

Western Regional Field Office  
Congress of Racial Equality  
2085 Sutter Street  
San Francisco 15, California  
JO 7-3430  
June 10, 1964

The Statewide Congress of Racial Equality Negotiating Team recommends the following proposals to all CORE chapters for immediate decision

1. Statewide CORE demands that the Bank of America enter into a goal understanding with statewide CORE or the FEPC. This goal understanding provides that for a period of one month the Bank of America shall hire between 300 and 800 Negroes and non-whites. During the period of one year the Bank shall hire between 3,600 and 9,600 Negroes and non-whites.

2. In the event that the Bank refuses to enter into a goal understanding directly with the Congress of Racial Equality, then statewide CORE will unilaterally and without the Bank's consent, state that Statewide CORE will be in the streets until the Bank of America hires between 300 and 800 Negroes and non-whites during a one month period starting from the date of the announcement of this demand. CORE will also make it known that after the 300-800 goal is achieved, statewide CORE will expect the Bank of America to hire between 3600 and 9600 Negroes and non-whites for the period of one year. If after the passage of one month, the Bank fails to meet the goal requirement, then the same demand will be re-instituted for the following 30 days until the demand is met.

3. Upon the Bank's implementation of the first or second demand, statewide CORE will enter into a memorandum of understanding with the Bank of America. From the outset, in keeping with statewide CORE's previous policy, we shall continue to demand that the Bank of America enter into a memorandum of understanding with the statewide chapters of CORE, which shall include:

- (a) The appointment of a human relations director, who shall be advisory in nature, directly responsible to the Bank President, appointed by Mr Peterson, with such appointment subject to the approval of the FEPC and the Mayor's Interim Committee on Human Relations.
- (b) Re-affirmation of equal representation and portrayal of Negroes and non-whites in all advertising carried out by the company. This shall include but not be limited to newspapers, radio, television, billboards, etc..
- (c) Understanding that the Bank will not enter into sub-contracts with discriminatory sub-contractors. (This is required under the President's Committee on Equal Opportunity Employment.)
- (d) Waiver of formal educational requirements where the applicant is otherwise qualified.

- (e) Support FEP request that the Bank oppose the initiative to repeal fair housing. (It is to be noted that the negotiating team will not insist upon the Bank's signing of an agreement).

4. On the question of statistical reporting, statewide CORE negotiating team is meeting with the FEP Commission in San Francisco this Friday, June 12, at 1 PM. At that time, the team will request that the Commission establish a policy for the disclosure of statistical data to interested civil rights organizations. At this time, there is no Commission policy that guarantees that CORE will continue to receive statistical data as long as it is needed. A policy guaranteeing disclosure of statistical data for the indefinite future or until discrimination ceases to be a issue between statewide CORE and the Bank of America will be sought, and the negotiating team has every reason to believe that this request will be granted. Furthermore, the Commission does not have a clear and specific policy on the exact kind of statistical data which an interested organization such as CORE could receive. The Negotiating Team will ask for clear policy on this point, and seek to obtain a policy which provides that CORE receives detailed statistical data which comes to constituting a disclosure of raw statistical data. Again, the negotiating team anticipates that this request will be granted.

Rationale for the above position: (Note: Read this carefully).

It is the firm belief of the statewide negotiating team that the memorandum of understanding executed between the Bank and the FEPC is inadequate.

(1) It is clear that any agreement that is reached between any party, whether it be CORE or FEPC, with the Bank of America will constitute a precedent which will affect the substance of future employment agreements which may be reached throughout California.

(2) Secondly, it is clear that acceptance of the FEPC agreement as it now stands would provide great incentive for major employers in California to deal with the FEPC on a nearly exclusive basis to the degree that the Bank is doing. It is clear that FEPC does not have the staff to do the job.

(3) Thirdly, it is very clear that in any FEPC-Company relationship, or FEPC-Industry relationship, the FEPC will not have adequate power to enforce the agreement.

(4) Finally, it is clear to the statewide negotiating team that the Bank has not demonstrated good faith. In off-the-record talks with CORE, the Bank conceded that FEPC was only called in because it could serve as a buffer between CORE and the Bank. This being the case, such a relationship can hardly be indicative of the Bank's sincere willingness to implement a policy of equal opportunity employment.

Dealing with the first point, it is clear that whatever is contained in the B of A agreement, if it is accepted by CORE, it will stand as a basis for the major employers ( particularly members of the banking industry) to request the same kind of agreement.

It is to be noted that nowhere in the agreement between B of A and FEPC is there a provision of goals for Negro and non-white hiring. According to Whitney Young, the rear wheel of a car cannot catch up with the front wheel if both wheels are moving at the same rate of speed. The rear wheel can only catch up if its speed is accelerated. It is clear that the Negro is only going to be able to catch up and reach the realm of equal opportunity if for a short period of time, he is given a special lift.

The Bank-FEPC understanding provides no guarantee that real progress will be made in Negro hiring. The question under this relationship is not what progress the Bank has made in Negro hiring, but whether the Bank is taking minimal recruitment steps. If the memorandum between B of A and FEPC is accepted, then the Whitney Young principle is lost in employment throughout California.

Reliable sources in the FEPC have disclosed to CORE that it is very unlikely that the day will ever come when FEPC will have the power to enter into a goal understanding.

are essential

Furthermore, it seems clear to some FEPC representatives that goals in Negro and non-white hiring, and since FEPC can't do it, CORE should. As a further extension of Point One, it is clear that the FEPC relationship is unacceptable because the Bank-FEPC memorandum does not provide policy or guidance for disclosure of statistical data to CORE, so that at this time, we have no way to evaluate the Bank's progress in hiring.

We are hopeful that the FEPC will establish an adequate policy on this question. Finally, it should be noted that the majority of the items which we desire in our memorandum of understanding have not been implemented by the Bank. see page 1 and 2.

Under Point Two, the negotiating team is convinced that if the statewide CORE chapters accept the weak agreement negotiated between the B of A and FEPC, then the major employers in California will, with proper inducement (pressure from civil rights groups) insist upon reaching a similar understanding with the FEPC. At that point the FEPC is likely to be face with a deluge of requests from many employers throughout California. For example, the banking industry will probably run to the FEPC the moment CORE accepts the weak relationship (i.e. agreement without goals and memorandum of understanding). This enthusiasm will probably be followed by other major employers in California who want to avoid confrontation with the Freedom Movement.

Suppose this happens. Let us see how FEPC is equipped to handle these new requests. Throughout the entire state, FEPC has only 50 staff people to handle job and housing discrimination requests. FEPC would not be able to handle, in the physical sense, a relatively large number of requests. While the increased demand would require increased legislative appropriations it is generally believed that FEPC would not get the kind of budget required to carry out the requests.

Hence, FEPC would always be behind the eight ball in merely handling such requests.



In addition, it is clear to the statewide negotiating team, that the Bank is only interested in the FEPC because it serves as a buffer between itself and CORE. In off-the-record discussions, the Bank conceded that the major reason it involved itself with the FEPC was because it is large and ineffectual in making militant demands and implementing our program.

This brings us to the question of what enforcement powers does the FEPC have and are they effective? The FEPC has the following sanctions which can be used at the point of breakdown or prior to a breakdown.

- (1) Full public disclosure of Bank's progress in hiring of Negroes and non-whites.
- (2) A 1421 investigation which empowers the FEPC under proper circumstances to subpoena business records.
- (3) Withdrawal from the relationship.

Taking each of these sanctions in numerical order, it is clear that number one has severe political implications. Two people are responsible for reaching Commission policy on public reporting. These people are Louis Garcia, and Carmen Warshaw, Head of FEPC. Carmen Warshaw is a political appointee and is not overly sympathetic to the civil rights movement. She would be directly amenable to the pressures of the Governor and, possibly, B of A.

Secondly, the memorandum itself places limitations upon FEPC's honesty in reporting. The memorandum in its last paragraph provides that FEPC will seriously consider B of A's views on progress in Negro and non-white hiring in cases of disagreement. Furthermore, FEPC cannot afford to slip a gear too hard, when the entire relationship depends upon cooperation between the parties.

The second sanction, a 1421 investigation, is politically ineffectual, and an unlikely sanction for an enforcement agency to use when good faith had been determined. An agency which depends upon a public body for its existence such as the state legislature can hardly afford to commit itself to a form of conduct that is generally unacceptable, civil rights notwithstanding. The practice of forcefully acquiring business records is generally unacceptable to the public. Such conduct would seriously weaken FEPC's bargaining position with the state legislature. Furthermore, if the bank had pulled out of the FEPC relationship, there would be hardly any reason for FEPC to forcefully or otherwise acquire the company's records. By the company's own conduct, it has said it can no longer be persuaded.

The final sanction -- the FEPC's withdrawal from the relationship -- is ineffective, because it is negative. It leaves the Bank naked without any camouflage of good faith. It fails, however, to coerce the bank into affirmatively acting.

This brings us to the basic point that the Bank of America only understands one equalizer and that is direct pressure. The Bank has only moved into the relationship which it has established with FEPC because of CORE pressure. The Bank has only increased its Negro hiring because of CORE pressure.



The Bank will only continue to hire in the future if CORE maintains the pressure. If the Bank refuses to enter into a goal understanding directly with CORE, then the only way we can get a goal understanding is through an agreement in fact. In other words, we must pressure the Bank through direct action in order to obtain between 300 and 800 Negroes and non-white new hires during a one month period. When an agreement cannot be obtained in writing, on essential items (goals) then it must be obtained in fact through direct action. Once the goal understanding (actual hiring of 300-800 Negroes and non-whites) is reached then a memorandum of understanding will be reached between CORE and the Bank.

The negotiating team believes that the above position can be met, and once it is met, it will lead to a significant breakthrough for California minority employment. Remember Birmingham. Martin Luther King pulled his troops out of the streets before a full agreement had been reached and the essentials were performed.

We cannot afford to make that mistake. Unless the Bank agrees to enter into a goal understanding, then it will be necessary for us to stay in the street until the hiring is completed. Thousands of Negroes throughout California are awaiting the outcome of the B of A project. They believe that movement cannot lose, and will not compromise on essentials. Our effectiveness and integrity is often their only link to dignity and hope.

Hopefully, We Shall Overcome

Bill Bradley

Will Ussery