

Jesse Jackson Chases After NASCAR

NASCAR Gives Thousands to Jackson Nonprofits

Peter Flaherty

Summary: Jesse Jackson is well-known for playing the race card to intimidate corporations into donating money to his nonprofits and steering business to his friends. Jackson also uses the same tactics against professional sports. NASCAR is one of his latest targets.

National Association for Stock Car Auto Racing—also known as NASCAR—is the nation’s number one spectator sport and the number two television sport. But how many NASCAR fans know it is a financial supporter of the Rev. Jesse Jackson?

In 2001, Jackson announced he had “brokered” a deal involving Dr. Pepper’s sponsorship of a black-owned NASCAR racing team. NASCAR executive Brian France and NASCAR driver Dale Earnhardt, Jr. have both taken part in conferences sponsored by Jackson’s nonprofit group Rainbow/PUSH. Last July, NASCAR co-sponsored Jackson’s largest annual event, a conference convened by several Jackson nonprofits, the Rainbow/PUSH Coalition and Citizenship Education Fund. NASCAR was one of thirteen “Platinum” sponsors, a designation that cost \$100,000, along with long-time Jackson corporate backers such as Coca-Cola, Citigroup and McDonalds.

The relationship of Jackson to NASCAR is instructive. Jackson has a history of threatening major corporations that he claims have discriminated against African-Americans and then winning large contributions from them. Less well-known is his influence in the world of sports.



Jackson attends the premiere of the sports movie “Remember the Titans.” Jackson often inserts himself into sports-related disputes.

Jackson’s History of Using Sports to Advance Agenda

Jesse Jackson has a history of inserting himself into sports-related controversies. Mainly he has focused his attacks on the low numbers of blacks in coaching and management positions on professional sports teams and college football, blaming the situation on “a culture driven by white supremacists.”

In 1987, he organized a boycott of Major League Baseball, prompting commissioner Peter Ueberroth to promise to study whether blacks were frozen out of coaching and management jobs. He pro-

tested outside the 1993 All-Star baseball game over Major League Baseball’s lack of an affirmative action plan. And in 1994, he

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helped organize a search for minority investors in the Oakland As.

Jackson also has involved himself in professional football. He tried to force the NFL to take a position on Georgia's controversial state flag and has injected himself in NFL collective bargaining negotiations. In one notorious episode, Jackson suggested that race played a role in the firing of Green Bay Packers coach Ray Rhodes, an African-American. Rhodes lackluster 8-8 record for the 1999 season, followed a win-loss-tie record of 9-22-1 during his final two seasons with the Philadelphia Eagles. But Jackson questioned the motives of Green Bay general manager Ron Wolf, writing a letter to the Packers asking, "Was Ray Rhodes, an African American, held to a different standard?"

In that instance, Jackson's intervention backfired. Typical was the reaction of NFL Commentator Dan Dierdorf, who said, "Ron Wolf must have become a racist in a hurry. It was just a year ago that he hired Rhodes." ESPN.com columnist Greg Gaber observed, "Football people, both black

and white, rallied behind the Packers with widespread criticism of Jackson. When the camera and microphones withdrew, Jackson and PUSH quietly jumped off the Rhodes bandwagon. Still it served as another example of Jackson's sometimes random and ill-considered forays into the athletic arena.

Rainbow Sports

Jackson's major nonprofit organizations are Rainbow/PUSH and the Citizenship Education Fund. Rainbow Sports, a division of both CEF and Rainbow/PUSH, is the vehicle Jackson uses to involve himself in professional sports. The legal status and financial accountability of these groups is murky, but they carry out many of his activities. (For an analysis of this relationship, see Capital Research Center's April 2001 *Organization Trends*, "Jesse Jackson's Empire").

Rainbow Sports is headed by Charles Farrell, a former *Washington Post* reporter, whom Jackson met in 1993. Farrell, who claims success in getting professional sports teams to purchase from minority vendors, has hosted a series of seminars in cities like Chicago, New York, Washington and Atlanta. At Jackson's Wall Street Conference in January 2003, a panel on business opportunities in the sports industry included representatives of Major League Baseball, the Detroit Tigers and New York Jets.

Why is Jackson involved in sports? Publicity and power rather than money appear to be the immediate major reason. Aside from getting professional teams to purchase from minority vendors, few sports organizations and players are large financial supporters of Rainbow Sports or other Jackson nonprofits. But with NASCAR, things may be looking up.

Jesse Jackson and NASCAR

NASCAR's support for Jackson is certainly curious and potentially controversial. Stock car racing in the United States traces its origins to the days of the moonshiners of the 1930s, who were always looking for ways to give their cars extra speed and maneuverability in order to outrun the IRS agents. Eventually the

moonshiners began holding informal races which led to more organized events. In 1948, William "Big Bill" France, Sr. started NASCAR. Today, NASCAR supports about 2,200 events a year in 12 divisions at 124 race tracks in 37 states. NASCAR is a billion-dollar enterprise. It is privately held by France's heirs, who include his son, Bill France, Jr., currently NASCAR Chairman, and his grandson, Brian France, NASCAR executive vice-president.

Auto racing traditionally has been a white man's sport. (In 1991, Willy Ribbs became the first African-American driver to qualify for the Indianapolis 500.) And, given its southern origins and blue-collar appeal, stock car racing in its early years experienced rampant discrimination. But that's changing. By the 1980s, stock car racing had spread beyond the Deep South and become a national sport. NASCAR studies show its fans include more females, young adults and minorities. More than 15 million people per year attend NASCAR events, and another 130 million watch on TV. According to an ESPN poll, the black fan base of NASCAR rose 17.8 percent between 1995 and 2001 and NASCAR has attracted about 2 million black fans since 1995.

The Role of Sponsorship

This broadening, however, has not resulted in more African-American participation in the sport, a failing Jesse Jackson has attempted to exploit. At a 1999 conference attended by Bill France, Jr., Jackson said, "The fact of the matter is there is frustration because of exclusion. We must now turn that pain to power. We were qualified to play baseball before 1947. We are qualified to race cars now."

But is the dearth of minorities due to "exclusion" or other factors? It is important to consider the role of sponsorship in auto racing. Corporate sponsorship of NASCAR race teams is an integral component of its wildly successful business plan. NASCAR is a private, for-profit corporation that serves as a sanctioning body for most auto racing events in the United States. NASCAR collects ticket receipts and television revenue from races it sanctions. It does not hire or pay race teams or

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drivers.

Racers used to finance their own participation in the sport, but by the 1980s the enormous costs associated with NASCAR racing made it nearly impossible. Today it costs on the order of \$12 million to \$15 million to field a car for the Winston Cup, NASCAR's elite racing division. Race teams must raise their own funds from corporate sponsors.

Research has shown that, more than any other sport, NASCAR fans are very aware of sponsors and intensely loyal to them. Three out of four NASCAR fans consciously buy the products of NASCAR sponsors. More than 250 corporate sponsors are involved in NASCAR, 70 of them Fortune 500 companies. NASCAR has sought to educate fans that without sponsorship, drivers would not be able to race, and NASCAR ticket prices would be much higher. Still, getting sponsorship in NASCAR is no easy matter. Drivers who don't win races don't find sponsors.

In recent years there have been black team owners and co-owners in various divisions of NASCAR, though none in the Winston Cup. In 1998, Dr. Pepper sponsored a team formed by NBA legend Julius Erving and NFL star Joe Washington. It raced unsuccessfully in the Busch Series, NASCAR's second-most prestigious division for several years before folding. Former Olympic track star Jackie Joyner-Kersey and her husband Bob Kersey planned but failed to establish a team. BH Motorsports, run by black owners Sam Belnavis and Tinsley Hughes, intended to run a Winston Cup team schedule in 2003, but their project folded too. "These teams that tried before us and failed, it's all a matter of funding," Belnavis said. "This is an expensive sport and sponsors are hesitant to spend money, especially on people they aren't sure know what they are doing."

The problem of finding black team owners also affects the search for black drivers. Currently, the only black driver on NASCAR's national-level circuits is Bill Lester, in the pickup truck division. To find qualified black drivers, crew members, and

other participants, it is necessary to enlarge the pool of them. But this is the exceedingly difficult part, according to Bill France Jr., "You don't play it in school. If you're a good athlete, a good basketball player, the basic equipment you need is a ball. That's not the case here."

NASCAR Reaches Out

In recent years, NASCAR has seemed sincere in its efforts to involve African-Americans in the sport. As Bill France, Jr. has pointed out, "It is not in NASCAR's power to create an African-American team, that is up to sponsors, but we can provide access to mentors and people who know the sport."

Dora Taylor, who heads NASCAR's diversity initiative, says, "We just hope to fill in some missing links in education and communication. We want minorities to know they're welcome for any and every opportunity we offer." One such initiative is the Team Rensi Urban Youth Racing League, which tries to use motor sports to excite inner-city youth about education. NASCAR also offers summer internships, an Urban Youth Racing School for minorities, and the NASCAR Technical Institute, where blacks and whites learn how to work on a pit crew.

NASCAR's reaction to a racial "prank" in 1999 at the New Hampshire International Speedway underscores its break with the past. Two motor coach drivers for Winston Cup teams, one of whom donned a pillowcase, reportedly approached the black coachman for another team and invited him to join the KKK. NASCAR withdrew the credentials of the two allowing access to track areas, which ended their employment, quickly apologized to the victim, and distributed a memo restating its "zero tolerance" for racial harassment.

The Jackson Trap

NASCAR's support of Jackson's nonprofits is undoubtedly intended to further insulate itself from charges of discrimination. The Jackson-NASCAR relationship culminated in an announcement at Jackson's annual Wall Street Project conference in New York in 2001 that Dr. Pepper would sponsor the Miller Racing

Group, a team for the NASCAR Late Model Series. It has a black owner, Leonard Miller Jr. and black driver Morty Buckles. In 2002, when Buckles was replaced with another black driver, Shanta Rhodes, Jackson claimed he had "brokered" the establishment of the team.

Jack Kilduff, president and chief operating officer of Dr. Pepper, said "Everything we do has to have a business reason, and as we looked at how we are going to develop the Dr. Pepper brand in the future, we see our involvement in NASCAR and with minorities as an opportunity."

Do African-Americans in auto racing welcome Jackson's involvement? Carlin Alford, a black race driver from Nashville who hopes someday to compete in NASCAR told the *Tennessean*: "I'm happy for Morty Buckles, just as I would be happy for any driver who gets a NASCAR opportunity. But in terms of the big picture, I don't know that it helps to focus so much on color. I don't want people to think I deserve a chance because I'm a black driver."

And do NASCAR or sponsors like Dr. Pepper need Jesse Jackson? Or does he need them?

Reduced Moral Authority

At about the same time as the Dr. Pepper announcement, however, Jackson received publicity of a different kind, reducing his moral authority, and creating new risks for his corporate supporters. In 2001, Jackson admitted fathering a child out of wedlock with a staff member of the Citizenship Education Fund. The spectacle of a married clergyman in this predicament was only heightened when the photos appeared of Jackson visiting the White House with his pregnant mistress in tow for the ostensible purpose of providing "moral counseling" to Bill Clinton in the wake of the Monica Lewinsky episode.

When it was disclosed that CEF employed Jackson's mistress, and paid the expenses of moving her to the West Coast, a more far reaching media discussion of Jackson's finances and tactics ensued. It was triggered in part by a formal Complaint

filed with the Internal Revenue Service by the National Legal and Policy Center asking for an audit and investigation of CEF's 501(c)(3) tax-exempt status, resulting in Jackson amending CEF's tax returns. (The Complaint is pending.)

Reactions to Jackson's recent threat to protest the Masters golf tournament over the issue of female membership may be indicative of his reduced stature. Past Masters champ Fred Couples pointed out, "I didn't know he played golf or knew any golfers." King Kaufman, Salon.com sportswriter, wrote, "It doesn't help when Jesse Jackson chimes in, because, much as I hate to say it, he's become a sort of poster boy for dumb protests." More significantly, three-time champ Tiger Woods refused to join the protest, provoking this outburst from Charles Farrell, the director of CEF's Rainbow Sports division, "I find it shocking and appalling that somebody who has brought so much stature to the game of golf is basically saying it is all right to discriminate against humans."

Jackson's biggest score since the 2001 revelations was with Toyota. In January of 2002, the company was a very visible co-sponsor of Jackson's Wall Street Conference where a Toyota executive gave a

keynote address. But that was after Jackson threatened to lead a boycott of the automaker because a Toyota postcard ad showed a close-up of a black person's smile with "tooth jewelry" in the form of a gold Toyota RAV4. There were also charges of too few minority dealerships, even though Toyota's record in that regard was better than most. In response, Toyota announced a \$7.8 billion "diversity plan."

The perception that Toyota caved-in to Jackson produced a backlash. Talk show host Bill O'Reilly proclaimed on his number-one rated cable television show that he would never buy a Toyota. By July, Toyota had no presence at the Rainbow/PUSH Coalition & Citizenship Education Fund Annual Conference. Today, Toyota strenuously denies any relationship with Jackson, and it has recruited two prominent Republicans, Jack Kemp and former New York Representative Susan Molinari, to serve on an advisory board on diversity.

As Jackson's influence declines, his actions and statements grow more extreme. At a September 13, 2002 rally in Washington, DC, he claimed that President Bush wants to "rule the world." He also stated, "September 11 did not change everything. It changed the subject...The subject is

broader than bin Laden and Saddam Hussein...The real subjects for us is (sic) Enron, WorldCom, Halliburton, Arthur Andersen..."

In a September 16, 2002 speech at Michigan State University, Jackson was dismissive of the Founding Fathers and asserted that American democracy was only 37 years old, not 200-plus. Jackson stated that "democracy as we know it did not begin in Philadelphia, where a bunch of white men wrote the laws." Jackson identified the advent of American democracy as 1965 when the Voting Rights Act passed.

Will Jackson's personal scandal, attacks on President Bush and criticisms of the war on terror imperil NASCAR's support of his nonprofit groups? Toyota moved away from Jackson when the media coverage went bad and NASCAR has made little effort to alert its fans that it supports him. One recent sign: the current brochure on NASCAR's diversity program doesn't mention Jackson once.

Peter Flaherty is President of the National Legal and Policy Center.

The Art of the Shakedown

Roberty Huberty

On January 14-17 the New York Stock Exchange (NYSE), Citigroup, and Coca-Cola hosted Jesse Jackson's 6th annual "Wall Street Project" conference. Jackson, NYSE chairman Richard Grasso and Citigroup chairman Sanford Weill had convened the first conference in 1998. Now they and Coca-Cola, along with twenty-eight other major corporations (see box p. 7) were lending their reputations and financial support to sustain Jackson's continuing effort to "challenge Corporate America to end the multi-billion dollar trade deficit with minority vendors and consumers."

Jackson says the Wall Street Project aims to encourage corporations to name more minorities to their boards, give more business to minority-owned companies, and hire and promote more minorities. The Project claims to have helped a minority firm purchase a unit of Lockheed Martin, secured financing for a minority auto dealership, helped Toyota develop a \$7.8 billion "diversity initiative," and persuaded Dr. Pepper to support a minority-owned NASCAR racing team (see story, page 1).

But many critics don't buy this line. They point out that Jackson's grandstanding helps a few already well-to-do African Americans—who are typically friends and supporters of Jackson—and does little or nothing for anyone else, of any color. Roger Clegg, general counsel of the Center for Equal Opportunity, a group opposed to racial preferences, was a panelist at the conference's diversity forum. A rare dissenter, Clegg strongly disagrees with the Project's agenda. "It's appalling," Clegg told *Organization Trends*, "that in the name of 'civil rights' companies are being urged—intimidated—into engaging in discrimination on the basis of skin color." Clegg continued, "There's no question but that the Wall Street Project's aim is to mau-mau companies into hiring, promoting, and contracting—making every decision, really—with an eye on race. Meeting quotas is what matters, not hiring or

promoting the best person or accepting the lowest bid."

Clegg observes, "The irony is that Jesse Jackson, who makes much of his roots in the civil rights era of the 1960s, is now endorsing exactly the kind of race-conscious decisionmaking that the civil rights movement wanted to end." Clegg adds that, while discrimination still exists, there are much more serious social problems facing African Americans today, especially illegitimacy. "Seven out of ten African Americans are now born out of wedlock," he points out, "which is triple the rate for non-Hispanic whites. But the Rev. Jackson is not putting his energy into solving this problem. In fact," Clegg notes wryly, "he's personally added to it." Clegg is referring to Jackson's admission that he fathered a child born out-of-wedlock in May 1999.

Some thirty years ago Jesse Jackson tried to explain the concept that seems to lie behind the Wall Street Project. In an essay entitled "The Kingdom Theory" he wrote: "If we account for 20 percent of a firm's sales, then that firm must give us 20 percent of its business, 20 percent of its advertising dollar, 20 percent of its banking business, and 20 percent of its jobs." This pay-back concept—the economic theory of identity politics?—informed Jackson's first Chicago-based project, Operation Breadbasket, which picketed and boycotted businesses to change their hiring practices. (A fifteen year-old Al Sharpton was the Operation Breadbasket youth director at its start in 1969.)

But we are entitled to ask: Who is the "we" who make these demands? Other than by competing in the marketplace, why should any special interest group have a right to claim contracts or jobs or other preferences? Jackson uses demonstrations and boycotts to pressure corporations to adopt his policies. Like other left-wing advocacy groups and labor unions he also uses political leverage to get his way: He threatens companies

with government sanctions or offers to win them political and legal benefits.

But even more is involved, as Kenneth Timmerman shows in his remarkable book *Shakedown: Exposing the Real Jesse Jackson* (Regnery Publishing, 2002, 501 pages). Jackson first threatens companies with boycotts and sanctions, but then he also demands that they pay him for his trouble. Occasionally he demands a simple pay-off to make him go away. At other times he wants a cut of the action for himself or his friends. But increasingly Jackson also requests that a company make a philanthropic contribution to one of his many nonprofit organizations to let them monitor its business practices. Jackson also leans on the individuals and minority-owned companies he claims to be helping and urges them to pay him for the assistance he's provided. It's quite a racket.

Jackson succeeds because he understands the power of his oratory to intimidate many parts of Corporate America and because he has discovered wellsprings of guilt and fearfulness in it. Companies would rather accommodate Jesse Jackson than resist his demands.

Timmerman describes in fascinating detail the ways Jackson learned to tap into corporate wealth as he developed the art of the shakedown.

- In 1981 Jackson went after Atlanta-based Coca-Cola, an equal opportunity employer and proud donor to many black charities. But because the company was doing business in apartheid-ruled South Africa, Jackson demanded that it sign a "covenant" in which Coke not only agreed to make overseas policy changes but also to provide valuable U.S. distributorships to black businessmen—including one to a major backer of

Jackson's Operation PUSH organization and another to his own half-brother, Noah Robinson (later convicted of racketeering, drug trafficking and murder-by-hire).

- Jackson signed a similar agreement with Heublein, owner of Kentucky Fried Chicken. The company pledged to spend \$360 million with black banks and advertising agencies and to expand its minority-owned franchises. Heublein also agreed to contribute to Jackson nonprofits and gave Robinson a KFC franchise. Jackson quickly followed-up by signing similar covenants with Burger King, 7-Up, 7-Eleven and Coors. Notes Timmerman, "The PUSH covenants created a whole new profession, that of 'diversity consultant,' and corporations scrambled to find individuals friendly with Jackson who could devise plans he would find acceptable."
- In 1997, after Jackson and others publicized leaked tape transcripts of alleged but disputed racial slurs by Texaco company executives, Texaco agreed to award \$1 billion in new contracts to minority businesses and establish a 29 percent minority hiring quota. (Texaco, however, refused to contribute to Jackson nonprofits.)
- The Telecommunications Act of 1996, which deregulated the industry but mandated minority set-asides, gave Jackson plenty of room to meddle. When Viacom wanted to sell a subsidiary during merger negotiations between SBC and Ameritech, AT&T and TCI, and GTE and Bell Atlantic (which created Verizon) Jackson worried aloud about their impact on minority business and announced his readiness to help negotiate a settlement over minority "access" and "inclusion." The shakedown

produced millions of dollars in contracts to Jackson cronies and hundreds of thousands of dollars in corporate contributions to Jackson's nonprofits, the Rainbow/PUSH Coalition and the Citizenship Education Fund (CEF). The upshot? SBC/Ameritech gave CEF \$500,000, AT&T gave \$425,000, Viacom - \$422,500, GTE - \$740,000, Bell Atlantic - \$800,000 and Verizon - \$1,675,000. Jackson overcame his concerns and praised the companies' commitment to diversity. The immensity of these awards, says Timmerman, helped redirect Jackson's strategic thinking. Instead of threatening boycotts of individual companies, Jackson discovered that networking and brokering deals with serious money—what goes on at the Wall Street Project—would yield rich benefits.

- Jackson's public rhetoric champions a fraternity of the poor and downtrodden, minority non-white Americans and oppressed third world peoples. But the deals he makes have made his friends rich, and now they too work the system, kicking-back nonprofit contributions to win profit-making contracts. For instance, in 1999 AT&T (a Wall Street Project sponsor) let a small eight year-old investment bank headed by Jackson friend and CEF donor Ron Blaylock co-manage an \$8 billion dollar bond offering along with Merrill Lynch (another Project sponsor) and Salomon Smith Barney. In 2001 attorney Johnnie Cochran won a \$192 million settlement for his race discrimination lawsuit against Coca-Cola, now a lead Wall Street Project sponsor. Cochran now works with Jackson to find other race-insensitive corporations to sue. Says Robert Woodson, president of the National Center for Neighborhood Enterprise, about Jackson's tactics: "What it's really doing is diluting the

rich legacy of the civil rights movement. That legacy is now for sale."

Jesse Jackson's nonprofit empire is adept at shifting finances and commingling funds to keep his deals secret. Timmerman generously acknowledges the work of CRC senior fellow Patrick Reilly, whose research has shown how Jackson takes advantage of nonprofit tax laws to keep his donors' privacy protected, his own income unknown, and his personal expenses (like a mistress' upkeep) hidden. (See "Jesse Jackson's Empire," *Organization Trends*, April 2001). Still, Jackson is like certain entrepreneurs: he can invent new products that make money, but he is a negligent and reckless manager who can't keep the books or run the office. Legal and accounting failings have helped Reilly and Timmerman uncover many details of his operations.

Shakedown would have the reader conclude that Jesse Jackson is a hustler and scoundrel. But with the complicity of top corporate managers his career has taken him from the picket line to the boardroom, from South Side Chicago to Wall Street.

Robert Huberty is Executive Vice President of Capital Research Center.

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DaimlerChrysler Executive Apologizes to National Legal and Policy Center for Comments at Jackson's Wall Street Conference

On January 16, a DaimlerChrysler executive made disparaging remarks about conservatives at Jesse Jackson's Wall Street Conference that sparked a wave of controversy and a belated apology. When asked by a reporter during the event about criticism of Jackson, Senior Vice President Frank Fountain said, "Most of those critics are conservatives and they have a rather myopic view of the world."

On January 21, NLPC president Peter Flaherty wrote Dr. Dieter Zetsche, President and CEO of the Chrysler Group, demanding that Fountain withdraw his remarks. Flaherty said that "Fountain may have a myopic view of Jesse Jackson."

On February 13, Fountain wrote a letter to Flaherty apologizing for his comments. "My choice of words was unfortunate, but there was no intention to negatively characterize conservatives," said Fountain. "I apologize to anyone who may have been offended by my remarks." Fountain added that he looked forward to working with conservatives in the future.

Briefly Noted

Jesse Jackson is publicly defending owners of a Chicago nightclub where 21 people were killed during a deadly stampede. The club was in violation of a court order to keep part of the unsafe building closed. But Jackson is a friend of co-owner Dwain Kyles and earlier had lobbied the city on the club's behalf. Instead of holding the owners accountable for repeatedly disregarding safety warnings, he says the city should have been more pro-active in enforcing the court order. Community activist Derrick Mosley, who earlier had written the owners to complain about club overcrowding, is criticizing Jackson and demands that he come clean about his relationship with them. Mosley says after the stampede he showed the letter to officials at Jackson's Rainbow/PUSH headquarters but they expressed no interest. "It was clearly not on the agenda. As a matter of fact, I was told to put the letter away," said Mosley.

The **American Civil Liberties Union (ACLU)** and Arab-American groups have asked the U.S. Supreme Court to halt the federal government's surveillance of U.S. residents suspected of terrorist-related activities. It argues that a federal review court misinterpreted the Patriot Act, making it too easy for the government to listen to telephone conversations, read e-mail and search private property. Legal experts expect the Court will stay away from one-of-a-kind cases, but ACLU attorney Ann Beeson says, "We are urging the Supreme Court to reject the extreme notion that Attorney General Ashcroft can suspend the ordinary requirements of the Fourth Amendment." The ACLU has launched a \$2.5 million television ad campaign targeting Justice department policies.

Ingrid Newkirk, president of **People for the Ethical Treatment of Animals**, sent a letter to PLO Chairman **Yasser Arafat** complaining about the use of animals in terrorist incidents. Newkirk specifically criticized an unsuccessful attempt to use a donkey, laden with explosives, to blow up a busload of Israeli soldiers in January. Newkirk implored Arafat to "leave the animals out of this conflict." Asked by the *Washington Post* why she didn't call upon Arafat to stop suicide bombings aimed at people, Newkirk said, "It's not my business to inject myself into human wars."

On February 20, the **American Red Cross** announced its five-step preparedness plan for a terrorist attack or any natural disaster. The Together We Prepare campaign calls on families, neighborhoods, schools and communities to make preparations before emergencies. The Red Cross recommends five simple steps that people should take: make a plan, build a kit, get trained, volunteer and give blood. Red Cross president Marsha Evans says, "Our efforts complement the Homeland Security plan." The charity is working in cooperation with the department to encourage Americans to "stay alert on a day-to-day basis."

In March, the **Small Business Survival Committee (SBSC)** released a report detailing how New York City's tobacco tax increase enacted last year has hurt businesses. The tax went from 8 cents per pack to \$1.50 per pack. Among the SBSC's findings, 88 percent of New York City stores say total profits decreased \$127 million as a result of the tax. In addition, the tax will result in the loss of over 10,000 jobs.

Black Democratic leaders are critical of Senator Joseph Lieberman's presidential bid because of his past chairmanship of the **Democratic Leadership Council**, which often feuds with liberals. Says Al Sharpton, "They don't call themselves Dixiecrats now; they call themselves the DLC."

