



**HUEY NEWTON**

**ON**

**“BLACK CAPITALISM”**

""We want an end to the robbery by the CAPITALISTS of our Black Community." *That was our position in October 1966 and it is still our position...* However, many people have offered the community Black capitalism as a solution to our problems. We recognize that people in the Black community have no general dislike for the concept of Black capitalism, but this is not because they are in love with capitalism. Not at all."

A small collection of writings on what Huey Newton, co-founder of the Black Panther Party, called Black Capitalism.

# BLACK CAPITALISM RE-ANALYZED I: JUNE 5, 1971

## HUEY NEWTON

The Black Panther Party, as we begin to carry out the original vision of the Party. When we coined the expression "All Power to the People," we had in mind emphasizing the word "Power," for we recognize that the will to power is the basic drive of man. But it is incorrect to seek power over people. We have been subjected to the dehumanizing power of exploitation and racism for hundreds of years; and the Black community has its own will to power also. What we seek, however, is not power over people, but the power to control our own destiny. For us the true definition of power is not in terms of how many people you can control. To us power is, first of all, the ability to define phenomena, and secondly the ability to make these phenomena act in a desired manner.

We see then that power has a dual character and that we cannot simply identify and define phenomena without acting, for to do so is to become an armchair philosopher. And when Bobby and I left Merritt College to organize brothers on the block we did so because the college students were too content to sit around and analyze without acting. On the other hand, power includes action, for it is making phenomena perform in the desired manner. But action without thinking and theory is also incorrect. If the social forces at work in the community have not been correctly analyzed and defined, how can you control them in such a way that they act in a desired manner? So the Black Panther Party has always merged theory and practice in such a way as to serve the true interests of the community.

In merging theory with practice we recognized that it was necessary to develop a theory which was valid for more than one time and place. We wanted to develop a system of thinking which was good anywhere, thus it had to be rather abstract. Yet our theory would relate to a concrete analysis of concrete conditions so that our actions would always be relevant and profitable to the people. Yet, at the same time, it had to advance their thinking so that they would move toward a transformation of their situation of exploitation and oppression. We have always insisted on good theory and good practice, but we have not always been successful in carrying this through.

'When the Black Panther Party defected from the Black community, we became, for a while, revolutionary cultists. One of the primary characteristics of a revolutionary cultist is that he despises everyone who has not reached his level of consciousness, or the level of consciousness that he thinks he has reached, instead of acting to bring the people to that level. In that way the revolutionary cultist becomes divided from the people, he defects from the community. Instead of serving the people as a vanguard, he becomes a hero. Heroes engage in very courageous actions sometimes, and they often make great sacrifices, including the supreme sacrifice, but they are still isolated from the people. Their courageous actions and sacrifices do not lead the people to a higher level of consciousness, nor do they produce fundamental changes in the exploitation and oppression of the people. A vanguard, however, will guide the people onto higher levels of consciousness and that way bring them to the point where they will

take sterner actions in their own interests and against those who continue to oppress them.

As I've said previously, revolution is a process, not a conclusion. A true revolutionist will not only take courageous actions, he will also try to advance the people in such a manner that they will transform their situation. That I, by delivering power to the people the true revolutionist will help them define the social phenomena in their community and lead them to the point where they will seize the time and make these phenomena act in a desired manner.

Therefore, as revolutionaries we must recognize the difference between what the people can do and what they will do. They can do anything they desire to do, but they will only take those actions which are consistent with their level of consciousness and their understanding of the situation. When we raise their consciousness, they will understand even more fully what they in fact can do, and they will move on the situation in a courageous manner. This is merging your theory with your practices.

Point 3 of the original Ten-Point Program of the Black Panther Party is "We want an end to the robbery by the CAPITALISTS of our Black Community." *That was our position in October 1966 and it is still our position.* We recognize that capitalism is no solution to the problems we face in our communities. Capitalist exploitation is one of the basic causes of our problem. It is the goal of the Black Panther Party to negate capitalism in our communities and in the oppressed communities throughout the world.

However, many people have offered the community Black capitalism as a solution to our problems. We

recognize that people in the Black community have no general dislike for the concept of Black capitalism, but this is not because they are in love with capitalism. Not at all. The idea of Black capitalism has come to mean to many people Black control of another one of the institutions in the community. We see within this characteristic the seeds of the negation of Black capitalism and all capitalism in general. What we must do then is increase the positive qualities until they dominate the negative and therefore transform the situation.

In the past the Black Panther Party took a counter revolutionary position with our blanket condemnation of Black capitalism. Our strategy should have been to analyze the positive and negative qualities of this phenomenon before making any condemnation. Even though we recognized, and correctly so, that capitalism is no solution or answer, we did not make a truly dialectical analysis of the situation.

We recognized that in order to bring the people to the level of consciousness where they would seize the time, it would be necessary to serve their interests in survival by developing programs which would help them to meet their daily needs. For a long time we have had such programs not only for survival but for organizational purposes. Now we not only have a breakfast program for schoolchildren, we have clothing programs, we have health clinics which provide free medical and dental services, we have programs for prisoners and their families, and we are opening clothing and shoe factories to provide for more of the tion has the simplicity and completeness of a mathematical formula.

When the Black capitalist contributes to the survival programs and makes a contribution to the community, the community will give him their support and thus strengthen his business. If he does not make any contribution to the survival of the community, the people will not support him and his enterprise will wither away because of his own negligence. By supporting the community, however, he will be helping to build the political machine that will eventually negate his exploitation of the community, but also negate his being exploited and victimized by corporate capitalism.

So we will heighten the contradiction between the Black community and corporate capitalism, while at the same time reducing the contradiction between the Black capitalist and the Black community. In this way Black capitalism will be transformed from a relationship of exploitation of the community to a relationship of service to the community, which will contribute to the survival of everyone.



## **BLACK CAPITALISM RE-ANALYZED II (PRACTICAL APPLICATION): AUGUST 9, 1971**

**HUEY NEWTON**

We recently participated in boycotting Mayfair Supermarket. Mayfair (located at 61st and Telegraph Avenue in Oakland, California), is located in the Black community, but had the audacity to purchase alcoholic beverages from companies that excluded Black truck drivers. The California State Package Store and Tavern Owners Association (an organization of black-owned small retail liquor stores and taverns) initiated the boycott of Mayfair and the Black Panther Party joined them. We closed Mayfair in four days.

The major businesses of Blacks are liquor stores, taverns, mortuaries, realty, barber shops, beauty parlors and barbeque pits: victims all with concomitant positive and negative qualities. The Black Panther Party is a community-wide intercommunal force. We want to organize Black businesses so that while making a living themselves they may also serve the Black community that gives them their small profits. We want them united. We want them to act in unison. We want them to use a common bank in order to give themselves more economic muscle. If they are strong they can better serve the Black community. Why then, you may ask, is Cal-Pak now a boycott target? We feel that we must organize the family first so that we may go out and seek that which is due the family. In order to do this we must build a solid foundation through a community-focused Black united front. We cannot afford the luxury of "individualism." The idea of Black individualism is sheer madness, impotence personified.

The Black Panther Party has community survival programs that must have the support of those who are able to help. Support of these survival programs will build a strong Black community.

In order to unite the Black community and in order to establish a positive, complementary economic linkage between the completely destitute and those who have a few pennies, we will first persuade through petition then through the boycott when necessary. We see very little difference between Blacks who make profits from the Black community and refuse to contribute to Black survival programs, and the White profiteers such as Mayfair. We only ask a nominal continuing contribution from Cal-Pak as a group. They may set the amount, but we feel they must contribute something on a continuing predictable basis as long as the need exists. We do not want Black businessmen to go out of business, which is why they and no one else must decide what they are able to contribute to survival programs. If they go out of business they cannot help the Black community. But if they refuse to help the Black community they are parasites that must be forced out of business through economic boycott. Why should the Black community nourish a Black profiteer who has no concern for his brother?

During the latter part of June, 1971, the Black Panther Party held a series of meetings with Cal-Pak Package Store and Tavern Owners Association and asked their continuing, voluntary, self-determined (in terms of amount) support of survival programs. After a series of meetings Cal-Pak was steadfast in a single offer of bread, milk, meat and eggs for the free breakfast program. They said they would not contribute on a

continuing basis. They wanted to make a pay-off, which we rejected. We are not extortionists.

We explained that a continuing trickle of support is more important to the community than a large, once-only hush-mouth gift. We will not be paid off; we will not be quiet; we will not go away as long as there is one hungry child, one barefoot person, one medically neglected individual, or one brother or sister without a winter coat.

Mr. Bill Boyette is the President of California-State Package Store and Tavern Owners Association. He has two liquor stores, one at 25th and Grove Street, the other at 54th and Grove Street. We ask you not to shop at these stores. Mr. Boyette has given no positive leadership to Cal-Pak; he has been negativistic and has suppressed those members of Cal-Pak who are now and have been support- ing survival programs as individual businessmen. They have not been able to contribute through Cal-Pak because Mr. Boyette and other parasites in Cal-Pak have refused to allow participation through a united front.

Please do not shop at Bill's Liquor Stores on Grove at 25th Street, and Grove at 54th Street! We invite all community people to come out and join the picket line at 54th and Grove Street between 6 A.M. and 2 A.M. daily. Come and stay a few minutes or as long as you wish. It is our united duty to build a strong community. We will continue the boycott until Mr. Boyette changes his mind.

# **[EXCERPTS FROM] WAR AGAINST THE PANTHERS, 1980**

**HUEY NEWTON**

## **Use of Democratic Reforms by the Party to Build Community Institutions**

The Panthers, despite their explicit repudiation of democratic capitalism as a system that was inherently incapable of permitting Black and poor people from enjoying full and equal participation in it, did not eschew democratic means of reform, nor did they discourage Black capitalism. To the contrary, from its very inception, the Party utilized existing legal machinery in order to bring about social change and encouraged indigenous Black financial enterprises. In addition to the legal police patrols already mentioned, the Party frequently filed civil law suits seeking relief for its members, and Black and poor people generally, from various injustices. The Panthers also turned to the ballot box, first by running members for mayor and city council in Oakland in 1972 and 1974, and comings surprisingly close to victory. In 1976, Party involvement was admittedly credited by two successful Black candidates for their elections, to the offices of Mayor of Oakland and Supervisor of Alameda County, the first two Black persons to be elected to these positions in Oakland's history, despite a sizeable Black population that had resided there since World War II. Moreover, the Party incorporated some of its main survival programs such as its Intercommunal Youth

Institute and Seniors Against a Fearful Environment (SAFE). The Youth Institute, a school for more than one hundred Party and other children from the first through the eighth grades, was incorporated as the Educational Opportunities Corporation. SAFE was an escort and busing program in which young Blacks took seniors out into the community—a combination of Black and gray power that to some extent provides both groups what they need and desire—people power. The device of incorporation allowed both survival programs to avail themselves of tax-deductible contributions and some limited government benefits.

The Party also advocated growth of indigenous community businesses, even though they were capitalistic. This is because the Party recognized that Black capitalism has come to mean to many people Black control of another one of the institutions in the community. This positive quality of Black capitalism should, the Party felt, be encouraged.

Since the people see Black capitalism in the community as Black control of local institutions, this is a positive characteristic because the people can bring more direction and focus to the activities of the capitalist. At the same time, the Black capitalist who has the interest of the community at heart will respond to the needs of the people because this is where his true strength lies. So far as capital [in] general is concerned, the black capitalist merely has the status of a victim because the big capitalists have the skills, make the loans,, and in fact control the Black capitalist. If he wants to succeed in his enterprise, the Black capitalist must turn to the community because he depends on them to make his profits. He needs this

strong community support because he cannot become independent of the control of the corporate capitalists who control the large monopolies.

The Black capitalist will be able to support the people by contributing to the survival programs of the Black Panther Party. In contributing to such programs he will be able to help build the vehicle which will eventually liberate the Black community. He will not be able to deliver the people from their problems, but he will be able to help build the strong political machine which will serve as a revolutionary vanguard and guide the people in their move toward freedom.

A practical application of the Party's view toward Black capitalism and the use of legal means of reform occurred in Oakland, California, in 1971. A group of small Black-owned retail liquor stores and taverns asked the BPP for support in a boycott against Mayfair Supermarkets because Mayfair purchased alcoholic beverages from companies that excluded Black truck drivers. The BPP joined in the boycott, and within a period of days, Mayfair ended its discriminatory practices. The Party then asked the group of Black businessmen who had solicited Party help to make a nominal continuing contribution to one or more survival programs. The businessmen, who had approached the Party initially through an organization called the California State Package Store and Tavern Owners Association (Cal-Pak), declined to contribute except via a single gift. The Party rejected Cal-Pak's offer, stating, . . .

a continuing trickle of support is more important to the community than a large, once-only

hush mouth gift. We will not be paid off; we will not be quiet. We will not go away. . . Why should the Black community nourish a Black profiteer who has no concern for his brother?

It was considered important to the Party's concept of building community institutions that contributions from the Black businesses not only be continuing, but that they come from the association representing them. This would, in the Party's view, constitute participation through a united front and build Cal-Pak as a community institution along with the survival programs. Since the Party had been asked for assistance in the Mayfair boycott by representatives of Cal-Pak, it also followed logically that Cal-Pak should support the survival programs. When Cal-Pak refused, the Party called for a boycott of the liquor stores of the president of Cal-Pak, Bill Boyette, and picketed the two liquor stores he owned. Five months later, Cal-Pak and the Party reached an agreement. Congressman Ronald Dellums, who helped negotiate the settlement, announced at a press conference in January 1972 that: . . .

an agreement has been reached of great importance to all of the people in the Bay Area and, in particular, the Black population of this area. This agreement, between the Black Panther Party and the Ad Hoc Committee for Promotion of Black Business, officially ends the boycott of Boyette's Liquor Stores by the Black Panther Party. . . The United Fund of the Bay Area, Inc., sponsored and created by the Ad Hoc Committee for the Promotion of Black Business and the Cal-Pak

Liquor Dealers, has already begun the task of collecting funds from Black businesses and individuals for programs of special need in the Black community. Operating as a nonprofit social vehicle for the Black community, this new organization will make disbursements to various significant organizations in the Black community on a regular and continuing basis. Among the programs that will benefit are the survival programs of the Black Panther Party.

This willingness by the Party to use democratic means of reform and to support Black capitalism was criticized by some as inconsistent with the Panther ideology of revolutionary intercommunalism. This is partly because progressive people quite correctly observe that "It is very clear, upon reflection, what function law serves within any culture. It protects the culture's ideology. Under capitalism it protects property, the men who own it and guard it." From this observation, it is only a brief inferential step to the conclusion that, because law is a product and perpetuator of corporate interests in this country, it cannot be a force for significant socioeconomic change. But while this conclusion is logical in a mechanistic-sense, it is illogical, and therefore wrong, in a dialectical sense:

According to the materialist conception of history, the ultimately determining element in history is the production and reproduction of real life... [I]f somebody twists this into saying that the economic element is the only determining one,



he transforms that proposition into a meaningless, abstract, senseless phrase. The economic situation is basis, but the various elements of the super-structure: political forms of the class struggle . . . constitutions established by the victorious class . . . judicial forms, had even the reflexes of all these actual struggles in the brains of the participants . . . also exercise their influence upon the course of the historical struggles and in many cases preponderate in determining their form. *Friedrich Engels, Letter to J. Bloch*

In sum, the Panthers combined a unique blend of elements that set them apart from traditional civil rights and minority organizations: a revolutionary ideology that argued for the necessity of fundamental socioeconomic change, a practical series of survival programs that served the community and fostered institutional growth and consciousness, and a willingness to employ creative legal means within the democratic system to achieve their ends. It was these unique elements that made the Panthers popular with many Blacks and, at the same time, a nemesis to the federal government.

## Conclusion

The foregoing actions undertaken by just three agencies of the federal government against the Black Panther Party illustrate not only the nature and extent of tactics the government will employ to crush dissident groups, but the seriousness with which the

Party was perceived as a potential threat to those in power. There is no dispute that the Party suffered from more hostile and severe government acts directed against it than any domestic political organization in the twentieth century, including the Communist Party. While the FBI rationalized that it took these neutralizing steps against the BPP in order to curb its violent propensities, the truth is that what the bureau felt most threatening were survival programs providing free breakfasts to school children and other constructive services. No single feature of the Panthers made them so feared or disliked by the government; many organizations possessed either a revolutionary ideology, community service, or a willingness to engage in legal struggle to achieve their goals. It was the combination of all of these features, pitched to a group that had been historically and systematically excluded from full participation in democratic capitalist America, that made the Party different, and dangerously so.

Not surprisingly, many of the tactics worked, in the sense that the Party lost members, leaders, and supporters (financial and otherwise). Reports of the BPP's demise, though, have always been premature. Of equal importance is the claimed halt to these practices by the government once they had been publicly exposed. The COINTELPRO was officially terminated for security reasons in 1971, though the Bureau continues many of the same activities under different rubrics. Instead of recanting the obvious abuses it engaged in, the FBI, through Director Clarence Kelley, proclaimed that—"for the FBI to have done less under the circumstances would

have been an abdication of its responsibilities to the American people."

A more apologetic tone was struck by the IRS when, on August 9, 1973, Commissioner Donald Alexander announced that the Special Service (SS) group would be abolished. He stated that "political or social views, 'extremist' or otherwise, are irrelevant to taxation." Once again, however, the function of the SS group was merely transferred to the Intelligence Division of IRS.

The CIA responded to revelations about its unlawful domestic counterintelligence operations by destroying documents, rationalizing its activities as necessary for national security, and, ultimately, asking for a new charter that would, under the extraordinary conditions supposedly existing in the 1960s, permit CIA intervention in limited situations.

The danger inherent to democracy in any official abuse of constitutional rights of a minority is, to be sure, always theoretically recognized:

Getting racketeers on a VA [Veterans Administration] application is like getting civil rights workers for speeding," says Howard Glickstein, who was in the Civil Rights Division of the Department of Justice [under Robert Kennedy]. This time it's the Mafioso, but next time it could be the Black Panthers or Goldwater supporters.  
*Victor S Nevasky, Kennedy Justice*

The gap between theory and practice is, however, rarely closed; witness the history of American Indians, the Communist Party, and the Wobblies. What closed this gap, and temporarily saved the Party from political

annihilation, was the publicly revealed expansion of some of these reprehensible tactics to traditionally accepted power groups and their leaders. This is, as an eminent constitutional scholar has noted, an almost inevitable result.

The controls and apparatus necessary for the restriction of associational expression—investigations, files, informers, constant surveillance—are incompatible with a free society. Restriction of associational expression is likely to become, in practice, an effort to suppress a whole social or political movement. History and experience warn us that such attempts are usually futile and merely tend to obscure the real grievances which society must, if it is to survive, face squarely and solve.

The veracity of the above observation is proved by the case history of the war against the Panthers. The original White House Enemies List contained but a few names, and the SS group within IRS began by focusing on twenty-two organizations. Both were soon added to by the administration, and included liberals within the Republican Party as well as leaders of labor, business, academia, and, as the Watergate break-in revealed, even the Democratic National Headquarters. This transference of hostile and illegal government actions from organizations which pose fundamental challenge to the prevailing order to groups not ideologically at odds with democratic capitalism was certainly related to the period of the 1960's. The anti-war movement coalesced, or at least intersected and occasionally joined, with the civil rights, Black community, and student movements to worry those who saw their role as "maintaining the existing social order, and . . .

combating those who threaten that order. " Yet these circumstances are not so unique as to defy repetition or at least the perception of [the] same by "federal law enforcement officers [who] look upon themselves as guardians of the status quo. " Should this happen, there is, as former Senator Sam Ervin acknowledged, "no real assurance that these programs would not be resumed." That the "existing social order" will be threatened again is certain; the real question is what will be the future results. Fear that these agencies would in fact be far more dangerous without some constraints than those groups and individuals they surveil has led to legislation and higher governmental discussion about the FBI, the CIA, and other intelligence agencies fostered by them.

Revelations of extensive governmental misconduct in the Watergate affair, and widespread charges of illegal FBI and CIA spying on Americans in violation of law, existing charters, and the Constitution caused the U.S. Senate to establish a special Select Committee to study Governmental Operations with Respect to Intelligence Activities in 1975. Prior to that time, White House administrations and the intelligence agencies had succeeded in stopping all attempts to create congressional intelligence committees to share oversight powers with the Appropriations and Armed Services Committee, which had only minimal supervision over the agencies.

[...]

With the CIA unleashed and the possibility that the Kennedy bill, if enacted, will do the same for the FBI, it would seem that the actions described in this study by government agencies to destroy the Black Panther

Party and other dissident groups may, in the future, become entrenched in the U.S. government. Tom Wicker has noted that the new CIA charter will more than ever make the agency into an "invisible government. " Former CIA agent Philip Agree, who is now literally a man without a country because of his public revelations of illegal CIA activities, has uncovered the core of the problem surrounding CIA abuses, actions that can be equally applied to the FBI and other intelligence agencies:

... the main concern is not really with the CIA, but with the people who run the U.S.—the CIA acts as their instrument—these are the people who run the multinational corporations, who own the banks, who control the traditional political process, the professionals who service all of them and the military-industrial interlock. This relatively small group of people have a need for the CIA and what it's been doing over the years. And until changes occur in the U.S. in terms of political power and economic control, there will be a need for the CIA from the point of view of this small minority.

The philosopher George Santayana warned, "Those who cannot remember the past are condemned to repeat it." If illegal government abuses as have occurred in the past against the Black Panther Party and other dissident groups are legalized in the future, as now seems likely, the western world will not be "safe for democracy."

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SERVE THE PEOPLE  
BODY AND SOUL



HUEY P. NEWTON



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BODY AND SOUL

# BLACK CAPITALISM RE - ANALYZED

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## BLACK CAPITALISM RE-ANALYZED



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SERVE THE PEOPLE  
BODY AND SOUL

SUPPLEMENT INSIDE