

Race to the Bottom

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"Wal-Mart is working for everyone," read the newspaper ad, which ran in January in more than 100 newspapers nationwide, including the *Wall Street Journal* and the *New York Times*. "Some of our critics are working only for themselves." The same day, the company launched walmartfacts.com, a website to counter criticism of the kind you may have read in this magazine. Along with some misleading information intended to make Wal-Mart's wages and benefits sound much better than they are, the new campaign materials feature many smiling African-American faces; the website explains, accurately, that Wal-Mart is a "leading employer" of Hispanics and African-Americans.

As Jesse Jackson and other black leaders have pointed out in response to this boast, the slave plantation was once a "leading employer" of African-Americans as well. But this ad campaign was only the latest salvo in Wal-Mart's fervent battle for the goodwill of black America, inspired by the difficulties the company is having as it tries to move into urban areas.

Wal-Mart spent more than \$1 million on a PR campaign backing a voter referendum to build a Supercenter in Inglewood, California, where the majority of voters are people of color, and was decisively defeated last year. The company faces continued resistance in Chicago as well, where it has been trying to open stores in black neighborhoods. A Wal-Mart on that city's West Side is scheduled to open by next February--to the frustration of those who opposed it--while plans for a South Side store have been scuttled. Controversy continues to rage about a Wal-Mart project in New Orleans, and in late February plans for a New York City Wal-Mart were scrapped in the wake of protests by labor, small business and neighborhood groups. Much of the opposition to the retailer has been led by activists of color. And, of course, since many people of color are poor, Wal-Mart depends on them as shoppers and as workers. It's no surprise, then, that the company would be eager to appeal to racial minorities.

If you own a TV, you've probably seen what many of Wal-Mart's critics call its "happy black people" ad, which has been airing since 2003, when the Inglewood fight heated up. Filmed at a Wal-Mart store in Crenshaw, a Los Angeles neighborhood, the ad features smiling African-Americans giving glowing testimony to what Wal-Mart has done for the "community." ("Community" in Wal-Mart World often seems to mean "black"--on the website, for instance, the word is illustrated not by a group of people, as it's commonly understood to mean, but by one exuberant, young woman of color, a beneficiary of a

Wal-Mart scholarship.) In another TV spot, a black woman who works for Wal-Mart raves about the "opportunities" she's found working with the company. As the writer Earl Ofari Hutchinson has observed, the fact that black women are absent from most advertising imagery potentially makes Wal-Mart's campaign that much more powerful. The company also takes out ads in black newspapers, especially in cities where it faces political opposition, and radio spots during Sunday- morning gospel hour. And Wal-Mart celebrates Black History Month, distributing free booklets to consumers with inspirational sayings from accomplished African-Americans.

Much like that of the Bush Administration, Wal-Mart's image-making strategy includes not only advertising but paying for positive media coverage from black journalists. This year the company will begin awarding scholarships to minority journalism students at Howard, Columbia and elsewhere--a worthy use of Wal-Mart's funds, given that people of color are underrepresented in this profession, but a rather transparent move to buy off potential critics. (In an unusual twist, the recipients will attend Wal-Mart's annual shareholders' meeting, a massive pep rally whose primary purpose is to immerse attendees in the company culture.) The company knows what favors its money can buy: Wal-Mart underwrites Tavis Smiley's popular television talk show in Los Angeles, and Smiley returned the favor last year when, during the heated battle in Inglewood, he invited Wal-Mart CEO Lee Scott on the air for a fawning interview, taking no calls.

Wal-Mart even gives money to civil rights organizations fighting racism--groups like La Raza, the Mexican American Legal Defense Fund, the Urban League, the United Negro College Fund and the NAACP. As with the journalism scholarships, this isn't all bad: far better that Wal-Mart's money be used to fight for racial equality than to elect Republicans or simply further enrich its own CEO, who at nearly \$23 million a year makes well over 1,000 times as much as the average Wal-Mart worker. Unfortunately, however, taking money from Wal-Mart may sometimes compromise organizations politically. In Chicago, the NAACP chapter supported Wal-Mart in the political battle over the South Side store; likewise, in a recent battle over Wal-Mart in suburban Atlanta, Wal-Mart found the NAACP on its side.

Indeed, the company has become a skillful grassroots player. In both Inglewood and Chicago, Wal-Mart gave money to black churches, community groups and politicians. Wal-Mart courted Emma Mitts, an African-American alderwoman representing Chicago's West Side, and found her easily seduced. Mitts became a strident advocate for the retailer. Like many other organizations and individuals, she wasn't much of an expense; according to campaign disclosure documents filed with the State of Illinois, Wal-Mart rewarded her efforts last November with \$5,000. (Mitts did not return calls for this article.)

Many black community activists were appalled that black leaders were so easily bought off. "I was ashamed to be black!" says Elce Redmond of the South Austin Coalition, a Chicago neighborhood organization, describing how the clergy and elites rolled over. "A lot of people have no principles. They will wear the dashiki, but always take the green money from a multinational corporation." Wal-Mart was deliberate, Redmond observes:

"In almost twenty years of organizing, I have never seen anything so divisive. If you're going to take their money, take it, but don't pretend Wal-Mart is good for the community." He's not posturing: Redmond's South Austin Coalition received a check from Wal-Mart for a youth center, cashed it and continued to work politically to oppose the retailer.

But the organizing Wal-Mart representatives did, and the arguments they made, may have been just as important as any cash they doled out. They talked to ministers and community groups about the jobs the company was going to bring, and the low prices. "It was just smart," says Renaye Manley, the national field representative in the AFL-CIO's Midwest office, which is based in Chicago. "And it made our job that much harder." Manley, who is black and from Chicago's South Side, thinks Wal-Mart's outreach was more important than its money and that most community leaders were not bought off but genuinely convinced: "People just wanted to see jobs. These folks have a vision for their communities." James Thindwa, a Zimbabwean who heads Chicago's Jobs With Justice, says, "A lot of good, decent people bought the argument that any job is better than none." Glen Ford and Peter Gamble, writing for *The Black Commentator*, had a harsher take on this "slavish" acceptance of anything corporate America has on offer, chastising Chicago's black politicians for failing "to address Black community development as an issue of democracy."

Most destructively, Thindwa says--and other Chicago activists agree--"Wal-Mart played the race card." The company told the city's black leaders that the unions fighting the retailer were racist, effectively exploiting existing racial tensions in the city. As elsewhere, the building trades unions in Chicago have historically discriminated against blacks. But it is service unions like the Service Employees International that are speaking out the most against Wal-Mart, and in cities, their membership is mostly people of color. "[Wal-Mart] knew what buttons to push," Redmond acknowledges, but he's outraged that so many black leaders bought the simplistic line that all unions are racist. "I've never seen so much ignorance. They had no sense at all of the history of African-Americans in unions. A. Philip Randolph, ever heard of him? So they're going to side with the corporate enslaver, like, 'Wal-Mart will save us Negroes!'"

Thindwa says, "Wal-Mart was able to paint this as white unions protecting their turf, instead of as a broad-based community issue." Worse, activists now agree, the anti-Wal-Mart coalition failed to respond effectively to the company's race-baiting. Dorian Warren, an African-American community activist and member of the Chicago Workers' Rights Board, says, "The media framed it as 'white labor versus the black community.' We were not able to change the frame."

There are clearly profound racial tensions in the labor movement, and as Wal-Mart continues to move into cities it is likely to continue to exploit these tensions. Warren, a public policy scholar at the University of Chicago, says, "I've been at a loss to figure out why the labor movement can't have an honest conversation about race." Contributing to the problem, black-led labor activism has declined in recent decades, and many mainstream unions aren't training black leaders (which is closely related to their failure to

develop leaders from the rank and file of any race). There's a sense--in these battles over Wal-Mart, as in many other situations--that labor uses communities of color when it's convenient but drops them when a particular campaign is over. That's easily exploited since, as Warren puts it, "there's just enough truth to it."

Of course, there's still plenty of skepticism among African-Americans about Wal-Mart.

Indeed, some black clergy were leaders in the fight against Wal-Mart in Chicago. Community opposition probably did contribute to the retailer's defeat on the South Side and may help the coalition's attempts to pass an ordinance requiring Wal-Mart to pay a living wage to workers on the West Side. In Inglewood, the fight against Wal-Mart was led by black and Latino church and community activists, and very few leaders were bought off. Blacks there did not buy the line that Wal-Mart was antiracist and the unions--therefore, all of Wal-Mart's opponents--were racist. That's partly because in Inglewood relations between the United Food and Commercial Workers and the community groups were much better. Whereas in Chicago the union often insisted on having its white and male leadership speak at public events, in Inglewood black women who lived in the town and worked in supermarkets were prominent faces in Wal-Mart's public opposition; they knocked on doors and talked to their fellow citizens about why their unionized grocery job was so important to them and their families, and why Wal-Mart was such a threat.

Madeline Janis-Aparicio of the Coalition for a Better Inglewood says about her campaign's success: "We were also lucky--Wal-Mart did something really stupid." In trying to pass an ordinance exempting itself from the town's laws, the company violated the largely black community's most basic requirement: respect. "We used that," says Janis-Aparicio, who credits that theme with winning over the church leadership and many Inglewood voters. After one large, mainstream black church joined the anti-Wal-Mart fight, the rest followed, not just lending passive endorsement but enthusiastically rallying their forces. Another helpful issue was crime--Wal-Mart is the nation's leading purveyor of guns. To rural white communities, that's often a political asset, but to urban black voters it's a harsh liability. In the last few days of the Inglewood campaign, the anti-Wal-Mart coalition hung a flier in the shape of an M-16 rifle on everybody's door. "Some on our side felt it was a scare tactic," Janis-Aparicio admits, but, she adds with justified pride, "it had a powerful impact."

Even in Chicago, Wal-Mart's own actions may end up helping its opponents. Elce Redmond says, "A lot of people who supported Wal-Mart at first are now saying, 'Elce, you were right.' Wal-Mart made a lot of promises, and hasn't delivered." Politicians and community leaders are now finding that since Wal-Mart secured permission to open the West Side store, its officials aren't returning their calls too readily. Rather than agreeing to pay workers decently, the company sent 300 holiday turkeys for the community's needy. That struck many people as a shallow response to concerns about the store's economic impact. "People are beginning to ask questions," says Redmond. "Why can't Wal-Mart pay a living wage? Why can't its workers have a union if they want one? Why not?"