

TITLE: Grenada

DATE OF INVESTIGATION: January 9, 1967

DATE OF REPORT: January 10, 1967

INVESTIGATED BY: Tom Searbrough, Chief Investigator

TYPED BY: Elizabeth Arnold

On a routine investigation in Grenada on the above date, I talked with Paul McElroy, John 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. McElroy 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 low 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.

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