

CARTON 129

WRITINGS

[UNTITLED] "REAGANISM, RACISM AND
CAPITALIST ECONOMIC REACTION..."

CIRCA 1982

2017/193
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Reaganism, racism and capitalist economic reaction provide the terrain for Black struggle in the 1980s. Under the Reagan Administration, American capitalism is currently attempting to respond to a profound structural crisis within the system. Reagan's bestial affirmative action policies and cutbacks in health care, welfare, and social services are only secondary aspects of a more basic effort to accelerate the accumulation of capital by superexploiting the working class, Blacks and Latinos. In the face of capitalism's uneven lurch toward authoritarianism and fiscal susterity, Black political opinion is divided. A significant sector of the Black elite has been coopted into politics of neoconservatism and "Black Reaganism." Other Civil Rights leaders, members of the Congressional Black Caucus and Black trade unionists have moved cautiously to the left, advancing left Keynesian economic policies and a social democratic political agenda. Pressures from Black workers and the permanently unemployed, the immediate victims of Reaganomics, have forced the Black elite's activists to initiate boycotts, protest marches and militant demonstrations against the racist right. More significantly, progressive Black nationalists succeeded in 1980-81 to institutionalize two major forums for Black struggle--the National Black Independent Political Party and the Black United Front. As the crisis deepens within the economy, a general realignment within Black politics will occur. The effort to overturn Reagan is producing the foundations to overturn the entire racist/capitalist state itself.

II

By the summer of 1981, the essential features of Reaganism had become brutally clear. In the area of affirmative action, Reagan mounted "a callous, insensitive and misguided abandonment of traditional remedies for employment discrimination followed by every Administration since Franklin D. Roosevelt," in the words of Representative Augustus Hawkins.¹ The Department of Labor, for example, weakened an executive order which forces corporate recipients of federal contracts to file affirmative action programs. Under new rules, the minimum level for submitting such plans was raised from \$50,000 to \$1 million contracts. Annual affirmative action plans will be scrapped and employers will be reviewed only once every five years. The Department of Education pressured the Justice Department to delete anti-sex bias laws against female employees of educational institutions. The Office of Federal Contract Compliance Programs privately instructed its field staff "to cut back enforcement activities." David Stockman's Office of Management and Budget advocated tightened rules under which Blacks, Latinos and women could claim back pay for previous discrimination. Under Reagan, the Civil Rights Divisions of the Justice Department filed only five civil lawsuits on discrimination issues in its first six months, compared to 17 suits under Carter and 24 suits under Nixon in the first six months of their Administrations. After almost one year, Reagan's lawyers had filed less than a dozen objections under the Voting Rights Act. Melvin L. Bradley, the senior Black official at the White House, defended his boss to the press, explaining that "when faced with a set of circumstances he will, in my opinion, do the right thing, no matter what his real appreciation for what the Black experience is." More candidly, White House spokesperson David R. Gergen admitted, "I don't think he's a crusader for civil rights."²

The most widely publicized effects of Reagan's budget cuts involved welfare and human services programs. On October 1, 1981, over 400,000 families were removed from federal and state welfare roles. New rules for Aid to Families with Dependent Children (AFDC) were punitive at best. The amount of assets a family could own and still receive public benefits was cut from \$2000 to \$1000; food stamps and housing subsidies were now included as personal income in determining welfare; undocumented workers and strikers were declared were declared ineligible for AFDC.³ On September 4, 1981, the Agriculture Department reduced the amount of food served to 26 million children in more than 94,000 schools throughout the country. Dietary allowances were distorted in order to reduce federal expenditures for school lunches. At one point, Reagan's nutrition experts had even classified catsup and pickel relish as vegetables.⁴

Within months, Black national opposition to Reagan's social policies--the abandonment of affirmative action, civil rights legislation, etc.--was virtually unanimous.⁵ Most Blacks attacked Reagan's budget cuts and gross expenditures in military hardware as socially unproductive. But on fiscal policies, no real Black consensus emerged as to the reasons for the emergence of Reaganomics at this time which could lead towards a general critique of modern American capitalism. Indeed, most Black criticisms of Reaganomics were at best highly confused and lacked any basic comprehension of the capitalist prerogatives behind the current public policies of the Reagan Administration. Testifying before Congress, Chicago Urban League director James Compton suggested that he "could support" Reagan's agenda if it created "more employment opportunities for minorities."⁶ The board of directors of the NAACP proposed the adoption of an alternative federal budget which increased defense expenditures and resulted in a \$55 billion deficit, but also raised the income tax exemption for a family of ^{four to \$10,000 annually. The general} direction of the proposal was a fairly conservative form of Keynesianism, not unlike the austere 1981 budget of Carter.⁷ Some Black commentators suggested that Blacks themselves were somehow to blame for the economic mess. "With the

Reagan budget cuts in full swing some middle class Blacks are beginning to feel the razor's edge inching closer and closer to their necks," columnist Joyce Daniels Phillips wrote in the Jackson Advocate. The solution was developing a new set of austere socioeconomic values: "cutting back on material possessions, monthly mortgage payments, exorbitant car notes, and numerous charge accounts."⁸ A few Black politicians, such as Representative Harold Washington, attacked Reagan's budget cuts and tax policy as "nothing more than a transfer of wealth back to the rich from the poor," but professed no radical alternative fiscal program.⁹ Some Blacks denounced Reaganomics by declaring that the President was racist--without a concomitant explanation suggesting why neither Nixon nor Carter, who were equally racist, had not advanced these specific fiscal policies. Still others asserted that Reaganomics was merely economic "evil", and that "Reagan is the antichrist."¹⁰

In order to transcend the mystification and metaphysics which passes for analysis, a critique of Reaganomics must begin with simple question: who benefits from the policies, and who loses? Three brief illustrations should suffice--food stamps, public housing, and Medicaid. According to the Bureau of the Census, 5.9 million households received food stamps in 1979. The median annual income of these families was \$5,300, and 77 percent had incomes below \$10,000. About 2.1 million household recipients of food stamps were Black, or 35 percent, and 600,000 households were Latino. 3.7 million families, or 63 percent of food stamp recipients were white. Last year 2.5 million households lived in public housing. Half of these families lived below the official poverty line, and the median annual income for the households was \$4,980. 1.5 million households, 59 percent, were white; 1.0 million were Black, and 200,000 were Hispanic. The Census data illustrates that 18.1 million individuals or 8 million households were enrolled in the Medicaid program in 1979. 2.4 million households, 30 percent, were Black; 700,000, 9 percent were Latino; 5.4 million, 68 percent were white. A third were over 65 years old, and 36 percent of the households were headed by a single female. Reagan's budget cutbacks affect Black people proportionately more so than whites primarily because Blacks are more viciously oppressed than other sector of the working class. It is important to note, however, that a

majority of the potential victims of Reagan's cuts are white--the elderly, the unemployed, women, and the poor. As racist as Reagan's social policies actually are, we must also recognize the class aspect of the assault, which is aimed principally at all lower income groups irrespective of race.¹¹

Reaganomics should be understood, fundamentally, as a conservative political response to the organic crisis of capital accumulation. Since 1973, real wages for American workers dropped almost 13 percent. The official unemployment rate for Black workers, a figure far below the actual jobless ratio, increased from 7 percent in 1970 to about 15 percent. But things have not been rosy on Wall Street, either. From 1975 to 1980 total U.S. corporate profits after taxes averaged \$104.3 billion per year; from 1965 to 1970, the average was \$100.9 billion. In other words, total corporate profits adjusted for inflation rose only 3 percent in one decade. During this period, by way of contrast, the gross national product, which is the capitalist economy's total output of commodities and services, increased 35 percent. The real value of corporate stocks on the Dow Jones Exchange has plummeted 40 percent since 1970. Corporate projections for the 1980s in many industries are even more disasterous. The average return on equity for older industries (steel, auto, construction, etc.) was 14 percent in 1975, 8 percent last year, and is dropping sharply. Since 1973, 23 major tire plants were closed; 11 percent of U.S. steelmaking capacity was "phased out" between 1977-1980. About 400,000 U.S. workers lost their jobs in 1979 alone due to plant relocations or closings. Older industries hurt by increased petroleum prices in the wake of the 1973-1974 OPEC embargo privately admit that many firms will not be able to afford key oil resources for production in the late 1980s. Business Week recently projected that oil prices, currently about \$34/barrel, will range conservatively between \$77 to \$177/barrel by 1990. The period of American capitalist hegemony over the world's human and material resources, from 1945 to 1973, has come to an unceremonious end. The fiscal crisis of the state and many industries now only generates permanent inflation, high unemployment, and social chaos.¹²

All businesses within a capitalist society must continue to expand, in other words, to accumulate and reinvest capital derived from the surplus value exploitation

of workers. What is termed "Reaganomics" is actually a coherent political strategy "to conserve the economic power and privilege of the dominant capitalist class while revitalizing the economy" at the expense of Blacks, Latinos, the working class and the poor. Economist Thomas Weisskopf outlines this conservative agenda as follows:

Reindustrialization and growth are to be stimulated by a sharp rise in corporate profitability and in the economic rewards to top executives and managers. To re-inflate profits and stimulate growth on terms most favorable to the economic elite, it will clearly be necessary to cut back on the economic claims of almost everyone else. Thus the growth of workers' wages and the whole apparatus of the welfare state--social security, publicly supported medical care, unemployment compensation, aid to urban areas and small businesses, etc.--must be trimmed. Moreover, those types of government regulation that aim to serve social goals by imposing costs on business by restricting their decision-making freedom--e.g., legislation to protect the environment, consumers, workers, and minorities--must be curtailed.¹³

Given the intensity of the financial crisis, Reagan's programmatic thrust becomes clear: reduce the wages of workers, abandon environmental standards, reduce or eliminate the social wage (health care, unemployment compensation, etc.), destabilize trade unions and bust public employee unions (e.g., the vigorous suppression of the air traffic controllers strike, increase the level of permanent unemployment, and reduce corporate taxes to zero.

Regan's ambition to restructure U.S. capitalism and to eliminate the social wage cannot be achieved without creating permanent divisions within these working class/national minority groups. The primary tactic used has been the careful manipulation of social and culutral issues which have a special appeal to white ethnics and lower income groups. This reactionary social agenda advocates: an end to any and all forms of abortion; a restoration of prayer in public institutions; the maintenance of local schools and opposition to federal court-ordered busing; the defeat of the Equal Rights Amendment, gay rights legislation and all forms of federal or state intervention in the private sector promoting affirmative action in hiring policies; the renaissance of patriotism, Anti-Communism and the "work ethic." An important part of this cultural counter-revolution is the Moral Majority and other rightwing political action committees and lobbying agencies which have evolved from the modern evangelical religious movement. The ideological apparatus of the racist/capitalist state creates

"allies" within the very sector of the working class that it is committed to exploit and even to destroy.

Ironically, there is absolutely no indication that ^{Reagan's} program, even if enacted in its totality, would cement the diverse class forces it proports to serve. On May 28, 1981, Reagan complained before a conference of state and local officials that financial markets were unjustifiably critical of his tax cut proposals. "I have never found Wall Street a source of good economic advice," he snapped. The finance community "looks through a very narrow glass" and insists on musunderstanding (his) administration's agenda. The response from Wall Street was blunt and swift. A first vice president of Bache Halsey Stuart Shields informed the Times that "Reagan's comments (were not) justified, since Wall Street's qualms are well taken." Even Reagan's own \$20-50,000 income constituency worries that their President's policies will not be very effective. One recent Lou Harris poll reports that by a margin of 55 percent to 35 percent that the middle class "believes that inflation and interest rates will still be in the double-digit range" in the end of 1982. Most investment analysts have projected the rate of inflation to average about 9 percent annually in the 1980s, about the same level that existed between 1975-1981.¹⁴ In a survey of corporate executives whose incomes averaged \$90,000 per year, completed in mid-May, 1981, by accounting firm Ernst and Whinney, over half said "they did not expect their standard of living to improve in the next two years, and despaired of keeping up with inflation." Almost one-fourth of these executives stated that their "only strategy for combating higher prices was simply to monitor personal spending more closely."¹⁵ Many mortgage owners are so hard-pressed for cash that they have stopped paying their notes. According to the Federal Home Loan Bank Board, holders of over \$6 billion in mortgages are at least two months payments passed due-an unprecedented figure.¹⁶ The total debt for residential mortgages now exceeds the one trillion dollar federal debt. Outstanding loans owed by consumers, \$320 billion, exceeds the total amount of all corporate profits before taxes by almost \$100 billion. The economic foundations of American capitalism have not been so fragile since the Great Depression.¹⁷

The general attitude of most Black, liberal and feminist critics of Reaganism

either discounts a socialist economic alternative ^{or} projects a revised version of Keynesian and the welfare state. These reformist proposals, advanced by groups such as the NAACP, National Organization of Women, and a majority of Democratic Party liberals and some moderates, include efforts to restrain wage growth (wage-price controls), allocating federal government contracts to corporations prepare to reorganize themselves, bailing out failing industries (such as Chrysler), maintaining vigorous federal social programs (e.g. consumer safety, environmental protection, affirmative action, civil rights) and reducing tax burdens for low-to-middle income groups. This Keynesian strategy would only work in a period of massive capitalist expansion. It would not provide sufficient funds to restore older industries without generating massive federal deficits, which would inturn keep interest rates above 20 percent and threaten the stability of most banks and the stock market. In this crisis period of capital accumulation, only ~~two~~ long-term outcomes are possible: the acceleration of the corporations' exploitation of Blacks, the working class, and the poor, or the nationalization of heavy industries, the means of transportation and financial establishments by the public, and a general socialist reconstruction in America. Either the interests of maximizing profits come before human needs, or the system is restructured to place people before profits.

The inevitable failure of Reaganomics is a self-fulfilling prophesy. Reagan's newest round of budget cuts promises to create legions of enemies, even among white, ethnic, working class voters, a central part of his electoral constitutncy. The great danger in this impending failure is two-fold. First, the majority of Civil Rights, Chicano, feminist, et.al. leaders have not yet assessed the profound dimensions of the crisis of capital accumulation. Franklin Williams, the director of the Phelps-Stokes Fund, commented recently that **in** response to the current national mood, liberals seem to have raised the white flag of surrender." Many Democratic lawmakers, feminists and civil rights supporters "seem tired, utterly befuddled and strangely quiet."¹⁸ A stale rehash of the Great Society, or even a "moderate" version of Reaganomics, will neither inspire nor organize the forces for fundamental progressive

change. Second, the proponents of Reaganomics will only be able to institutionalize their racist/capitalist offensive by developing an elaborate system of authoritarian repression and social control over the working class. Reagan and the corporations are committed to the salvation of capitalism, and would not hesitate to scrap the liberal democratic apparatus if it got in the way of renewed capital accumulation. Massive political repression against the perceived or real enemies of corporate America-- Black and Chicano nationalists, Marxists, democratic socialists--would not end on the fringes of the left. It would perhaps include any and all militantly dissident voices-- feminists, environmentalists, anti-nuclear power activists, trade unionists, Civil Rights leaders, welfare rights workers, social democrats within the Democratic Party. By the end of the 1980s, the fight for socialism will become a fight to preserve democracy.¹⁹

III

The Reagan Presidency, the rise of white vigilante violence against Blacks and the organic crisis within the capitalist political economy all combine to make the 1980's potentially both the most dangerous yet promising periods for Black politics in recent history. Many Black commentators consoled themselves in the wake of the "Reagan mandate" with the thought that Blacks must inevitably pull together to confront the common enemy. Reagan's Black apologists were few in number during the 1980 Presidential campaign. But in December, 1980, 125 Black academicians and business leaders caucused in San Francisco at a conference held by the Institute for Contemporary Studies to discuss the directions for Black conservatism. Organized by Hoover Institution economist Thomas Sowell, the conference featured Reagan advisors Edwin Meese and Milton Friedman as honored guests. This meeting marked a significant turning point for national Black politics, for it dramatized and made public the severe contradictions on major political, economic and educational issues which divided the members of the Black elite. By the autumn of 1981, differences within the elite had become so intense that any possibility of building a consensus position on major public policy issues was lost. Dissent within the ranks was the order of the day, as Black actors opportunistically seized the subordinated roles which were given to them. A new political current was born-Black Reaganism.²⁰

Black conservatives do not represent a monolithic political/social force, but rather have evolved from radically different sectors of Black society. In brief, there are at least four overlapping categories of Black Reaganites: conservative Black politicians; Black philosophical conservatives; Black corporate executives, business managers and Reagan administrative appointees; and former Black Power activists and nationalists who have not fully embraced Reaganism but nevertheless have become so closely aligned with this rightist trend that they merit the obloquy "fellow travellers." Some of the most prominent Black Republicans of the past two decades have been W.O. Walker, publisher of the Cleveland Call and

Post and head of the national "Blacks for Reagan-Bush" organization in 1980; former Massachusetts Senator Edward Brooke; James Cummings, leader of the National Black Republican Council; Art Fletcher, former executive director of the United Negro College Fund and Labor Department officer under Nixon; Samuel Pierce, Reagan's Secretary of Housing and Urban Development; and William T. Coleman, Ford's Secretary of Transportation. These Blacks were subordinates within the Rockefeller wing of the Republican Party during the 1960's and early 1970's. During the Nixon Administration they consistently supported affirmative action programs, civil rights legislation and federal assistance to Black-owned businesses. Coleman had been part of the legal team which successfully challenged school segregation laws in the 1954 Brown decision. During his two terms in the Senate, Brooke had been among the most consistently liberal voices in Congress. Like other liberal Republicans, notably former New York Senator Jacob Javits and Illinois Senator Charles Percy, they strived to reconcile their belief in limited federal government and unfettered capitalism with the desegregation of white civil society and equal opportunity legislation to promote the development of a Black petty capitalist class.²¹

The philosophical conservatives properly belong to the rabid right wing of the Republican party, advocating Milton Friedman's version of laissez faire capitalism, state's rights, and a dogged hatred for left-of-center politics. This militantly rightist faction includes Walter Williams, professor of economics at George Mason University; J.A.Y. Parker, a former official of the anticommunist Young Americans For Freedom and currently president of Lincoln Institute and Educational Foundation; and Wendell Wilkie Gunn, assistant treasurer of Pepsi Corporation. The titular leader of this tendency is Thomas Sowell, Ronald Reagan's favorite "House Nigger." After serving in the Marines, Sowell attended Howard University. Considering himself a Marxist, Sowell eventually received graduate degrees at the University of Chicago and Columbia.

As he moved up the academic ladder his ideological views grew increasingly conservative. By the late 1960's he had become a Goldwater Republican and a bitter opponent of the welfare state. He condemned the emergence of Black Studies and Black campus activism. By the election of Carter, Sowell had come to repudiate most of the ideals of the Civil Rights Movement. He condemned affirmative action legislation as detrimental to Blacks' interests. His prescription to the plight of poor education within the ghetto was the imposition of "strict discipline" and mandatory expulsion of "rowdies who disrupt education for the majority." Sowell attacked the NAACP/Civil Rights leadership as a "light-skinned elite" whose policies served to provide "access to whites" for themselves but not for the Black poor. In a major advertisement paid for by Smith Kline Corporation in 1981, Sowell praised capitalism as the vehicle for Blacks to gain acceptance and upward mobility. "The rich are a red herring used by politicians to distract our attention," he declared. "There aren't enough rich people to make any real economic difference, whether they pay high taxes or low taxes. The great majority of the government's money comes from the great majority of the people." Like Reagan, Sowell believes that inflation, not unemployment, is the real problem within America's political economy. "Balancing the budget is not enough," Sowell warns. "Whether we yearn for government giveaways as the answer to our problems, we have to realize that every giveaway is also a takeaway. Anything the country can't afford without the giveaway, it can't afford with it."²²

Potentially the most influential faction among Black Reaganites are the coterie of Administration officials and middle level executives from major corporations. In the executive branch of government, the list includes Thelma Duggin, formerly the Republican Committee liaison to the National Black Voters Program in the 1980 election and currently serving as deputy to Presidential advisor Elizabeth Dole; Melvin Bradley, Senior Policy Advisor to Reagan, resp-

onsible for developing "public policy recommendations in the areas of food and agriculture, minority business development, urban affairs, free enterprise zones, small business administration, and Black colleges and universities"; and Thaddeus Garret, Vice Presidential assistant in charge of domestic policy and programs. Major Black corporate supporters of Reagan's policies include Gloria E.A. Toote, a New York attorney and millionaire real estate developer; William Pickard, owner of a lucrative McDonald's franchise in Detroit; Arthur McZier, president, National Business Services Enterprises, Inc.; Constance Newman, President, Newman and Associates; Abraham Venable, Vice Chairperson of the Business Policy Review Council and director of General Motor's Urban Affairs Division; Fred Blac, Business Policy Review Council Chairperson and corporate executive in General Electric; Cyrus Johnson of General Foods; Philip J. Davis of Norton Simon, Inc.; and John Millier of the United States Brewer's Association. These Black corporate executives and bureaucrats had no ideological commitment to civil rights, affirmative action, or to the defense of any traditional institutions within the Black community. They favor Reaganomics because it will generate greater profits for their client industries and monopolies. These corporate Black Reaganites are even more dangerous than Sowell, because their blatant and vigorous support for conservative public policies is rooted not in any ideological commitment, but is grounded purely in their own vicious desire for money and their hunger for power.²³

The "fellow travellers" of the Black Reaganite accommodationists include a number of would-be Black militants who are disenchanted with liberalism and protest politics. At the top of the list are Charles V. Hamilton, professor of government at Columbia, and Black media commentator Tony Brown. Both Hamilton and Brown attended the San Francisco Conference of Black conservatives. The co-author of Black Power, Hamilton has experienced a radical metamorphosis since his days as mentor to Stokely Carmichael (Kwame Ture). Since Blacks are a "relatively powerless minority," he informed the New York Times, the rise of

a new Black conservative trend was essential. "Frankly," Hamilton admitted, "I'd be very worried if we didn't have them."²⁴ Brown criticized the NAACP's "hostile behavior towards President Reagan" when he appeared as a guest at their annual convention in Denver in 1981. Brown thought that Reagan really wants "to economically emancipate Black ghettos," and that the President's brutal budget cuts were tantamount to a request for Afro-Americans to "return to the fundamental nationalism of their past. Ironically," Brown explained, "Reagan's philosophy of a sound economic power base for Black America is more compatible with past Black leaders such as Marcus Garvey, Booker T. Washington, Elijah Muhammad and Frederick Douglass, than are the modern-day disciples of the Black establishment." This massive distortion of Black history by Brown scarcely masked his overt appeasement toward the forces of racism and political reaction.²⁵

What all four tendencies have hold in common is a firm belief that racism, in words of Reagan apologist Nathan Wright, Jr., no longer has "a damn thing" to do with Black underdevelopment; that socialist, Marxist, Keynesian and/or liberal economic programs will not work; and that Black advancement is best served by initiatives of American capitalism.

Challenged effectively on the right, the Old Guard Civil Rights Leadership was forced to move reluctantly to the left. Jesse Jackson, Southern Christian Leadership Conference president/**Joseph E. Lowery** and Coretta Scott King participated in demonstrations involving 9000 people in Mobile, Alabama on April 26, and 3000 people in Montgomery, Alabama on August 9, to protest Congressional moves to repeal the Voting Rights Act of 1965.²⁶ Georgia State Senator Julian Bond and the Institute for Southern Studies led a thorough investigation of the murders of the Communist Workers Party members in Greensboro, North Carolina in 1979, charging the police with "gross negligence."²⁷ Benjamin Hooks, executive director of the NAACP, Vernon Jordan, Urban League head, and Coretta Scott King were speakers at the

massive Solidarity march in Washington D.C. on September 19, attracting hundreds of thousands of trade unionists and political opponents of Reaganism.²⁸ One of the most publicized efforts of the Old Guard was the boycott of Coca-Cola products. Jesse Jackson's PUSH organization published information on the nonexistent affirmative action record of Coca-Cola, pointing out that not a single one of Coke's 550 bottlers or its 4,000 fountain wholesalers was Black. The corporate giant had on deposit only \$254,000 in ten Black banks. When Coke executives balked during negotiations, PUSH and others initiated a Black nationwide boycott of the soft drink on July 11, 1981. Coca-Cola was removed from the shelves of four Black-owned Seven Eleven franchises in Washington D.C., and white-owned franchises in that city did the same. Gary mayor Richard Hatcher, chairperson of the Black mayors conference, authorized a move to ban Coke machines from 194 Black controlled city halls. When more than one hundred stores in Chicago's metropolitan area joined the boycott, Coke president Donald R. Keough announced his readiness to give Black entrepreneurs "a piece of the action." The agreement represented a "promise that the free enterprise system can do more to develop opportunity for all elements of society."²⁹

Coke's "moral covenant" with PUSH including the following provisions: increase the number of Black-owned distributors to 32 within 12 months, establishment of a venture capital fund of \$1.8 million for Black petty capitalists, the elevation of a Black to Coca-Cola's Board of Directors, double the amount of advertising capital spent with Black agencies, quadruple the amount of financial deposits within Black banks, and the hiring of 100 Black blue-collar employees. The total package amounted to \$34 million. Black newspapers widely publicized the boycott, calling it a "wonderful reunion fellowship" of Martin Luther King, Jr.'s old colleagues, including Mrs. King, Lowery, Hosea Williams, Andrew Young, Maynard Jackson and Jesse Jackson. William Raspberry, never at a loss for words, proclaimed the historical deal "as important to Black America as the boycott of the Montgomery, Alabama, bus company a quarter of the century ago."³⁰ The reality behind the rhetoric

is somewhat different. Coke's white investors were furious with what was described as "outright blackmail" and "a \$30 million giveaway plan." On September 3, Coca-Cola President Keough informed the Atlanta Constitution that the corporation had neither bowed to "pressure" from Black leaders, nor had given the boycott more than "two minutes attention because we never considered it a real issue." By October, 1981, Coke officials informed the media that any money lent to Blacks for venture capital will be at high market rates. No forced changes in botting franchise ownerships will occur. Black advertising was increased to only \$2 million from the previous \$1.2 million figure. No loans will be made to Black-owned banks except at competitive rates. Even the one hundred additional jobs may not materialize, because Coke "might be replacing Blacks with Blacks," declared a company executive. The conspicuous failure of the Coca-Cola boycott symbolized more than ever before the utter bankruptcy of "Black Capitalism."³¹

The lack of any basic grassroots orientation or support of the Old Guard was illustrated at the 11th annual Congressional Black Caucus weekend in Washington, D.C., on September 25-27, 1981. The self-described "Black leadership family" included over 1,000 Black doctors, lawyers, politicians and bureaucrats. One participant suggested that the Black Struggle in the 1980's would be led by "cadres of Black professionals." Joe Madison, an NAACP official, stated that the militancy of the old days "during the Montgomery bus boycott" were passé. "We've got to develop technical militants out of these middle-class affluent Blacks who have received training, acquired good educations and have worked themselves into the mainstream of economic life."³² Neither the multitude of fashion shows nor the \$150-a-plate awards banquet could provide the cultural cohesion necessary to forge new unity among this "Untalented Tenth." Frequently they quarreled among themselves on a variety of public issues. Representative Gus Savage correctly denounced Vernon Jordan, publisher John H. Johnson, NAACP president Margaret Bush Wilson and Rev. Leon

Sullivan for sitting on corporate boards and sharing in the "ill-begotten super profits" from doing business in "fascist South Africa."³³ At state levels, Black Democrats joined forces with white Republicans in reapportionment cases to increase the percentages of Blacks and/or whites within their respective Congressional districts. The most vocal advocate of the growing legislative detente between these unlikely forces is Julian Bond, a democratic socialist and the most "progressive" Black elected official in the South. The Atlanta Constitution charged that "the cynical coalition" of "ghetto Black politicians and country club Republicans" sought "to gut Atlanta for the sake of electing (Bond) to the Congress," while simultaneously extending GOP hegemony across the state.³⁴

IV

History illustrates that the petty bourgeoisie of an oppressed nation or nationality is incapable by itself of struggling to achieve political and economic equality under capitalism. In Class Struggle in Africa, Kwame Nkrumah asserted that during national liberation efforts the Black elite responds in one of three ways. "Firstly, there are those who are heavily committed to colonialism and to capitalist economic and social development." The second category, the nationalists, "want to end colonial rule" but oppose "a transformation of society." The third group simply "sits on the fence," supporting the militant actions of Black workers and the peasantry when it suits their own narrow interests. ³⁵ Politically, the Black elite will go so far as to subvert its own institutions, betray its own representatives, and coalesce with the most vicious racists if conditions for progressive change seem temporarily remote. During the historical period dominated by Booker T. Washington, a deliberate policy of subordination occurred in many cities and states wherein Black petty bourgeois politicians became junior partners within white political machines. In Cincinnati during the 1890s, Black Republicans joined the Democratic organization which "permitted the Black bourgeoisie some limited mobility into other sections of the city, as well as certain material benefits." The Pendergast Democratic machine in Kansas City, Missouri, won Black Republican support "through the granting of patronage and welfare benefits" in the early 1900s. The Democratic machine of Harry F. Byrd dominated the Black Republican electorate in Virginia for four decades "via policy enactment and paternalistic overtures," despite his "minimal interest in Black rights," advocacy of poll taxes and literacy ³⁶ tests, and opposition to the Brown decision of 1954. The modern realignment in Black politics is essentially a repetition of this classical pattern of petty bourgeois opportunism and accommodation.

The goals of the Civil Rights Movement, which promoted at least rhetorically the necessity of social democratic reforms (e.g., food, public health care, child care, job training, free education, etc.) have been abandoned by major sectors of the Black elite. It becomes the task of Black progressive nationalists and activists in this period to complete this interrupted "revolution" for civil rights and social equality within the framework of the existing system. The burden of our history is two-fold. We must advance reformist programs within communities which reinforce Black owned socioeconomic and cultural institutions, advocating the maintenance of needed social service programs that affect the Black working class and the poor. But we must insist uncompromisingly that the social crises confronting Black people reflect a more fundamental contradiction created in part by the crisis of capital accumulation. Self determination for Black America cannot be forged unless our politics, in theory and in practice, also opposes sexual exploitation, imperialism, and monopoly capitalism. The revolt for reforms within the capitalist state today transcends itself dialectically to become a revolution against the racist/capitalist system tomorrow.

This strategy, which essentially involves a gradualist "war of position" culminating into a "war of maneuver" against capitalism, has strengths and weaknesses. The National Black Independent Political Party emerged during this current period of political realignment on August 23, 1980, at the fourth convention of the National Black Political Assembly in New Orleans. Reading a substitute motion drafted by Ohio activist Ron Daniels, the Reverend Ben Chavis called for the creation of a new kind of mass based party for Afro-Americans. The function of such a party, Chavis declared, "is to advance a politics of social transformation and self determination for the Black Nation ... primarily devoted to infrastructural, institutional and

organizational development within the Black Community, providing community services, engaging in community struggles, lobbying around private and public policy issues and electoral politics." ³⁷ During the planning sessions for the Founding Convention of the NBIPP, held in Philadelphia on November 21-23, 1980, the Party defined itself as a "progressive mass party" which serves "the interests of the working class and the poor and actively opposes racism, sexism, capitalism and imperialism." The Party also "aimed at altering the balance of power to affect the quality of goods and services to the people," while contending "for power within ³⁸ the existing socioeconomic institutions of America." The recent First Party Congress of NBIPP, held in Chicago on August 21-24, 1981, concretized this reformist/revolutionary analysis in the successful ratification of a permanent platform, program and statement of principles. The document is perhaps the most visionary yet practical statement on Black liberation ever drafted by a delegate assembly in Black history. The obvious strength of the policy is that NBIPP's potential for growth is practically limitless, given the chaotic state of the Black elite, if it succeeds in building community oriented institutions (e.g., consumer and producer cooperatives, liberation academies, etc.). The long-term danger does exist that many within NBIPP will stop their political praxis at the stage of reformism within the existing system, without recognizing the inevitable necessity to dismantle the capitalist state and to expropriate the ownership of the means of production from the white, largely male, capitalist class. This transformation will not be achieved without violence.

There is no Black Capitalist or Black petty bourgeois road toward Black self determination and liberation. The organic crisis of capital accumulation combined

with the emergence of Reaganism within public policy promise to heighten the contradictions within society in the 1980s. Elements of the Black middle class and intelligentsia who chose to commit "class suicide" in the manner of Amilcar Cabral, combined with Black workers and the unemployed, can wage a successful war of position to overturn the Black Reaganites and the Old Guard Negro elites. In the final analysis, however, the historic goals of Black nationalism cannot and will not be achieved, unless a firm commitment to a socialist reconstruction in America is placed on the public agenda. The future of the Black Nation will be determined by our relative success or failure to transcend our own history, making visionary yet practical demands that cannot be resolved within the existing order.