Agreeable to orders from Director Johnston to proceed to Grenada and work with city officials in working out a plan whereby no acts of violence would likely occur during Martin Luther King's appearance on Monday and Tuesday, and to determine what response was being given to a petition which is being circulated condemning acts of violence which occurred on September 12 and 13, and further to determine who is behind building a Negro super market in Grenada, and if possible, determine who is financing the project and where it is located, I journeyed to Grenada on the above dates.

Upon my arrival there, I contacted Chief of Police Pat Ray and other officials to determine where the building is located and to get any other information possible concerning the financing, construction, etc. I was not able to get any information other than where the building is located. I was told that the City of Grenada does not issue building permits like many towns of its size.

I was told by the officers that the construction of the building had begun and it is located at the north end of Main Street, where Main intersects the Yalobusha River, and on the east side of Main, just inside the city limits.

They stated that a Negro by the name of Fox sold the property to the concern. Fox runs the Fox Negro Funeral Home. In checking a map of Grenada to determine the location of the property in question, I found that lot 254 is the property on which the building is being constructed in East Wood block.

I next checked the land records in the Chancery Clerk's office. I determined that on August 11, 1966, R. E. Fox, Negro funeral home owner in Grenada, sold the property to B & P Enterprises B and P represents business and professional people). The deed stated that Fox received \$10.00 in cash and other good and valuable considerations. Only 55¢ in government stamps was placed on the deed which would indicate the property sold for \$500.00 or less. The deed was recorded in Book, 155, on Page 189, and called for lots 254-255-256-257, all lying along the south banks of Yalobusha River.

I then drove up to the building spot and found a building which was just being started and which had only the foundation laid and a few concrete blocks being laid at the time. No leveling of the land on the inside of the building had been done, nor on the grounds around it. Grass and weeds were gowing on the inside of the walls and there were places which were four feet higher on the inside of the structure than other places.

James Bullock, w/m, from New York was on the job at the time of my arrival and is in charge of construction. Bullock, so I was told, is a construction engineer and is about 50 years old. He has been in Grenada living with Negroes ever since the Meredith march and has participated in most of the marches which have been going on nightly since he has been in Grenada. I was told by an FBI agent that Bullock has no subversive record to their knowledge; however, he is a known homosexual. I was also told that he has a wife and five children somewhere.

G. W. Bingham, c/m, school teacher, who is in charge of wood working shop at the Negro school in Grenada, is chairman of the store board of directors. Bingham's children are among the Negro children attending white schools in Grenada. Rev. Sharpe P. Cunningham; pastor of the Bell Flower Negro Baptist Church, where most of the civil rights meetings have been held, Willie T. Allen, Negro principal of Grenada schools, and Nathaniel Boclair, Negro high school coach, are in charge of the financing and all cosigned the checks for building materials, etc., for the building's construction.

The B&P Enterprises account is in the Grenada Bank. Thus far, so I was told, the concern has collected through various methods \$18,000.00 which they obtained through selling stock or through some other unknown method. It is estimated the building will cost \$70,000.00 when completed. It is 60' x 110'. My guess is that at least from \$150,000.00 to \$200,000.00 will have to go into this venture for the construction, equipment, and stock before it is opened for business. I do not doubt that SCEC has put some money into this project. I was told, however, that most of the funds were obtained from Negro school teachers, who will share in the profits or losses of the operation. It is my thinking that whoever places any money into this project is likely being sold a gold brick as the location of the property is just below Bogue creek, which runs into the Yalobusha River in a low area and at times is known to get three and four feet deep in water.

Most of the people to whom I talked believe that the project is being financed by local Negro money; however, I was told by several different ones that Walter Reuther, head of the Auto Workers Union of CIO, planned to put quite a bit of money into the project but they say that Reugher withdrew his offer when it was discovered that SCLC officials were involved in an automobile theft ring in Atlanta, Georgia.

When I arrived in Jackson, I checked further with the Secretary of State's office to determine if the B and P Enterprises have applied for a corporation stock charter. I was advised by Mr. Ben Hawkins, who is in charge of that department, no one had applied for a charter in the name of B and P Enterprises, and he further stated that it is a violation of our corporation stock laws to sell stock in a corporation without first obtaining a charter from the Secretary of State's office. He said, however, a group of individuals could pool their money and start a project without a charter provided the amount of money pooled does not exceed \$1,000.00. He said, otherwise, the individuals under the law would be required to obtain a charter.

B and P Enterprises thus far have spent several thousand dollars no doubt on the project. They pay cash for all building supplies for the construction of the building. To my knowledge they paid \$500.00 cash Monday for a load of concrete blocks delivered to them from Clarksdale, Mississippi. The B and P Enterprises' store at this time is far from becoming a reality. King has stated that in addition to the building which they are now constructing that another building will be constructed later on the sproperty which B and P now owns.

I did not actually find out the names of anyone owning stock in the B and P firm because communication between whites and Negroes in Grenada has almost completely stopped.

I next checked on the petition which was being circulated in Grenada condemning the violence inflicted on Negro children. I was advised that everyone signed the petition to whom it was presented except two people and that the petition contained more than 300 names of businessmen, city and county officials, and average Grenada citizens. One of the two people who did not sign the petition was an old man who felt that because of his age he should not get involved in any kind of controversy; however, his son signed it. I did not learn the name of the other one.*

When I arrived in Grenada, Monday, I found an entirely different atmosphere of concern rather than indifference to what I had previously observed. Grenada County officials and Mayor and City Councilmen met Sunday night and made plans to carry out properly the responsibility of Judge Clayton's court order by employing more policemen and instructing all officers to arrest any troublemaker who might get involved in racial matters. They also made arrangements on Monday morning to clear the square and the streets around the square to make sure that Martin Luther King got a safe and quiet reception while he was in Grenada.

King arrived in Grenada from Memphis by automobile around 5:00 P.M. He met with a group at the Bell Flower Negro church for a short while. Then he went down to inspect the new super market, which is under construction as previously discussed in this report. That night King spoke to a large group of Negroes at the New Hope Negro church. He complimented them highly for their accomplishments in carrying out his demands on the City of Grenada, and in the course of his talk pledged that Grenada would be further invaded until other demands were met. He also condemned the United States Senate for killing the civil rights housing bill that day.

Around 7:30 P.M., Monday night, one of the Highway Patrolmen advised me that I was wanted at the City Hall. I went to the Mayor's office and met with Mayor J. D. Quinn, attorney for the city Board, Brad Dye, Sr., Councilmen Henry Ray, Jr., John Brewer, and Gilbert Allen. They advised me that they had just received a telegram signed by Rev. J. T. Cunningam, Negro minister, and J. T. Johnson which requested a meeting with city and county officials in the offices of SCLC at 10:00 A.M. the next morning. They had already called Mr. Tom Watkins, their attorney on civil rights, in Jackson. He advised the officials not to meet with King and his group. Mr. Watkins also advised he would be in Grenada by 8:00 A.M. the next day. I felt this was the right decision at the time as King and his cohorts had already done about as much to the City of Grenada as they could possibly do.

*The older man is H. J. Ray, Sr., banker, and the other non-signer was Lee Spain, who operates a dry goods store.

Mayor Quinn called Director Erle Johnston and conferred with him about what to do in their present situation. Director Johnston also advised against meeting with the SCLC group.

After this meeting dispersed, I went up to the Grenada square to observe the march which took place around 10:00 P.M. The largest number of Negroes I have seen in Grenada took part in the march. It was estimated that around 650 Negroes participated. There was no one on the street at the time except the marchers, newsmen and photographers, and a few officers. King himself did not make the march. There were several white males and females in the march. Joan Baez, folk singer from California, who is a pacifist, was in the march. The Negroes marched around the square and sang their usual songs, doing the Congo twist at the same time. They returned to the Bell Flower church and dispersed without incident and apparently without anyone noticing them.

Tuesday morning at 8:00 A.M., all members of the City Council except one who had resigned and their attorneys, all members of the County Board of Supervisors and their attorney, the Mayor, Mr. Tom Watkins and I met in the City Hall to discuss the demands King's group had made by telegram the night before. It was the unanimous thinking of all of those present that the city and county officials should not meet with King and his cohorts; however, they did issue a statement to the effect that all people irrespective of race would be accorded the full benefits provided by law. King surprised many of us by leaving that day. Of course, his henchmen are still in Grenada and probably will stay for some time.

At the present, I feel for the first time since the Grenada turmoil began that relief may be soon coming to the city and county. For one thing, whereas the city and county law have been at odds and the white people divided for various reasons, I see evidence of all coming together and facing the problem now confronting Grenada people in a manner by which they may work together changes by.

While in Grenada, I checked with a number of businessmen who are being seriously affected by the boycott. All stated they could have gotten along very well without the Negro trade had their white customers continued to trade with them, but many expressed themselves as soon having to go out of business if white people do not resume trading. One white dry goods merchant, who had a nice line of stock, told me he did mot make a sale Monday. Another dress shop owner told me she sold \$1.80 worth Monday. I believe the white people in Grenada will start back trading with Grenada merchants. Many of them quit because they thought local officers were permitting the Negroes to have more rights and privileges than they themselves had. Consequently, the merchants of Grenada have suffered from the lack of business from the whites as well as the boycott by the Negroes.

Grenada officials asked this department to assist in any way and by any means we could to help reliefe the situation there. I advised the Mayor that we would send someone into Grenada to find out what can be done honorably to bring about normal conditions and that this would be done within the next few days, after which I would contact them. Grenada city and county officials appreciate the assistance this department has given them and gave high praise to all state officials and Governor Johnson for the assistance they have given them. Without the help of Governor Johnson many told me that the town would have been practically destroyed.

More investigation will follow.

Mississippi

STATE SOVEREIGNTY COMMISSION

NEW CAPITOL BUILDING JACKSON, MISSISSIPPI

GOVERNOR PAUL B. JOHNSON, CHAIRMAN

ERLE JOHNSTON, JR. DIRECTOR PHONES 354-3218 948-2053

October 11, 1966

MEMORANDUM

TO:

File

FROM:

Director, Sovereignty Commission

SUBJECT:

Grenada

During the past several days, Chief Investigator Tom Scarbrough has been working in the Grenada area obtaining information to supplement other sources on the attitude of local Negroes toward the white community and also the leadership of Martin Luther King.

Mr. Scarbrough was instructed to determine if a sentiment existed in the Negro community that might be exploited into either a removal of the King crowd or a break-down of confidence in King. We have remained in contact with the Mayor and Board of Aldermen of Grenada, who asked us a short time ago to make recommendations that might help relieve the tensions and end the boycott.

On the night of Monday, October 10, Mr. Scarbrough called the Director from Grenada and said he had finally hit some "pay dirt" in contacts with the Negroes. He had a meeting at Holcomb that afternoon and will meet again on the morning of October 12. At this second meeting, he expects to have a large number of native Grenada Negroes. Mr. Scarbrough has acquired a lot of information (some from our files) to show the Grenada Negroes that nothing will ever be settled peaceably as long as King is exerting his authority by threats and intimidation.

R. B. Cottonreader, c/m, one of the King strong-arm boys, became intoxicated and made a scene at the Monte Cristo restaurant. He was arrested and made bond. He has told white authorities that he plans to leave Grenada, but they have not placed much faith in his statement.

We have a proposal prepared for the Mayor and Board of Aldermen to be activated as soon as the atmosphere seems appropriate.

From other sources, we are placing in the record the names of the following Grenada Negroes who may be of assistance in a settlement: Rev. Lawrence E. Smith Rev. B. J. Cameron, Rev. B. F. Patterson, Rev. F. T. Cunningham, Rev. C. C. Coleman, Charles Hardiman, Obie Lee Ward, Willie Savage, and Richard Jackson.

Rev. Cunningham is Pastor of the Bell Flower church and has been openly supporting the King leadership; however, Rev. Cunningham has been more inclined toward Grenada Negroes operating for themselves without outside interference. Rev. Coleman was dismissed as pastor of his church because some of this congregation members did not consider him extreme enough to support King.

Some of these people have been involved in the movement; however, there is a mutual sentiment that they can take over things themselves in Grenada without the King group.

As of this date, there are about 50 to 60 Negroes attending the previously white high school and 80 to 90 Negroes in the two previously white elementary schools. All white and colored teachers in the Grenada school system are paid exactly the same salary using state funds and the local supplement.

The Grenada investigation is continuing in the hope that sometime this month a plan can be set in motion.

Erle Johnston, Jr.

cc: Honorable Herman Glazier

EJ/ea

On a routine investigation in Grenada on the above date, I talked with Paul McElroy, Jehn McEachern, and other officials concerning the present situation there in Grenada.

I was advised that construction has been resumed on the supermarket which B&P Enterprises is sponsoring. No one seems to know where the money is coming from to pay for materials, labor, etc., which is going into this project. Mr. McElrey said he had heard that B&P Enterprises had received a loan from the Small Business Administration, but did not know for sure whether this was true. I also heard that Walter Reuther had put some money into the project.

Twelve persons picketed last Saturday in Grenada. Eight were children. Business, however, seems to be just about normal at this time.

I advised the city officials that Martin Luther King is supposed to return to Grenada around the middle of February with a strongarm crew and that our information is he will try to bring about more chaos than was experienced there in 1966.

The damage suit against King, SCLC, and others which was brought by the Pak-N-Sak Grocery Company is now being tried in Chancery Court in Grenada. It was the general belief that Pak-N-Sak would be able to tie King's organization into damages which were suffered during the recent boycott in Grenada and which necessitated Pak-N-Sak's closing their business and moving from Grenada.

It is hoped that King's influence is at a law ebb at this time as I personally do not believe the white community will concede anything whatsoever to King and his crew other than what the law provides.

Events will be watched very closely at Grenada by local authorities for the next two months.

TITLE:

Grenada

DATE OF INVESTIGATION: February 1, 1967

DATE OF REPORT: February 9, 1967

INVESTIGATED BY: Tom Scarbrough, Chief Investigator

TYPED BY: Elizabeth Arnold

Agreeable to orders from Director Johnston to pass on certain information this department has received relative to certain civil rights agitators coming into Grenada shortly, I checked with authorities there on February 1.

I advised the authorities that Hosea Williams, one of Martin Luther King's right-hand field men, was expected to return to Grenada on February 6. Williams, so I was advised in Grenada, will give tests in various parts of the county to Negroes training them how to vote in this coming summer's democratic primaries. It was said that he or someone with SCLC would go into the Negro communities in Grenada County and hold workshops training Negroes how to make out a ballot.

I also learned that two Negroes have qualified for city aldermen in the Town of Grenada, namely, James Simmons and U. S. Gillan. Gillan's name is on file in this department. It seems that U. S. Gillan announced for city alderman without the endorsement of the Negro voters. A Negro by the name of Willis has qualified to run for supervisor in the second district. Negro votes and white votes are pretty well equal in this district.

It seems that SCLC is going to make a strong effort this summer to try to elect a Negro to public office in Grenada County. This, however, is not likely to happen as there are more than 1,000 white vote majority in the county.

There have been no marches in Grenada since the night of January 25. Robert Johnson, local Negro man, is the local leader for SCLC at present. Rev. St. T. Cunningham and Edna Woods, both formerly from Selma, Alabama, are fronting for Martin Luther King locally and apparently are the mainsprings in keeping King's organization alive in Grenada. Cunningham and J. T. Johnson held a meeting on the night of January 31 in the Negro funeral home. It was believed the purpose of this meeting was to choose the crew leaders who will go out into various sections of Grenada County and hold workshops training inexperienced Negro voters how to make out their ballots.

Apparently the boycott has receded considerably as Negroes are returning trading with white merchants. The City of Grenada is employing two Negro policemen to begin work this month. They are doing this on their own rather than on any demands of Martin Luther King.

I did not find any apprehension in the white community that there might be some serious trouble or violence in Grenada soon which might be brought on by the return of King and his lieutenants; however, there appears to be present in Grenada two immovable forces, both sides determined not to give any ground to the other side. It is my personal opinion that SCLC will make a strong effort this coming spring to rekindle the racial strife that Grenada experienced last fall. I do not believe, however, that King's efforts will be as successful as the boycott which he implemented against the businessmen last fall.

The report that R. B. Cottonreader and Leon Hall had returned to Grenada is true; however, at the present time they are not there and it is believed their only reason for returning to Grenada was because they were subpoenaed by the court to be there as witnesses and defendant in this last term of court.

The Grenada situation is entirely different to any this department has thus far dealt with as Grenada is the only place in Mississippi where King has a stronghold. Another thing, there appears to be an attitude on the part of all businessmen and people in Grenada of not giving an inch to the civil rights demands, other than what the law provides.

City officials know that they can call on this department to negotiate any kind of agreement they may decide on for them and appreciate the fact we are willing to act as go-between the two forces, but at the present time they are not willing to do any more than they have already done.