

# **Black Land, Black Power, and Liberal Philanthropy**

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## **Abstract**

The late 1960s saw a revival of the “land question” in African American public life. This was in part a product of the political and intellectual upheavals of the late 1960s, as exponents of the Black Power movement cited the desirability of economic empowerment, institution building, and consciousness-raising as preconditions of nationhood. Liberal philanthropies, such as the Rockefeller Brothers Fund, the Ford Foundation, and others, were central funders of a variety of land-based activism in the rural South, reshaping the process and limits of African American-led rural development initiatives in the region.

# Black Land, Black Power, and Liberal Philanthropy

The late 1960s saw a revival of the “land question” in African American public life. This was in part a product of the political and intellectual upheavals of the late 1960s, as exponents of the Black Power movement cited the desirability of economic empowerment, institution building, and consciousness-raising as preconditions of nationhood. Going one step further, James Forman’s 1969 “Black Manifesto” made the establishment of a “southern land bank,” capitalized by a \$200 million donation from white churches and synagogues, an intellectual centerpiece of the movement.<sup>1</sup> Yet in large part, contemporaneous resistance to Forman’s demand for reparations has obscured the extent to which a broad array of thinkers, activists, and institutions actively followed through on his call to defend and enhance African American claims to southern land.

Modern efforts to preserve Black landholdings anchored what the African American economist Robert S. Browne termed, in 1972, a “Black Southern Strategy.” Linking space to race and the broader history of the region’s economic development, proponents advanced a rural development agenda that envisioned African American landholders at the center of a more equitable and prosperous economic landscape. Crucially, this developmental imaginary identified predominately rural, heavily African American areas of the South as critical spaces of racial equity building. As Browne argued in an address given at Fisk University in 1972, it was the region’s African American “counties...[that] strike us as being the ghettos which merit a major development effort. We feel that the pay-off, if such a thrust is successful, will be far greater than the returns to a comparable investment of resources made anywhere else.”<sup>2</sup> Subscribing to a theory of economic growth premised on the imperative of capital accumulation and rationalized property rights, Browne and the institution he created, the Emergency Land Fund (ELF), identified southern farmland as a vital, if quickly eroding, economic resource. If effectively leveraged, the ELF argued, land held the potential to fundamentally transform the material reality of African American communities across the rural South.

For advocates of such landed development strategies, the deepening of the urban crisis only heightened the imperative of rural revitalization. During the era of the second Great Migration between 1940 and 1970, over three million African Americans left the agricultural South for the promise of urban life.<sup>3</sup> Yet while postwar migration offered a form of cultural escape, it did not guarantee economic emancipation. By the late 1960s, urban labor markets were shrinking and municipal social services groaned under the weight of declining tax bases, capital flight, and escalating unemployment.<sup>4</sup> Drawing attention to what *Fortune* magazine in 1968 termed “The Southern Roots of the Urban Crisis,” Randolph Blackwell, a social scientist and early pioneer of the Southern Land Bank, argued that structurally mismatched migrants’ inevitable fate was to arrive “in the festering center of some large city...Ready to rake leaves where there are no trees; attend yards where there are no yards.”<sup>5</sup> In emphasizing both the economic possibility of rural spaces and the national implications of agricultural transformation, southern-oriented development workers offered a self-conscious alternative to contemporaneous celebrations of urbanity and municipal self-government as cornerstones of the Black Power project.<sup>6</sup>

The records of the Rockefeller Archive Center house a variety of documents related to this era of domestic rural development, with significant materials related to the African American organizations that appealed to the philanthropic establishment for resources, expertise, and other forms of assistance. These included the Emergency Land Fund, Penn Community Services, New Communities, Inc., Southern Rural Action, the Federation of Southern Cooperatives, and others. The records related to these organizations are largely concentrated in two collections: the archives of the Rockefeller Brothers Fund and the Ford Foundation. Their records are in part important because literature on the connections between Black activism and liberal philanthropy in the civil rights and Black Power eras has tended to concentrate on work in urban areas, tracking the response of policymakers and activists to shared concerns about the intensifying urban crisis. The history of these organizations, however, bridges the earlier work of liberal philanthropy on rural issues domestically, as well as its ongoing interest in rural development issues globally.

First and foremost, the Rockefeller Archive Center's records show the interconnections between organizations working in different parts of the South, and attending to different local concerns. For instance, the records reveal that during the first half of the 1970s, the Emergency Land Fund staff spent much of their energy in an effort to establish working relationships with a wide range of local development efforts, activists, and institutions, a process that was in part facilitated by their conversations with philanthropic organizations. One critical organization was Black Land Services whose work, like the ELF, was underpinned by a belief that "in the South, land constitutes the greatest potential economic asset which Black people have."<sup>7</sup> Led by Charles E. Washington, a crusading local lawyer, Black Land Services was a programmatic outgrowth of Penn Community Services and the historic Penn Center, which since the mid-nineteenth century had functioned as a hub of Black education, civil rights organizing, and community development.<sup>8</sup>

Beginning in the late 1960s, much of Penn Community Services' development work focused on the creation of "designated growth areas" in coastal communities and, to do so, the organization appealed to the Rockefeller Brothers Fund.<sup>9</sup> In a proposal submitted to the Fund in 1975, the organization argued that Black Land Services could function as a non-profit corporation with the financial wherewithal to purchase properties at tax sales. In turn, real estate would be "placed in the hands of Black entrepreneurs as a tool of production."<sup>10</sup> Coastal areas were explicitly identified as potential spaces of Black economic development, while Penn called on African American business interests to fully embrace a social mission. Linking participation in capitalist enterprise to racial empowerment, Penn argued that it was "essential that the black business community, as a collection of *institutions*, begin to make itself felt in the black community as a whole."<sup>11</sup>

The rhetoric deployed by Black organizations such as Penn—a pro-market, business friendly idiom of economic empowerment—was a consistent theme in the archival record, suggesting the degree to which grant applications were produced with a specific audience in mind. Liberal funders were undoubtedly receptive to this mode of communication, particularly in contrast to more explicit,

radical forms of Black Power, although such organizations did not wholly withhold criticism of a southern economy that had failed to distribute wealth equally across racial lines. Indeed, Penn Community Services' entrepreneurial ethos represented an implicit critique of the region's widespread dependence on low-wage labor. That said, land-based rural development strategies were not usually envisioned as a means to fully overturn the old economic order, either. Rather than fundamentally transforming the relationship between land, capital, and labor in the Sunbelt, Black Power development workers sought to revise African Americans' place *within* that economic order. To realize the promise of democratic capitalism, they argued, African Americans had to be afforded the same kinds of access to capital and expertise necessary to participate in, rather than be exploited by, the emerging Sunbelt South.

To this end, liberal funders frequently sought to exert control over the ways racially conscious rural development was financed. This came across most clearly in the case of the Federation of Southern Cooperatives, whose increasingly acrimonious dialogue with the Ford Foundation over the late 1960s and 1970s showed the tensions of liberal soft power and the efforts of the Black freedom struggle to achieve meaningful reforms in the rural South. As a chronically undercapitalized organization, the Federation sought out the Ford Foundation's assistance for its work. In response, the Foundation's executives began to advocate for alternative models of cooperative financing, and assigned Checchi and Company—a Washington DC firm specializing in consulting work for socially-oriented parts of the private sector—to produce a report detailing the existing financial requirements of cooperatives, and to lay out plans to “design a development bank which would serve both the cooperative and potential outside investors.”<sup>12</sup>

Checchi's final report, delivered in May 1969, reaffirmed much of what was already understood within the cooperative movement. The Federation of Southern Cooperatives, in the firm's estimation, was drastically short of the necessary funds to make their particular enterprise model viable. As most cooperatives' assets had been initially financed through borrowing, the Federation and its constituents had already accrued significant and mounting

debts. And as such, FSC was in need of immediate financial relief in the range of over one and a half million dollars, with expected capital requirements of roughly ten million dollars over the next five years.<sup>13</sup> “At this point in the development process,” Checchi’s report noted, “capital, together with supporting technical assistance, is vitally needed. The problem today, however, is that this capital may not be forthcoming because most of the cooperatives have not yet been accepted as borrowers by commercial banks, the Banks for Cooperatives, and other lenders.”<sup>14</sup>

In making this observation, Checchi’s report identified—and implicitly critiqued—the Federation’s distance from the American financial establishment. In order to become viable enterprises, Checchi’s analysts argued, cooperatives had to revise their efforts to secure funding and attempt to lean more heavily on non-governmental sources of investment: “The involvement of the private sector is especially desirable because it can bring the cooperatives into contact with financial intuitions which must be their ultimate source of investment capital.” Finally, Checchi’s report posited that cooperatives were fundamentally out of step with the practices and norms of “sound” enterprise and business management. Obscuring the importance of local economic and political elites’ investments in racial subordination in the rural South, the report argued that the denial of credit at the local level was principally explicable by the “lack of knowledge about the cooperatives due to their recent establishment, their lack of credit standing, and the conservatism of many of these banks.” This “conservatism,” however euphemistically put, led the authors to conclude that “responsibility therefore devolves upon the larger banks in urban areas.”<sup>15</sup>

Absent the approval of the private sector, the Checchi report called for the creation of an interim solution to the credit woes facing the nascent cooperative movement: a new development bank tasked solely with “the purpose of making loans to low-income cooperatives.”<sup>16</sup> The notion of a development bank was not new to cooperative organizers; as early as 1968, Charles Prejean had contacted Leslie Dunbar, executive director of the rural-oriented Field Foundation, to make preliminary enquiries about the feasibility of such an institution.<sup>17</sup> Moreover, Prejean had been advised by Thomas Wahman, a Rockefeller Brothers Fund

program officer, to seek the expertise of Edward D. Irons, the African American director of the National Bankers Association (NBA), a conglomerate of black-owned and controlled banks.

The idea that development banks could function as effective engines of economic growth was not, of course, unique to African American efforts. In fact, such institutions had become very much *en vogue* by the late 1960s, the tail-end of a period that saw the establishment of a number of regional models, including the Inter-American Development Bank (created in 1959), the African Development Bank (1964), and the Asian Development Bank (1966). These institutions, all loosely modeled on the World Bank (1944), were incubators of a central developmental assumption: that financial assistance, skillfully deployed, would stimulate the economic growth necessary to establish political stability in the developing, postcolonial world. Writing in the late 1950s, one technocrat revealed that development banks “held two objectives common to virtually all such institutions: the provision of capital and the provision of enterprise when either or both of those requisites of economic growth are thought to be lacking.”<sup>18</sup>

Rural African Americans’ version—soon to be named the Southern Cooperative Development Fund (SCDF)—would be entrusted to manage and administer what the Ford Foundation identified as the evermore “unpredictable” and “erratic” sources of public and private financing. As Ford put it:

In our estimation the greatest hope for the black cooperatives rests with the creation of an institution which is directly and exclusively responsible for serving their credit requirements and which can assist in developing a corporation of economically successful enterprises around which a viable cooperative movement can grow.<sup>19</sup>

In turn, it was hoped that loans provided by the SCDF would allow recipients to establish “a financial base and a performance record” that would “graduate” borrowers and make them more able to “draw on the resources of the banking sector and ... become accustomed to commercial borrowing practices.”<sup>20</sup> This latter aspect was crucial in Foundation executives’ minds. As one report noted, “A major concern of our grant has been to get these cooperatives to establish normal



relationships with conventional lending institutions that would make loans to cooperatives and, through the co-ops, to individual farmers for land, capital equipment and farm buildings.”<sup>21</sup>

In short, liberal philanthropists’ advice and resources tended to draw African American organizations into a larger developmental orbit that prescribed reformist approaches to the historical consequences of racial capitalism in the rural South. In this regard, liberal funders’ prescriptions appear in the archival record of the Rockefeller Archive Center to be a piece of larger political and economic landscape that remained ambivalent about the cause of Black property rights or Black enterprise. Ultimately, technocratic financial solutions to the problem of quickly declining Black land ownership was an insufficient response.

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<sup>1</sup> James Forman, “The Black Manifesto,” reprinted in *The Review of Black Political Economy* 1 (Spring/Summer 1970), 36-44.

<sup>2</sup> Browne, “Building Viable Ghettos,” 6 April 1972, box 22, folder 25, Robert S. Browne Papers (hereafter RSBP), Schomburg Center for Research in Black Culture, New York City, NY (hereafter SC).

<sup>3</sup> James N. Gregory, “The Second Great Migration: A Historical Overview,” in *African American Urban History: The Dynamics of Race, Class and Gender since World War II*, eds. Joe W. Trotter Jr. and Kenneth L. Kusmer (Chicago: University of Chicago Press, 2009), 10-38.

<sup>4</sup> On the political economy of the urban North, see Thomas Sugrue, *The Origins of the Urban Crisis: Race and Inequality in Postwar Detroit* (Princeton, NJ: Princeton University Press, 1996).

<sup>5</sup> Robert Beardwood, “The Southern Roots of the Urban Crisis,” *Fortune*, August 1968; Randolph T. Blackwell, “Out-Migration and Civil Disorder,” Speech delivered at the University of North Carolina Chapel Hill, 16 October 1967, Southern Christian Leadership Conference Records [microfilm], part 4, series II, reel 7, 144:28.

<sup>6</sup> Komozi Woodard, *A Nation Within a Nation: Amiri Baraka (LeRoi Jones) and Black Power Politics* (Chapel Hill, NC: University of North Carolina Press, 1999).

<sup>7</sup> PCS, “Project Black Land,” 21 June 1971, RG 3.1, box 828, folder 4986, Rockefeller Brothers Fund records (RBF), Rockefeller Archive Center (RAC).

<sup>8</sup> For an overview of the Penn Center, see Orville Vernon Burton and Wilbur Cross, *Penn Center: A History Preserved* (Athens, GA: University of Georgia Press, 2014).

<sup>9</sup> PCS, “Proposal to the Rockefeller Brothers Fund,” August 1975, RG 3.1, box 829, folder 4991, RBF, RAC.

<sup>10</sup> PCS, “Project Black Land,” 21 June 1971, RG 3.1, box 828, folder 4986, RBF, RAC.

<sup>11</sup> PCS, “Economic Development,” RG 3.1, box 828, folder 4986, RBF, RAC.

<sup>12</sup> Ford Foundation, “Changing their Ways,” 13.

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- <sup>13</sup> Checchi and Company, “Feasibility Study for a Financial Institution Serving Southern Cooperatives,” 2 May 1969, R-1690, Grant Files, Ford Foundation records (FF), RAC.
- <sup>14</sup> Checchi and Company, “Feasibility Study.”
- <sup>15</sup> Checchi and Company, “Feasibility Study.”
- <sup>16</sup> Checchi and Company, “Feasibility Study.”
- <sup>17</sup> Charles Prejean to Leslie Dunbar, 13 June 1968, box 337, folder 2083, RBF, RAC.
- <sup>18</sup> William Diamond, *Development Banks: A Publication of the Economic Development Institute* (Baltimore, MD: Johns Hopkins University Press, 1975), 2.
- <sup>19</sup> Ford Foundation, “SCDF Request for Grant Action,” 18 August 1970, p. 7, quoted in Ford Foundation, “Changing Their Ways.”
- <sup>20</sup> Ford Foundation, “Changing their Ways.”
- <sup>21</sup> Mitchell Sviridoff to McGeorge Bundy, 15 September 1971, Reel R-1690, FF, RAC.