BY PROFESSOR MCKINLEY BURT The following article, first appearing here in January 1988, is reprinted because it is so relevant to my current series, "Whatever Happened To Minority Business" (see businesspage).

# Rise and Fall of the Albina Corporation

Last week I described my participation in a successful Los Angeles company that had a 90% minority work force. Here we have a brief review of the fortunes of Portland's 'The Albina Corporation' which, for a while (1968-1971), was the largest minority-owned (?) and operated manufacturing company in

Using this enterprise as a model in the business class I taught at Portland State University, I cited it as the creation of a white San Francisco attorney, Louis Kelso, who projected the concept of a nation-wide chain of ghetto factories to be jointly owned by an 'employee stock trust' (Black) and the public sector ("The Kelso Two-Factor Theory").

The idea was to simultaneously achieve a number of objectives designed to place Blacks in the main-stream of the nation's economy: train the 'disadvantage' in the skills and crafts needed to produce goods; reduce the rolls of welfare and other public assistance; introduce blacks to the concepts of corporate management (promote Albina residents from the work force); assure community involvement by appointing the board of directors from the community.

ing was employed to start this company: several quarter-million dollar grants from government and private sectors, including a church group, Small Business Administration loans, and huge 'advances' from the Defense Department customers in anticipation of products not yet manufactured. In addition, scores of machines were loaned or donated by the U.S. General Services Administration. Initial employees' salaries were paid by the U.S. De-

partment of Labor through training con-

tacts-not out of 'earned income.' An

'income tax deferral plan' was put in

A composite (helter-skelter) financ-

By Professor McKinley Burt

place by a special act of Congress and an agreement with the Internal Revenue The Albina Corporation got off to a gala, well-publicized start with the executive suite filled by a Black Portland attorney as president, and two black engineers as vice president and treasurer, respectively, from the Space Program and from the Atomic Energy Commission. Also, there were any number of whites on loan from industry as advisors. With perhaps two exceptions, there was no point-to-point correspondence between experience and the tasks to be performed.

Over a three-year period the product line ranged from tent frames for the Army and fiberglass boats for the Coast Guard, to ammunition boxes for the Army's Franfort Arsenal. Also, there were some motions toward obtaining private sector contracts to utilize the equipment when idle.

Now, I ask, you, what could go wrong-other than using up most of the loans and advances in a learning phase, almost before the first product was made? for one thing, if you refer to last week's article about the Globeware Corp., you will see that they matched limited skills with limited ambitions. The result was only a 5% rejection rate (on simple pots and pans), and that after only a six-week training cycle. The Albina Corporation, steeped in social rhetoric and altruismand a labor force of whom 90% had

never worked with a machine nor seen a time clock-tried to produce an ammunition box to a 1/10,000 of an inch tolerance. The result, of course, was disastrous, with an initial 90% rejection rate, while the overhead and debt mounted

I became part of this scenario in 1971 when I was called in as chief accountant to perform an audit for the U.S. General Accounting Office, and to expedite the termination of the whole illfated affair. My first introduction to the euphemistic "poverty programs" was mind-boggling. My audit and recapitulation of the millions of dollars that had passed through the company revealed that contrary to popular opinion, there was no evidence of "widespread theft and embezzlement". Rather, everything that those of us experienced in industry and spent half-a-lifetime in learning had simply been thrown out the window in an emotional social binge. Unbelievably, the inexperienced community board of directors had not been given the most basic advice or training for their role, and could not possibly have influenced the fate of the corporation.

What worries me today, almost twenty years later, is that many contemporary Black economic programs would seem to incorporate the same weak elements when it comes to the background and relevant experience of the key players. I wondered then-and I wonder nowwhy those with a track record are not called in at the inception and planning stage, rather than after the fact?

Is there an egocentric messiah complex in the Black 'promoters of the Dream' which causes them to reject any realistic input into their projects? During the height of the poverty program era, would it not have made sense to draw on the many successful black businessmen of the South for 'on-loan' executives to design and operate the Minority Business Programs? Have community or governmental attitudes changed any to-



### ZEBRA STICKERS

Almost 2,500 vehicles received a BY: JOHN E. JACOB 1990

cers to confiscate vehicle registration license plates when citing or arresting drivers for certain traffic offenses. These suspended, driving while suspended for the strong black presence in the city. having no liability insurance, and drivexpired for more than one year.

vehicle they were operating.

During the eight months this law has been in effect, 21, 465 stickers have been issued-2,626 for felony driving while suspended; 11,546 for driving while suspended for being uninsured; 6, 426 for driving without a license; and 439 for driving with an expired license. Of these were not the owner of the vehicle they were operating.

# Metzger: Will Justice Pierce His Movement?

by Angelique Sanders

From a young girl with a "Get out, Jew Pig" poster hanging in her bedroom, to a batch of newspapers that promote "Hateful Stickers" as proudly as cotton candy; from a cartoon that reads "If it Ain't White ... Waste it," depicting an African American being mortally wounded, to a teenager and a few of his friends assaulting 80 people within four days because they weren't white, Portland has become the sight for a case between beliefs of supremacy versus strength of morality, a milestone case that will likely set the tone for the 1990s on issues of race.

The case stems from the brutal beating and consequent death of Mulugeta Seraw. "I unlawfully and intentionally killed Mulugeta Seraw because of his race..." reads Kevin Mietske's statement of guilt. Today, Mietske's face shows no remorse beyond that of having had to serve a jail term.

Prior to the murder, several teenagers at a party--followers of Metzger--drank alcohol and laughed about racism. One teen drew a depiction of a black man with a bullet going through his head and the caption "Nigger keep out". Ten to fifteen minutes later, when the youth left the party, they found their victim, and witness Heidi Christine Martinson testified that Mietske beat Seraw with a baseball bat "like he was chopping wood".

That case has been closed, but the question remains (and this is the focus of Metzger's trial): are father and son Tom and John Metzger simply promoting, through their publications, a peaceful message of white supremacy, or are they inciting youths to commit violent acts against non-whites?

#### Profile of Dave Mazella

Dave Mazella's youth sounds like an after-school special: he didn't feel close to his family or friends, and was a drifting teen without a cause. Some skinheads happened to pass some racist publications to Mazella, and he presumably felt the journalism was a cause for which he could stand. Uniting with skinheads and "finding" a purpose, soon Mazella had the comraderie and the niche he sought: after a while, the powerful Metzgers themselves befriended this Californian youth. Soon, claims Mazella, he and Metzger, Sr. were together in Connecticut, set to appear on a talk show with their message, with

Metzger footing the bill for Mazella to shave his head (Metzger denies this). "I felt like I had a family," said Mazella. "It would be easy to go back to." His "family" was then the happy-to-accepthim white supremacist skinheads. Soon, though, he began to mature and he found moral hang-ups with his philosophies. As Mazella put it, "I didn't feel right with anything I've done in my life." He telephoned the Anti-Defamation League (a group that monitors hate crimes and sends the information to police". This information was made public, and soon Dees, Seraw's uncle's attorney (who was already compiling information to file a lawsuit against Metzger), got in touch with him.

Mazella is the epitome of what the Metzgers probably look for: not highly intelligent, but easily controlled, his testimony gave me the impression that he didn't understand psychology well, and could wholeheartedly accept lies. Mazella found media items highly leading, if they meshed with his beliefs, and those that clashed with his beliefs were immemorable and overshadowed. Never finding support prior to the skins, it is not surprising his "convictions" are so easily swayed. "We [skinheads] believed in what you'd say," said Mazella. "As your organization went from political to militant, so did I...we didn't pay attention to the law." He also called Metzger's narratives "brainwashing

But was Mazella conjuring up an illusion of Metzger, or is Metzger guilty of inciting violence?

#### Like Father, Like Son

Mazella said Metzger was devious and discreet. While seeing him defend himself, I can certainly believe it. Repeatedly, he would lead the witness with nods, gestures, or repetitive and confusing questioning, as well as using subtle, aggressive psychological techniques to steer the jury. One of Metzger's tactics was to kill time by repeating his questions, for which he was halted by time and time again by sustained objections. His hidden intent, I believe, was to be the last speaker of the day, presumably figuring this way he'll remain in the juror's minds. I've no doubt this tactic is working: his scratchy voice, condemning eyes, cocky swagger, and hateful smile have been etched forever in my brain.

Is Metzger afraid of Mazella's testimony? "Of course he's lying!" he snapped to reporters.

Unfortunately, this is a shaky case. Proving that Metzger used subtle psychological militantly-leading techniques to incite violence, when actually, Metzger's prey is generally borderline personas anyway, is going to prove difficult. If it was possible to be declared convicted on a charge of immoral, oblivious haughtiness, Metzger would easily be found guilty.

His son, John, who looks like a young photograph of his dad, mirrors Tom's actions and reinforces Tom's speeches. He also assumes his father's stance of "no remorse". "We are filling a void in their [skinheads'] lives," he declares self-righteously. "I think it's very important that someone take a stand." Operation Warlord, a newspaper which he is editor of (and consequently decides what will be published therein), makes his stand very obvious: it suggests skinheads should "destroy...poke their eyebalis out"; it aims to "rebuild the hunter-killer instinct in youth"; and, in a speech he gave 2-3 weeks after Seraw's murder, John said he saught "predatory leaders among youth". The word "predator" illustrates an offensive, not defensive, idea of violence--he's apparently NOT talking about self-defense. One of his security men, on Morton Downey's talk show, stated, "I teach these people [skinheads] how to break bones and crush skulls.'

Regardless of the outcome of this trial, I doubt Tom will feel any remorse. In fact, he smiles when he says it's actually helping his white supremacy movement, in that it has provided them with, as he puts it, at least ten million dollars worth of press coverage.

In reference to his publication W.A.R. (White Aryan Resistance), Tom says, "We are a white, Aryan, non-Semitic, association--we do not allow Jews". I think the Metzgers have forgotten two things: first, America belonged to Native Americans before the white man came along; and secondly, the principles this country is founded on, the freedom that makes it up, is that America has been for hundreds for years, and shall be as long as democracy prevails, a melting pot of races, creeds, religions, and sexual orientations. A true American is not a blonde-haired, blue-eyed, Hitler-approved person: it is anyone who legally lives in this country and shares our constitution.

result of a law that took effect in January

The new law requires police offi-

Of the 2,472 citations issued in August,291 were for felony driving while suspended; 1,301 were for driving while were for driving with an expired license. drivers who were not the owner of the

citations, 8, 490 were to drivers who important plus, and diversity will count

### TO BE EQUAL RACE A GROWING FACTOR IN DIVERSE WORLD

Racial diversity won the city of Atlanta the coveted award as the site of the 1996 Olympics.

The International Olympic Commitcards and place a black and white "ze- tee, which selects the site of the Games bra" sticker over the registration tag on from among worldwide applicants, weighs a number of factors.

But according to news reports, what offenses include felony driving while tipped the scales in Atlanta's favor was

hat would have been a negative mark ing without a license or with a license back in the days when the Committee was dominated by Europeans. But the emergence of Asian and African members has diluted the Eurocentric bias.

Whatever Atlanta's problems-and suspended for being uninsured; 818 were like all American cities, it has plenty of for driving without a license; and 42 them-it did impress a multiracial, multicultural international body with its ability Of these citations, 1,045 were issued to to construct a viable, functioning metropolis made up of a great variety of peoples and cultures.

> Even some of the losers in the Olympic site competition stressed their multiethnic character. Melbourne, Australia and Toronto, Canada both emphasized their large communities of people of Asian and African backgrounds.

Suddenly, diversity has become an for even more in the coming years.

As the world shrinks and people

interact across cultural and ethnic bounda- other countries, since we have always ries, the key to international success is successful inter-racial cooperation.

That's a powerful reason for American to do a lot more to overcome racial discrimination and to build a more effective pluralistic society.

Compared to international economics, international sports is just a sideshow. More and more, global economic success will depend on people's ability to transcend their cultures and work comfortably with people of other back-

So we have to ask whether our schools are preparing our children for the multicultural world in which they must func-

And we have to ask whether our society, ridden with racial stereotypes and discriminatory practices, is sending the right signals to an interdependent world and to our own children.

While America has made great strides in the never-ending struggle against racism, it clearly has a long way to go.

Just how far is obvious from the constant drumfire of racist incidents reported in the media, and the even larger numbers of incidents that never find their way into the evening news but inflict pain on minorities and limit their op-

But America has an edge on many

included racial and ethnic fairness among our national ideals-perhaps more often violated than honored, but still at the center of our nation's ideology.

If we can translate that lip service to racial equity into reality, we can make our diversity as strong a factor in global economic success as Atlanta's diversity was in its Olympic success. Especially since some of our major economic rivals are still hung up on race and can't accept peoples of different cultures.

Japan has long been notorious for excluding foreigners and discriminating against native-born Japanese who woots are in other Asian countries.

And Europeans are revealing deepseated racism in their encounters with immigrants from Africa, North Africa, and Asia.

Many of those immigrants were invited in to do work native Europeans didn't want to do, but their reward is to be stigmatized as dishonest, lazy or criminal-familiar stereotypes to rationalize

In this era of worldwide interdependence, a country's political and global strength will depend on its ability to respect and interact with other cultures. Racism has no place in such a world, and we need to make sure racism has no place in America.

## **BLACK COLLEGES AND UNIVERSITIES SPONSOR** 11TH ANNUAL CONFERENCE OCTOBER 20TH



Thomas W. Dortch, Jr.

The Black College Committee, Inc. Blvd. will be sponsoring their 11th Annual Black College Conference, October 20, 1990 from 8 a.m. to 4 p.m. at the Oregon Convention Center, 777 M.L. King



Dr. William R. Wiley

The conference offers parents and students the opportunity to speak with various predominately

Black institutions of higher educa-

tion. These representatives from Black Colleges and Universities will be speaking of the advantages of attending black institutions, offering scholarships to attendees and stressing the quality of education in their schools.

This years theme, "Black Colleges: Preserving the Past to Ensure the Future" focuses the conference workshops on the historical value of Black Colleges in education. Attendees will receive information on financial aid and scholarships, how to survive the first year, overcoming test anxiety, career choices for the 90's, in addition to two special workshops: "Survival of the Black Male" and "Parents Orientation to College Bound Young Adults."

Keynote speakers of the conference are Thomas W. Dortch, Jr., and Dr. William R. Wiley.

The conference was originally designed for high school students. It addressed the advantages of attending a predominately Black College and also included workshops of interest and help to high school students to enter any college or university. In the past 10 years the Black College Committee has discovered the conference to be beneficial to parents, middle school, high school and college students. The conference has been attended by approximately 400 students and parents each year.



Alfred L. Henderson

**Gary Ann Garnett** 

Business Manager

Publisher

DRUG CONFERENCE PLANNERS from around the country met in

held in Phoenix in November. Members of the committee are I to r,

McDonald, (stand) I to r Angie Hart, Terry Foley and Sandy Adams.

seated, Dr. Louise White, Dr. Wilber Jordan, Rev. Paula

Phoenix, Arizona last month to plan the regional Drug Convention to be

CREED OF THE BLACK PRESS

The Black Press believes that America can best lead the world away from social and

national antagonisms when it accords to every person, regardless of race, color, or

creed, full human and legal rights. Hating no person, fearing no person, the Black Press strives to help every person in the firm belief that all are hurt as long as anyone

PORTLÄND OBSERVER

(USPS 959-680)

OREGON'S OLDEST AFRICAN AMERICAN PUBLICATION

Established in 1970

Joyce Washington

Editorial Manager

Leon Harris

Operations Manager

Portland, Oregon 97208 (503) 288-0033 (Office) FAX#: (503) 288-0015

Deadlines for all submitted materials:

Articles: Monday, 5 p.m. -- Ads: Tuesday, 5 p.m. POSTMASTER: Send Address Changes to: Portland Observer, P.O. Box 3137. Portland, OR 97208. Second-class postage paid at Portland, Oregon.

The Portland Observer welcomes freelance submissions. Manuscripts and photographs should be clearly labled and will be returned if accompanied by a self addressed envelope. All created design display ads become the sole property of this newspaper and can not be used in other publications or personal usage, without the written consent of the neral manager, unless the client has purchased the composition of such ad. 1990 PORTLAND OBSERVER. ALL RIGHTS RESERVED, REPRODUCTION IN WHOLE OR IN PART WITHOUT PERMISSION IS PROHIBITED.

Subscriptions: \$20.00 per year in the Tri-Countyarea; \$25.00 all other areas. The Portland Observer -- Oregon's Oldest African-American Publication -- is a member of The National Newspaper Association -- Founded in 1885, and The National Advertisng Representative Amalgamated Publishers, Inc., New York, NY.