

Why Is the NAACP In Bed With Donald Sterling?

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Date: April 27, 2014

In an excruciating example of bad timing, the Los Angeles chapter of the NAACP was scheduled to bestow its Lifetime Achievement Award to Donald Sterling, owner of the Los Angeles Clippers basketball team, at its [May 15 banquet](#). Sterling is now under fire for racist comments caught on a recording that surfaced on the TMZ website. Even President Barack Obama weighed in, condemning Sterling's remarks as "incredibly offensive." The NBA is now investigating Sterling's remarks and could invoke sanctions, including removing him as Clippers' owner.

Embarrassed by the controversy, the NAACP announced Sunday morning, via Twitter, that it was withdrawing the award, which was to be presented at the Millennium Biltmore Hotel in Los Angeles as part of the celebration of the chapter's 100th anniversary. The NAACP also plans to honor Rev. Al Sharpton and Los Angeles Mayor Eric Garcetti -- as well as Walmart's local charity and political operative and a top Fed Ex executive -- at the gala event.

Of course, when the NAACP decided to honor Sterling, it could not have predicted that the billionaire would be the center of a controversy about his racist remarks. The entire news media has been focusing on Sterling's angry comments to his girlfriend, who apparently taped their April 9 phone conversation in which the Clippers owner admonished her for posting photos of her with black people, including Magic Johnson, the former LA Lakers star and now LA Dodgers co-owner. "It bothers me a lot that you want to broadcast that you're associating with black people. Do you have to?" Sterling allegedly said. He also told her: "You can sleep with them. You can bring them in. You can do whatever you want. The little I ask you is not to promote it on that... and not to bring them to my games."

Yes, there's no way that the NAACP could have known that Sterling would be caught making those comments. But there's also no way that the NAACP could *not* have known that Sterling has a long history of racist comments and racial discrimination in his rental properties.

Indeed, the NAACP seems to suffer from amnesia. Almost exactly five years ago, a similar controversy arose when the civil rights group honored Sterling with the same award! At the time, Elgin Baylor, who served as the Clippers general manager from 1986 to 2008, had just filed an age and racial [discrimination suit](#) against Sterling. According to Baylor, Sterling had a "Southern plantation" view, preferring to field a team of "poor black boys from the South... playing for a

white coach."

Despite the controversy, the NAACP proceeded to give Sterling its award, even though the billionaire's track record of housing discrimination against African Americans, compounded by the brouhaha with Baylor, was already well-known. To justify the 2009 award, the president of the Los Angeles branch told the *Los Angeles Times* that Sterling "[has a unique history of giving to the children of L.A.](#)," revealing that the owner donates anywhere from 2,000 to 3,000 tickets a game to youth groups for nearly every Clippers home game." (Of course, Sterling may simply have wanted to fill the many empty seats at the woeful Clippers' home games).

The NAACP had already given Sterling its Presidents Award in 2008, according to [Sterling's website](#), which is primarily devoted to a long list of the many honors bestowed on him by various charitable groups to which he's contributed.

Many nonprofit groups rely on charitable donations from wealthy donors and corporations. Often their philanthropy is altruistic and heartfelt, but sometimes their gifts are self-serving, designed to help a company or a billionaire cleanse a soiled reputation or peddle influence with politicians. Many donors expect to see their names on buildings or to be rewarded with public celebrations of their philanthropy, including receiving awards. The NAACP-Sterling relationship raises the larger question of whether nonprofit organizations should have any standards for bestowing honors on their donors. When is a donor such a disreputable person (or corporation) that its donation -- and the strings attached to it -- soils the reputation and moral standing of the nonprofit group, despite its many good deeds?

In the early 1900s, John D. Rockefeller began his philanthropic foundation to try to divert public attention from his reputation as a vicious robber baron, particularly after his private army killed striking workers, women and children at the Ludlow Massacre in Colorado. In the 1970s, Tufts University bestowed an honorary degree on Philippines First Lady Imelda Marcos -- for "humanitarianism" no less! -- in exchange for a multi-million grant from the Marcos Foundation to the university's Fletcher School of Law and Diplomacy, at a time when her husband, the Filipino dictator Ferdinand Marcos, was being chastised by human rights groups.

Indeed, many corporate tycoons and other disreputable folks engage in philanthropy, attaching all kinds of strings to their giving, hoping it will wash away their sins. They operate under the adage, it is better to give *and* receive.

So it should be no surprise that Donald Sterling has likes to throw money around to nonprofit charities. What's troubling is why an organization like the NAACP, dedicated to eliminating racial injustice, should help Sterling whitewash his reputation.

Sterling, who turned 80 on Saturday, is one of the largest property owners and landlords in the Los Angeles area. He owns and manages about 119 apartment buildings with some 5,000 units, according to the U.S. Justice Department, which has sued him for discrimination.

In 2006, the Justice Department [sued Sterling](#) and his wife for excluding black tenants and favoring Korean tenants in some of their properties. According to the [Los Angeles Times](#), Justice

Department lawyers presented evidence that Sterling and his wife made statements "indicating that African Americans and Hispanics were not desirable tenants and that they preferred Korean tenants" occupy buildings they owned in Koreatown. Three years later, the Justice Department and Sterling reached a settlement. Sterling agreed to pay a record \$2.7 million. It was, at the time, the largest settlement ever obtained by the U.S. Justice Department in a housing discrimination case involving rental apartments.

Sterling, in fact, has a long history of landlord misdeeds. In 2008, the [LA Weekly](#) summarized some of the most egregious examples of Sterling's grotesque greed.

2001: City of Santa Monica sued him, claiming he harassed eight tenants in three rent-controlled buildings by threatening to evict them for having potted plants on balconies. He paid \$25,000 in settlements.

2002: Sterling sued apparent lover Alexandra Castro for the title to a \$1 million Beverly Hills home. Castro said the dwelling was a gift from him to her. The case was settled for undisclosed terms.

2003: Legal Aid Foundation of Los Angeles represented a tenant Sterling tried to evict on Lincoln Boulevard for allegedly tearing down notices in an elevator. Sterling won. The tenant was evicted.

2004: Sterling and other landlords won a major appellate case against Santa Monica's stringent Tenant Harassment Ordinance, which Santa Monica's city attorney had used to order Sterling and other landlords to stop issuing eviction notices, terming the notices "harassment."

2004: Elisheba Sabi, an elderly widow represented by Los Angeles Legal Aid Foundation, sued Sterling for refusing her Section 8 voucher to rent an apartment.

2005: Sterling sued landowner Larry Taylor for allegedly reneging on an unsigned note that agreed to sell Sterling properties worth about \$17 million. The "handwritten note" was made it to the California Supreme Court. Taylor won last year.

2005: Sterling settled a housing-discrimination lawsuit filed by the Housing Rights Center, which represented more than a dozen tenants. He paid nearly \$5 million in legal fees and a probably much larger, but undisclosed, sum to plaintiffs.

In 2006, Sterling paid for a newspaper ad announcing that the Donald T. Sterling Charitable Foundation would develop a "state-of-the-art \$50 million dollar" project for "over 91,000 homeless people" in LA's Skid Row neighborhood. The ad included a photo of a smiling Sterling above the quote: "Please don't forget the children. They need our help." At the time, many homeless advocates criticized the plan for being more like a mega-warehouse than a social service agency. But they need not have worried. Although Sterling spent millions of dollars to buy properties in the area, he never carried through on the homeless project. And now that the

Skid Row neighborhood has gentrified -- pushing many low-income people out of the area, Sterling is sitting on valuable property.

In addition to this track record of civil rights and tenants' rights violations, as well as blatant indifference to human suffering, Sterling has a shameful reputation as a man who abuses his employees, acknowledges paying for sex with prostitutes and has had a string of girlfriends who live in expensive homes and drive luxury cars paid for by the real estate mogul.

Given his reputation and this history, why would the Los Angeles NAACP honor Sterling for "lifetime achievement?" The answer? For the same reason that the NAACP is scheduled to honor Javier Angulo, Walmart's director of community affairs, at the same May 15 banquet. Sterling and Walmart are both NAACP benefactors and the civil rights organization has been happy to take these corporation donations.

Anyone who has read the *Los Angeles Times* over the past decade has seen the hundreds of full-page and half-page ads that Sterling puts in the paper to promote his philanthropic endeavors. A self-congratulatory photo of Sterling inevitably adorns these advertisements, along with photos of the heads of dozens of nonprofit groups in the Los Angeles area who receive Sterling's largesse. Many of these organizations, in turn, bestow awards on Sterling for his humanitarian gestures. This I'll-scratch-your-back-you-scratch-my-back philanthropy is hardly unusual in America, but Sterling's blatant self-promotion, designed to cleanse his reputation and burnish his ego, should win an award of its own. In this way, the NAACP is simply another cog in the Sterling PR machine.

The NAACP has an even more incestuous relationship with Walmart, the world's largest private employer and the world's most controversial corporation. The Arkansas-based Walmart has a long history of law-breaking, not only in retaliation for employee activism but also in exploiting immigrants, paying women less than men for the same jobs, breaking environmental laws and bribing Mexican officials, among many other infractions.

The U.S. Department of Labor ordered Walmart to pay \$4.8 million in back pay and fines to thousands of employees who were illegally denied overtime. It was also ordered to pay nearly \$34 million in back pay to 87,000 employees. Last November, Walmart's 1.3 million U.S. workers won a big victory when the National Labor Relations Board ruled that the retail giant had broken the law by firing and harassing employees who spoke out -- and in some cases went on strike -- to protest the company's poverty pay and abusive labor practices. Clergy, labor, and community groups have complained that Walmart pays many of its employees poverty-level wages, insists that many employees work part time, and provides few employees with affordable health insurance. The company's low-paid employees are forced to apply, with direct assistance from Walmart, for publicly funded benefits like food stamps and Medicaid. A report released by the National Employment Law Project uncovered widespread abuse of low-paid temporary laborers who work in warehouses and transport goods to Wal-Mart's stores.

Human rights groups criticize Wal-Mart for its use of sweatshop labor, in China and elsewhere, to manufacture the clothing and toys it sells. Walmart has recently earned well-deserved negative publicity for its complicity in thwarting safety improvements at Bangladesh sweatshops that

make clothes sold in Walmart stores. One of them was the eight-story Rana Plaza factory building near Bangladesh's capital, Dhaka, where in April 2013 at least 1,100 workers were killed after the building collapsed -- the deadliest garment industry disaster in history.

Walmart is also the largest seller of shotguns and ammunition in the country. For years it was a member and large contributor to the American Legislative Exchange Council, a conservative business lobby group that aggressively supported "Stand Your Ground" laws, the "shoot first" law that was implicated in the death of Trayvon Martin, among others. Walmart executive Janet Scott was the co-chair of an ALEC committee that encouraged state legislators to enact these controversial pro-gun laws.

To overcome its terrible reputation, Walmart and its corporate foundation has invested heavily in strategic donations. This influence-peddling strategy includes giving campaign contributions to politicians, hiring well-connected lobbyists to do its bidding, mounting expensive PR and ballot campaigns to win public support, supporting conservative think tanks and lobby organizations such as the Cato Institute, the Heritage Foundation and the American Legislative Exchange Council and buying the support (or at least neutrality) of nonprofit organizations through philanthropy.

The NAACP has been on the receiving end of Walmart's corporate philanthropy. Across the country, the NAACP has partnered with Walmart on a variety of fronts. Columnist [Earl Ofari Hutchison](#) observed that Walmart's public relations and philanthropic effort "is part of a well-greased, on-going national PR and ad campaign by Wal-Mart to make dependable allies of black consumers and leaders."

For more than a decade, Wal-Mart's single-minded goal has been to open more stores and generate more revenue--especially in urban areas, the company's next frontier. But it hasn't been easy. In many cities across the country, local environmental, consumer, labor, small business, religious, women's rights, and other groups have fought against Walmart's efforts to expand its low-wage business model.

Nowhere has the battle over Walmart been as intense as in the Los Angeles area. Eager to gain a foothold in the area a decade ago, Wal-Mart proposed building a mega-store in Inglewood, a mostly African-American and Hispanic working-class suburb. In 2004 the company spent about \$1 million to mount a ballot initiative that would change the city's zoning laws to allow Walmart to build its supercenter. Despite being outspent ten-to-one, a local community coalition defeated the ballot measure by a two-to-one margin. That same year, the Los Angeles City Council enacted a big-box law making it difficult for Walmart to open new stores.

Walmart temporarily retreated, but in 2011 it returned to greater Los Angeles with a vengeance, attempting to open a store in the city's Chinatown neighborhood. It hired three powerful lobbying firms to help the company get the approvals it needed. And it hired the politically connected Javier Angulo--former employee at the Mexican American Legal Defense and Educational Fund and the National Association of Latino Elected and Appointed Officials--to coordinate its local philanthropic program. Under Angulo's guidance, Wal-Mart donated millions of dollars to dozens of local nonprofits, including the NAACP, the Urban League, Homeboy Industries,

California Charter Schools Association, Los Angeles Parents Union, Goodwill, Catholic Charities, Salvation Army, Union Rescue Mission, Meals on Wheels, Chrysalis, Children's Hospital, and the Mexican American Opportunity Foundation, as well as several Asian American organizations, including Little Tokyo Service Center, Korean American Coalition, the Center for Asian Americans United for Self-Empowerment, and Chinatown Service Center.

Angulo made sure that whenever Walmart hands over a check to one of these groups, elected officials are there for the photo-op.

Walmart also sought to open a store in Altadena, a heavily African American suburb a few miles from Los Angeles. There, too, under Angulo's supervision, [Walmart donated to the Altadena NAACP](#) as well as other African American organizations. Angulo also led the effort to win community support for the proposed store. The strategy paid off. Despite considerable opposition, especially from locally owned businesses, many of Altadena's African American leaders embraced Walmart's plans. The new store opened in March 2013.

And in yet another display of either bad taste or blatant hypocrisy, the LA NAACP is giving its President Award to Shannon Brown, senior vice president of Fed Ex. Fed Ex is well-known as a union-busting company. Indeed, the Leadership Conference, a major civil rights coalition of which the NAACP is a member, issued a 2007 report entitled ["Fed Up with FedEx: How FedEx Ground Tramples Workers Rights and Civil Rights,"](#) about the company's history of anti-union practices.

In 1903, the great historian and sociologist W.E.B. DuBois wrote *The Souls of Black Folk*, now considered a classic critique of American racism and its impact on Black Americans, and three years later he was a founder of the NAACP. No doubt Du Bois would be turning in his grave if he knew that the NAACP - with its glorious history of civil rights activism - had sold its soul to Donald Sterling, Walmart, and Fed Ex.