice and reestablishes the place of black capitalism within the Black Power movement.

The contributors complicate our understandings of Black Power—as an aesthetic, ideology, and praxis—and, especially important, they also contest traditional notions of capitalism. As such, private corporations make limited appearances in the volume. Indeed, five of its nine essays focus on community development corporations (CDCs), because, as Rabig offers, “CDCs represented the potential embodiment of the business of

Black [P]ower because they combined the promises of locally responsive decision making with seemingly vibrant models of economic development” (p. 246). CDCs are community-based, nonprofit organizations that direct private capital and federal funds to develop infrastructure, improve housing, do community planning, and provide social and cultural services within specific communities. In many instances, CDCs also own and operate or manage businesses. In focusing on entities like CDCs, the essays reveal the dynamism within definitions of capitalism and the flexibility in considerations of capitalists. Idealistic individuals and groups hoped to turn the bittersweet and incomplete victories of the modern civil rights movement into more tangible benefits for people on the lowest rungs of the US social and economic ladder, like wealth building, adequate housing, and community-based institutions.

In the introduction, entitled “Toward a History of Black Power,” Hill and Rabig achieve two goals in their cogent survey of black business history from 1900 to the 1970s: they contextualize black business within African American historiography and recover the economic dimensions of the Black Power movement. They describe the historiography as reflecting various periods when either the separatist or integrationist orientation prevailed over the other: “when separatist thought was strong, integrationist thought was weak” (p. 16).[1] For example, Hill and Rabig argue that separatism peaked in the first few decades of the century because of transformations in the US economy, new patterns of consumption, and the crystallization of Jim Crow. Around World War II, however, an integrationist sentiment prevailed as African Americans leveraged the federal government and the postwar labor boom. During the Black Power era, African Americans came back full circle: “African Americans once again closed ranks to pursue Black business” (p. 16).

This is a very successful essay on many scores but potential readers should be aware that this neat chronology comes at a cost. Periodizing integrationism and segregationism limits the ability to thread together how historic actors operated creatively within and outside of structural constraints and opportunities. Without a more self-conscious acknowledgement of the ways that the two ideologies are intertwined, the histories presented here run the risk of being seen as mere isolated incidents not essentially connected to events in the past and having very little to do with the present. Indeed, separatism and integrationism should be understood as fractious elements in tension with each other at the same time rather

than as discrete ideologies that peak at various historical moments. Some recent black business scholarship not only acknowledges both ideological orientations but also complicates their actual practice.[2]

The two chapters in part 1 “Black Capitalism in Pursuit of Black Freedom,” explore corporations, CDCs, and an economic development corporation (EDC). In “FIGHTing for the Soul of Capitalism: Struggles for Black Economic Development in Postrebellion Rochester,” Hill highlights Rochester as an unlikely place for a race riot and for a pioneering partnership between Black Power and civil rights activists and major US corporations. Hill charts the contentious relationships between and among activists in FIGHTON and the executives at Xerox and Eastman Kodak. Both sides embraced the advantages of job training and placement, especially for the “hard-core unemployed,” but held competing notions of what black economic development and ownership actually meant and the roles the other should play (p. 53).

Nishani Frazier’s essay, “A McDonald’s That Reflects the Soul of a People: Hough Area Development Corporation [HADC] and Community Development in Cleveland,” is the only one of the book that focuses on an EDC, a type of CDC that focuses more specifically on business development. The HADC experimented with communally owned franchises as a way to “build collective wealth” and exercise “community control” (pp. 68, 72). Frazier’s is a fascinating story of internal dissension: fundamental differences in the goals and visions of various Black Power factions within and outside of the EDC rendered it vulnerable to criticism in the white press and provoked the very smothering oversight by the federal government that HADC’s leadership wanted to avoid.

The two chapters in part 2, “Selling Women, Culture, and Black Power,” turn to businesses focused on women consumers. In “Black (Buying) Power: The Story of *Essence* Magazine,” Alexis Pauline Gumbs reconsiders the economic motivations of the magazine’s founders and the tensions between their desire to make the magazine a profitable one, promote black feminist perspectives, and advance the Black Power aesthetic and its politics: “*Essence* became a project that both exploited and empowered Black women” (p. 97). In “Creating a Multicultural Soul: Avon, Corporate Social Responsibility, and Race in the 1970s,” Lindsey Feitz recounts Avon’s more successful trajectory of commodifying the Black Power aesthetic, though admitting the biggest casualty was “the decline of Black-owned beauty companies” (pp. 116-117). Feitz outlines the evolution of Avon’s three-part corpo-

rate social responsibility (CSR) strategy in the early seventies; its partnership with black public relations firms and organizations like Operation PUSH (People United to Save Humanity); and the decline of black-owned beauty firms. Avon aggressively pursued CSR—not from a high-minded desire to address its lack of focus on women who fell outside of its white, suburban housewife business model but out of twin desires to increase its market share and to avoid government intervention. The visibility of the Black Power movement, riots in urban cities, and calls for national boycotts convinced Avon “that racism was an economic liability” (p. 122).

The two chapters in part 3, “The Business of Black Power in City and Suburb,” reconfigure the relationship between power and capitalism outside of either CDCs or private corporations. The works in this section most aggressively challenge the boundaries of what constitutes capital and capitalists. In “From Landless to Landlords: Black Power, Black Capitalism, and Co-optation of Detroit Tenants’ Rights Movement, 1964-1969,” David Goldberg contends that direct action on the part of tenants’ rights groups falls within the purview of capitalism studies: “By shifting from landless to landlords, Detroit tenants’ rights movement activists attempted to put community control and Black Power into practice by rehabilitating low-income housing that would be collectively owned and managed by tenants themselves” (p. 158). Goldberg focuses on the coalitions and contests between slumlords, civil rights organizations, religious leaders, corporate liberals, and federal bureaucrats. He uncovers the complex story of tenants’ efforts to secure and mobilize private and public funding for cooperatively owned low-income housing. Andrea Gill’s essay “‘Gilding the Ghetto’ and Debates over Chicago’s *Gautreaux* Program” focuses on a series of lawsuits in Chicago that challenged racial discrimination in federal housing and sought solutions that ranged from relocation to rehabilitation of existing housing stock. A constituency upon which the litigants expected support, namely, successful black housing developers and small business owners, fought against the notion of cooperative capitalism and evaded efforts to initiate the *Gautreaux* decision. Although these historical actors stressed collective ownership, they also engaged with more conventional capitalism in their desire to direct private and public investment, utilize existing minority-owned construction firms and skilled tradespeople, and build up an infrastructure of small businesses and social service agencies in the community. This section most vividly engages the editors’ broader purpose of exploring how business embraced the Black Power

paradigm rather than merely exploring how businesses operated during the Black Power movement.

The final section, part 4, “Community Development Corporations and the Business of Black Power Policy-making,” contains two essays that revisit the CDC. In “‘What We Need Is Brick and Mortar’: Race, Gender, and Early Leadership of the Bedford-Stuyvesant Restoration Corporation [BSRC],” Brian Purnell not only interrogates Black Power themes within a CDC about which a substantial literature already exists but also draws out the dynamic processes of race and gender. Purnell highlights how gender-inflected ideologies shaped consideration of the problems—and solutions—for economic development in the New York neighborhood. “‘A Fight and a Question’: Community Development Corporations, Machine Politics, and Corporate Philanthropy in the Long Urban Crisis” by Rabig explores three CDCs in Newark, New Jersey, that sprang from divergent ideological sources and relied on distinctive strategies but shared a common vision. The Tri-City Citizens Union for Progress relied on a hybrid black capitalism and labor union model; the Congress of African People attempted to integrate cultural nationalist ideology and institution building; and the New Community Corporation, the most successful of the three, capitalized on militant-minded church activists and Catholic Church networks. Rabig does a fine job of distilling the key experiences and personalities of each group. Michael O. West rounds out the volume with an essay that briefly comments on the works in the volume, and Robert E. Weems concludes the collection with an epilogue that ruefully ponders “Whatever Happened to the Business of Black Power?”

The multiple essays in this volume that involve CDCs are meditations on a common theme: the failure of these various groups to achieve long-term financial success for themselves or their communities. (In this way, they echo the experience of many businesses with less high-minded goals.) Indeed, the history of American business is more accurately one of failure than resounding success.[3] Small victories are pyrrhic ones, as activists and groups find themselves unable to overcome either the obdurate problems of unemployment and poverty or the snares of chronic underfunding and lack of political will. Though dogged by failure to achieve their goals, these rich, local histories reflect that activists fully believed they could wrest from large corporations, national organizations, and local and federal governments the tools they needed to combat poverty, build wealth, and secure the elusive “American Dream” for millions of Americans, especially people of color living in some of the nation’s

poorest areas.

My sorest point of contention with the collection is that, for a work that makes such significant inroads into understanding black capitalism, the most practical expressions of “black capitalism” in the form of black-owned businesses seldom appear in the book. How did older and newer black businesses deal with the Black Power aesthetic and increased competition with white businesses? How did the activities and demands of black-controlled CDCs and EDCs affect black businesses’ approaches to CSR? The deficit is due, in part, to the volume’s great strength: sources. The rich sources are invaluable in telling the stories in the volume but, in their absence, vex the telling of others.

More explicit connections with the long history of black business might address the absence of black-owned businesses. Indeed, the polarization of separatist and integrationist orientations outlined in the introduction limit the ability of the works in the collection to connect with that longer history. Many of the essays do highlight connections between civil rights movement institutions and activists. But what about other legacies? How did these activists draw on the strategies and tactics of previous generations of civic, religious, and business leaders seeking similar goals for economic justice? More specifically, did these activists rely on networks established through or draw from family or community members involved in earlier pro-black business organizations, like local branches of the National Negro Business League, Universal Negro Improvement Association (UNIA), or National Housewives’ League (NHL)? The UNIA and NHL in particular experienced their largest bases of support and greatest influence in the very northeastern and midwestern urban centers that animate these essays.[4] Surely, these institutional legacies continued to influence and inform activists less than a generation removed.

As a whole, *The Business of Black Power* reveals the allure and the challenge of striking a tenable balance between ideology and praxis. The desire to do good and to make a profit are not mutually exclusive orientations. Rather than see the capitalist impulse as sully the motives or undermining efforts for black liberation and economic justice, the essays reveal them as highly nuanced and complicated processes with competing visions of how to achieve those goals. For all of these reasons, Hill and Rabig certainly succeed in their stated purpose to uncover and analyze “the multifaceted and wide-ranging strains of economic development in the era of Black Power” (p. 1).

This collection merits the attention of many business historians. The work enthusiastically engages efforts to unite complementary strains of economic, social, and political histories. As a result, it makes business history more inclusive and accessible to a broader range of scholars and students. *The Business of Black Power* also reflects the trend to embrace a broader range of institutions and actors in studies of capitalism. The actors are varied—federal and municipal agencies, politicians, corporate executives, local business owners, religious groups and leaders, and civic and community groups. They also felt varying levels of comfort with the insistent calls for race pride, power sharing, and economic justice. In highlighting activists’ efforts to bend capitalism to the cause of black liberation, the work illuminates a critical moment in both economic and cultural history. Finally, it challenges conventional boundaries around capitalism, encouraging scholars to see its presence in unexpected places. This collection is highly recommended reading for scholars of post-World War II business, urban, and African American histories and for activists and policymakers dealing with current issues of economic development and empowerment.

Notes

[1]. For an alternate periodization of black business historiography, see Shennette Garrett, “A Historiography of African American Business,” *Business and Economic History* 7 (2009): <http://www.thebhc.org/publications/BEHonline/2009/beh2009.html>.

[2]. Consider Tiffany M. Gill, *Beauty Shop Politics: African American Women’s Activism in the Beauty Industry* (Urbana: University of Illinois Press, 2010). Assessing the early decades of the twentieth century, Gill writes, “increased violence and hostility toward African Americans led the black community to look internally to create and sustain politically and economically independent families and communities, leading to an expanded role for black women who politicized their roles as mothers and educators and a heightened importance given to a nationalistic economic agenda” (p. 11). However, she recognizes several factors that complicated just how internally or externally oriented beauticians, beauty schools, and manufacturers actually were in practice, including the complexities of identity politics, the continued competition with white- and foreign-owned businesses, the reality that some black beauticians retained a whites-only clientele, and “the gendered rhetoric of economics and entrepreneurship within the racial uplift ethos” (p. 12). In addition, Juliet E. K. Walker’s re-

vised and updated survey of black business further highlights the tensions among integrationism and segregationism since enterprising Africans first arrived on the North American continent. In their consideration of mid- and late twentieth century black business and the federal government, Robert E. Weems and Lewis A. Randolph also capitalize on the integrative theme of “self help” in black business development and utilize an institutional focus to highlight complex intersections within and between the two ideological orientations. See Juliet E. K. Walker, *The History of Black Business in America: Capitalism, Race, Entrepreneurship*, vol. 1, *To 1865* (Chapel Hill: University of North Carolina Press, 2009); Juliet E. K. Walker, *The History of Black Business in America: Capitalism, Race, Entrepreneurship*, vol. 2, *Since 1865* (New York: Twayne Publishers, 1998; rev. ed., Chapel Hill: University of North Carolina Press, forthcoming 2013); and Robert E. Weems and Lewis A. Randolph, *Business in Black and White: American Presidents and Black Entrepreneurs in the Twentieth Century* (New York: New

York University, 2009).

[3]. See Scott Sandage, *Born Losers: A History of Failure in America* (Cambridge: Harvard University Press, 2005); Patrick Fridenson, “Business Failure and the Agenda of Business History,” *Enterprise and Society* 5, no. 4 (December 2004): 562-582; and Jocelyn Willis’s forthcoming, tentatively titled “The Gilded-Age ‘Smash-Up’: Personal Relationships, Financial Entanglements, and Small Business Failure in Nineteenth-Century Brooklyn.”

[4]. Good examples of pro-black business activities within 1930s-era NHL locals include Victoria W. Wolcott, “Economic Self-Help and Black Nationalism in the Great Depression,” in *Remaking Respectability: African American Women in Interwar Detroit* (Chapel Hill: University of North Carolina Press, 2001), 167-206; and Cheryl Lynn Greenberg, “Don’t Buy Where You Can’t Work,” in *Or Does It Explode? Black Harlem in the Great Depression* (New York: Oxford University Press, 1997), 114-139.

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