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Black Power, Soft Power: Floyd McKissick, Soul City, and the Death of Moderate Black Republicanism

> For a long time, we too have been talking about … enlisting private enterprise in the solution of our great social problems, about profits as the great motive power of our fantastically productive economy. What many of the black militants now are saying, in effect, is this: We believe you, and now we want a chance to apply those same principles in our own communities.
>
> Our reply should not be to reject this request, but to seize upon it—and to respond to it.
>
> —Richard Nixon on Black Enterprise, "Bridges to Human Dignity: A Nationwide Radio Address," April 25, 1968

While in 2008 Democrats made history by selecting Barack Obama as the first African American presidential nominee of any major party, the Republican Party began the year questioning why it "has little or no relationship at all" with African Americans.[1] A trend that was decades in the making, political experts and historians typically locate the end of GOP courtship of black America between 1964 and 1980. However, the dawn of the 1970s seemed to portend the most promising moment for black-GOP relations. At the beginning of its first term, the Nixon administration decided to back the new town of Soul City, North Carolina, the largest publicly financed project ever underwritten for an African American developer, according to press releases.[2] The White House's "soft power" rapprochement toward black power militant and town founding father Floyd McKissick caught even Nixon's most ubiquitous civil rights critics off guard. "I can't imagine this administration doing anything as positive as Soul City," NAACP's stunned executive director Roy Wilkins wrote to McKissick.[3] Ironically, as events unfolded, the very project dedicated to returning blacks not simply to the South but also to the party of Lincoln would ultimately help trigger black America's ongoing estrangement from today's GOP. [4]

THE JOURNAL OF POLICY HISTORY, Vol. 22, No. 2, 2010.

doi:10.1017/S0898030610000023

First announced in 1969 by Floyd B. McKissick, former national director of the Congress of Racial Equality (CORE), Soul City was designed to be a new, black-owned and -operated town in North Carolina.[5] Soul City stood out among the thirteen model cities programs funded through the Urban Growth and New Community Development Act of 1970 and a policy executed under the Department of Housing and Urban Development. HUD regarded Soul City as unique because as the only model city project not within commuting distance of a sizable city, it would be a self-sustaining and self-contained community in which residents would work, play, shop, worship, and receive health care all within the town's borders. As a free-standing town located in an eastern piedmont county bordering Virginia, Soul City's future would rest on its ability to bring in private industry, which would provide the town's tax base. Town founders believed that, in the long run, industrial investors would flock to Soul City because of the area's reservoir of low-wage labor—labor that was predominantly black, and whose wages had been depressed by the collapse of the region's agricultural economy. The steady four-decade decline of the South's rural economy, and North Carolina's in particular—caused largely by the mechanization of agriculture, decline of farm wages, and the concomitant outmigration of black and white rural populations—meant that both land and labor came at a relatively cheap cost.

No segment of postwar society experienced quite the drain in human capital as that felt in the rural South, where, from 1940 to 1980, 14 million people left southern farms for the urban and suburban pockets of the North and New South. North Carolinians contributed their own fair share to this southern story of rural outmigration. Like much of the region, the dwindling population of rural North Carolina was a consequence of the decline of farming, the mechanization of agriculture, and the greater availability of better-paying jobs in southern and northern cities. Rural migrants who remained in the South often relocated to cities like Charlotte and Raleigh, where such service industries as banking and government employed more than 50 percent of all southerners by the time the founding of Soul City was announced.[6] McKissick promoted the project as a salve to help obviate future urban rebellions by making Soul City a black beacon of the New South. "The roots of the urban crisis are in the migratory pattern of rural people seeking to leave areas of economic and racial oppression," McKissick explained at a January 1969 joint press conference with LBJ's agriculture secretary, Orville Freeman. "So in building a new city in a rural area, we help to solve this."[7]

Promising "complete support" in the city's planning and development, Freeman added that it was "perfect nonsense" to ignore the countryside and "huddle ourselves in less and less space."[8]

The business plan of Soul City aimed at attracting a mix of industry, commerce, and residents, and to use the operation of business and the furnishing of community planning and services as a training ground for black people.[9] Soul City enterprises might have white ownership initially, McKissick acknowledged, but within a decade or so, during which the city's population was expected to climb gradually to 18,000 inhabitants on an 1,810-acre tract, blacks raised locally and northern blacks (re)migrating South would be trained for management and ownership.[10] In turn, blacks would eventually build similar cities elsewhere. Federal and state governments along with universities agreed to provide technical advice on land use, housing credit for individuals, and loans and grants for water, timber, sewer, and recreational facilities. While Soul City was aimed primarily at job opportunities for blacks, the city would be open to all races. "We do not intend on adopting the white man's racism," McKissick told reporters, adding some weeks later that "coexistence between whites and blacks … depends on the development of black economic power. … If we are to exist together, it will be as equals."[11] But McKissick had little choice in the matter so long as he participated in this public-private partnership with the state. As *Chicago Tribune*'s Washington correspondent Walter Trohan wrote, "McKissick said the community would be open to all races, because it could not get any federal aid if it were restricted."[12] Federal officials also dictated other Soul City planning priorities, notably the industry-first versus resident-first debate. Over the opposition of McKissick and other town founders, Washington required that industry and commercial contracts be secured first before new residential subdivisions were built. As they did with racial composition, town founders acceded to Washington's wishes here as well.

Political investors provided Soul City with its critical seed money. Republican administrations at the federal and state levels contended that Soul City offered the nation a new growth pole—an emerging market that would attract trade and manufacturing investment that would stimulate job growth. Presidents Richard Nixon and Gerald Ford, along with North Carolina governor James Holshouser—all Republicans—predicted that employment opportunities at the site would not only help stem the devastating tide of black out-migration from eastern North Carolina, but would also provide a safety valve for America's riot-plagued, socially turbulent northern cities. Touting Soul City as a domestic Marshall Plan, such soft power from state and federal

sponsors underwrote the black-owned and -operated town to the tune of over $20 million.[13]

In exchange, McKissick promised President Nixon, Governor Holshouser, GOP chairman George H. W. Bush, and other Republican leaders electoral dividends for the next twenty years, yielding returns that would grow the minority base of the GOP by bringing prodigal blacks back home to the party of Lincoln. The pact between GOP leaders and one of the nation's most recognizable black Republicans, however, proved to be more of a Faustian bargain than a quid pro quo. Despite McKissick's and other black nationalist leaders' accommodation with the Republican Party, neither a viable Soul City nor a broad-based GOP would come to be. Indeed, these failures were intimately connected.

Interpretive issues beyond Soul City are at stake. The story of Soul City complicates the prevailing wisdom—evinced from the scholarship of historian Rick Perlstein to the economist Paul Krugman—that the Republican Party, which turned hard right in 1966, relied almost exclusively on an electoral strategy that by the early 1970s shunned any appeal to black America.[14] Such an interpretive view rarely takes into account Floyd McKissick, whom the *New York Times* in the early 1970s considered so central to Republican hopes for expanding the party's base that the paper labeled him the "chairman emeritus of President Nixon's campaign organization."[15]

A detailed investigation of the politics surrounding the development and subsequent abandonment of Soul City not only helps explain the demise of an ideologically and racially diverse Republican Party, but it also performs other important tasks: (1) it clarifies the timing and ascendancy of the New Right as the overwhelmingly dominant faction within the GOP, and (2) it shows how conservatives achieved this, and the role Soul City played in this larger political process. In doing so, the study confirms the Cold War–era coalescence around growth-oriented politics—that state-sponsored economic growth at home and expansion abroad was a pan-partisan agenda shared by leading politicians on both sides of the political spectrum, from Lyndon B. Johnson to Richard Nixon. This consensus helps explain why Democrat Lyndon Johnson lent his administration's and party's imprimatur to Soul City even as the new town ultimately sprung up under Republican rule in Nixonland. The moment of economic coalescence would close by the mid-1970s, however, when conservative forces pulled Ford and other genealogical Republicans rightward, away from growth-oriented politics—and Soul City.

MCKISSICK AND MEME: THE GERMINATION OF AN IDEA

Born in 1922, Floyd McKissick was raised in the western mountains of Jim Crow–era North Carolina. During the days of the Great Depression, McKissick spent his youth selling newspapers, hewing wood, and making fish and ice deliveries with his handmade wagon. Economic and racial hardships, coupled with an entrepreneurial spirit forged during the Depression provided formidable experiences for a young McKissick, but not enough to explain the embryonic ideological and practical underpinnings of Soul City. For that, one must travel across the Atlantic Ocean. As a young World War II army sergeant, McKissick watched and aided in rebuilding the towns of war-torn northeastern France under a nascent Marshall Plan. For McKissick, the popularity and success of reconstructing European societies held the possibility that American aid might be allocated to black America to help it achieve a greater measure of control over its collective destiny.[16] McKissick returned home in the late 1940s. For the next three decades, the germ of Soul City—the notion that through capital investment, institutions of self-determination could stabilize problem regions and insulate larger societies from potential revolt—gestated and traveled with McKissick. It was not until he left CORE as its national director during the winter of 1968, however, that McKissick dedicated his energies to this idea full time.

After CORE, McKissick established Floyd B. McKissick Enterprises. Based in Harlem, McKissick Enterprises set in motion several subsidiary projects, including a restaurant, shopping center, publishing company, drama production company, a job-training consortium for the "hard-core" unemployed, and the centerpiece of the enterprise: a freestanding new town called Soul City. The Enterprises' mission was captured on McKissick's letterhead: "Dedicated to Building Black Economic Power." While recognizing that much of the capital would come from white financial institutions and businesses, the company's primary goal was to establish an economy independently owned and operated by black people. "Black America's struggle," McKissick wrote in the introductory message of the Enterprises' brochure in 1968, was "for Economic Power and Self-determination. … These bring respect to those who gain them."[17] "The *only* hope for real progress" lay in black unity, said McKissick.[18] "We need not justify any demands for 'separatism' to anybody white," he told the *Black Scholar,* the leading journal of black intellectuals. "The real separatists moved to the suburbs long ago."[19] For too long, black life had been dictated by the preconditions and circumstance of white America.

McKissick argued that black control of institutions was a precondition of independence.[20]

THE EDIFICE COMPLEX: BIPARTISANISM AND THE REGULATORY STATE IN THE MAKING OF SOUL CITY

Soul City was first officially announced on January 13, 1969, one week before Richard Nixon's inauguration, in Washington, D.C., by the Lyndon Johnson administration. McKissick initially looked to Democrats for support, pitching the new town project to officials under Johnson; then to New York senator Robert Kennedy. The assassination of Kennedy in June 1968 not only deprived the Democratic Party of its most popular candidate but nearly dashed any immediate realization for Soul City. Few gave Democrats a chance of keeping the White House, especially not with the nomination falling to Johnson's vice president, Hubert Humphrey, whose campaign suffered from its identification with an unpopular president running an unpopular war. While a lame-duck Johnson administration maintained support for Soul City, thanks in no small way to friends of McKissick's throughout various federal agencies, he was forced to reassess the 1968 presidential landscape.[21]

McKissick settled on Richard Nixon, and easily navigated between members of the two parties with whom he shared common ground on black capitalism though disagreeing over war and civil rights matters. Liberals from Nelson Rockefeller to the editorial board of the *New York Times* put aside initial concerns that black capitalism promoted black segregation and endorsed Nixon's contention that federal aid be given to minority enterprises as a means of growing the black middle class. As Nixon, just days before his presidential oath, vowed to "do more for the Negro than any president has ever done," America's thirty-seventh president seemed to confirm McKissick's support of a candidate who not only could win but who would back Soul City.[22]

Nixon was not a liberal, and his conservative beliefs particularly on authority and order guided his thinking and political behavior both as a candidate and as a president. Still, what Nixon hated more than liberalism was irrelevancy. While tacking to the right helped Nixon the campaigner, it seemed a less-effective governing strategy when the president confronted a Democratic Congress. The result was a conservative presidency periodically experiencing paroxysms of progressivism—supporting or signing domestic bills that grew the regulatory state, that gave the publicly financed National Public Radio (NPR) to the nation, and that imposed Keynesian-style wage

and price controls. Indeed, historian James Patterson noted that federal spending grew by some 30 percent during Nixon's tenure in the White House, while defense spending, adjusted for inflation, shrunk for the first time since 1945. Nixon also reached out to famed sociologist Daniel Patrick Moynihan, deputy labor secretary under presidents Kennedy and Johnson, and appointed him urban affairs counselor to help design the administration's positions on signature domestic policy issues such as a guaranteed annual income. It was in these lapsed moments of liberalism that McKissick imagined himself operating and institutionalizing Black Power. Later, in the 1972 campaign, when McKissick canvassed undecided moderates and black voters, he spoke of the Nixon administration's support for nondefense government spending, voting rights, and school desegregation, among other issues. In this way, Soul City's programmatic pursuit of federal dollars stayed consistent with McKissick's political rhetoric that supported an activist state.[23]

McKissick made clear, and Nixon agreed, that Soul City would showcase this expression of black economic empowerment.[24] But with resources scarce, black economic unity proved even more elusive than political unity. Black investment was never a serious option. For example, North Carolina Mutual Insurance, despite its standing as America's first multibillion-dollar black-owned corporation, gave McKissick's vision of Soul City a mixed response that was typical of black financial houses. "When your development program progresses to the point of … commitments … from national corporations, commercial, institutional, income producing properties and homes, we reaffirm our willingness to consider mortgage loan commitments based on the merits of each request," wrote Mutual vice president and treasurer J. J. Henderson, denying McKissick's request for a one-year, $18,000 mortgage loan for eighty-eight acres of land.[25] Although well known as a highly successful business, Mutual's actual earnings and assets were modest. Indeed, minority institutional investors like Mutual—sympathetic but cash-strapped—lacked the venture capital essential to offering leadership in the financial sector. Black industrialists were in no better shape.[26] Symptomatic of the problem, the 1971 American Stock Exchange listed only one black manufacturing company.[27]

For the Nixon administration, the dearth of minority investment, institutional or entrepreneurial, presented a political opportunity. Such a situation resulted in Nixon's promotion of black capital ownership as his administration cobbled together a coterie of government loans, contractual set-asides, and other means under the heading of minority economic development. According to one author, "by creating black capitalists … the administration

hoped to encourage bourgeois values and spread black Republicanism." The price tag for promoting black capitalism was small, making it an especially attractive strategy during the inflationary years of the late 1960s. Perhaps most important, Nixon and his aides believed that black-capitalist programs held the potential to win votes from the black middle class without "carrying the severe negative impact on the majority community, as is often the case with civil rights issues."[28]

Despite being one of the best-known civil rights leaders who supported Nixon in 1968, McKissick, like other blacks, held no measurable influence within the new Republican administration.[29] This lack of influence in Washington disheartened McKissick and other black leaders. By the close of President Nixon's first hundred days, it had become clear that African Americans were not involved in any important decisions made by Nixon or his staff. This was particularly evident in the case of Nixon's flagship black capitalist initiative, Executive Order 11458. The order, issued on March 5, 1969, created the Office of Minority Business Enterprise. Crafting the executive order with negligible input from his so-called Black Kitchen Cabinet, Nixon placed the OMBE under the Department of Commerce with no budget of its own, thus forcing the ten-member staff to forage for funds from other agencies. "To my mind the Administration's actions have not reflected real concern for the concept of 'Black Economic Power,'" McKissick complained to Robert Brown, a longtime friend and the president's top black aide.[30] Other prominent black Republicans, notably Jackie Robinson and the Urban League's Whitney Young, who favored the program in principle, nonetheless criticized the process of its implementation.[31]

The inability of Soul City to shape its own destiny was clear as early as June 1969, when the House Committee on Appropriations and the Department of Housing and Urban Development (HUD) quashed any pretensions of Soul City as a separatist venture. HUD would not financially back "any community that was designed for one race or the other," Assistant Secretary Samuel C. Jackson told McKissick. He assured the House Appropriations Committee of this as well at a hearing on June 18, 1969. Soul City, like any other municipality in the United States, would not have the power to regulate its racial composition. Government subsidies would dictate an interracial Soul City. McKissick concealed the disappointment the regulatory reality imposed on his racial vision. He preferred to view it as a necessary trade-off for tapping into the near-limitless bounty of the federal government, which he claimed was "as full as a Christmas turkey."[32] At a House subcommittee meeting on housing in June 1970, McKissick confessed that Soul City

"need[ed] funding from pretty nearly every federal agency that is involved in the building of cities."[33] Nixon would be up for reelection, however, before the administration finally settled on Floyd McKissick as the face of black capitalism and their point man on black Republicanism.[34]

MCKISSICK AND THE 1972 CAMPAIGN TO REELECT THE PRESIDENT (CREEP)

By the spring of 1972, a burgeoning black middle class had not translated into significant support for Nixon. Echoing Nixon officials Arthur Fletcher and James Farmer, a former Freedom Rider and ex-CORE head, McKissick explained that the problem was not the party's message but its deployment. Marketing the message of "a government-sponsored framework within which black entrepreneurship and urban regeneration could be nurtured" was getting them nowhere because of Nixon's black managerial elite, McKissick told Brown. Specifically, McKissick questioned the mobilizing know-how of black bureaucrats who, according to McKissick, lacked experience in organizing blacks at the grassroots level. "They are good followers," the former CORE shock-troop leader wrote of deskbound blacks inside the party, "*but not the warriors we now need* … ahead of the masses."[35]

Going into the summer, the national Republican Party was growing frustrated as well as it encountered problems in strengthening the field organizations to court black voters for November. The leader of the Black Votes Division, Paul Jones, was simply too much of a political novice in recruiting and developing effective field operations. The result, White House staffer Fred Malek wrote to Nixon's campaign manager John Mitchell, was that no field organization existed at all for the black vote division. "The Black team has not fully utilized the resources available to them through Government grants and loan programs," added Malek.[36] Malek concluded that the campaign needed to publicize past grants, identify all blacks receiving money from the administration, and tap the most visible of those blacks "to reach voters in their areas of influence."[37]

Office of Minority Business Enterprise director John Jenkins personified the campaign's problem. Nixon considered the economic front his strongest area of accomplishment for black and Spanish-speaking communities.[38] The reelection team believed that by continuing to give grants to Democrats, Jenkins was squandering the administration's best leverage for garnering black votes.[39] The perceived mulishness of Jenkins and others was out of sync with the campaign Nixon-Agnew wanted to run. They expected unilateral

support from federal agencies, which Nixon aides controlled and supported financially. CREEP dubbed this stealthy contribution of various agencies the "Responsiveness Program." The responsiveness program did not eliminate support altogether, but it instituted a selective approach to "future grants, loans, contracts, and appointments" for black individuals, firms, and organizations that would "have a multiplier effect on black vote support for the President."[40]

With that strategy in place, the White House began courting Jesse Jackson, hoping for his support or, at minimum, neutrality in the campaign. Indeed, federal support materialized for Jackson's recently formed Operation PUSH after he broke with Democratic nominee George McGovern just prior to the general election. Similarly, James Farmer, Nixon's one-time assistant secretary of HEW—whom Jones and Brown allowed to remain publicly nonpartisan so as not to "harm his credibility"—received $150,000, but only following a final sign-off by Jones and Brown. Farmer repaid the administration by "speaking on the administration's behalf" and "also talk[ing] to key black leaders to gain their loyalties."[41]

Floyd McKissick, however, gave more to the 1972 reelection campaign than either Farmer or Jackson. Soul City was recognized by established civil rights leaders like Roy Wilkins as "the only definite accomplishment of the Nixon administration," which increased McKissick's stock as a possible Republican Party spokesman.[42] An intimate of Malcolm X, McKissick capitalized on his robust record of protest to contest the image of a race-baiting Republican Party. As a once-discontented Democrat, McKissick explained the pragmatism behind his decision to switch parties. "The Republicans were fast becoming an all-white party, and that meant that when they were in power, blacks were isolated; they put all their eggs in one basket. I went in so blacks would have a voice—and I got a lot of heat."[43] It was hoped that McKissick's visible support for Nixon would either swing a significant voting constituency or tip the scales with a few decisive votes.

Jackson, McKissick, and Farmer were all representative race leaders. They were homegrown black leaders with a history of activism that was persuasive to blocs of black voters.[44] This was to the GOP's advantage, and white party leaders knew it. Later in the decade and in the 1980s, the GOP would court black leaders whose roots were in establishment networks, who had not come through the organic ranks of social protest and activism, and who thus offered no sizable black constituency.[45] However, Old Guard Republicans in the early 1970s understood that winning over black voters was difficult work and that they would have to go beyond the politics of racial tokenism. Additionally,

the campaign strategy of 1972 focused on procuring the votes of fence-sitting white moderates while also pulling into the GOP orbit leading blacks whose civil rights bona fides on matters of civil rights enforcement, affirmative action, and federal spending typically coincided with the concerns of blacks in America.

McKissick held symbolic political value for GOP consultants and image makers seeking to allay the fears of moderate whites who were not yet comfortable with the racial undertones encoded in the presidential campaign's narrative of antidemonstration, anticrime, and pro-"law and order" rhetoric. As a civil rights veteran backing Nixon, McKissick tempered the antiblack tone both for disillusioned Democrats and for moderate Republicans who found the GOP's southern strategy unsettling. Above all, McKissick furthered an image of a Republican Party that, publicly at least, presented itself as neither openly hostile to the principle of civil rights nor willing "to [be] held hostage" by the current group of civil rights leaders.

The Republican National Convention was planned for mid-August in Miami Beach. During the months leading up to the convention and the general election, with each cabinet office cooperatively onboard, CREEP intensified its strategy for recruiting black votes. CREEP's Black Vote Division turned to McKissick, Elaine Jenkins, and Berkley Burrell to develop an overall campaign strategy.[46] More widely known and respected in black electoral circles than the others, McKissick became Nixon's chief black surrogate, standing in for the president in public appearances in Chicago and other cities across the United States.

RETURNING BLACKS TO THE PARTY OF LINCOLN: THE 1972 GENERAL ELECTION, BLACKS FOR NIXON, AND POLITICAL FLUIDITY

By the time of the national convention, the browning of the Republican Party was evident. The convention in 1972 saw a 115 percent increase in representation by black delegates over the 1968 convention, the largest leap in black membership since the late 1800s. Fifteen states that had had no black delegates in 1968 sent at least one black delegate each in 1972. Black delegates represented at least 10 percent of the total delegations of Arkansas, Delaware, Louisiana, Maryland, Michigan, Virginia, and the District of Columbia. In five states (Arizona, Delaware, Iowa, Michigan, and Nevada), the percentage of black delegates exceeded the percentage of blacks in each state's population.[47] Racial moderates and liberals credited McKissick for much of the

change. Dick Behn of the partisan, progressive-minded Ripon Society stated to McKissick: "Republican leaders to whom I spoke repeatedly mention your support of Nixon this year."[48] At the convention, McKissick was easy enough to identify. Conspicuous to reporters by his "'72 Self-Determination" lapel button that featured a black GOP-style elephant, McKissick supported his new party proudly.

In a calculated move to galvanize the black vote for the 1972 general election, Republicans created an organization called Blacks for Nixon, headed by and including high-profile blacks—officials in the Nixon administration, black GOP officials, athletes, actors, entertainers, and the so-called revolutionary-turned-Republican McKissick. *Newsweek* reported that McKissick was weighing an offer to lead the Blacks for Nixon drive down its postconvention stretch.[49] Despite the gains in African American participation in the Republican Convention, whoever headed Blacks for Nixon would face a tough Democratic challenge.[50] The George McGovern–Sargent Shriver Democratic team in 1972 was arguably the most left-liberal ticket any major party had ever sponsored.[51] Blacks for Nixon eschewed the strategy to present Nixon as a stark conservative alternative, however. Instead, under McKissick, they attempted to blur the distinctions on issues ranging from immediate Vietnam withdrawal to defense spending cuts, welfare, and civil rights.

When opportunities did arise to distinguish Nixon favorably, Blacks for Nixon gladly drew distinctions. Less than a week after the Republican National Convention, in an August 29 speech to Wall Street financiers, McGovern introduced his would-be economic legislation and choices for top-level cabinet posts—most notably touting powerful House, Ways, and Means chair Wilbur Mills (D-Ark.) as treasury secretary. McKissick's spin to the press on this speech was that McGovern had just sold his core constituencies—the National Welfare Rights Organization, the Congressional Black Caucus, and the National Black Political Assembly—"down the river" to "save the whole plantation." The Arkansan's voting record on civil rights, claimed McKissick, was virtually indistinguishable from Senator James Eastland's (D-Miss.). The McGovern ticket, Nixon's black campaigners argued, revealed the chameleon nature of liberal white Democrats, whose prairie radicalism in the primaries was integrated into unreconstructed Democratic politics once the nomination was sewn up.[52]

McGovern's Wall Street speech set the tone for the entire Blacks for Nixon fall campaign. From September until election day, twenty-four black men and women championed the purported civil rights legacy of Nixon. They armed themselves with facts and figures comparing the conditions of blacks in the

current year of Nixon's administration with those in the final year of Lyndon Johnson's presidency. Nixon's black surrogates went into the battleground states of California, Illinois, Michigan, Missouri, New York, Ohio, Oregon, Pennsylvania, and Wisconsin. In guest appearances on radio and television, they framed the Nixon presidency as the most accomplished on behalf of black America of any administration since Reconstruction. Measuring their candidate against President Johnson's civil rights benchmarks, the surrogates highlighted Nixon's spending record: compared to Johnson's spending, Nixon doubled aid to black colleges, from $108 to $200 million; more than tripled assistance to minority business enterprises, from $200 million to $700 million; quadrupled the Fair Housing Enforcement Budget, from $2 million to $8.2 million; increased the EEOC's budget almost fourfold, from $8.2 million to $30.5 million; and directed more than eight times as much money, from $75 million to $602 million, to the enforcement of civil rights. Aid to Minority Bank Deposit programs did not exist under Johnson. Under Nixon, it was funded with over $250 million dollars. Nixon also appointed more blacks to top government posts than any other president in history. To those skeptics who questioned Nixon's nominations of right-leaning Clement Haynesworth and race-baiting G. Harrold Carswell to the Supreme Court, Nixon's black supporters reminded them that the president appointed two more minority federal judges than the Johnson administration, and did so in roughly half the length of time.[53]

Black publications that advocated reelection were sympathetic to Nixon because, as the editorial board of the *Cleveland Call and Post* put it, the president had kept with the Keynesian themes of the Roosevelt and Johnson administrations while plotting his own new federalist variation.[54] Huge economic development grants, high-paying government jobs, and federal programs designed to bolster minority business ownership topped the list of why *Black Business Digest* preferred Nixon to McGovern in the November 1972 election.[55] The campaign literature about Soul City, prepared and distributed by the Blacks for Nixon Committee, best represented the GOP's credentials and made it a viable if not favorable alternative: "The Democrats endorsed it! The Republicans supported it. That's action."[56]

The mushrooming Blacks for Nixon movement alarmed such black Democrats as Louis Stokes and Julian Bond, who warned fellow Democrats about the formidable threat posed to their hegemony in black America. Bond reserved his most tart comments for blacks who advocated voter abstention or worse, an outright vote for Nixon. Bond branded them all "political prostitutes" in an address to a National Urban League convention. He urged

Urban Leaguers to shun McKissick, Betty Shabazz, Wilt Chamberlain, and any others asking them to elect "a man who gave us Carswell and Haynesworth."[57]

Lifetime Republican Arthur Fletcher penned the leading corrective on behalf of black Republicans. Fletcher reminded *Wall Street Journal* readers that both labor and blacks had opposed Nixon's two Supreme Court nominees. The comparisons ended there. Labor—alert to the separation of powers, politically pragmatic, and free from Democratic Party control—sided with the administration on matters of mutual progress, such as the Vietnam War, the Supersonic Transport aircraft project, and the family assistance plan. "This was not the case [with] the black community," wrote Fletcher, who helped father the Philadelphia Plan for affirmative action.[58] "In fact, the exact opposite was true" of black leaders. Their reflexive animus toward all things Nixon rendered blacks invisible to the White House precisely at the moment when crucial policies and important appointments were being decided. Unions, by contrast, were consulted on every major presidential appointment in the Labor Department—"including my own," said Fletcher, Nixon's one-time assistant labor secretary.[59]

Fletcher underscored the political fluidity that existed in the early 1970s among black Republicans, black Democrats, and black third-party organizers on policies and appointments. Rarely did black Nixonians become apologists for nominees deemed essentially hostile to collective racial interests. Massachusetts Senator Edward Brooke, Fletcher, and now McKissick proposed that moderate and liberal blacks engage with the president and the GOP to help sway appointments and modify important civil rights legislation. Such political fluidity also extended to the language of moral responsibility. While arguments about moral responsibility from the black GOP have, since at least the 1980s, zeroed in on the personal failings of the so-called black underclass to lift itself from individual impoverished circumstance, McKissick, like contemporary black Democrats, made the argument quite differently in 1972. For McKissick, moral accountability was a further-reaching structural critique of the perpetuation of institutional racism and inequality. "I tried to make [white] people morally responsible," McKissick told an audience of bankers in October 1972 at the United Mortgage Bankers Conference, chiding the lending industry for such practices as redlining and credit discrimination.[60] With the election just four weeks away and victory virtually sealed, Nixon took a rare moment to reflect with the Black Executive Advisory Committee, an ad hoc sounding board for the president that he had consulted on the black election and postelection agenda.[61] "This is going to go down in history as a big

election," Nixon told the committee. An appreciative president then turned to McKissick, seated beside him, and thanked him and other black apparatchiks for "working night and day … for me." "We're changing the tide," predicted the president, and it will be "more decisive than just an additional 5 percent."[62]

A week later, with Nixon's victory in sight, McKissick shifted gears to think about the future beyond the 1972 campaign. With the aid of CREEP matching funds, he launched the National Committee for a Two-Party System.[63] His plan was to use the committee to make further inroads into the black community. Through positive press and voter education and registration, the committee hoped to institutionalize efforts to expand the party's base of black voters. "The ongoing significance this group [would] have" in "building the Republican Party," McKissick promised, would yield handsome electoral returns for the GOP beyond 1972.[64] In November 1972, Nixon won the general election overwhelmingly. For the first time since 1956, the Republican Party gained black voters over the previous presidential election.[65] While the 13 percent of blacks who voted for Nixon disappointed supporters, it still represented a 3 percent increase from 1968; this bump was largely credited to the efforts of Brown, McKissick, and a reinvigorated black Republican leadership.

Sharing the goal of bringing estranged black voters back home to the party of Lincoln was the new chairman of the Republican National Committee (RNC), George H. W. Bush. As a Texas senatorial candidate, Bush had opposed the Civil Rights Act of 1964. In his new post as RNC chair, though, Bush expressed a desire to build a cross-racial coalition. He began by allocating $300,000 to the liberal-moderate National Council of Black Republicans. Even though the presidential race had not produced the number of black votes some had hoped, party leaders persisted in their commitment to increasing minority enrollment. "Things are in the process of change here at the National Committee," Bush said. He admired McKissick's work toward this goal. The examples set by you, he told McKissick, "will be discuss[ed] with Bob Rousek, our new Communications Chief, some way … these ideas can be spread across the country." Bush went on: "I do want to work closely in order to develop an emerging Republican Party, and I appreciate the initiative you have already taken in this area."[66]

With this grand design in mind, Bush and McKissick, in a strategy meeting on March 30, 1973, laid the groundwork for the Two-Party's agenda for the next two years, in preparation for the 1974 midterm elections.[67] "I am determined that out of this will emerge a Republican Party with a sound

record toward all Americans and with a much greater image of an open door," Bush assured McKissick.[68] Determined to swell black Republican ranks to rival those of black Democrats, the Two-Party system organized throughout 1973.[69] Chapters were organized in Alabama, New York, Texas, and North Carolina before branching into Pennsylvania, Illinois, and Florida—"all of the states having significant populations of black people," in the words of Charles Hurst, executive director of the National Committee for a Two-Party System.[70] The committee hoped to engineer massive black Republican registration and support for minority candidates seeking office under the Republican banner.[71] Soul City figured into their partisan plans as well—not simply as a quid pro quo but, as McKissick explained to Bush, a national and international model for economic development. [72]

McKissick's congratulatory telegram to North Carolina's Republican senator-elect Jesse Helms on election night 1972 ostensibly sealed Soul City's compromise with all flanks of the GOP order. Telling Helms that within the party progressive blacks and conservative whites could be as separate as fingers yet one like the hand in matters of mutual progress, McKissick's telegram read: "In spite of the fact that no men think alike, there are many common things that we should work together on, and many common things we should work together for." Helms's response to Soul City's compromise ominously foreshadowed the future: "At the appropriate time, I intend to request a careful independent examination of expenditures" into Soul City.[73] That moment came midway in the freshman senator's first term. By the end of Helms's first term in 1978, Soul City would be the most closely watched of all new community programs and among the most investigated. When Helms-inspired investigations proved ineffective, Helms turned to purifying his party, purging it of black nationalists, liberals, and moderates alike.

Helms's misgivings aside, one might assume that the elections of friendly Republican administrations at the national and state levels should have augured months immersed in infrastructural development, building construction, and land acquisition for Soul City. But that was not the case. Instead, after the swift HUD approval during the winter and spring of 1973, months went by, along with delays in financing and land acquisition, as the project stumbled into a "turf war" between political operatives inside the White House and more fiscally minded conservatives operating largely out of the Office of Management and Budget.

While the federal officials bickered among themselves, commercial real estate prices rose. Six weeks ago one thousand acres could have been acquired at a price of $300 per acre, an impatient McKissick told Robert Thompson,

HUD's regional director in Atlanta in March 1973. "That situation is now forgotten." Area landowners, as one local merchant put it, were trying to "make 'em (Soul City Company) pay through the nose for land." Inflated land prices hastened Soul City's financial burden and delayed construction. In addition to soaring landing prices, HUD delays were affecting Soul City developers' relations with banks and other lending houses. Adding to the project's economic woes, Soul City's pursuit of industrial and financial investors unfolded as the nation stood at the precipice of a prolonged economic downturn that lasted throughout the decade.[74]

Nationally, the economy during the 1970s ushered in a decade of wobbly fundamentals not experienced since the 1930s. Particularly after 1973, Americans watched capital investment shrivel, the cost of living rise, interest rates crest at 20 percent, and domestic export and construction dive while unemployment doubled (rising to Depression-era levels in black communities). These factors, coupled with the birth of deindustrialization, which marked the shift from manufacturing to a low-wage, nonunionized service economy, crippled Soul City's chances for solvency.

America's industrial production, sizzling at 4.1 percent in the 1960s, fell below 3 percent in 1970. That trend largely continued through the decade as global competition also caught up with postwar America in the 1970s. By 1980, nine Western European nations surpassed the United States in per capita gross domestic product. For example, using newer plants and equipment, Germany and Japan produced and shipped quality steel, automotive, and electronic goods often at a lower price, enabling these international competitors to outproduce and underbid American manufacturers. The net result was not simply the nation's first trade deficit in nearly a century but also what some economists described as a free-market anomaly: soaring inflation matched by a deteriorating dollar.

The nation's faltering economy had an especially deleterious impact on Soul City. Less than 10 percent of manufacturers that escaped outright foreclosure relocated to the Sun Belt South. Those that did likely would not have considered relocating to Soul City. McKissick's city simply did not fit the preferred relocation profile during the 1970s—a profile, as historian Bruce Schulman demonstrates, that typically had plants seeking out predominantly white areas near southern cities. Soul City was neither in a predominantly white area nor a satellite suburb to any major southern city. The climate of economic uncertainty of the 1970s made it risky for business ventures generally and Soul City in particular, a new project located in a precarious area of the United States that, as southern historian Timothy Minchin put it, had no

track record of either a viable economy or attracting private capital on a sustained basis.[75]

Moreover, by tying the release of millions of dollars of Soul City funding to its ability to fill three hundred industrial jobs—forbidding the Soul City company from purchasing nonindustrial land until the threshold was met, for example—HUD effectively made bringing in industry the sole criteria for judging the freestanding town's programmatic success. [76] Soul City Foundation director Eva Mae Clayton suspected that the sluggish economy largely explained why the Soul Tech industrial building had failed in procuring industrial suitors by early 1975. "What we have are people very much interested, and before they will give their names down on the dotted line, I guess they are reappraising their making a move." Clayton, who two decades later became the state's first-ever black woman elected to Congress, added inauspiciously: "So I think a critical time is between now and the end (of March)."[77] But the crucial month of March brought the most withering attacks yet against Soul City by Helms, who engineered a full-scale federal investigation.

MCKISSICKGATE: SOUL CITY AND THE POLITICS OF SCANDAL

On March 5, 1975, freshman senator Jesse Helms and Tar Heel Democratic congressman L. H. Fountain requested a fiscal and program audit of Soul City. They were prompted by an investigative newspaper series by Tom Stith of the *Raleigh News and Observer*, who leveled thirty-three allegations ranging from political payoffs, interlocking directorships, conflicts of interests, and cronyism and nepotism to illegal expenditures and financial misappropriation. Helms made known his desire to end what he considered to be Soul City's bilking of American taxpayers. He introduced an appropriations amendment that blocked HUD from providing any further assistance to the project. Helms's colleague, Senator Edward Brooke of Massachusetts, raised objections, but HUD secretary Carla Hills froze Soul City funding until the audit was completed by the General Accounting Office.[78] The General Assembly of North Carolina similarly passed a resolution to withhold funds until a state probe of Soul City was completed.[79] Helms himself was the target of questions about political quid pro quo, raised by the *N&O* just weeks prior. Nevertheless, he pontificated: This is like that "New York City scandal, where somebody just walked off with a pile of money." After seven years and $19 million, Helms and the *N&O* complained, Soul City still failed "to crank it up."[80]

It would take several months for the GAO to prepare its audit, leaving a cloud of uncertainty over Soul City throughout 1975. By June, however, the North Carolina State audit cleared Soul City of any wrongdoing. In light of this, a vindicated Governor Holshouser unveiled the North Carolina Office of Minority Business Enterprise on July 21, 1975—an action that surely aggravated racial conservatives. Holshouser argued that state action was needed to make up for past racial wrongs and benign neglect. He wanted to open doors closed by past discrimination to "the very large number of people all across North Carolina who make up our racial minorities or who, because [of] a variety of circumstances, have not been able to fully take advantage of our American free enterprise system." Fostering minority business enterprise was an appropriate state response to an "area that has especially suffered from neglect over a period of many years."[81]

Despite Governor Holshouser's vote of confidence, the negative press about Soul City had rocked the already shaky confidence of potential institutional investors. The investment economy was tight and it was a buyer's market; few financiers with the means of investing large-scale venture capital or corporate earnings would waste their time or money sorting between the rumors of wrongdoing and their substance. Even after the state audit cleared Soul City, for instance, the most promising leads soured. "I did not believe that a sincere prospect would be daunted by political allegations," Holshouser's stunned chief consultant on minority business wrote to Soul City's industrial recruiter. This comment came after the industrial recruiter's follow-up visits to business contacts in Boston, Buffalo, and Cleveland. The recruiter, Harry Payne, volunteered to approach business leaders again by the first of August, banking on the GAO's report to clear Soul City and revive investor confidence. He quickly added, though: "During that period, I would hope that our situations at Soul City would have been altered or cleared up to the point that I need not speak defensively for Soul City." The federal government failed to meet its own August deadline for the audit; thus, in effect, nothing could change with investors until the GAO report was released at year's end.[82] Only Soul City's federally guaranteed loan classification spared its AAA-bond rating from being downgraded by Moody's.

In mid-December, the New Communities Administration announced a new $445,750 infrastructure grant to Soul City. The award foretold the direction of the GAO's finding and signaled Soul City's coming exoneration.[83] Less than forty-eight hours later on, December 17, 1975, the GAO released the results of its audit, clearing Soul City of any wrongdoing except, perhaps, a light infraction or two. Until this moment, Senator Helms and Congressman

Fountain had shared supreme confidence in Congress's investigative arm, lauding the GAO's imperviousness to politics and glad-handing. "They call 'em right down the middle," Helms said admiringly of the GAO.[84] When the office released its ninety-eight-page report, however, and failed to recommend a criminal investigation, the mercurial Helms changed his tune and insisted that the Justice Department review the GAO's review: "I am seeking a further review of the GAO on these and other points."[85]

The GAO report sampled 562 transactions between Soul City and federal, state, local, and private funds. It found that between roughly 25 percent to 35 percent of expenditure transactions did not follow the terms and provisions of the grant, contract, or loan guarantee procedure, often either not having adequate documentation or "relax[ing] certain conditions [that it] normally imposed." But nothing rose to the level of violation of any specific federal law, according to the audit. The four main allegations under investigation—preferential treatment in providing federal assistance, interlocking directorships and nepotism, lack of progress, and poor management practices—were generally explained away by the audit as either within the bounds of Soul City's charter (e.g., interlocking directorships) and contracts, or the result of McKissick's sloppy paperwork (poor management). Similarly, the report responded tacitly to the charge of lack of progress by reminding Fountain and Helms that Soul City had sold its first municipal bonds only twelve months before the investigation was demanded and provided a list of the project's ongoing concrete accomplishments, including an industrial building, underground utilities, near-completion of major roads leading to the subdivision, and a regional water system. The report concluded that "as of August 1975 physical development at Soul City was essentially on target, considering that the loan guarantee with the prime developer, The Soul City Company, was signed about 18 months earlier."[86]

The GAO's conclusion, which examined all local, state, and federal financing that benefited Soul City directly or indirectly, should not have surprised anyone and should have ended any speculation.[87] McKissick told HUD officials that he had never doubted that a review would remove the cloud of suspicion put there by the *N&O*.[88] "I am indeed sorry that the Honorable Jesse Helms appeared unwilling to accept the conclusions of the GAO as released. It seems to me that an organization as traditionally unbiased as the GAO should have its findings respected."[89] Fountain quietly withdrew his charges, but Helms persisted in his demand for a Justice Department review, despite a source from the House Committee on Intergovernmental Relations having stated that it was the job of the GAO to turn over any criminal evidence to

Justice.[90] "Whatever the result," Helms told the Senate, "an obvious fact will remain—Soul City is suspected by many citizens of my state to be the greatest single waste of public money that anyone in North Carolina can remember."[91] HUD responded with greater regulatory stricture as the scandal-plagued department, knocked regularly by the Nixon-Ford administrations for its corporate in-governance, suspended commonsense business practice altogether.[92] At one point, it even refused McKissick photocopies until he coughed up a $1.10 check to cover reproduction costs.[93]

As for the future of Soul City, almost a full year after the GAO had ostensibly given McKissick's project "a clean bill of health," more inquests were called for, this time by the state's junior senator Robert Morgan, a Democrat. If it had not already, by October 1976 Soul City would become among the most closely watched of all new communities, and it remained so throughout its brief life as a government project. Symbolizing the project's final descent from legitimacy to parody was the *National Enquirer* headline, "$19 Million Fleeced—And You Pay." [94]

Soul City's exoneration by the GAO did little to bring McKissick back to prominence in the national party. "What appears to be lacking is a real and publicly articulated commitment to this project on the part of the Administration," McKissick told new vice president Nelson Rockefeller.[95] In place of Nixon's support for Soul City, McKissick now had Rockefeller's ear, since the former New York governor and one-time Chase Bank chairman was Soul City's principal private backer. McKissick had no such rapprochement with the new president, however.

Within seven weeks of assuming office as president following Nixon's resignation, Gerald Ford had dropped his caretaker role of the Nixon White House. McKissick complained to the new president's counsel John Marsh that the Ford administration's urban policy was apathetic, if not contemptuous, toward the New Communities program. McKissick believed that Ford completely discounted the program's potential impact on black America, U.S. cities, and indeed the national economy.[96] Not surprisingly, Ford held a different view from those at Soul City. The competing view stemmed from the immediate challenges facing a president in a post-Watergate, recessionary mid-1970s, along with the Michigander's congenital fiscal conservatism. Combined, these factors made the new president far less likely to be as receptive to McKissick's message than his more Machiavellian-minded White House predecessors. Yet McKissick seemed to underestimate Ford's ethical concern for restoring "decency" and "moral leadership," which presidential scholar J. Robert Greene described as the thirty-eighth president's greatest political assets and

which restored a sense of public confidence in government. Indeed, Ford had already short-circuited any hoped-for honeymoon with the American people by pardoning Nixon, evidenced by a precipitous drop in his Gallup approval ratings.[97] In the aftermath of this politically costly pardon, Ford was unwilling to squander any remaining moral and political capital or further tarnish his long-cultivated, ethical reputation by supporting Soul City or any vestige of the misdeeds traceable to the previous White House. Ford was very interested in making executive agencies "politics-free zones," largely by moving policy questions out of 1600 Pennsylvania Avenue and returning them to various executive branch offices such as Justice, as well as the Office of Management and Budget and the Economic Policy Board.[98] Moreover, Ford's conception of presidential activism—budget cutting, to quote one historian—jeopardized a program like Soul City that relied on federal spending. Ford even urged Congress to balance the federal budget despite the political risks such belt-tightening measures carried in 1974 and 1975, when the nation was suffering the longest and deepest recession since the Depression. As one presidential scholar hypothesized on the political consequence of Ford's fiscal austerity, "When the president pledged that he would support no new spending programs, he immediately deprived himself of potential constituents and weakened his political base."[99] One of these potential constituencies, McKissick feared, may well become the black community.

By early 1976, the pattern of not working to improve the civil rights image of the Republican Party upset McKissick enough to contact Rockefeller. McKissick impressed upon Rockefeller that, in the minds of black voters, the image of the Republican Party would be inextricably linked to the fate of Soul City. "In spite of this," closed McKissick, "we cannot even get the kind of access we need to decision makers when we need that access most." With Soul City's reputation as "the largest and most visible minority-owned project sponsored at least in part by the Federal government," McKissick believed the new town provided the Ford administration's best chance of bringing black voters into the GOP.[100] But by January 1976, Rockefeller was in no position to champion the Soul City cause; instead, he appeared to be slipping into irrelevancy and on the losing side of a domestic power shift within the administration. Rockefeller, McKissick's strongest ally inside the White House, had resigned a month earlier as vice chair of the President's Domestic Council as Ford began siding with Dick Cheney and his "do- nothing" memos over Rockefeller on domestic policy matters.[101] These very reasons explained why, with the conservative backlash under way in the Republican Party, the new administration neglected the controversial North Carolina project.

North Carolina presented an important window into the national Republican Party. "Rooted in the historic economic ideology of the national Republican Party," wrote political sociologist Paul Luebke, North Carolina Republicanism had remained relatively strong throughout the post-1945 period in contrast to the GOP in other southern states. Voters had elected Congressman Charles Jonas in 1952, and Congressman James Broyhill ten years later.[102] Regarded as the dean of the state party, Broyhill underscored the race-moderate rhetoric of the North Carolina GOP. "I think that we have to show that we're appealing to all people, not just whites, but blacks and whites. … Unfortunately, over the years, we have had too many candidates in some places that get 100 percent of the [black] vote against them."[103] No Broyhill disciple rose more successfully through the party ranks than southern Appalachian native James Holshouser, who traced his Republican roots back to the Civil War. Yet this natural Republican son's support of voting and civil rights, affirmative action, and the ERA found him increasingly at odds with the conservative wing of his party. These differences surfaced publicly during the presidential primary campaign of 1976: Holshouser chaired the southern campaign for Gerald Ford, and Helms aggressively championed the maverick contender Ronald Reagan.[104]

THE UNRAVELING: THE 1976 NORTH CAROLINA PRESIDENTIAL PRIMARY

On the right, the 1976 North Carolina presidential primary is often considered one of the two most important primaries in the rise of the modern conservative movement.[105] Its significance lay in what ensued following Reagan's upset of Gerald Ford. Reagan was expected to run well in North Carolina, his first southern primary, but no Ford or Reagan professionals believed Reagan might win the state.[106] What many pundits as well as operatives inside Reagan's camp (including campaign manager John Sears, who privately began exploring "the idea of joining forces with the Ford team") mistakenly predicted was Reagan's last bid for the presidential nomination actually augured the end of Holshouser and moderate Republicanism.[107]

With the March 23 North Carolina primary days away, Holshouser led a group of nine moderate Republican governors in a plan to put down the conservative insurgent; in a statement to the press, they called on Reagan to get out of the race. Reagan was too polarizing a figure, both within the party and nationally, to win in November, the signatories declared. By remaining in the race, the former fellow governor was doing irreparable harm to the party's

presumptive nominee, driving up Ford's negatives and making the incumbent president vulnerable to the Democrats in the fall.[108]

The press release was a political and public relations disaster. The Republican governors' attempt to spirit Reagan out of the primary only engendered wider sympathies for the underdog. Reagan was seen as the quixotic GOP iconoclast, imbued with dogma immunizing him from the graft and vice many believed gripped Beltway politics in Washington. He had a "right to [enter] in each and every primary" went the common refrain from Republican regulars to the public at large.[109] One by one, the governors who had signed the release tried to distance themselves from it. Even the statement's authors, Holshouser and Governor Daniel J. Evans of Washington, backpedaled in a desperate effort to deflect the controversy from Ford.[110]

Holshouser soon came under fire from the then-powerful Congressional Club for his support of Soul City. Founded in North Carolina in 1972, the Congressional Club soon became one of the nation's five leading political action committees for New Right candidates, targeting particular contests where there were sharp ideological differences between candidates and where its fund-raising dollars might make a difference in a close race. That strategy received its first national exposure in the 1976 Republican primary in North Carolina.[111] According to the club, Soul City best symbolized the weakness of the Ford–Holshouser faction of the Republican Party. The Congressional Club believed that liberals and so-called candy-ass moderates like the governor were enabling a new black Republican menace. The club's attack was led by its chief strategist, Tom Ellis. The club eventually became Helms's primary political organization.[112]

As Helms saw it, Reagan's campaign was fundamentally a counterrevolution against the moral failings of liberalism. During Reagan's presidential run in 1976, he assailed Nixon-Ford's détente with the Soviet Union and open-door policy toward China as "appeasing Red[s]," thus recasting the Cold War as a moral struggle between a city on the hill and empires of evil. Helms appropriated similar imagery in mobilizing "patriots" against the enemy within. That enemy, according to Helms, was Soul City.[113] His crusade against Soul City and other "bloated" public projects was not about depriving "the poor and needy," he insisted, nor was it an attack on "the idea that blacks needed to have a city all their own."[114]

Rather, Helms claimed to be alarmed by the liberalism behind Soul City. He believed that American liberalism's policy of engagement jeopardized national security abroad and nurtured an American fifth column at home in Soul City. Soul City was a Trojan horse that posed a surreptitious threat: its

overtures to bootstrap black capitalism and adherence to free-market rhetoric cloaked its subversive agenda of expanding the welfare state. The enabling policies of liberals made it all possible. In Helms's mind, North Carolina offered an alarming example of this liberalism since its governor, James Holshouser, had literally created the space that brought the black chimera of Soul City into being. Helms certainly saw Holshouser's 1973 groundbreaking speech for Soul City as dramatic testament of that. In it, Holshouser told the gathering that Soul City signified "a new milestone in our nation's constant search for better human relations."[115] For Holshouser critics, it was such moral obtuseness that ultimately transformed liberals from mere facilitators into state subversives themselves.

Similarly, the club, viewing the primary as a referendum on the soul of the party, waged a mass publicity campaign against the North Carolina governor. The centerpiece of its attack was a campaign flyer that was mass-mailed to North Carolina voters with a caricature depicting McKissick as a puppeteer pulling the strings of the Republican governor: Holshouser's unholy alliance with McKissick. The Congressional Club followed the flyer with radio ads that falsely reported a backroom deal between President Ford and the Boston NAACP to select Edward Brooke as his running mate. Brooke was Soul City's staunchest supporter in the Senate, and in that sense was the bane of Helms's political existence. The national press quickly picked up the inflammatory radio spots.[116] So did Reagan, who, skillfully connecting the dots, tapped into local unrest about Soul City by tying it to global and hemispheric politics, particularly Ford's policies of détente with China and the Soviet Union and his willingness to cede sovereignty of the Panama Canal. "When Ford comes to North Carolina," Reagan told Tar Heel conservatives, who were bristling over a series of so-called "federal giveaways," from the Panama Canal to Soul City, "the band won't know whether to play 'Hail to the Chief' or 'Santa Claus is Coming to Town.'"[117]

After his fourth consecutive election loss, a resurrected Reagan upset Ford in the March 23 primary in North Carolina, 52 percent to 46 percent. Reagan's surprise victory led to a silencing of the diverse voices within the state party.[118] The national media put it in perspective: ABC News began its broadcast the next day by announcing that for the first time since 1952, when Harry Truman lost New Hampshire, a sitting president had lost a state primary.[119] No one could have predicted Reagan's victory in North Carolina, Walter Cronkite told CBS watchers.[120]

Nationally, the Ford team rewrote its strategy following the North Carolina debacle in an attempt to shore up the conservative grassroots constituency

increasingly identified as the base of the GOP. Thanks to Reagan's surge in the primaries leading up to the convention, Ford no longer had "the requisite delegates needed for the nomination." This forced the incumbent into intense bargaining with Reagan for individual delegates in order to secure his party's nomination. Summing up the weakness of Ford's position at the convention, his chief strategist, James Baker, admitted that there was not a single plank request—except perhaps firing Henry Kissinger—that "the President would not swallow."[121] Reagan, Helms, and the Congressional Club had transformed the Republican Party in a few short months. In the years to come, the Congressional Club's model for purifying the party would provide a template for toppling moderate state regimes.

In light of the GOP shake-up, which only narrowly resulted in the president's nomination at the convention, one of the Ford administration's most visible symbols of black economic power, the New Communities Development Board (NCDB), began to defer to Jesse Helms, rated America's number-one senator by the John Birch Society in 1974.[122] To appease the senator, the NCDB backed away from initial plans of an additional draw of debenture for Soul City. "This approach," as one NCDB official explained to another, "should enable the Board to put off the decision until after the November election, thereby avoiding perhaps (although I am not sure to what extent) the vigorous, adverse reaction from Senator Helms and the Raleigh *News and Observer*."[123] Ford's acquiescence to the Helms–Reagan faithful had important consequences when he faced Jimmy Carter in the general election. In retrospect, it may well have been Ford's undoing, as he was defeated in what turned out to be the slimmest electoral margin since 1916.[124]

In the November election, Ford garnered only 10 percent of the black vote—a declining GOP share from 1972 that reflected both the deleterious impact of Watergate and the GOP's abandonment of its black vote infrastructure. Two factors suggest why the demobilization of the Two-Party movement quite possibly had a detrimental impact on Ford's election. First was the increased percentage of black voter participation in 1976 relative to the overall turnout, especially in swing states. While national voter turnout figures declined from 55.2 percent in 1972 to 53.5 percent in 1976, about 6 percent more blacks went to the polls in the latter year, and black voters provided Carter with narrow victory margins in thirteen states, nearly all of which were proposed targets of the Two-Party Committee to get out the vote. Second, at the time, most contemporaries anticipated that aggressive electoral overtures toward blacks might be met with a backlash, resulting in the defection of the Republican ticket by alienated and more racially conservative

whites. The third-party spoiler would, in turn, siphon disaffected white voters from Ford.[125] Apparently backlash concerns did not disappear even after the most viable third-party candidate, George Wallace, dropped out in June 1976—despite starting the year with more money and organization than ever before, in addition to polls consistently indicating that the fifty-six-year-old Alabama governor was still favored by almost one-fifth of the electorate. Particularly in the South, conservative white voters, who had shifted to the Republican Party in large numbers in recent years, had no reasonable third-party alternative as they had in the prior two elections; it was Ford or nothing. Nonetheless, the Two-Party movement was effectively dismantled throughout the general campaign.[126]

All the more ironic was Soul City's visibility during the North Carolina primary campaign, which was out of proportion to the meager support given it by the Ford White House. Throughout his presidency, Ford had all but ignored McKissick and the Soul City project, but Ford posters still papered Soul City's main office walls and cars parked on its lots for weeks after November 5. The reality of a Carter victory did not hasten their removal.[127] Perhaps more important, Ford's strategy of neglect in the fall of 1976 signaled the beginning of a more protracted battle to neutralize moderate and progressive black leadership within the GOP.

At minimum, Ford's primary defeat in North Carolina demonstrated a larger struggle for the soul of the Republican Party; at most, the state changed the course of modern American politics. For the Right, if party apparatchiks and journalists are to be believed, North Carolina signaled "the turning point of Ronald Reagan's career."[128] Reagan's primary upset over a sitting president triggered "a shootout" at the GOP convention, ending in Ford's political death in the general campaign. Carter's victory over Ford ensured Reagan's position as his party's presumptive nominee in 1980. Before North Carolina, Reagan was a party crasher. "At all times after North Carolina," wrote one insider, Craig Shirley, "Reagan was a legitimate and full-fledged candidate."[129] Others, like James C. Roberts of *Human Events*, opined: "Without Reagan's victory in North Carolina, there would have been no Reagan presidency."[130] For the Ford administration and campaign, the setback in North Carolina triggered a full-run policy and campaign retreat, as Ford almost stopped using the language of détente altogether, taking a tougher stance toward the Soviet Union and canceling plans to normalize relations with Cuba. Back home in North Carolina, retrenchment meant Ford's abandonment of McKissick's project as the administration effectively backed away from a political fight and handed Soul City's future to Jesse Helms.

Coming out of the federal and state audits, Soul City's founder doubled-downed on the concessions he made to industry. Most notably, by 1976, hazy phraseology like "wage competitive" workforce had disappeared from Soul City's promotional literature, replaced by language openly soliciting industry by championing North Carolina's right-to-work laws. While right-to-work laws looked to attract industry, McKissick's strategic repositioning on the union question turned one-time allies in labor struggles into emerging critics, who believed that such legislation risked consigning a generation of working citizens to below-market wages. "[Mr. A. Philip Randolph] and I … have long been convinced that Right-To-Work laws have been a serious impediment to the economic advancement of southern blacks, and, for that matter, southern whites," said Bayard Rustin of the A. Philip Randolph Institute, suggesting that McKissick, once a labor activist attorney, was fast becoming a lackey of big business. Soul City partners answered Rustin by stripping the "A. Philip Randolph" name off the Employment Park, changing it to the Warren Industrial Park.[131]

Hemmed in by the antilabor culture of the state, what message could Soul City reasonably send employers? North Carolina was such an attractive base for outside industrialists precisely because, at 93.1 percent, it had the country's highest percentage of nonunion labor while being ranked second-lowest in average manufacturing wages, $4.14. By 1977, these factors had placed the profit margins of North Carolina manufacturers in the nation's top 10 percentile.[132] Promoting an employer-friendly atmosphere was especially prominent in northeastern North Carolina, the region where Soul City was located. According to a statewide poll, residents there normally harbored more disdain for organized labor than elsewhere in the state. Even a wink to labor jeopardized falling into further disfavor with the new governor, Democrat Jim Hunt—whose closest economic advisor, Ken E. Flynt, abided by the pattern established by past administrations to match nonunionized companies with communities that welcomed them.[133]

As much as McKissick would have liked to place the blame solely or squarely on national and statewide politics for killing Soul City, structural shortcomings in the macroeconomy throughout the 1970s, along with highly questionable business choices made by McKissick himself, also helped undo Soul City. Foremost among them was McKissick and other town founders' tone deafness to how much Soul City's Afrocentric-sounding name spooked industry prospects.[134]

By 1978, with industrial prospects dimming, McKissick was prepared to reorient policy as he had done with labor, and yield to the demands of big business by dropping the distracting name. Since the early 1970s, bond experts

and consultants had consistently admonished McKissick that the business establishment believed the new city's name had "a sort of 'less-than-solid' ring to it." To the majority of industries that the Washington, D.C.–based firm consulted, the "idea of a new town is radical enough without the social implications of a 'way-out' name."[135] Taking on a less-ethnically identifiable name made no sense to Harvey Gantt, the experiment's original planner and future mayor of the second-largest commercial city in the New South: "Who gives a damn where the Ford automobile is made?"[136] General Motors apparently did care.

McKissick's General Motors experience—the Detroit-headquartered car company whose corporate social policies that targeted minority enterprise, particularly in Soul City, was well chronicled by the late 1970s—captured how the Soul City name undermined recruitment. In a draft letter that Soul City recruiter Walter Sorg urged McKissick to send to GM's chairman and CEO Tom Murphy, the new town's name served at best as a convenient excuse for businesses to locate elsewhere or at worst, a plausible explanation of why industry shunned the freestanding community:

> In April 1977, G.M. initiated several actions which encouraged me to believe that Soul City stood at least an even chance of being selected for a modest sized operation at such time as your expansion plans were targeted at the Mid-Atlantic states. These actions included site evaluations by members of your real estate group, demographic data, correspondence, periodic up-dates on progress and personal discussions with some of your people. At each juncture my positive belief was strengthened.
>
> A little more than a year ago I was informed that the name, "Soul City" posed a potential problem and I might wish to consider a name change. … I raised my flexibility on the issue and expressed a desire to come to Detroit and discuss it in detail. When I was told that a meeting was not necessary I assumed the "problem" was an aberration of one (or more) of your subordinates and dismissed it from my mind—until a few days ago when I was told that Mid-Atlantic site searches now under way … *did not and would not* include the Warren Industrial Park at Soul City. The only reason given was our name.[137]

The only GM reply on record came from Abraham Venable of urban affairs, who politely informed McKissick that no future plans existed in North Carolina.[138] Few businesses stated corporate America's general discomfort as

forthrightly as Honeywell and its construction and real estate director Walter J. Schularick, who stated up front the company's "hang-ups" about the name. Sorg welcomed the Honeywell executive's frankness: "I can only regret that [other companies] were not as forthright in our discussion as you were."[139] But McKissick's change of heart about the name of the city was too little too late.

Internationally, the belief that Soul City's Afrocentric-sounding name and black power origins stymied whatever chance the project had of luring Western European investors by annexing xenophobia and racial chauvinism. One marketing official summarized his meeting with a Washington, D.C., correspondent for *Handelsbatt*, Germany's economic and financial daily, this way: "He gave me the cold hard facts as to how a foreign company would view it." The one-time German banker "indicated that many foreign companies (German in particular) have a negative impression on any area or project which has an ethnic inference and they tend to shy away, because it implies controversy." Again and again, the miffed marketer detailed in his report, "I took … time explaining why it was not all black. Although, I think he understood," foreign investors likely would not: "He stated that from a potential investment point of view, it was not good business sense to locate in such an area."[140] The same was true for potential white housing residents. Said a later report that doomed Soul City: "The average potential white buyer sees Soul City … as a community built by Blacks for Blacks."[141] McKissick believed that this negative impression was reversible if the federal government would demonstrate its support with a public relations campaign and by installing a government facility in the new town to help sustain it.[142]

Skittishness about the developer's propriety seemed validated in an April issue of the *Wall Street Journal*. Susan Harrigan's front-page story reported on the welfare-fleecing McKissicks, owners of a Maserati, Mercedes-Benz, and $300,000 home, courtesy of U.S. taxpayers . "As the leader lives in style," the struggling town meanwhile "lacked people and jobs."[143] For weeks, the story rippled through the general public and politicians, state media and recruiters. A flurry of letters, among them from senators Robert Morgan (D-N.C.) and Mississippi's Thad Cochran (R), objecting to these "wealth-redistribution-projects" were sent to HUD.[144] Embarrassed by the tales of McKissick's conspicuous consumption, state commerce recruiters opted out of bringing clients to Soul City.[145] Major Soul City partners were angered that the developer's lifestyle overshadowed the town's problems of and opportunities for economic growth.[146] Quickly finding its way to the North Carolina press, even Chapel Hill newspaper editors, easily the state's most liberal daily, cited

the *Journal*, called for an end to new town federal subsidies that, in their view, were siphoning much-needed federal dollars from the university system.[147]

Telling of the times, what was once the key resource in enticing investors—the area's large pool of unskilled black labor—now explained industry's absence. Indeed, the new governor, Democrat Jim Hunt, ascribed a "major stumbling block to locating industry at Soul City" to the presence of too many African American local residents (59 percent to 39 percent whites).[148]

SOUL CITY ON ICE

In its last five years, Soul City struggled to gain its footing. From 1976 through 1978, residential sales achieved only 35 percent of projected targets; commercial and industrial land sales hit 50 percent and 16 percent, respectively.[149] Shortly after the midterm elections in November 1978, HUD's William White stated that Soul City was not worth the risk of guaranteeing the remaining $4 million still to be paid out by the government. Although White retracted his statement before the new year, he prophesied Soul City's ill-fated last six months. By January 1979, HUD refused to accept Soul City's budget for the year, instead establishing a special task force to review the project's future viability.

From February to June while the task force met twice a month, the Carter administration, at least publicly, sided with the project.[150] Privately, more than a dozen congressmen pressured HUD to stop the funding.[151] Town boosters John Stewart and Billy Carmichael, having failed to persuade the Carter administration over the years to support the project, concluded that "government will back away from any appearances of a new city that appears to represent any policy of racial separation."[152] McKissick, a veteran of such reviews, was unfazed and still operated self-assuredly. He told the task-force members that "we can win" key Democrats "Senator Morgan and Congressman Fountain over if we use the 'proper strokes.'" The need for such declarations was about to end. On that same day, the HUD task force recommended to Secretary Patricia Roberts Harris to discontinue support for Soul City. "The General Partners of The Soul City Company were shocked and surprised," McKissick wrote to Harris. After twelve years and four presidential administrations, "we had absolutely no forewarning of this action and have no defaults on record to warrant this extreme remedy."[153]

The task force took pains not to attribute the failure of Soul City to deficient management. Rather, it wrote that "economic conditions, site location and the projected growth were overwhelming obstacles beyond the control of

the Developer." By the mid-1970s, three of four whites polled preferred color-blind approaches over reparative and distributive race-centered state action. In such an environment, a new town with a race-conscious name also deserved blame, according to the report:[154] "The term 'soul' is a tired expression established in the 1960s. Today, the term alienates many businessmen and residents who might consider a move to the area."[155]

Legal wrangling between McKissick and HUD filled the months between July 1979 and March 1980, when the two groups finally reached a settlement.[156] HUD would take over by June 1, 1980, at which time McKissick reflected on the "significant" accomplishments of Soul City: two hundred on-site jobs, eighty industrial acres prepared, two housing subdivisions completed, a two-county health-care center, and the construction of a regional water system. He spoke of his continuing faith in the New Town concept, with one crucial difference: the entrepreneur should have decision-making authority. "This," McKissick said one last time, "we did not have."[157] The government forced a study "every time we did anything."[158] There was also no mistaking how McKissick and acolytes read the tea leaves of modern political currents: "It is unfortunate that the government seeks to renege on its contractual commitments because political sentiments have changed since the law was originally passed in the '60's," he continued.[159] McKissick's loss of influence had less to do with a new party in the White House than with a narrowing of national political parameters.

CONCLUSION

Soul City no longer exists. Rather, the largest employer in the county where McKissick had once conceived Soul City as a twenty-first-century beacon of black capitalism is the Warren Correctional Institution, a medium-security 832-bed facility employing 293 locals. By the late 1990s, WCI had purchased the all-but-abandoned Soul Tech building, once Soul City's only industrial site, and expanded it to make room for the new janitorial products plant for Correction Enterprises, which intended to relocate its soap and industrial cleaning products business there from Harnett Correctional Institution in nearby Lillington. The new plant was constructed by inmates participating in the Inmate Construction Program. Beyond building on the ruins of Soul City, WCI also mirrored the rural economies of the 1990s, when a growing part of economic development initiatives increasingly relied on the migration of urban inmates. As many as 60 percent of these inmates, two-thirds of whom were minorities, were relocated to nonmetropolitan areas like Warren County

from America's big cities, a result of the expanding U.S. prison population.[160] Like the nation at large, Soul City would not employ young black workers as much as warehouse them, as did rural communities and cities across America in the 1980s and 1990s, when prison corporations worked with local and state officials seeking to revitalize economically depressed areas by building prisons that incarcerated unprecedented numbers of nonviolent drug offenders, mostly men between the ages of eighteen and forty. The same able-bodied, young African American men whom McKissick had optimistically envisioned returning south to be gainfully employed in Soul City did return, but they did so, in the words of the state prisons director, as "out-of-state inmates back home, back home so they can be with families; back home where our employees can work with them in our facilities."[161]

The fate of Soul City is not unrelated to McKissick's politically entrepreneurial efforts to expand the base of his newly adopted party. Whatever happened to black Republicanism? How did the Republican strategy of the early 1970s aimed at broadening its existing base to encompass a burgeoning black middle class not only fail to diversify the GOP but, within black America, solidify the party of Lincoln as effectively the "white man's party"? Floyd McKissick and Soul City shed some light on these often-asked questions.

Soul City encapsulated the agency and accommodation of the age. At the apogee of the Black Power movement, Soul City appeared destined, as Nixon put it, to be a shining showcase of black capitalism. Such rhetoric became the public rationale behind making Soul City the largest federally funded project ever underwritten for an African American.

In response to the space created by liberalism, McKissick—the nationalist who, in the words of historian Harvard Sitkoff, had moved 1960s radicals to regard nonviolence as a dying and useless philosophy—would modify his politics over and beyond any of his 1970s Black Power contemporaries as he acceded to Nixon's HUD and House Democrats on the all-black question, repudiated the black third party and labor struggles, and relinquished his near lifelong association with the Democratic Party in order to emerge as a leading voice of the new fusion politics within the Republican Party. Despite McKissick's accommodation to Republican leadership, however, the Soul City initiative would help fuel a backlash led by conservative ascendants within the GOP. Neophyte party conservatives succeeded in pulling longtime moderates like President Ford away from the political center while sacking others, notably Ed Brooke and James Holshouser.

Beyond complicating the standard narrative of the failed GOP efforts to appeal to African Americans, Soul City also suggests a need to reconsider

black nationalism itself, for the concessions made by McKissick and other town founders challenge the received academic wisdom and commonplace assumptions that black power privileged cultural and racial purity over political pragmatism and institution building. The notion of black power as a hermetically sealed political ideology proscribed by its racial purity—gleaned from the varied writings of political philosopher Tommie Shelby to Barack Obama's *Dreams from My Father*—is belied by the bricks-and-mortar example of Soul City.[162]

By foregrounding the centrality of the liberalism–black power dialectic, Soul City demonstrates the persuasiveness of the argument of soft political power, highlighting how policies of engagement were employed to reform dissidents, bringing them back from the political Rubicon. In so doing, however, the liberal–black power interaction also energized the rise of the New Right.

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NOTES

1. "The GOP and the Black Vote," Ripon Forum, 41 December 2007–January 2008, 3.

2. "Information on Soul City, North Carolina," in "Press Kit Materials, 1970–1979" File, Folder 1752, McKissick Papers. Within the decade, an oil-refinery project in Tuskegee, Alabama, would eclipse Soul City as the project for an African American to receive the most federal funding.

3. Roy Wilkins to Floyd McKissick, 5 November 1973, Soul City [2 of 3], Subject Files, WHCF: SMOF: Patterson, Nixon Presidential Materials, National Archives II.

4. To date, no book-length monograph exists on Soul City or its founder, Floyd McKissick. This limited secondary literature has not prevented conflicting scholarly commentary. Some situate Soul City within a larger argument in recent civil rights–black power historiography, which effectively rejects the notion that black power signaled some fundamental break from the broader aims of the civil rights movement. Another view contends that Soul City signaled a significant departure rightward from historic black struggle; it suggests that McKissick was not only the godfather of Soul City but also of today's black New Right. For the continuitarian view, see Christopher Strain, "Soul City, North Carolina: Black Power, Utopia, and the African American Dream." *Journal of African American History* (Winter 2004); and Timothy Minchin's "A Brand New Shining City: Floyd B. McKissick and the Struggle to Build Soul City," *North Carolina Historical Review* (April 2005). For the rupture view, see Sundiata Cha Jua, "Selling Soul City: Floyd B. McKissick Sr., Black Capitalism, and the Origins of Contemporary Black Conservatism," Association for the Study of African American Life and History conference, Milwaukee, 10–19 October 2003. For interpretive views somewhere in between the continuity/departure divide, see Roger Biles, "Rise and Fall of Soul City," *Journal of Planning History* (November 2005).

Not surprisingly, literature exploring the interplay between McKissick, Soul City, and the GOP is scarcer yet, with scholars such as historians William Link and Minchin engaging the subject typically locating McKissick within the progressive strand of modern Republicanism.

5. The original Big Four typically refers to CORE, the National Association for the Advancement of Colored People, the National Urban League, and the Southern Christian Leadership Conference. For a contemporary view of the Big Four, see "Negro Leaders Split Again: Can't Agree on Need to Demonstrate," *The Chicago Defender*, 1 August 1964. Later some scholars would also make mention of the Big Four, replacing the NUL with the Student Nonviolent Coordinating Committee, though the latter was established after the other groups mentioned. For SNCC as a member of the Big Four, see Doug McAdam, *Political Process and the Development of Black Insurgency, 1930–1970* (Chicago, 1982), 154; and Ted Robert Gurr, ed., *Violence in America: Protest, Rebellion, Reform* (Newbury Park, Calif., 1989), 278. As one of the original, old-line Big Four civil rights organizations that shaped the struggle for racial equality since the 1950s, CORE was notably the only one to endorse black power. Given its more decentralized, grassroots organizational structure and bottom-up economic initiative, CORE's agenda coincided with Nixon's economic uplift program for black America.

6. R. Douglas Hurt, *The Rural South Since World War II* (Baton Rouge, 1998), 13, 79, 81.

7. Spencer Rich, "McKissick Is Planning 'Soul City,'" *Washington Post*, 14 January 1969.

8. "Negroes to Build Their Own 'New Town' in North Carolina," *New York Times*, 14 January 1969.

9. Rich, "McKissick Is Planning 'Soul City.'"

10. "Negroes to Build Their Own 'New Town' in North Carolina."

11. Guy Olson, "Soul City Foundation to Aid Black Equality," *Chicago Daily Defender*, 6 February 1969.

12. Walter Trohan, "From Washington: Wilkins Decries Segregation in Reverse," *Chicago Tribune*, 17 January 1969, A3.

13. I do not want to misuse the term "soft power," but to broaden its application. First, I apply "soft power" to the United States, where black activists like McKissick—across the political spectrum—repeatedly called on America to embark on a domestic Marshall Plan from the 1950s on. I seek to stay consistent, though admittedly domesticating its usage in ways perhaps not originally imagined, given that the coiner of "soft power," Joseph Nye, himself opens the 2004 edition of his book by implying that the Marshall Plan is a classic example of soft power. Second, for Nye, soft power meant "the ability to get what you want through attraction rather than coercion and payment." Soft power practitioners persuaded others through American culture, political ideals, and policies, according to Nye. While the Nixon administration did pay for Soul City, the policy intent conformed to Nye's soft power agenda, since Republican national chairman George H. W. Bush impressed on McKissick that the party was doing so to make the GOP more politically palatable and open to black America. Joseph S. Nye, *Soft Power: The Means to Success in World Politics* (New York, 2004), preface; Conference Notes for Meeting with George Bush, 30 March 1973, Folder 7703, FBM Papers; Bush to McKissick 12 April 1973, Folder 7703, FBM Papers.

14. The leading scholarship on the GOP's effort regarding black votes during the Nixon years has tended toward three directions. The longest, largest, and perhaps most familiar is the narrative of the Southern Strategy. This literature, reflecting the dominant scholarly and popular view, contends that Nixon's famous Southern Strategy was in intent and effect race-based. Such books include Dan T. Carter, *George Wallace, Richard Nixon and Transformation of American Politics* (Waco, Tex., 1992), Kenneth O'Reilly, *Nixon's Piano: Presidents and Racial Politics from Washington to Clinton* (New York, 1995), and, most recently, Robert Mason, *Richard Nixon and the Quest for a New Majority* (Chapel Hill, 2004), and Rick Perlstein, *Nixonland: The Rise of a President and the Fracturing of America* (New York, 2008). In the words of historian Robert Mason, to pursue blacks was "a wasted effort." More important, doing so ran the risk of alienating potential southern white voters and a growing number of northern whites as well. These disaffected whites, according to the Southern Strategy literature, increasingly felt left behind by liberal Democratic administrations of the postwar era, which made securing black equality paramount in each respective national party platform.

By the late 1990s, a corrective to the southern strategy argument emerged. It started with Joan Hoff's *Nixon Reconsidered* (New York, 1995) and was soon followed by Dean Kotlowski, Kevin Yuill, and Garry Wills. What they share generally is a defense of Nixon's domestic agenda—though Wills offers less forbearance toward Nixon's machinations than others. While Southern Strategist scholarship saw Nixon as the genealogical forbearer of the New Right, the Hoff school tends to place Nixon snugly within the liberal context of his predecessors. Problematizing the image of a race-baiting Nixon, they concluded that liberal pundits then and historians since have tended to overlook the administration's civil rights and other domestic achievements. Still, Hoff historians stayed consistent with earlier conventional scholarship: Nixon remained calculating as ever. According to Kotlowski, Nixon reached out to a silent black majority, calculating that it could draw a wedge within the black community without costing him white voters. Nonetheless, Hoff's historians preferred to downplay motives to results. See Dean Kotlowski, *Nixon's Civil Rights: Politics, Principle, and Policy* (Cambridge, Mass., 2001), 404; Paul Krugman, "It's a Different Country," *New York Times*, 9 June 2008.

15. Wayne King, "McKissick Is Succeeding, Although Not 'Supposed To: A Spur to County," *New York Times*, 22 December 1974.

16. "Floyd B. McKissick: Making Black Capitalism Work," in *Black Voices in American Politics,* ed. Jeffrey M. Elliott (San Diego, 1986), 282.

17. Floyd B. McKissick: "Black Business Development with Social Commitment to Black Communities," in *Black Nationalism in America,* ed. John H. Bracey, August Meier, and Elliot Rudwick (Indianapolis, 1970), 492.

18. "'Liberate Selves—McKissick,'" *Carolinian,* November 1969.

19. McKissick, "Black Business Development," 492; see also Robert O. Self, *American Babylon: Race and Struggle for Postwar Oakland* (Princeton, 2003).

20. Ibid.

21. "'Soul Town' Planned to Relieve Ghetto Dwellers," *Chicago Daily Defender*, 14 January 1969.

22. Kotlowski, *Nixon's Civil Rights,* 131–33; see also Kevin Yuill, *Richard Nixon and the Rise of Affirmative Action* (Lanham, Md., 2006).

23. Unlike the argument above, there are other scholars who actually posit a Nixon-as-liberal thesis, locating him within New Deal liberalism. For example, as historian Manning Marable has written in *Race, Reform, and Rebellion*: Nixon was "part of the great 'centrist social liberalism' tendency" that existed from Roosevelt (1932) until Reagan (1980). I cite *Race, Reform, and Rebellion* because Marable presented this thesis as far back as a generation ago, in 1984, a full decade before the best-known book on the subject, Joan Hoff's *Nixon Reconsidered* (1991). In addition, see Kotlowski, *Nixon's Civil Rights*; Garry Wills, *Nixon Agonistes: The Crisis of the Self-Made Man* (New York, 1971), and Stephen Ambrose, *Nixon* (New York, 1991).

24. McKissick, "Black Business Development with Social Commitment to Black Communities," 492.

25. J. W. Goodloe to McKissick, 15 November 1968; McKissick to J. W. Goodloe, 8 January 1969; McKissick to W. J. Kennedy, 28 October 1971; J. J. Henderson to McKissick, 9 November 1971, Folder 6022, FBM Papers.

26. Jackson to McKissick, 16 May 1969, WHCF/Subj. Categories, HS (Housing) (Box 7), [Gen] HS 3/LG/S [1969–70], NPM.

27. See Theodore Cross, *Black Capitalism: Strategy for Business in the Ghetto* (New York, 1971), vii.

28. While Nixon's cordoning was not unusual and he had few intimates, the physical space an aloof Nixon kept between him and blacks is notable nonetheless. After one particularly inflammatory session with Ralph Abernathy, Nixon would later tell aides that he had met with enough blacks. His intention was to slow down the civil rights agenda because of the growing perception that a positive agenda curried few black votes while inviting a blue-collar voter backlash among whites. Pressure from key officials from HEW, HUD, Labor, and members of the White House elite staff for more aggressive civil rights enforcement likely exacerbated Nixon's coldness toward blacks and civil rights policy generally. By March 1970, Nixon even met black Republican officials' wishes to sit down and discuss domestic racial policy with silence. Memorandum from John R. Brown to Harry Dent, 25 March 1970, Dent, Presidential Memos–1971, Staff Secretary (Box 83), WHSF-SMOF, NPM.

29. Memorandum from John T. Sun to Ronald F. Scott, 3 June 1971, Series; Office of Policy and Planning, Box 32, Folder: New Community Program-142-11; Memorandum from John T. Sun to Ronald F. Scott, 6 July 1971, Series: Office of Policy and Planning, Box: 32, Folder: Intra-Division or Department.

30. See McKissick to Robert Brown, Assistant to the President, 4 April 1969. Folder 6201, FBM Papers; For more on Brown's position, see Paul Frymer and John David Skrentny, "Coalition Building and the Politics of Electoral Capture During the Nixon Administration," *Studies in American Political Development 12* (1998): 145; see also Melvin Small, *The Presidency of Richard Nixon* (Lawrence, Kans., 1999), 174–77.

31. Dean Kotlowski, "Black Power-Nixon Style," *Business History Review 72* (1998): 422.

32. The next eleven months proved more disheartening for McKissick. "We all know where Richard Nixon stands," and, like Johnson, wrote McKissick in the *Black Scholar*, "If [Nixon] thought black power was a real threat to the status quo, he would hardly be for it." McKissick, "The Way to a Black Ideology," *Black Scholar* (December 1969): 17.

33. "Soul City" Conference transcript, Howard University, 21 February 1969, 101, Folder 6571, FBM Papers; HUD Legislation—1970, Hearings before the Subcommittee

on Housing of the Committee on Banking and Currency, House of Representatives, 91st Cong., 2nd sess., Part 2, 8 June 1970, 664, in *Congressional Record*.

34. Memorandum from John R. Brown to Harry Dent, 25 March 1970, Dent, Presidential Memos–1971, Staff Secretary (Box 83), WHSF-SMOF, NPM.

35. Underline in original letter. McKissick to Brown, 30 May 1972, Folder 7550, FBM Papers.

36. Memorandum from Fred Malek to John Mitchell, 26 June 1972, Subject: Black Vote Campaign Plan, Plumbers, White House 3. Evidence, CRP, Black Vote Plan, Records of the Watergate SPF.

37. Ibid.

38. See weekly activity reports of Paul Jones, 17 January–7 September, in PLM-R (WH) 3 Evidence, Weekly Activity Reports, Planning and Coordination—Documentary Evidence (Box 6), Responsiveness Program, Plumbers Task Force, Records of the WSPF.

39. Malek to Bob Brown, Bill Murrimoto, Paul Jones, and Alex Armendariz, 3 March 1972, Box 7 Ex FG 21-17, OMBE [2 of 2, 1972–74], WHCF: Subject Files, NPM.

40. DeLaney, "Report of Watergate Committee Staff Cites Plans to Use Federal Funds to Gain Black Support for Nixon," 12 June 1974.

41. Memorandum from Fred Malek to Bob Finch, 2 May 1972, PLM-R (WH) 3 Evidence, White House Documents and Notes, Records of the WSPF, NPM.

42. Roy Wilkins to Floyd McKissick, 5 November 1973, Soul City [2 of 3], Subject Files, WHCF: SMOF: Patterson, NPM.

43. King, "McKissick Is Succeeding Although Not 'Supposed To,'" *New York Times*, 22 December 1974.

44. Edward Ashbee, "The Republican Party and the African-American Vote since 1964," in *Black Conservatism: Essays in Ideological and Political History,* ed. Peter Eisenstadt (New York, 1999), 252; Martin Kilson, "Anatomy of Black Conservatism," *Transition 59* (1993): 15.

45. For an archetype of today's black Republican, see Dale Russakoff's *Washington Post* feature on Condoleeza Rice, "Lessons of Might and Right," *Washington Post,* 9 September 2001.

46. PLM-R (WH) 3. Evidence, 26 July 1972, Minutes of 25 July Meeting of the Committee for the Re-Election of the President, Records of the WSPF, NPM.

47. Joint Center for Political Studies, 10 November 1972, Folder 7687a, FBM Papers.

48. The Ripon Society, founded 1962 in Wisconsin by Republican progressives. Dick Behn to McKissick, 14 July 1972, Folder 7719, FBM Papers.

49. "Blacks: Soul City," in National Affairs section, *Newsweek,* 14 August 1972.

50. Memorandum from W. Richard Howard to Dave Parker, 8 August 1972; memorandum from Nate Bayer to John Campbell, 26 September 1972; Commerce Secretary Peter G. Peterson to Ehrlichman, 21 September 1972, Box 7 Ex FG 21-17 Office of Minority Business Enterprise [2 of 2, 1972–74], WHCF: Subject Files, NPM.

51. Shriver replaced Missouri senator Thomas Eagleton.

52. Statement by Floyd B. McKissick, 1 September 1972, Folder 7638, FBM Papers; see also Nixon-Blacks telegram, from Paul Jones, director of the Black Voter Division of CREEP, Folder 7551, FBM Papers.

53. See National Black Committee for the Re-Election of the President campaign literature in Folder 7555, FBM Papers; see also memorandum from Stanley S. Scott to Presidential Surrogates, 6 September 1972, Folders 7550, 7554, FBM Papers.

54. Editorial Comment: "Four More Years," *Cleveland Call and Post*, 14 October 1972.

55. "As *Black Business Digest* Sees It: The November Election," *Black Business Digest*, October 1972.

56. See National Black Committee for the Re-Election of the President campaign literature, Folder 7555, FBM Papers.

57. *New York Times,* 17 October 1972; Paul DeLaney, "Blacks for Nixon Sharply Rebuked," *New York Times,* 3 August 1972.

58. Hugh Davis Graham, *The Civil Rights Era: Origins and Development of National Policy, 1960–1972* (New York, 1990), 326; Robert Charles Smith, *We Have No Leaders: African-Americans in the Post–Civil Rights Era* (Albany, N.Y., 1996), 145–47.

59. Arthur Fletcher, "The Black Dilemma If Nixon Wins," *Wall Street Journal*, 25 September 1972.

60. *Chicago Daily Defender*, 18 October 1972.

61. Confidential minutes of Black Executive Advisory Team/National Black Steering Committee, 15 September 1972, Folder 7554, FBM Papers.

62. The Black Executive Advisory Committee of CREEP included Robert Brown, Malek, Clark MacGregor, Paul Jones, Frank Herringer, McKissick, Hurst, and *Cleveland Call and Post* publisher and editor Willie Walker. See Conversation #108-1, 6 October 1972, Reference Cassette #186, RC-1 White House Tape 108, Tape Subject Log, NPM.

63. CREEP awarded McKissick's group $7,000. McKissick to Malek, 23 October 1972, Folder 7654, FBM Papers.

64. Ibid.

65. Lucius J. Barker and Jesse J. McCorryJr., *Black Americans and the Political System,* 5th ed. (Boston, 1980), 223.

66. Bush to McKissick, 12 April 1973, Folder 7703, FBM Papers. By his successful congressional bid in 1966, however, Bush had won over a sizable number of racial crossover votes, getting three times (34 percent to 10) percent more of the black votes than the GOP gubernatorial candidate; see Jack Bass and Walter De Vries, *The Transformation of Southern Politics* (Athens, Ga., 1995), 323.

67. Conference Notes for Meeting with George Bush, 30 March 1973, Folder 7703, FBM Papers.

68. Ibid.

69. Horton to McKissick, 12 April 1973, Folder 7637, FBM Papers.

70. For Immediate Release, The National Committee for a Two-Party System, Inc. Soul City [2 of 3], Subject Files, WHCF: SMOF: Patterson, NPM.

71. See Purposes and Objectives of the North Carolina Chapter of the National Committee for a Two-Party System, Soul City [2 of 3], Subject Files, WHCF: SMOF: Patterson, NPM.

72. McKissick to Bush, 22 May 1973, Soul City [2 of 3], Subject Files, WHCF: SMOF: Patterson, NPM; see Conference Notes for Meeting with George Bush, 30 March 1973, Folder 7703, FBM Papers.

73. McKissick, Western Union telegram, to Helms, 10 November 1972; Helms to McKissick, 27 November 1972, in Folder 794, FBM Papers. For the Vardaman quote, see

John Hope Franklin and Alfred A. MossJr., *From Slavery to Freedom: A History of African Americans,* 8th ed. (Boston, 2000), 289.

74. McKissick to Thompson, 28 March 1973, NPM, WHCF: SMOF: Patterson, Subject Files, Soul City [2 of 3].

75. Bruce Schulman, *The Seventies: The Great Shift in American Culture, Society, and Politics* (New York, 2001), 109–20; Timothy Minchin, "Building Soul City," *North Carolina Historical Review* (April 2005): 139–40.

76. See "Soul City," 1 July 1975, File Folder: 1.3 Correspondence, 1974–75, Box 2, Program Records Related to Soul City, Warren County, N.C., 1974–75, NCDC, General Records of the DHUD.

77. "Soul City Project's Funds to Depend on Deeds," *News and Observer,* 3 March 1975.

78. The request went to U.S. comptroller general Elmer B. Staats of the General Accounting Office, *Congressional Record*, 26 May 1975, 25135.

79. See the Senate Joint Resolution 415, General Assembly of North Carolina, Session 1975.

80. See Lee Rudd to John Freeman, Assistant Administrator for Policy Development, 9 December 1974, File Unit: 1.10 Public Information, 1972–78, Series: Program Records Relating to Soul City, Warren County, N.C., 1972–78, Subgroup: NCDC, Records Group: General Records of the DHUD, National Archives. For Helms's quote, see *Congressional Record* (1975).

81. "Announcement by Governor Jim Holshouser Establishment of North Carolina Office of Minority Business Enterprise," 21 July 1975, Folder 476, FBM Papers.

82. Harry E. Payne Jr. to Waymond Burton, 19 June 1975, Folder 5281, FBM Papers.

83. "Soul City Receives New Funds," *News and Observer*, 17 December 1975.

84. North Carolina's junior senator, Robert Morgan, preferred to remain on the sidelines. Steve Berg, "Fountain, Helms Ask Audit for Soul City," *News and Observer,* 6 March 1975.

85. "Senator Charges Massive Boondoggle at Soul City," *Durham Morning Herald*, 17 December 1975.

86. Information on the new community of Soul City, N.C.: multiagency: Report of the Comptroller General of the United States (1975).

87. Staats to Fountain, n.d., in Report of the Comptroller General, Soul City, 18 December 1975.

88. McKissick to Otto G. Stoltz, NCA Administrator, 28 March 1975, File Unit: 1.10 Public Information 1972–78, Series: Program Records Relating to Soul City, Warren County, N.C., 1972–78. Subgroup: NCDC, Record Group: General Records of the DHUD, NABII.

89. Statement of Floyd B. McKissick Regarding Release of the GAO Audit on Soul City, 16 December 1975, File Unit: 1.10 Public Information, 1972–78, Series: Program Records Relating to Soul City, Warren County, N.C., 1972–78, Subgroup: NCDC, Record Groups: General Records of the DHUD.

90. Gary Pearce, "Review of Audit Urged by Helms," *News and Observer*, 17 December 1975; Berg, "Fountain, Helms Ask Audit for Soul City," *News and Observer,* 6 March 1975.

91. Pearce, "Review of Audit Urged by Helms," *News and Observer*, 17 December 1975

; *New York Times*, 21 March 1974; Charles Jeffers, "Opinion Mixed on Economic Impact of Soul City Failure," *Durham Sun*, 28 June 1979.

92. Monica McAdams to Doug Parker, 25 February 1976, File Unit: 1.10 Public Information, 1972–78, Series: Program Records Relating to Soul City, Warren County, N.C., 1972–78, Subgroup: NCDC, Record Group: General Records of the DHUD.

93. James F. Dausch, Deputy General Manager, HUD to McKissick, 28 June 1976, File Unit: 1.10 Public Information, 1972–78, Series: Program Records Relating Soul City, Warren County, N.C., 1972–78, Subgroup: NCDC, Record Group: General Records of the DHUD, NABII.

94. Senator Robert Morgan to HUD Secretary Carla Hills, 12 October 1976; James F. Dausch c/o Melvin Margolies to Morgan, 21 October 1976, File Unit: 1.13 Correspondence (Development) 1974–77, Box 2, Series: Program Records Relating to Soul City, Warren County, N.C., 1974–77, NCDC, General Records of the DHUD.

95. FBM to Rockefeller, 17 January 1976, Folder 1810, FBM Papers.

96. FBM to John Marsh, 4 October 1974, Folder 7301, FBM Papers.

97. John Robert Greene, *The Presidency of Gerald R. Ford* (Lawrence, Kans., 1995), 193.

98. Karen M. Hult and Charles E. Walcott, *Empowering the White House: Governance Under Nixon, Ford, and Carter* (Lawrence, Kans., 2004), 145.

99. Yanek Mieczkowski, *Gerald Ford and the Challenges of the 1970s* (Lexington, Ky., 2005).

100. FBM to Rockefeller, 17 January 1976, Folder 1810, FBM Papers; Barker and McCorry, *Black Americans and the Political System,* 215.

101. Hult and Walcott, *Empowering the White House*, 146.

102. Paul Luebke, *Tar Heel Politics* (Chapel Hill, 1998), 212; Bass and Devries, *The Transformation of Southern Politics* (Athens, Ga., 1995), 234–39.

103. Bass and DeVries, *Transformation of Southern Politics,* 235.

104. *Congressional Record*, 19 March 1974, 7174–75; see also 11 June 1974, 18664–65; 5 August 1974, 26651–55; 15 October 1974, 35677–78; 5 December 1974, 38361–63; 9 December 1974, 38537–39.

105. Goldwater's 1964 defeat of Rockefeller in California is the other.
Craig Shirley, *Reagan's Revolution* (Nashville, 2005), chap. 8.

106. North Carolina Citizens for Reagan for President newsletter, n.d., in Gov. Holshouser Papers; Rowland Evans and Robert Novak, *The Reagan Revolution* (New York, 1981), 54; Garry Wills, *Reagan's America* (New York, 2000), 390.

107. Long Marketing North Carolina Poll, January 1976, Question #4, Folder: Republican Party, Box 501, Gov. Holshouser Papers; Wills, *Reagan's America,* 390.

108. Press Release, 19 March 1976, Folder: Republican Party, Box: 501, Gov. Holshouser Papers.

109. See, for instance, telegram from Andrew C. Untener of Charlotte to Holshouser, 19 March 1976, Series: Holshouser, Box: 483, Folder: President Ford Political II, State Archives.

110. "GOP Governors Ask Reagan to Quit," Associated Press, 20 March 1976, Folder: President Ford Political I, Box 483, Gov. Holshouser Papers.

111. The other major PACs were the National Committee for Political Action Committee, the Committee for the Survival of a Free Congress, Citizens for the Republic, and the Fund for a Conservative Majority. Val Burris, "The Political Partnership of

American Business: A Study of Corporate Political Action Committees," *American Sociological Review 52* (December 1987): 732–44; David E. Price, "Our Political Condition," *Political Science 25* (December 1992): 681; Luebke, *Tar Heel Politics*, 162–63.

112. The Congressional Club view was a popular one. R. J. Howell of Goldsboro to Holshouser, 19 October 1976, Folder: Soul City, Box 501, Gov. Holshouser Papers.

113. See, for example, *Congressional Record*, 26 July 1975, 25133–37; 16 December 1975, 40881–83.

114. *Congressional Record*, 40882.

115. "Groundbreaking for Soul City," Soul City, 9 November 1973, *Addresses and Public Papers of James Eubert Holshouser, Jr., Governor of North Carolina, 1973–1977*, ed. Memory F. Mitchell (Raleigh, 1978), 172–73.

116. North Carolina Citizens for Reagan for President newsletter, n.d., in Holshouser Papers, State Archives; "N.C. Last Stop for Wallace, Reagan?" *Daytona Beach News-Journal*, 21 March 1976, Folder 3016, FBM Papers.

117. Shirley, *Reagan's Revolution*, 176; Matthew Dallek, "Book Review: Reagan and His Times," *Washington Post*, 17 April 2005.

118. Wills, *Reagan's America*, 390.

119. Robert Dallek, *Flawed Giant: Lyndon Johnson and His Times, 1961–1973* (New York, 1998), 528.

120. ABC Evening News, 24 March 1976, "Headline: Campaign 1976/NC Primary/Republicans"; CBS Evening News, "Headline: Campaign/NC Primary/Republicans," 24 March 1976, in Television News Archives, Vanderbilt University, Nashville.

121. Wills, *Reagan's America*, 391–92.

122. "Helms Is 'Best' Senator," *NC Anvil,* 2 November 1974.

123. James F. Dausch, Handling of Soul City at NCDC Board Meeting, 6 October 1976, File Unit: 1.4 NCDC Board Correspondence, Series: Program Records Relating to Soul City, Warren County, N.C., 1974–79 (Box 2), Subgroup: NCDC, Record Group: General Records of the DHUD.

124. Steven F. Lawson, *Running for Freedom: Civil Rights and Black Politics in America Since 1941,* 2nd ed. (New York, 1997), 191.

125. R. Drummond Ayres, "Doubts Rise on Wallace's '76 Strength," *New York Times*, 2 January 1976; Tom Wicker, "Wallace, Reagan at Bay," *New York Times,* 23 March 1976; William K. Stevens, "'72 Wallace Voters Lean to Reagan in Michigan," *New York Times*, 11 May 1976; Ronald W. Walters, *Black Presidential Politics in America* (Albany, N.Y., 1988), 46.

126. For slightly different percentages of blacks voting for Ford, see Ashbee, *Black Conservatism: Essays in Ideological and Political History*, ed. Peter Eisenstadt, 239; Barker and McCorry, *Black Americans and the Political System*, 214–19, 294; "Blacks and the GOP," *Congressional Quarterly* (April 1978): 1046–51; Michael B. Preston, Lenneal HendersonJr., and Paul Puryear, eds., *The New Black Politics* (New York, 1982), 7; and Earl Black and Merle Black, *The Rise of Southern Republicans* (Cambridge, Mass., 2002), 94–96.

127. *DMH*, 27 November 1976.

128. William Link, *Righteous Warrior: Jesse Helms and the Rise of Modern American Conservatism* (New York, 2008); Lou Cannon, *Ronald Reagan: The Role of a Lifetime* (New York, 1991).

129. Shirley, *Reagan's Revolution*, 176.

130. James C. Roberts, Book Review, *Human Events,* 21 February 2005.

131. Bayard Rustin to McKissick, 27 April 1976, FBM Papers, Folder 5373; "Unionization Vote Set at Soul City," *The Warren Record,* 3 November 1977, FBM Papers, Folder 3039.

132. "Low wage rates to be discussed," *Durham Morning Herald*, 13 September 1977; Janet Guyton, "Tar Heel unions scarcity gives fuel to both sides," n.d. in File Unit: 1.10 Public Information 1972–78, Series: Program Records Relating to Soul City, Warren County, N.C., 1972–78, Subgroup: NCDC, Record Group: General Records of the DHUD, NABII, College Park, Md.

133. Like residents of most states, North Carolinians, according to a statewide poll taken in the spring of 1972, favored new industry coming into the immediate area by a margin of 3½ to 1 so long as it did not mean environmental and labor problems. The east shared environmental concerns but clearly remained more ambivalent than other parts of the state about such labor concerns as good wage scales; Long Marketing North Carolina Poll, April 1972, see Question 3, NPM, WHSF: SMOF: H. R. Haldemann, North Carolina.

134. Guyton, "Tar Heel unions scarcity gives fuel to both sides."

135. Hammer, Greene, Siler Associates to McKissick, 22 May 1970, FBM Papers, Folder 528 (Soul City Name Change).

136. Gantt to McKissick, 7 March 1978, FBM Papers, Folder 528 (Soul City Name Change).

137. The underline is in the original text. Draft of letter to Murphy was written by Sorg for McKissick. See Sorg to McKissick, n.d., FBM Papers, Folder 5429.

138. While it is nearly impossible to tell if sharp declines in consumer purchases or the supposedly racially charged name turned off GM, it is understandable that McKissick concluded the latter. Many, perhaps most, other company executives had not dropped their racialized view of the city. Making matters worse, even so-called sources of "good publicity" actively promoted Soul City as all black, claimed one Vermont-American Company representative. Abraham Venable, Urban Affairs Director, to McKissick, 7 December 1979, FBM Papers, Folder 5429; SCC Memorandum from Waymond L. Burton Jr. to C. C. Allen, 23 December 1974, FBM Papers, Folder 5288.

139. Walter Larke Sorg to Walter J. Schularick, 24 January 1978, FBM Papers, Folder 847.

140. SCC Memorandum from Waymond L. Burton Jr. to C. C. Allen, 23 December 1974, FBM Papers, Folder 5288.

141. Analysis of Conclusions found in the AVCO Report on Soul City, p. 3, 6 July 1979, FBM Papers, Folder 1828.

142. A Brief Response to the AVCO Report, August 1979, p. 3, FBM Papers, Folder 1836.

143. Susan Harrigan, "An Old 'New Town' Hangs On, Sustained by Federal Money," *Wall Street Journal*, 19 April 1979.

144. Thad Cochran to Harry S. Schwarz of HUD, 15 May 1979; David P. Whiteside to Thad Cochran, 19 April 1979; Robert Morgan to Patricia Roberts Harris, 6 June 1979, File Folder 1.3 Correspondence, January–July 1979, Box 1, Program Records Related to Soul City, Warren County, N.C., 1974–79, NCDC, RG: General Record of the DHUD.

145. Memorandum from Myers to McKissick, 4 June 1979, FBM Papers, Folder 5358.

146. Julian C. Madison to Susan Harrigan, 23 April 1979, File Folder 1.3 Correspondence, January–July 1979, Box 1, Program Records Related to Soul City, Warren County, N.C., 1974–79, NCDC, RG: General Record of the DHUD.

147. "Soul City Still Hasn't Accomplished Its Purpose," *Chapel Hill News*, n.d., in File Folder 1.3 Correspondence, January–July 1979, Box 1, Program Records Related to Soul City, Warren County, N.C., 1974–79, NCDC, RG: General Record of the DHUD. A later *WSJ* story attributed the project's inability to bring industry in to its divisive name; see a *WSJ* staff reporter, "Troubled Soul City Loses Support of U.S., Which Backed $10 Million of Financing," *Wall Street Journal*, 29 June 1979.

148. Some urging a new name argued that the large percentage of African American (59 percent) versus white (39 percent) residents in Warren and Vance counties reinforced the racial stereotype of Soul City as a black city, and in doing so heightened industrial development sales resistance because of objections to locating where racial balance did not match regional or national racial ratios. Two percent were Native Americans. "Recommendations on Changing the Name of Soul City," prepared by Carmichael and Company, January 1978, FBM Papers, Folder 528 (Soul City Name Change).

149. Report of the Soul City Task Force, June 1979, p. 16, Folder 1824, FBM Papers.

150. Monthly Professional Staff Meeting, 7 May 1979, Folder 1984, FBM Papers.

151. As of 13 June 1979: nine letters from senators, six letters from the House; see Soul City letter tally, 13 June 1979, Soul City Task Force, Box 22, Program Records Related to Soul City, Warren County, N.C., 1974–79, NCDC, General Records of the DHUD.

152. Memorandum from John P. Stewart to McKissick, 23 January 1978, Folder 528, FBM Papers.

153. McKissick to Harris, 6 July 1979, Folder 716, FBM Papers.

154. *Survey by Louis Harris & Associates, January 8–January 12, 1982*. Retrieved 6 June 2008 from the iPOLL Databank, Roper Center for Public Opinion Research, University of Connecticut. http://www.ropercenter.uconn.edu.proxy.library.vanderbilt.edu/ipoll.html.

155. "Troubled Soul City Loses Support of U.S., Which Backed $10 Million of Financing," *Wall Street Journal,* 29 June 1979.

156. McKissick to North Carolina State Legislator, week of 27 August 1979, Folder 470, FBM Papers.

157. "Settlement Reached on Soul City," press release, n.d., Folder 1851, FBM Papers.

158. "McKissick Cites Soul City's Worth," *News and Observer,* 28 June 1980.

159. Press release, 29 June 1979, Folder 1827, FBM Papers.

160. For the story of how black and Latino prisoners arrived in these rural locales from big cities as unemployed or members of the working poor, see Tony Platt, "The Prison Fix," *Social Justice 33* (2006): 203.

161. "N.C. Department of Corrections—News Release: Warren Correctional Institute Dedication, 20 June 1997. http://www.doc.state.nc.us/NEWS/1997/97releases/warren.htm. For more on the rise of the prison industrial complex in the rural South, see Tracy Huling, "Building a Prison Economy in Rural America," in *Invisible Punishment: The Collateral Consequences of Mass Imprisonment*, ed. Marc Mauer and Meda Chesney-Lind (New York, 2002); Melissa R. Schrift, "The Wildest Show in the South," *Southern Cultures 14* (Spring 2008): 22–41.

162. From Obama's perspective, black nationalism's most significant shortcoming was that it privileged ideological and racial purity over pragmatism. In Obama's words, black

nationalism existed solely as "an attitude rather than any concrete program, a collection of grievances and not an organized force, images and sounds that crowded the airwaves and conversation but without any corporeal existence." Barack Obama, *Dreams from My Father* (New York, 1995), 200; Tommie Shelby, *We Who Are Dark: The Philosophical Foundations of Black Solidarity* (Cambridge, Mass., 2005), esp. chaps. 1 and 3.