

POWER
TO THE
GRASSROOTS
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BUSINESS AND BUSINESSMEN Part III
HOW THE RETAIL BUSINESS
SYSTEM WORKS

In part II we discovered that the prime cause of mixed attitudes toward a Black retailer comes from an "institutionalized economic racism", and not from a Black businessman per se

I will discuss very briefly how the "retail record" system works for a Black man in Pasadena and other parts of the United States. A white record retailer can buy 300 or 400 hundred records on a consignment basis. This means that he can get his money refunded by the white wholesaler for those records he cannot sell. A Black retailer on the other hand cannot buy his records on consignment. He must keep the records he buys, whether he moves them or not; and if you don't believe it, ask a Black record retailer in Pasadena - thats how I found out.

However, this situation is not a new development by any means. This relationship and others like it have been a reality in the Black business world for more than a century. This form of "economic racism" will not even allow a Black retailer to compete on a "equal" basis with a comparable white retailer. This unfair business practice - with reference to the white wholesaler and the Black retailer - also explains to some degree why many blacks find it impossible to stay in business. They find themselves not only being misused and oppressed by the white wholesaler, but by the general black public as well. For instance, what happens to a Black record retailer who finds himself with a surplus of albums that will not sell? How does he make up the money for these albums? At this point we find the police department entering the scene. The police are very much aware of this "cycle of oppression" because they are the persons who enforce and see to it that "institutional racism" becomes a functional reality that will keep a Black businessman on an inferior level.

Here is how the hypothetical construct works. When a Black man (or any man) finds himself unable to secure a fair business transaction from one source, he will undoubtedly, rather than hinder his profits, look for another source to help the business develop.

Therefore in many instances the Black record retailer (or any retailer who is a victim of unfair or oppressive business practices) might be forced into buying "hot" or stolen records

just so he can sell his records at the same price as white retailers. With unfair business activities such as this taking place, the local police departments know that a Black retail merchant can only do one of three things.

He will either go out of business, stay and struggle on a bare subsistence level, with little or no opportunity to expand his business, or, of finally being "ostracized" and arrested for buying "hot" wholesale merchandise. In the final analysis we find that this racist form of economics tends to keep the Black retailer non-competitive, makes the Black community negative toward Black people in business, and in some cases forces Black retailers to buy "hot" goods; which in turn gives the police an opportunity to enforce the stereotype of the "underhanded" Black retailer.

BLACKS MUST GROW

Black people in Pasadena and other parts of the country will have to become more sophisticated about business transactions and of what "institutionalized racism" really means, before we pass judgement on any retail businessmen.

We waste our time talking about petty trivialities and attacking the individual Black businessman, when we should unify and attack the real source of these misconceptions. Black businessmen are just as much to blame for perpetuating this image as the general Black public. We never do research on our own! We always accept the stereotypes white America throws in our face! If you go to a white wholesalers store in Los Angeles you'll see at least twenty "brothers" in that same store, getting the same oppressive price on the merchandise; and the only thing they can find to say to each other is "What's happening". Your killing yourself, that's what's happening! We are all "Black", and that in itself is the only identity, cultural or otherwise, we need concern ourselves with.

Learning business administration in school is not enough. We must also find out what really goes on when formal school is out- because that is the reality we must learn to deal with - for that is the very "fact" that will either mean "life" or "death" for Black people - not only in the United States, but in the world as well.