A Beer for the People: Black Capitalism and the Brewing Industry in Civil Rights Era Wisconsin

John L. Harry
University of Wisconsin-Milwaukee

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A BEER FOR THE PEOPLE:
BLACK CAPITALISM AND THE BREWING INDUSTRY IN CIVIL RIGHTS ERA

WISCONSIN

by

John Harry

A Thesis Submitted in
Partial Fulfillment of the
Requirements for the Degree of

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ABSTRACT

A BEER FOR THE PEOPLE: BLACK CAPITALISM AND THE BREWING INDUSTRY IN CIVIL RIGHTS ERA WISCONSIN

by

John Harry

The University of Wisconsin-Milwaukee, 2021
Under the Supervision of Professor Christopher Cantwell

The term “Black Capitalism” was coined by Richard Nixon during the 1968 presidential campaign as a means of both quelling the unrest of the previous decade regarding the more volatile factions within the larger civil rights movement as well as helping African Americans enter the economic mainstream. Once president, Nixon’s rhetoric became a policy through the creation of the Office of Minority Business Enterprise and loans through the Small Business Administration. In 1970, a group of Black businessmen in Milwaukee took advantage of these programs to become the first Black brewery owners in Wisconsin when they purchased Peoples Brewing Company in Oshkosh, Wisconsin. Their effort survived only two years. This study examines the impetus of the Black capitalism movement and its failures, while serving as an example of the shift in the freedom struggle from civil rights to economic inclusion. This study also provides a rare example of Black entrepreneurs owning the means of production at a time of White corporate consolidation.
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I’m honored to have the opportunity to tell this story and I hope this thesis does the legacy of Theodore Mack and other Black capitalists justice.
INTRODUCTION

“IS BLACK CAPITALISM ON THE MOVE IN 1969? If one is to use the press
releases being churned out around the country as the criteria upon which the
answer to this question should be based, then the obvious answer would be
‘YES!’ On the other hand, if one is to look at the statistics reflecting the number
of Black-owned banks in 1929 and compare that number with those in existence
in 1969, he would conclude that if capitalism for Blacks is not dead, it most
certainly has reached its terminal stage.”1 – Dempsey Travis

On February 12th, 1969, Dempsey Travis gave a luncheon speech to the all-Black, 50-member
United Mortgage Bankers of America at the Waldorf-Astoria Hotel in New York City titled “Is
Black Capitalism Dead?” Travis was a civil rights veteran from Chicago who had headed the
NAACP there as well as coordinated Dr. Martin Luther King Jr.’s 1960 March on Chicago.2
Travis also was a proponent of Black capitalism, by which he meant advancing civil rights
through economic proprietorship and entrepreneurship. As a millionaire real estate broker, he
positioned himself as an example of Black capitalism’s possibilities of finding supposed equality
through business and wealth.3 In this speech, Travis sought to explain why the number of Black-
owned banks had declined by sixty percent over forty years, something, he claimed, the

1 Dempsey J. Travis, “Is Black Capitalism Dead?” Speech, New York, NY, February 12, 1969,
Box 5, Folder 22, Milwaukee Urban League Records 1919-1979, Mss EZ, UWM Manuscript
Collection, Milwaukee, Wisconsin (hereafter cited as Milwaukee Urban League records.)
2 “Dempsey J. Travis Biography,” The History Makers,
3 Juliet E. K. Walker, The History of Black Business in America: Capitalism, Race,
mainstream press was not reporting on. The banks that survived were all located in the segregated South, which led Travis to fight back at the notion that a separate Black society would be better for African American interests. “Because no ethnic group is an island unto itself,” he stated, “it is only through mutual cooperation and financial transfusion that our total society as we know it today can survive.” His advice to the luncheon crowd was to mentor younger Black entrepreneurs in their effort to claim their own corner of the marketplace in order to offset the lost momentum he saw in the decline in Black banking, saying, “The Black entrepreneur must take his lesser informed brother by the hand to bring him up the economic mainstream in America.” Travis also implored the White community to be consistent on its attitude toward Black capitalism, and not just support the concept because of the “body politics of the day.”

What Travis was referring to in that regard was the recent politicization of the role of capitalism in the Black community.

Travis’s speech laid bare a growing divide between grassroots movement of Black capitalism and the political policy of Black capitalism. To define Black capitalism, is to consider it through these varying lenses. On one hand, there was a long tradition of Blacks involved in business and entrepreneurship as community initiatives. Though often driven by the total segregation of Jim Crow America, these more organic forms of Black entrepreneurial efforts did also present themselves as means to advance the race, providing both resources and respectability. But in the twilight of the modern civil rights era also emerged a top-down, federal approach to the support of minority business pursuits that similarly saw economic ownership as the pathway to social equality. Supported most notably by President Richard Nixon in the late 1960s, the effort explicitly presented “Black Capitalism” as a means of quelling the increasing

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4 Travis, “Is Black Capitalism Dead?”
violence that surrounded the era’s freedom struggle. African Americans involved in Black
capitalism were negotiating the space “between Black Power and Black capitalism,” argued
historian Crystal Moten. Black capitalists increasingly found themselves as having to align
themselves between the efforts by Black community to seize the levers of production and power
through their independent efforts, and the access to capital offered by entrenched white power
brokers.

This negotiation is played out in this study about Theodore (Ted) Mack and Peoples
Brewing Company. While it is not known for sure whether Mack read Travis’s speech, the
Milwaukee Urban League, a highly influential local business organization, took enough note of
the speech to include it in their files. Travis also offered himself as a consultant to the Afro
Urban Institute, which Mack was affiliated with. Mack also was much like Travis, a civil rights
activist who turned to business and capitalism to attempt to better his community. When Mack
found that it might be possible to purchase a brewery to supply beer to the Black community, he
jumped at the opportunity, and in doing so, changed the tone and focus of his activism. This idea
fits into the larger arc of the long civil rights movement too, with prominent Black leaders such
as Jesse Jackson all but abandoning more militant tactics in favor of government-backed
capitalism. The dangers associated with the tenuous relationship between Blacks and the
government engaged in capitalist pursuits will be on full display throughout this study.

United Black Enterprises (UBE), led by Theodore Mack, was trying to be the first Black
brewery owners in Wisconsin when they tried to buy Blatz Brewing Company in Milwaukee in

5 Crystal M. Moten, “Fighting Their Own Economic Battles”: Saint Charles Lockett, Ethnic
Enterprizes, and the Challenges of Black Capitalism in 1970s Milwaukee,” *Souls* 18, no. 1
Newsbank/UWM Libraries.
1969. Mack’s group went against the grain in their quest, entering an industry tied to White identity in a city and state known for its White-ethnic brewing heritage. While UBE succeeded in attaining brewery ownership, it was not with Blatz, as they originally hoped. In an even rarer scenario of Black entrepreneurship, UBE purchased the much smaller Peoples Brewing Company in the small, primarily White city of Oshkosh, Wisconsin through Nixon’s Black capitalism program. However, maintaining success proved daunting in a time of racial tension, underscored by an industry experiencing rapid change. Mack’s story in many ways reflects the larger history of the Black capitalist movement. As community-led efforts became coopted by White politicians and the federal government, Black business pursuits became reliant on government loans and political interest.

“In America, government support, both direct and indirect is critically important for business success. Simply put, in America, White businesses and government have been inextricably linked since the colonial era,” stated historian Juliet E.K. Walker in Robert E. Weems, Jr.’s book studying of the relationship between the government and Black business, Business in Black and White: American Presidents and Black Entrepreneurs in the Twentieth Century. Indeed, Black business pursuits prior to the presidency of Calvin Coolidge, received no direct governmental support. In fact, usually the opposite was true, with the government maintaining a hostile relationship with Black businesses.

Yet in the face of such discrimination and marginalization, Black business pursuits still began to thrive around the turn of the twentieth century. Historians often refer to the period from

8 Weems, Business in Black and White, 2.
1900 to 1930 as the “Golden Age” of Black business. This was an era of increased Black entrepreneurship brought about as the reality of segregation fostered a cooperative spirit in the Black community to create and support their own enterprises. Noted Black leaders W. E. B Du Bois and Booker T. Washington both held conferences to organize Black business interests to better work together toward common economic goals. While Du Bois and Washington certainly had their differences on many issues in achieving racial equality, the role of business is one issue where they actually agreed. In 1898, Du Bois called for “Negro Men’s Business Leagues” to be established in every city with a Black population. Washington heeded this call, forming the National Negro Business League (NNBL) in 1900. The NNBL rapidly spread throughout the United States, and even West Africa, reporting more than 600 chapters by 1915, the year Washington died.

The initiatives started by Du Bois and Washington inspired others in the Black community to take action as well. In 1914, Marcus Garvey established the Universal Negro Improvement Association (UNIA) in his native Jamaica, while in correspondence with Booker T. Washington. Upon Garvey’s arrival in the United States in 1916, he commenced a whirlwind tour of 38 states to evaluate the condition of Black America. Garvey’s assessment was that Black leadership lacked foresight and was not providing for the race. Upon this realization, Garvey moved the UNIA to Harlem and by 1920 it became the largest Black organization ever created in the United States. By the mid-1920s there were more than 700 UNIA branches in the United States. One of Garvey’s most ambitious plans was the founding of his Black Star Steamship

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Line, meant to nurture Black business connections around the globe. While the government ultimately jailed Garvey on fraud charges related to his steamship line and subsequently deported him, Garvey was able to stir a movement of economic independence in the Black community.\textsuperscript{13} Garvey can be thought of as an originator of Black Power economics. The power of the Black community creating opportunity unto itself will carry throughout this study. Abandoning that principle proved disastrous in the Black capitalism movement.

The Black economy in the 1920s thrived on its segregated consumer base, producing Black capitalists who became millionaires through their endeavors marketing their products and services to other African Americans. However, with the onset of the Great Depression in 1929, most black businesses of the Golden Age went under.\textsuperscript{14} The disruption of the economy brought about increased government attention to the Black economy.

Government involvement in Black business began before the Great Depression during the presidential administration of Calvin Coolidge, spurred by the efforts of Black Chicago businessman Claude A. Barnett. Barnett was the entrepreneurial owner of the Associated Negro Press (ANP) wire service that supplied Black newspapers around the country with content, much like its White counterpart, the Associated Press. As the Republican Party was really the only political party giving Black business any attention in the 1920s, Barnett covered Republicans in a positive light, giving him influence and access within the party. Barnett’s standing in Republican politics led to a meeting with Coolidge’s secretary of commerce Herbert Hoover.\textsuperscript{15} After their meeting, Barnett persuaded Hoover to create a position within the Department of Commerce to

\textsuperscript{14} Walker, \textit{The History of Black Business in America}, 183.
\textsuperscript{15} Weems, \textit{Business in Black and White}, 12-13.
act as a “Negro Information Specialist” to the Black business community. Barnett was then called on to recommend someone for the position and he selected a former ANP employee, James A. Jackson to fill the role. As historian Robert Weems points out, this appointment made Jackson the first federal government official to take active interest in Black business doings.  

Jackson continued in his role with the commerce department into the Hoover administration, though Hoover all but abandoned any focus on African American business dealings after rendering a surprisingly strong showing of support in the South in the 1928 election and paid even less attention as the Great Depression took hold and worsened. Jackson’s career at the Commerce Department ended with the Hoover presidency in 1933.

The role of Black business within the federal government continued to grow into the Roosevelt administration. Roosevelt’s Commerce Department created the Division of Negro Affairs (DNA). While the new division’s actions did not always directly benefit Black business, and actually was taken advantage of by White business early on, the DNA eventually became a catalyst of Black business activities. Through conducting studies, holding organizing conferences, and steering government contracts to Black businesses during World War II, the DNA signaled an emergence of active government involvement in Black business dealings. The DNA was also led by Black people, giving African Americans a rare place of prominence in the federal government at the time. The Eisenhower administration dissolved the DNA, citing budget concerns. As Eisenhower took away one avenue that Blacks had for policy change, he

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16 Weems, Business in Black and White, 15.
17 Weems, Business in Black and White, 24-25.
18 Weems, Business in Black and White, 27.
19 Weems, Business in Black and White, 30-31.
20 Weems, Business in Black and White, 44.
21 Weems, Business in Black and White, 64.
did lay the groundwork for another with the establishment of the Small Business Administration (SBA) in 1953. In a sense, the federal government integrated the business concerns of the Black community into the larger bureaucratic structure. While the SBA mostly helped white businesses in its early years, it was actively involved in the civil rights movement through providing African Americans with opportunities of business ownership.22

The SBA’s increased attention to Black entrepreneurial and business needs can be attributed to the appointment of Eugene P. Foley as the agency’s director in 1963. After the assassination of President Kennedy, Foley’s vision for the SBA took hold as Lyndon B. Johnson’s Great Society programs were unveiled. Foley envisioned the SBA as an active participant in the War on Poverty. The largest contribution Foley made to the quest for more support of Black business was in 1964 when he swayed Congress to add the Economic Opportunity Loan (EOL) to the broader Economic Opportunity Act, a cornerstone of Johnson’s War on Poverty programs. Through EOL, the loans would be eligible to low income individuals interesting in starting a business, and businesses who wanted to hire chronically unemployed individuals, up to $25,000.23 The growing federal interest in Black business caused a shift within the political calculations of Black communities in their efforts to attain civil rights.

The shift in the government’s interest in black business was accompanied by shifting demographics. The Great Migration brought a million and a half African Americans from the

23 Weems, Business in Black and White, 73-76.
South to the North between 1915 and 1960. Settling mainly in the urban North, Black enclaves created contained Black economies. As government involvement in Black business intensified following World War II, so too did Black interest in capitalism.

Much of what has been written regarding Black economic activity in Northern cities in the mid-twentieth century stems from the seminal *Black Metropolis: A Study of Negro Life in a Northern City*, published in 1945 by St. Clair Drake and Horace R. Cayton, two sociologists at the University of Chicago. Through considering texts such as this, and other sociological works of the era, we can gain insight into the formation of the Black capitalism movement. In *Black Metropolis*, Drake and Cayton introduced the concept of “the city within city,” a concept where African Americans exist independently from the rest of city, in this case Chicago. Drake and Cayton classified Chicago this way, as ninety percent of Black people lived in a close area in the city. Drake and Cayton wrote of the transitive properties of their study stating, “Understand Chicago’s Black Belt and you will understand the Black Belts of a dozen large American cities.” Indeed, this principle can be carried over to Milwaukee, the focal point of this study, and holds true statistically even as late as the 1960s when Milwaukee’s Afro-Urban Institute reported that over ninety-five percent of the Black population lived in Milwaukee’s Black Metropolis, Inner City North.

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Black Metropolis spoke to the life built by Black migrants to the north and their economic hopes. Not just for jobs, but for economic mobility and independence through entrepreneurship and community support. Drake and Cayton told of the “Doctrine of the Double Duty Dollar” that sought to remind the Black community of its support to their fellow African Americans. This “doctrine” was preached from the pulpits of Black churches on Sundays with pastors imploring their parishioners to, “patronize your own, for that is the only way we as a race will ever get anywhere.”28 This idea was born from “Don’t Buy Where You Can’t Work” campaigns that led to boycotts of White business that refused to hire Blacks. The double duty dollar doctrine was seen as an alternative to engaging with White business entirely.29

Black success in their communities was seen as a sign of racial progress. In this sense, progress meant economic power and control, which would hopefully lead to socio-political benefits. Drake and Cayton pointed out, however, that reality did not match these goals. They make examples of the fact that no Black person holds a seat on the board of directors of the stock exchange, nor owns a skyscraper. Even the largest retail stores in Bronzeville were White-owned and operated, many not employing Black people.30

The reason for the lack of inroads in the local economy made by Black Chicagoans in Black Metropolis, and the motive behind the Doctrine of the Double Duty Dollar, seems to be, at least anecdotally, that Black consumers were not buying goods from Black-owned stores. The reasoning in Black Metropolis as to why they were not ranges from that some Black people saw goods sold at Black-owned stores as inferior to the fact that White-owned chain stores could

28 Drake and Cayton, Black Metropolis, 430-431.
30 Drake and Cayton, Black Metropolis, 433.
offer goods at cheaper prices.\textsuperscript{31} As we will see, this challenge of getting black consumers to act both as rational economic actors seeking out the lowest cost goods as well as race-conscious citizens would come to haunt Black capitalism efforts in the late civil rights era.

Another challenge of black business efforts also stems from the class dynamics that have long plagued the relationship between Black consumers and the portion of the Black community with access to resources. Sociologist E. Franklin Frazier brought this struggle to light when he published \textit{Black Bourgeoisie: The Rise of a New Middle Class} in 1957. If \textit{Black Metropolis} sought to explain the concept of the Black city within the city, then Frazier’s aim in \textit{Black Bourgeoisie} was to present a new phenomenon of a Black middle class, isolated from poorer Blacks and yet still segregated from the White community.\textsuperscript{32}

Frazier contended that the Black middle class, in concert with the Black-owned newspapers, perpetuated a myth where Black business pursuits and success could act as a cure all in attaining the “American Dream” and acceptance into the larger White community.\textsuperscript{33} According to Frazier, “the myth of Negro business is tied up with the belief in the possibility of a separate Negro economy” and thus Black businesses could hold a monopoly in Black communities.\textsuperscript{34} In this framing, there was no room for dissent in the Black community. This meant that Black people should support Black businesses, even if the prices were higher. It also

\textsuperscript{31} Drake and Cayton, 439-441. Drake and Cayton also reported racist and sexist views on the lack of Black support for the Black business in \textit{Black Metropolis}. Among the reasoning was that Black women doing household shopping were not supporting Black business and that the Jewish merchants in Black areas were actively working against Black economic progress.


\textsuperscript{33} Frazier, \textit{Black Bourgeoisie}, 25.

\textsuperscript{34} Frazier, \textit{Black Bourgeoisie}, 166.
led to outright hostility against the Jewish businesses who operated in close proximity to the Black community.\textsuperscript{35}

Frazier, who was an African American, had strong words to say to this new Black middle class in his critique. “Because of its struggle to gain acceptance by Whites, the Black bourgeoisie has failed to play the role of a responsible elite in the Negro community,” Frazier wrote.\textsuperscript{36} Frazier argued that the Black bourgeoisie had exploited the Black community as much as Whites.\textsuperscript{37} In Frazier’s view, the Black middle class did not rise from a parallel ascent in business and profits, but from White northern philanthropy, the earnings of public servants, and the money made from exploiting the Black working class through efforts to monopolize the Black economy.\textsuperscript{38} This ran contrary to the “myth” being propagated about Black business, wherein the Black community alone could lift itself up through business.

Sociologist Robert L. Allen took up the mantle of examining Black economic mobility when \textit{Black Awakening in Capitalist America} was released in 1969. \textit{Black Awakening} presents an even more intense assessment of the Black community and its business aspirations. While Drake and Cayton referred to the “city within the city” and Frazier wrote of the new Black middle class existing within, yet apart from, the larger Black community, Allen argues that what the African American community represents is actually what he terms “domestic colonialism.”\textsuperscript{39} In this sense, the Black community was being exploited for resources, and it is Allen’s argument that capitalism is the tool being wielded by the establishment to do so.

\textsuperscript{35} Frazier, \textit{Black Bourgeoisie}, 166-167.
\textsuperscript{36} Frazier, \textit{Black Bourgeoisie}, 235.
\textsuperscript{37} Frazier, \textit{Black Bourgeoisie}, 236.
\textsuperscript{38} Frazier, \textit{Black Bourgeoisie}, 234.
Allen maintains Frazier’s viewpoint from *Black Bourgeoisie* that the Black middle class is more of an asset to the White aim of silencing the Black civil rights activities than an ally to the freedom struggle. “Their strategy is to equate Black power with Black capitalism,” Allen wrote. As we will see, this partnership flourished because the White establishment provided resources and belonging within the economic mainstream. Allen views Black leaders who participated in Black capitalism programs as selling out their community, not working to find ways to lift it out of poverty. Allen, like Frazier, contends that the Black middle class essentially told the White establishment, “Give us a piece of the action and we will run the Black communities and keep them quiet for you.”  

Allen noted, “that in cities where a significant Black business class exists, they are more likely to be a conservative force rather than a militant advocate of reforms.”

What Frazier and Allen exposed was the eventual failure of Black capitalism. Capitalism in its essence is not about collective solutions, but individual progress. By injecting class into the economic struggles of African Americans, Frazier and Allen differentiated the leadership from the masses of the Black community by discarding a “one size fits all” solution in the fight for equality. In *Black Bourgeoisie*, Frazier took Drake and Cayton’s observations of the Black business culture in 1945 Chicago and interjected a critique on what he saw as the motives of the class of people promoting those views. By the time Allen published *Black Awakening* in 1969, he had taken Frazier’s critique and turned it into an anti-capitalist manifesto wherein American society as a whole must undergo a complete reorganization for the benefit of all.

While Frazier and Allen criticized enhanced capitalist efforts and goals in the Black community, capitalism became an effective tool for the burgeoning civil rights movement. As the so-called “Black Bourgeois” gained consumer buying power, White businesses found that they could not be ignored. The marketplace was becoming an increasingly less segregated space. Sit-ins and boycotts of White businesses that employed racist practices not only sought to end segregation, but also gave attention to the white economic dependence on Black consumers. In Historian Lizabeth Cohen’s book, *A Consumers’ Republic: The Politics of Mass Consumption in Postwar America*, she quotes journalist Louis Lomax as writing in *Harper’s Magazine*, “The demonstrations have shifted the desegregation battles from the courtroom to the marketplace.”  

Until this point, this study mainly covers capitalism and its issues within the Black community. Though one might be able to define those activities as Black capitalism, the term “Black Capitalism” actually took hold in the political and economic vernacular as it was embraced by presidential candidates during the 1968 election. From that point on, Black capitalism was linked not to grassroots efforts of capitalism, but government policy. The focus on Black capitalism during the campaign was a reaction to the urban unrest that had taken place in the years leading up to the election. Black capitalism was seen as a tool by which White politicians

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could quell the uprisings, which in combination with the support of many Black leaders, held significant power.45

While Black capitalism became most closely associated with President Richard Nixon through his policy initiatives that this study on Peoples Beer pertains to, his Democratic opponents also concentrated on the government’s involvement in Black business during the campaign. Robert F. Kennedy wanted to focus on community partnerships and hiring and relocation requirements for businesses in urban communities.46 After Kennedy was assassinated during the primary campaign, the Democrat’s voice on minority business was left to the eventual party nominee, Johnson’s Vice President Hubert Humphrey. Humphrey stressed the need for African Americans to participate more fully in the economy as a matter of taking pride in their communities and the nation as a whole. His campaign report “Black Entrepreneurship: Need and Opportunity for Government Help,” spelled out his proposed methods of achieving this goal.47

“Black Entrepreneurship” goes further than the SBA’s EOL program and makes recommendations of enhanced public-private partnerships and support for grassroots community organizations.48 The report also urged the government to utilize the G.I. Bill as a source of funding returning soldiers’ business ambitions in the event that they did not wish to attend college.49 This report signals a change in policy from the government assisting existing businesses to actively pursuing and creating enterprises.

At their core, Humphrey’s Black business plans were not markedly different from Nixon’s. Both wanted to expand the use of the SBA’s minority business loan programs. Both

45 Weems, Business in Black and White, 76.
46 Weems, Business in Black and White, 107.
47 Weems, Business in Black and White, 90.
48 Weems, Business in Black and White, 90-91.
49 Weems, Business in Black and White, 93.
also wanted to create a national urban development bank to assist their efforts. Ultimately, it was not Black capitalism that defined or swayed the 1968 election, it was the Vietnam War. Humphrey largely sought a continuance of Johnson’s Vietnam policies, which was unappealing to anti-war Democrats and thus Nixon won in a close election.50

At first blush, it seems unlikely that the president who is linked to the “Southern Strategy” and the “Silent Majority” would have supported something called Black capitalism. But as Weems contends, it actually made a great deal of sense. According to Weems, Nixon’s goal was two-fold. First, in the wake of the unrest of the 1960s, Black capitalism was meant to pacify Black demonstrators and militants by offering a monetary incentive in exchange for peace. Weems likens this to Nixon’s overtures to the Soviet Union and China during his presidency. In the same way Nixon wanted to do what with China in détente, his Black capitalism efforts sought to “shift the burden in the economy for a lot of these people away from welfare and into being taxpayers.” In other words, Black capitalism was meant to present cuts to welfare spending as a positive, as there was then a favorable alternative. Because Nixon did not present this plan as one of integration, he did not lose support amongst the Southern Whites whom he hoped to attract as voters.51

Nixon made an appearance in Milwaukee to rally people around his Black capitalism plan for minority business. “What most militants are asking for is not separation, but to be included in – not as supplicants, but as owners, as entrepreneurs – to have a share of wealth and piece of the action,” Nixon said. However, what Nixon was calling for was more of a form of economic segregation. Historian Marcia Chatelain, like Weems, contends that White Americans

could accept Black capitalism because it would remain separate from White communities. Chatelain also argues that the attachment of the word capitalism to Black made the racial aspect of Black capitalism easier for Whites to support. Capitalism, at a time when the Cold War still raged, reflected American patriotism.52

Less than two months after taking office, on March 5, 1969, Nixon signed an executive order establishing the Office of Minority Business Enterprise (OMBE). The OMBE’s role was essentially duplicative of the SBA, though the OMBE dealt exclusively with minorities.53 Both the OMBE and SBA became the active force of Nixon’s campaign pledge of Black capitalism. Nixon’s Black capitalism programs fundamentally changed the tactics of the civil rights movement through providing activists with another option for supposed equality.

So, why did some members of the Black community follow Nixon’s rhetoric and take part in the Black capitalism movement if Nixon was such a divisive and disingenuous person? Chatelain states that in the aftermath of conflicts of the 1960s civil rights activities and the destruction following King’s assassination, business as a solution to their problems was a welcome change. As Chatelain puts it, “business renewal felt like self-renewal.”54 Black capitalist efforts were also bolstered by well-known figures in not just the Black community, but the United States as a whole. Singer James Brown and football star Jim Brown were among the champions of the initiatives.55 What Black capitalism did was present the Black community with an option: either continue on the path of destruction of the previous years or find peace and

53 Weems, Business in Black and White, 127.
54 Chatelain, Franchise, 74.
55 Chatelain, Franchise, 76.
economic mobility. After the intense struggles of the 1960s, an incentive to possibly fast track economic equality through a government program may have been very appealing.

Critics in the Black community pushed back at the efforts to sell Black capitalism. James Forman, a former member of the Student Nonviolent Coordinating Committee, in 1969 called those who were promoting Black capitalism “Black Power Pimps” and “Fraudulent Leaders.”

Chuck Hopkins of the Student Organization for Black Unity said, “Black people represent a 100 percent exploitable market in America[,] consuming corporate products at a rate of over $40 billion annually. This fact ensures that Black capitalism, if it is to come about, can only serve as a store front operation for the corporate liberals who are sponsoring it.”

The Black Panther Party, known for its anti-capitalist views and fiery rhetoric wrote, “The Black ‘so-called capitalist,’” as it was in times of slavery, is nothing more than a house ni—er given crumbs off the table of the power structure to appease him. It does not only appease him, but puts him in a position (so he thinks) that is better (class-wise) than the position of the field ni—er.”

Others pointed to the fact that the small businesses that Black capitalism would supposedly help would not have a measurable impact on the overall economic wellbeing of urban neighborhoods and would simultaneously be putting their communities at risk as funds for youth job programs and Head Start would be diverted to Black capitalism business loans.

This study provides a rare specific example of the government’s involvement in minority business affairs and shows the general ineffectiveness of those programs. Politicians exploited

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56 Chatelain, Franchise, 79.
58 Chatelain, Franchise, 77, 81.
African Americans by using capitalism to entice Blacks into the economic mainstream and away from militancy. This was the case with Theodore Mack, an activist who abandoned traditional protest tactics in favor of partnering with the government in his pursuit of Black brewery ownership.

This is a view shared by historian Ibram Rogers (now Kendi) in his essay “Acquiring ‘A Piece of the Action.’” Kendi wrote, “Federal intervention into Black capitalism was seen by many as repressive, resulting in supporters disowning the movement as government control increased.” However, in contrast to Kendi’s assertion that Black capitalism dissipated because of the fall of the Nixon administration, this study argues that the collapse of the movement via political resources was well under way before Nixon’s exit. The lack of real support for Black capitalist ventures, in this case Peoples Brewing Company, provides evidence of the earlier withdrawal. Nixon was not so much keeping Black capitalism alive as he was seeing how long a weak effort would last in placating a volatile political situation. Kendi argues that the period of Black capitalism from 1965 to 1974 was a time of great entrepreneurial engagement by the Black community that had not been seen before or since. But he notes, many of these the efforts did not last long, thus souring the legacy of the movement. Peoples, too, fits this description. As Black capitalism made it possible for Black men to own a brewery, the governmental handling of their enterprise, at least partially, led to its downfall.

This study is broken into two chapters. In part one, we get introduced to Ted Mack and see how his journey led him not only into the brewing industry, but into the movement of Black

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capitalism. Mack, a civil rights leader in Milwaukee and manager at Pabst Brewing Company, gathered people and resources in making a $9 million push to buy Blatz Brewing Company in 1969. That impressive amount of money was raised through grassroots organizing and true Black capitalism as large portion of the funding came from Black-owned banks. “In America, business creates wealth,” wrote Juliet E.K. Walker, “If Black America is to ever economic parity with White America, it will not be by relying solely on employment in White America not will it be achieved as Malcolm X said, by ‘having to picket and boycott and beg someone else for a job.” Under that school of thought, the purchase of Blatz was to be an economic declaration of independence in what the power of community action could achieve. When that effort failed, however, Mack continued his quest for brewery ownership under a different method.

Part two covers Mack’s redirection in not relying on grassroots organizing alone and embracing Nixon’s Black capitalism through a loan backed by the SBA. This sudden alliance with a government that was seen as oppressive to Black people throughout American history is striking. Certainly, Mack having grown up in the Jim Crow South, must have been wary of any incentive offered by White institutions. His activist career prior to being active in Black business pursuits stemmed from witnessing the systemic racism within the local government agency he worked for in Milwaukee as he was passed over for promotions multiple times on account of his race. In going into business with the government, Mack was essentially compromising his ideals in hoping for a favorable outcome for himself and his community. Ted Mack would not receive the support and economic access he so desired. “While the Civil Rights movement of the 1960s and the Black capitalism initiatives of the 1970s brought Blacks to the table of America’s free-

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61 Walker, The History of Black Business in America, 293.
enterprise vast cornucopia of riches,” wrote Juliet E.K. Walker, “they were served only the most basic provisions.”

Theodore Mack’s hopes for success with Peoples rested with the Black capitalist programs that he thought were intended to support his venture. President Richard Nixon’s goals were not aligned similarly as he positioned his Black capitalism plan as a way to quell Black militancy and supposedly let Blacks in on “a piece of the action.” In that regard, Nixon’s plan was a success. In the supposed goal of bringing about more Black economic mobility, however, Black capitalism has mixed reviews both then and now.

In July of 1969, four months after Nixon unveiled the OMBE, an editorial ran in the Milwaukee Journal titled “Black Capitalism Stalled.” The writer pointed to the difficulties that the initiative was encountering, among them, lack of a blueprint of action and absence of solid backing by the president. Days later a political cartoon (Figure 1) appeared in the same publication featuring a Black man in a waste bin inside a room labeled “White House Closet” with the caption: “Well, this beats the back of the bus.” Change, it appeared, was not coming quickly enough for Milwaukee’s Black community.

While the federal government’s involvement in Black business affairs did increase, as was the case with Peoples’ SBA loan, Nixon’s plan proved to be riddled with problems and disagreements. Historian Ibram Kendi notes that the budget for many of these programs was taken from other governmental departments, creating resentment between them. Kendi also illustrates that Black capitalism wasn’t exactly what the Black community was looking for. He

64 “Black Capitalism Stalled,” Milwaukee Journal, July 14, 1969, Box 1, Folder 1, Crosby Papers.
65 “Political Cartoon,” Milwaukee Journal, July 16, 1969, Box 1, Folder 2, Crosby Papers.
quotes Robert Allen’s 1969 book *Black Awakening in Capitalist America*, “The Corporatists are attempting with considerable success to co-opt the Black power movement…Their strategy is to equate Black power with Black capitalism.”

Mack’s cooperation with the SBA did lead to the successful purchase of a brewery, Peoples in Oshkosh, Wisconsin. The brief ownership of Peoples by Mack and his associates marked a tumultuous period in the brewery’s history, amidst challenging industry conditions and racist forces intent on consolidating power, all the while trying to maintain existence as a Black brewery owner in a small, white community. Mack’s pragmatic approach to business pursuits and economic civil rights ultimately led to his downfall as the head of Peoples Brewing Company. Mack’s decline mirrored the overall failure of Black Capitalism movement and ushered in an era which the collective efforts of the preceding decades were cast aside in favor of individual advances through entering the White corporate arena. In this way, Black capitalism’s failure was Nixon’s success in placating a volatile movement.

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CHAPTER 1 – BUYING BLATZ

Ted Mack resented the label of “Black Capitalist.” In a speech to the University of Wisconsin – Oshkosh Economics Society in 1971, Mack characterized Black capitalism as a “myth,” calling it “a figment of the imagination.” He argued, “It’s just a game they’re trying to run upon Blacks. What they are trying to do is to make a poor Black chitlin’ seller feel that he has a share in this great economy.”¹ There is a certain irony in Mack’s statement, being that he had taken advantage of Nixon’s Black capitalism programs to achieve his dream of owning a brewery. In fact, in 1971, Mack would have been seen as a shining example of Black capitalism potential. This was the dichotomy of the Black capitalism movement on display. On one hand, you have Mack who was involved in the business pursuits and activism of Milwaukee’s Black community and sees capitalism as a solution to their struggles. On the other hand, Mack was distrustful of the government and the White politicians espousing the virtues of a system that had to date only exploited Black labor.

Mack followed the economic civil rights trajectory of the era, progressing from boycotts to community organization, and ultimately relying on government forces to achieve his goals. In this chapter I will show that the reasons that people like Mack engaged in Black capitalism programs was not necessarily because of their enthusiasm for those initiatives, but rather out of necessity as the government became the only true option in entering the American mainstream economy.

Theodore (Ted) Mack was born in 1930 on a small farm near Prattville, Alabama, just outside of Montgomery. He was the seventh of eight children born to Earline Mack. His father died when he was young. While in high school, the family moved to Montgomery, where Mack began playing football. He attempted to enroll at the University of Alabama but saw his application discarded in front of him due to his race. While he had several scholarship offers to attend Black colleges, he instead chose to join the U.S. Army and served in Korea. During his time in the service, he played football and was offered a scholarship to Ohio State University, becoming the first African American from Alabama to earn such a distinction.

In 1955, Mack transferred to Marquette University in Milwaukee, where his life changed from one focused on athletics to one concentrated on activism and social justice. While sitting out a year of football due to his transfer, Mack injured his back. This led him to focus more on his degree in social work, which he earned in 1959. Upon his graduation, Mack started working for the Milwaukee County Welfare Department. Frustrated by discrimination within the department, where Black employees were kept from attaining management positions, Mack decided to get active in local civil rights organizations. He was a leader in the Milwaukee chapter of the Congress of Racial Equality as well as the United Milwaukee Council on Human Rights.

4 “Celebration of Life for Mr. Theodore Mack, Sr.,” February 9, 2019, Funeral Program, Westside Community Christian Methodist Episcopal Church, Atlanta, GA.
6 Letter to Edward Goodhout from Ted Mack, June 12, 1972, Box 2, Folder 2, Crosby Papers.
7 “Blacks and Breweries,” *Brewers Digest*, November 1970; “Celebration of Life for Mr. Theodore Mack, Sr.,” 9 February 2019, Funeral Program, Westside Community Christian Methodist Episcopal Church, Atlanta, GA.
Mack’s managerial skills were put to the test when he was chosen as the chairman of the United Milwaukee Committee for the famed “March on Washington” in 1963. He organized several busses to travel from Milwaukee to Washington, D.C. to carry 300 riders to the march, where the group carried a banner featuring the state’s slogan “On, Wisconsin!” Mack also was a member of the steering committee of the Milwaukee School Boycott Committee that helped broker school integration in the city in 1964. Furthermore, he ran for city council, though he lost.

Milwaukee, as historian Patrick Jones argues, deserves closer examination by scholars of the civil rights movement. “The Movement in the North shared a consciousness with those who struggled in the South, but it took place within and responded to a distinctive context,” Jones wrote in *The Selma of the North: Civil Rights Insurgency in Milwaukee*. Certainly, the industrial economy of Milwaukee, the city’s numerous White ethnic enclaves, and cultural identity shaped Mack’s story in a markedly Milwaukee way. Beer and the brewing industry certainly applied to those factors as beer is a manufactured product with a strong German heritage in the city.

Ted Mack was a member of the steering committee for school integration in Milwaukee in 1964 and was one of Milwaukee civil rights leader Lloyd Barbee’s trusted confidants. Jack

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12 “Celebration of Life for Mr. Theodore Mack, Sr.,” February 9, 2019, Funeral Program, Westside Community Christian Methodist Episcopal Church, Atlanta, GA. Jack Dougherty, *More Than One Struggle: The Evolution of Black School Reform in Milwaukee*, (Chapel Hill and
Dougherty stated in his book *More Than One Struggle: The Evolution of Black School Reform in Milwaukee,* that Barbee “changed fellow Milwaukeeans from spectators to agitators in the fight for integrated education.” In this sense, Barbee awakened the Black activist community to acting upon the injustices occurring in Milwaukee.

By 1967, the exclusionary real estate policies that segregated the Black community in Milwaukee led to an all-out housing crisis. After years of the Milwaukee Common Council voting down reforms to the city’s housing laws, the NAACP Youth Council, along with their advisor, the White Catholic priest James Groppi, started a non-violent, direct-action campaign that culminated in 200 consecutive nights of marches. When Congress passed the 1968 Civil Rights Act which featured a strong open housing law component, the Milwaukee Common Council finally followed suit, adopting their own measure.

As the fight for open housing laws intensified in 1967 into marches, uprising and violence, Milwaukee’s brewing industry was not immune to the pressure of activists. Looking for a show of support from the city’s most iconic industry, open housing activists organized a boycott of Schlitz Brewing Company. The boycott, led by comedian and activist Dick Gregory, targeted Schlitz because, as Gregory said, “Any brewery that can tie up a whole town for a circus parade must have some connections at city hall,” referring to the annual Fourth of July parade event that the brewery presented each year.

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14 Jones, *Selma of the North,* 207-208.
Mack’s activism may have opened the door to his involvement in the brewing industry as well. As Mack’s activism increased in Milwaukee, he gained the attention of local White industry leaders as well. One leader in particular was James Windham, president of Pabst Brewing Company. In 1964, Windham visited Mack at his house to recruit him to work for Pabst. Windham was the president of the Milwaukee Chamber of Commerce, which had begun to discuss integration of the job market.\textsuperscript{16} Black workers in Milwaukee had largely been kept out of the high paying production jobs at Milwaukee breweries, instead being utilized as salesmen to Black taverns and retailers. Brewery managers placed the blame on labor unions, while the unions pointed back to the breweries as the reason Blacks were not employed in production positions.\textsuperscript{17} According to a National Urban League report in 1951 titled \textit{The Negro in the Brewing Industry}, only twenty-five African Americans in the city held brewery production jobs, out of a brewery workforce of around 8,000 workers.\textsuperscript{18} While those numbers may have improved by 1964, Windham’s recruiting of Mack to lead their integration efforts suggests otherwise.

It is possible that Windham’s hiring of Mack was an attempt to stave off a boycott of Pabst products by Black activists in Milwaukee, as boycotts as a strategy for employment integration were becoming an increasing presence in the late 1950s and early 1960s. For example, in 1958 Black trade unionists led boycotts against stores that refused to hire Black workers in Milwaukee.\textsuperscript{19} Into the 1960s, the local Milwaukee Negro American Labor Council

\textsuperscript{16} Pearl Mack, interview by author, Douglasville, GA, January 9, 2020.
\textsuperscript{17} \textit{The Negro in the Brewing Industry}, February 1951, Box 60, Folder 12, Pages 11-12, Mss 85224, Herbert Hill Papers, Library of Congress, Washington, D.C, (hereafter cited as Herbert Hill Papers).
\textsuperscript{18} \textit{The Negro in the Brewing Industry}, February 1951, Box 60, Folder 12, Page 19, Herbert Hill Papers.
(NALC) chapter, headed nationally by longstanding civil rights leader A. Philip Randolph, teamed with the Milwaukee CORE chapter to launch boycotts against local businesses that discriminated against Black workers.\textsuperscript{20} The March on Washington for Jobs and Freedom in 1963, which was punctuated by Dr. Martin Luther King Jr.’s “I Have a Dream Speech,” gave further energy around the country to activists insisting on boycotting companies that would not hire African Americans.\textsuperscript{21} Certainly hiring Mack, as a leader in CORE and the Milwaukee organizer for the March on Washington, would have been an olive branch between the Black activist community and the White corporate world.

Mack accepted Windham’s offer and joined Pabst as the head of the production and industrial relations.\textsuperscript{22} In this role, Mack helped hire over 500 Black men to work at the brewery. His employment at Pabst consisted of more than just bringing in Black men, however. Windham encouraged Mack to broaden his skill set while there. Mack’s widow Pearl recalled, “Mr. Windham had told Theodore to learn everything about the brewing business. The only position that he would not be able to do was the brew master. He said it was a skilled position that you had to go to school for and all of that. But everything else, the business of the brewery, the production, and all of that, he had learned that.”\textsuperscript{23} Mack’s son, Theodore Jr., said that his father commanded the respect of the other employees, even the White workers, saying, “There were not

\textsuperscript{20} Jones, \textit{The March on Washington}, 143.
\textsuperscript{22} “Blacks and Breweries,” \textit{Brewers Digest}, November 1970, 36.
\textsuperscript{23} Pearl Mack, interview by author, Douglasville, GA, January 9, 2020.
that many Black people working there but the White people respected my father. He had to make
decisions in order for the company to make money and the employees could eat.”

Ted Mack later said his time at Pabst was transformative as it turned his focus from social
activism to economic empowerment. Mack said, “If a Black man is going to survive in this
country, he’s going to have to get into the corporate structure…The Black man can’t survive if
he can’t get into the economic mainstream.” As he gained experience at Pabst, he also started
thinking that Blacks should have a brewery to call their own. “Studies showed that Black people
in this country are one of the largest consumers of beer,” Mack said, “When I learned that, I
decided that somehow, we were going to have to own a brewery.”

Mack’s shift in mentality mirrored the change going on within the larger civil rights movement,
moving the focus from jobs alone, to acquisition of capital. Jesse Jackson had become a national
symbol of this shift. In Chicago in 1966, Jesse Jackson became the director of the Dr. Martin
Luther King Jr. led Southern Christian Leadership Council’s Operation Breadbasket and
transformed the program. Breadbasket began in Atlanta in 1962. In its infancy, Breadbasket
concentrated on jobs and hiring practices while utilizing Black religious leaders to promote its
messaging. In Chicago, Jackson took the program a step further, pressuring major companies to

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24 Antonio Harvey, “Historic Black Beer Comes to City,” Sacramento Observer, September 17,
city/
Newspapers.com.
extend their business ties into the Black community through providing contracts and capital.  

An internal Breadbasket document signals the change of purpose of the program:

“Operation Breadbasket seeks not only to open a few jobs, but to challenge institutional or corporate arrangements that are exploitative by virtue of the structural racism they sustain; especially in this the care with respect to allocation of jobs and monopoly of the existent markets for trade.”

Black entrepreneurs, bankers, and professionals were to use their influence to sway their colleagues to supporting Black-owned ventures.

While Breadbasket was off to a successful start in Chicago, there were divisions within the organization. King was becoming increasingly wary of the capitalist tendencies of the effort. “The movement must address itself to restructuring the whole of American society,” he said at a SCLC conference, “The problems we are dealing with…are not going to be solved until there is a radical redistribution of economic and political power.” Though King publicly still championed Black unity above all else, he privately questioned whether capitalism could bring the change needed to lift up the Black community. To King, Blacks could exploit Black workers to the same degree that Whites had. King saw capitalism as a system that “failed to meet the needs of the masses,” and equated it with the “evils of militarism and evils of racism.”

As King was grappling with the capitalist lean of Breadbasket, Jackson was the force driving it in that direction. “I keep telling you that capitalism without capital is just plain ism – and I can’t live off ism,” Jackson is quoted as saying. To Jackson, capitalism was not the problem, it was the lack of Black involvement in capitalism that held Blacks back. Though

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30 Chatelain, Franchise, 60.
King praised Jackson’s Breadbasket success, King told a 1967 Breadbasket meeting, “that a White man who preached Black capital accumulation to poor people reminded him of somebody ‘telling you to lift yourself up by your bootstraps’ while he was standing on your foot.”

After King’s assassination in 1968, Jackson moved Breadbasket further in the focus of Black capitalism as a point of Black pride. Jackson’s capitalist embrace manifested itself in an annual trade fair starting in 1969 called Black Expo. This event became a media spectacle as a celebration of Black capitalism. Black Expo featured Black businesses, concerts, parties, and Black art installations all in the aim of promoting business as the way to Black prosperity.

Whatever the source of Mack’s growing interest in entrepreneurial efforts, his read of the beer market was by in large true. A 1949 consumer survey reported that Blacks in Cleveland spent more than $5,000,000 annually on alcoholic beverages, and that 58% of that amount was spent on beer. A study in Detroit reported similar results, and as marketing to the Black community only intensified in subsequent years, it can be assumed that a Milwaukee study would have reported similar findings. Interestingly, Mack himself didn’t drink alcohol, according to his son.

While finding consumers would not be difficult, buying a brewery proved to be more challenging. Breweries were very expensive enterprises to start or purchase in the 1960s. To raise capital, Mack started with saving money himself. While working at Pabst, Mack started moonlighting as an insurance salesman to put extra money away. There was a niche market for

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33 The Negro in the Brewing Industry, February 1951, Box 60, Folder 12, Page 12, Herbert Hill Papers.
Black insurance salesmen in Milwaukee at this time, as White insurance agents either ignored the Black community or were seen as predatory, so Mack was very successful.\textsuperscript{36} Perhaps Mack similarly saw the brewing industry as taking the Black consumer base for granted and sought to achieve success there as well.

Mack was not alone in seeing economic development as a new frontier in civil rights activism. One organization that took up the cause was the Afro Urban Institute (AUI), organized in 1969, led by Ray Alexander. Alexander’s path to the executive directorship in 1970 of AUI gave him ample experience in observing and solving the issues of Milwaukee’s urban core. After earning his bachelor’s degree from the University of Wisconsin – Madison in 1950, he went to work as an employment interviewer for the Wisconsin Industrial Commission. From 1955 to 1964, Alexander was a housing and sanitation inspector for the City of Milwaukee Health Department. In 1965, his career as an activist started when he became the Community Relations Director for the Northtown Planning and Development Council of Milwaukee, a role where he planned programming and projects. All of Alexander’s work experiences added up to a savvy community leader intent on solving Black Milwaukeeans plight through business development.\textsuperscript{37}

AUI’s founding agenda described the plight faced in the Black neighborhoods in Milwaukee referred to as “Inner City North.” Geographically, Inner City North was, and largely remains, demarcated by the Milwaukee River to the east, North 35\textsuperscript{th} Street to the west, Juneau Avenue to the south, and Keefe Avenue to the north. This segregated 9.72 square mile area just

\textsuperscript{36} Jan Crosby, interview by author, Milwaukee, WI, October 17, 2019; “Celebration of Life for Mr. Theodore Mack, Sr.,” February 9, 2019, Funeral Program, Westside Community Christian Methodist Episcopal Church, Atlanta, GA.

northwest of downtown Milwaukee contained over 95% of Milwaukee’s Black population in 1970. The AUI agenda noted that as the Black population was only ten to fifteen percent of Milwaukee’s overall population, they had little political leverage. It also stated, “With the exception of the Black church, few, if any economic institutions of substance exist under the control of Blacks or the Inner City North community.” As racial lines deepened in Milwaukee, the AUI stressed the immediacy of the situation stating, “Inner City North is not a viable community. Moreover, the problem is intensifying.” Seeking to remedy the issues of Inner City North, AUI looked to provide assistance toward minority entrepreneurial development. For the AUI, this meant creating a Black business incubator of sorts that networked, mentored, and provided assistance to Black entrepreneurs like Ted Mack.

Though the AUI was a grassroots community organization, they relied on any and all sources of funding and information to meet their goals. This meant taking advantage of government resources. “Milwaukee’s Black community, as with Black communities across the nation, is on the brink of a new wave of physical and economic activity within its area…government projects are now in active progress,” Alexander said as he implored his fellow African Americans to take action, “The Black community has the opportunity to advance…The time is now, for Milwaukee’s Blacks as a community and a people to determine and utilize action necessary to help them gain economic and political power.” To Alexander and the rest of the AUI, Nixon’s Black capitalism programs were just another resource to try in an attempt at

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39 “Agenda of the Afro Urban Institute,” Box 1, Folder 1, Crosby Papers.
economic survival. They were not so much as yearning to be socially equal to Whites, as they were trying to utilize every available option to bring prosperity to their community.

AUI was affiliated with various organizations and industries along the lines of their mission. AUI’s partner organizations ranged from a bank to a supermarket and an urban redevelopment corporation to a cab company, all Black-owned. Ted Mack added brewing to AUI’s list of associated industries when he formed United Black Enterprises with AUI’s support in 1969 in his quest to purchase Blatz Brewing Company.

In July of 1969, Federal District Judge Robert Tehan ruled that Pabst had to divest itself of its holdings in another famed Milwaukee brewery, Blatz. Tehan ruled that Pabst’s 1958 acquisition of Blatz violated anti-trust rules. This was the opportunity Mack had been waiting for. He turned down an offer from Pabst to follow their executive job track and instead resigned his position to focus on the acquisition of Blatz. Mack was not alone in trying to purchase the brewery, however. The bids flowing in from other brewing companies were many millions of dollars, a great deal more than Mack had built up in his personal savings. Mack needed to find more capital if he was going to make a serious bid for Blatz. Because of connections made while selling insurance, as well as his overall activity within the Black community, he quickly formed a new business group called United Black Enterprises (UBE).

Black business groups were not new to Milwaukee in 1969. Historian Joe William Trotter, Jr. traced the growth of these coalitions within the city in his book, *Black Milwaukee:*

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41 “Grain Belt Withdraws Offer to Acquire Blatz from Pabst,” *Milwaukee Journal Business News,* July 9, 1969, Box 1, Folder 1, Crosby Papers.
43 “Grain Belt Withdraws Offer to Acquire Blatz from Pabst,” *Milwaukee Journal Business News,* July 9, 1969, Box 1, Folder 1, Crosby Papers.
The Making of an Industrial Proletariat 1915-1945. The first organized Black business group in Milwaukee was the Milwaukee Negro Business League (MNBL) in 1916. This was a local chapter of the National Negro Business League, an organization started under Booker T. Washington’s leadership in 1900. In 1926, MNBL held a Black business exhibit in Milwaukee meant to show the progress that the Black business community was making, as well as encourage new entrepreneurs to enter business themselves.44

Indeed, entrepreneurship increased in Milwaukee’s Black community in the 1920s as a Black middle class started to emerge. However, African Americans were still relegated to smaller scale business pursuits such as restaurants, barbershops, and retail establishments.45 Trotter also points out that between 1915 and 1932, a new Black middle class had emerged, and Black businesses no longer were reliant on White customers.46 What Trotter refers to as the theme of a “Black city within the city” carried over to Mack’s brewery aspirations as well: a Black brewery within the world of brewing.47

What the UBE represents in the context of Trotter’s work in Black Milwaukee is a return to the entrepreneurial business groups that helped Milwaukee’s Black middle class thrive in the 1920s. What Trotter argues in Black Milwaukee is that the shift from rural to urban labor that took place from 1915 to 1945 created the Milwaukee Black industrial working class, or what Trotter calls the “proletarianization of Milwaukee Blacks.”48 This large shift was due to the disproportionately high unemployment rates for Blacks during the Great Depression and the slow

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45 Trotter, Black Milwaukee, 80, 99.
46 Trotter, Black Milwaukee, 83.
47 Trotter, Black Milwaukee, 93.
48 Trotter, Black Milwaukee, xi.
workforce reentry rate for Black workers as Milwaukee became a hub for the defense production industry during World War Two.\textsuperscript{49} Eventually, the defense industry and other manufacturers hired Black workers, but this change made African Americans dependent on industry for jobs and shifted the source of income in the Black community away from entrepreneurial endeavors. UBE’s formation came at a time of increasing deindustrialization in Milwaukee. The factory jobs that African Americans had come to depend on had slowly disappeared throughout the 1950s and 1960s.\textsuperscript{50} This left Milwaukee’s African American community with fewer options for employment. In purchasing Blatz, UBE hoped to provide jobs for Blacks once more.

The leadership of UBE consisted of Mack, a fellow Black insurance salesman and investor Henry Crosby, and Harold Jackson, an attorney who once owned a nightclub with Crosby. Jan Crosby, Henry Crosby’s widow, recalled the intimate nature of UBE’s organizing as it impacted her everyday life. “At night the guys would come over and sit around the dining room table or in the living room talking about it,” she remembered, “Our son was young and so [we] would watch TV upstairs and let the guys do what they were doing.”\textsuperscript{51}

Even though UBE was essentially heeding the call of Black capitalism as it was being presented in the political rhetoric of the day, they still attracted unwanted government attention. “You’re going to hear clicking on the phone…our phones are being tapped [by the FBI], so don’t let it bother you,” Henry Crosby told his wife.\textsuperscript{52} The FBI at that time was engaged in a nationwide attack on the Black Panther Party (BPP), and a chapter had just started in

\begin{footnotesize}
\textsuperscript{49} Trotter, \textit{Black Milwaukee}, 147. Trotter notes that only after the defense industry had rehired most White workers were Black workers then given jobs.
\textsuperscript{50} Trotter, \textit{Black Milwaukee}, 284.
\textsuperscript{51} Jan Crosby, interview by author, Milwaukee, WI, October 17, 2019.
\textsuperscript{52} Jan Crosby, interview by author, Milwaukee, WI, October 17, 2019.
\end{footnotesize}
Milwaukee.\textsuperscript{53} Though it would have been unlikely that Crosby, Mack, and anyone in the UBE would have been involved in the BPP, it is possible that government paranoia of anything relating to collective Black action was surveilled.

Harold Jackson, who became the spokesman for the group, tried to assuage White fear of a Black-owned brewery saying, “It does not mean we will not hire White people at all. It means that any persons we hire must be able to give the physical and spiritual support to the company that we demand of an employee.” The support Jackson mentions was the dedication to the idea of making African Americans producers, not simply consumers.\textsuperscript{54} “We are not talking about money alone,” Jackson said, “We are selling an idea. An idea to mobilize Black people. Of all the major industries and corporations, Blacks own none. Black people must move into major business enterprises.”\textsuperscript{55} Mack reiterated that point, saying, “We can’t think about capitalism while we’re frying chittlins on the corner somewhere. We must have our own vehicle.”\textsuperscript{56}

Jackson told reporters that UBE was interested in buying Blatz because the growing consolidation of the brewing industry meant that African Americans might not soon have another opportunity to own a brewery.\textsuperscript{57} Indeed, the UBE was pursuing brewery ownership at a volatile time in the industry. At the end of Prohibition in 1933 there were 750 breweries nationwide. By 1965, that number had dwindled to 120 breweries, and even more breweries closed in subsequent

\textsuperscript{53} Trotter, \textit{Black Milwaukee}, 298.
\textsuperscript{54} “Black Group Reveals Support of Blatz Bid,” \textit{Milwaukee Journal Business News}, July 9, 1969, Box 1, Folder 1, Crosby Papers.
\textsuperscript{55} “Blacks Bid for Blatz Brewery,” \textit{Milwaukee Star}, July 12, 1969, Box 1, Folder 1, Crosby Papers.
\textsuperscript{56} Carole Malone and Dave Novick, “The Blacker the Beer,” \textit{Milwaukee Courier}, July 12, 1969, Box 1, Folder 1, Crosby Papers.
\textsuperscript{57} “Blatz Plan Reiterated by Black Enterprises,” \textit{Milwaukee Journal}, July 22, 1969, Box 1, Folder 1, Crosby Papers.
years. By 1973, only 65 breweries operated in the United States.\(^5^8\) This does not mean that the industry was in decline, however. In fact, per capita beer consumption was at its highest rate in the nation’s history at just over 21 gallons per year. Instead, it signaled a change in where people were buying their beer. Consumers during this time started buying more packaged beer in cans and bottles, as opposed to buying beer on tap at their local tavern. The retail establishments were stocked by distributors, also known as wholesalers, after Prohibition. Wholesalers held a close financial relationship with the big breweries, which created an incentive for the two to keep smaller brands at bay, marginalizing them and occasionally putting them out of business.\(^5^9\) While development in brewing initially opened an opportunity for Mack and his colleagues, the industry’s consolidation would eventually plague all of his efforts.

Part of this future could be seen in the number of other established brewing firms that vied for ownership of Blatz. Grain Belt from Minneapolis, Stroh’s from Detroit, and G. Heileman Brewing from La Crosse, Wisconsin were among the contenders.\(^6^0\) These were historic, legacy breweries that, while flush with capital, were hoping to stave off their own decline by acquiring another profitable brand. The UBE, by contrast, was an upstart endeavor, which fell $3 million short of its $10 million fundraising goal.\(^6^1\) Ted Mack claimed that UBE had offers coming in from places as far away as Africa, and that funds raised pledged stood at over


\(^{60}\) “Grain Belt Withdraws Offer to Acquire Blatz from Pabst,” *Milwaukee Journal Business News*, July 9, 1969, Box 1, Folder 1, Crosby Papers.

$17 million. Some of those funds must not have come through, however, as UBE’s bid topped out at $9 million. Reflecting the community nature of UBE’s endeavor, a bulk of their funding came in the form of loans from two Black-owned banks, Freedom National Bank of New York and the First Philadelphia Trust Company.

The UBE tried to overcome its fundraising deficit through public relations. In news interviews and press releases, the organization argued that since Pabst had to divest itself of Blatz due to anti-trust laws, it would then be unlawful to sell the brand to another brewery. A statement from UBE read, “The number one issue is monopoly. Since Pabst improperly acquired Blatz, selling it to another brewery is surely a continuation of that monopoly. United Black Enterprises will accelerate competition rather than impede it.”

It should also be noted that the act of purchasing Blatz was mainly for the brand. The physical Blatz brewery had not been in operation since Pabst purchased it in 1958. Since that time, all Blatz brewing had taken place at the Pabst facility. Pabst president Jim Windham said it would take between $15 and $17 million more and 18 to 24 months to reopen the former Blatz plant. Jackson himself acknowledged this, estimating that it would take about eighteen months and an additional $45 million to buy and operate the former Blatz plant. Until it could do that, the UBE proposed contracting with another brewery to produce its beer. But despite these hurdles, the opportunity for a consortium of Black businessmen to acquire an icon of White

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62 “UBE Moves to Buy Blatz,” Milwaukee Courier, July 12, 1969, Box 1, Folder 1, Crosby Papers.
63 “Black Enterprises, 2 Others, Submit Offers to Buy Blatz,” Milwaukee Journal, July 14, 1969, Box 1, Folder 1, Crosby Papers.
64 Carole Malone and Dave Novick, “The Blacker the Beer,” Milwaukee Courier, July 12, 1969, Box 1, Folder 1, Crosby Papers.
65 Carole Malone and Dave Novick, “The Blacker the Beer,” Milwaukee Courier, July 12, 1969, Box 1, Folder 1, Crosby Papers.
66 “UBE Seeks Brewery,” Milwaukee Courier, July 12, 1969, Box 1, Folder 1, Crosby Papers.
industrial might proved alluring. For this network of civil rights activists and economic entrepreneurs, the purchase would be both a boon to Milwaukee’s Black community and a symbolic representation of its arrival upon the national stage. “UBE is not just four or five Black persons, but all Black people committed to a Black change,” one UBE member told the Black Milwaukee newspaper *The Milwaukee Star*, “Black people who want a Black-owned major corporation and are ready to pledge that commitment financially are UBE. This was and will be a Black community thing.”

While Jackson said the group had specific financing arrangements in the works to secure that amount, what UBE really needed was more time to work those deals out. UBE had filed an extension to raise the additional funds to outbid other suitors, a request which was denied by Judge Tehan, who was overseeing Blatz’s bankruptcy proceedings. Tehan did not express much confidence in UBE’s proficiency as businessmen, stating, “I can only conclude that its plans are only in the embryonic stage, and that the 30-day extension could not realistically cover its needs.” Tehan also noted that while the hearings on Blatz had begun on June 26, 1969, UBE had not expressed official interest in the acquisition until July 7th. In the end, Blatz went to G. Heileman Brewing, brewers of the well-known brand “Old Style,” for roughly the same amount that Mack and the UBE planned to raise, $10.8 million.

After the failure to acquire Blatz, Ted Mack lamented, “I realize how a brother on the street must feel. He steals a loaf of bread in order to eat, and the police put him in jail; and there

67 “Blacks Bid for Blatz Brewery,” *Milwaukee Star*, July 12, 1969, Box 1, Folder 1, Crosby Papers.
69 “Heileman Brewing Says Its Bid on Pabst Unit Is Indirectly Approved,” *Wall Street Journal*, July 31, 1969, Box 1, Folder 1, Crosby Papers.
are millionaires stealing a brewery and patting themselves on the back for making good

Even though the Blatz deal failed, Mack and the UBE provoked an unparallel moment of Black economic activity in Milwaukee. The fact that African Americans in 1969 put together a bid over $9 million for a nationally known brewery is impressive. The momentum for an economic revolution had been born and understandably, Mack was not ready to fold. In a statement, UBE declared, “United Black Enterprises lost the battle, but won the war, for it has demonstrated that Black people can and will move with the necessary invocation and conviction to free themselves from the economic slavery that continues to pervade American business. UBE is moving on. We are not stopping.” Indeed, Mack did not stop. He was about to change his tactics again in pursuit of owning a brewery less than a year later.

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70 “Beer Fight Goes On,” *Milwaukee Courier*, July 26, 1969, Box 1, Folder 1, Crosby Papers.
71 “UBE Will Fight Tehan Decision,” *Milwaukee Star*, July 16, 1969, Box 1, Folder 1, Crosby Papers.
CHAPTER 2 – PEOPLES BEER

“I have found out I don’t know a damn thing about people,” sighed an exasperated Theodore Mack. Less than one year after the failed Blatz bid, Mack was successful in purchasing a brewery, though in very different circumstances and a very different setting than he had originally planned. The challenges of Black brewery ownership were intensified by lackluster support from the venture’s primary funder, the federal government, and even less support from the community he yearned to empower.

This chapter is rife with contradictions. Mack, a Black civil rights activist, went into business with the federal government, who throughout history had denied those rights. Even the Black customer base that Mack hoped to inspire did not take great enough interest in his product. Mack was left grasping for whatever options he could to try to make the venture successful for himself and his community.

After the failure to acquire Blatz, Mack shifted his sights elsewhere. He organized a group of Black businessmen, consisting of many of the same people involved in the attempted Blatz purchase, to try to achieve his dream of Black brewery ownership. The group found an interested seller Oshkosh in Peoples Brewing Company (Figure 2), located about an hour north of Milwaukee in the small city of. In 1913, a disgruntled group of tavern keepers and tied-house proprietors started Peoples as a rebuke to the locally monopolistic Oshkosh Brewing Company.

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1 Proposal draft, undated, Box 1, Folder 12, Crosby Papers.
2 “Black Brewery to Open within Two Months,” Milwaukee Star, April 18, 1970, Box 1, Folder 1, Crosby Papers. It is worth noting that the AUI booklet where this information is located refers to the “Return of United Black Enterprises.” However, many sources under that heading make it clear that the formal group of UBE had disbanded prior to purchasing Peoples.
The original intent of Peoples was to bring down big business. It was fitting then that Ted Mack bought the brewery 57-years later with a similar mission. “It’s a name appropriate for the times,” Mack said.4

Peoples was facing mass industry consolidation that was quickly putting small, regional breweries its size out of business. Big breweries like Schlitz, Miller, and Anheuser-Busch could undercut smaller operations like Peoples on price because of the large volume they could produce and sell. Smaller breweries then had to lower their prices to compete. Without the added revenue, they could not keep their facilities up to date; therefore, the product suffered, leading to less money for advertising and thus decreased sales. This vicious cycle signaled that owning or investing in a small brewery in the late 1960s was a risky proposition at best. These industry forces led to the unlikely scenario of a group of Black businessmen to purchase a brewery in a small, White community.

On April 14th, 1970, Peoples President Harold Ziegenhagan met with the 135 shareholders of the brewery, and eighty percent of them agreed to sell to Mack and UBE.5 “There are no Black breweries anywhere in the US, and hardly any Black businesses of this size,” Henry Crosby said after the sale was finalized.6 Serving in background capacity during the

4 “Black Brewery to Open within Two Months,” Milwaukee Star, April 18, 1970, Box 1, Folder 1, Crosby Papers.  
5 Ron Akin and Lee Reiherzer, The Breweries of Oshkosh: Their Rise and Fall (Oshkosh, Wis: Akin and Reiherzer, 2012), 147. There are some discrepancies as to if the group was still called UBE when Peoples was purchased. Some news accounts suggest they had dropped that name, while the AUI records still refer to the group as UBE. For the sake of continuity, and as it appears that the members of the group did not change much, I’ve elected to call them UBE throughout this study.  
Blatz divestiture, Crosby moved into a more public-facing role in the purchase and operations of Peoples.\textsuperscript{7} Crosby, along with Ray Alexander and Ted Mack, made up the nucleus of Peoples new board of directors.\textsuperscript{8}

Unlike with the Blatz deal, the group was able to purchase Peoples for two reasons. First, Peoples held less value than Blatz; around $600,000, as opposed to more than $10 million. Second, they acquired two-thirds of their capital, $390,000, through a loan agreement with the US government’s Small Business Administration (SBA) as part of President Richard Nixon’s Black capitalism minority business plan.\textsuperscript{9} Under this agreement, the SBA guaranteed 90\% of the bank loan through Marshall and Ilsley Bank, a White-owned institution, in Milwaukee.\textsuperscript{10} In accordance with the SBA loan offer, Peoples also had to sell $200,000 in stock, which they did.\textsuperscript{11}

Funding the venture through a government backed loan was a major departure from the funding strategy employed by UBE when they attempted to purchase Blatz. During the Blatz deal, the group’s funding came mostly from Black-owned banks and was offered at amounts in the millions of dollars. Peoples, in contrast, was only valued at $600,000. Were those banks wary

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\textsuperscript{7} Jan Crosby, interview by author, Milwaukee, WI, October 17, 2019.
\textsuperscript{8} “Stock Prospectus,” October 8, 1970, Box 1, Folder 13, Crosby Papers.
\textsuperscript{9} “Blacks Buy Oshkosh Brewery,” \textit{Milwaukee Courier}, July 18, 1970, Box 1, Folder 1, Crosby Papers.
\textsuperscript{10} United People’s Brewing Ltd. Stock Prospectus, Box 1, Folder 13, Crosby Papers. According to this document, Mack invested a large amount of personal savings into the venture. At the start, he loaned Peoples $30,000 for earnest money. He also was the largest single shareholder of the brewery, owning around 26\% of the company’s stock.
\textsuperscript{11} “Blacks Buy Oshkosh Brewery,” \textit{Milwaukee Courier}, July 18, 1970, Box 1, Folder 1, Crosby Papers.
of doing business in a small, White community? It could also be that the Black-owned banks saw the industry consolidation taking place, and determined the investment too risky, whereas Blatz would have been a safer bet. Perhaps without the support of the Black banks, he had no other option than to turn to government assistance to achieve his dream of owning a brewery.

*The Milwaukee Journal* reported that for many Black stockholders, Peoples may have been their first stock investment. Black Milwaukeean Andrew Henderson said he purchased Peoples stock because “the Black community has an obligation to support Black ventures.” At the same time, some White people in Oshkosh also bought stock in Peoples, as the brewery was a point of pride in the local community which they did not want to lose. “Investing in Peoples Brewery is not like watching the stock market,” one White Oshkosh resident said, “It’s watching a venture in which we are all concerned.”

Oshkosh had its share of racial discord over the years. Its reputation as a “Sundown Town” is exhibited in this account from 1961 in the African American newspaper, the *Chicago Defender*. A letter to the editor tells of a Black man who went to Oshkosh to go fishing. When his car broke down, the local mechanic overcharged him and disabled his horn. He could not find a hotel willing to let him stay the night and ended up sleeping in his car. His story was a warning to any African American on what they might face if they visited Oshkosh.

While the city had made strides toward racial equality when an anti-discrimination housing policy was adopted in accordance with the Federal Fair Housing Act of 1968, the

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interaction between White and Black residents remained fraught in Oshkosh. For example, in 1968 there was a race-related incident at Wisconsin State University-Oshkosh. The Black Student Union presented a list of demands to the president of the university that included more Black courses, recruitment of Black instructors, the establishment of an African American Cultural Center, as well as the firing of the financial aid director. When their demands were not met, the black students staged a “sit-in” in the president’s office. In response to his refusal to meet with them, the Black students vandalized his office. Ninety Black students of the total of 111 Black students enrolled at the university, were expelled from WSU-O for what came to be known as “Black Thursday.”

Yet amidst this backdrop of racial tension in an overwhelmingly White community, Oshkosh became the home of Wisconsin’s first Black-owned brewery. Indeed, Peoples President Ted Mack did not even realize the existence of other African Americans in Oshkosh, stating incorrectly in correspondence that his family, his wife and four children, were the only full-time Black residents in all of Oshkosh. In reality, there were 103 African Americans in Oshkosh in 1970, though still a small fraction with the city’s population just over 53,000.

Peoples Brewing reopened its doors under its new, African American ownership on October 11th, 1970. The Oshkosh Northwestern reported, “Hundreds of persons, Blacks and

17 Letter to Edward Goodhout from Ted Mack, June 12, 1972, Box 2, Folder 2, Crosby Papers.
Whites, were on hand.” Ted Mack took the podium at noon and declared, “With this symbolic ceremony, we open the door to an unlimited future of expansion and growth for the Oshkosh-made product.”

Jan Crosby recalls, “It was exciting, you know? It actually looked like we were going to do something.” All of the years of hard work finally paid off. Mack, Crosby, and company finally owned a brewery.

Successful African American publisher John H. Johnson said that Black businessmen must “never limit himself to serving Black consumers alone.” In that sentiment, Mack and Peoples unsuccessfully marketed their product to both Black and White consumers. Black consumers weren’t responding to the call of support of a Black-owned brewery, even though many of Peoples stockholders were Black and owned stock for the first time. Historian Ibram Kendi reasons that, “As Black power sensibilities lost their currency, what was left of the Black consumer market became increasingly attracted to products from White-owned corporations.”

Pearl Mack reiterated this standpoint saying, “A lot of times we didn’t support each other. We still don’t support each other the way we should.”

“We are not making a Black beer, but a Peoples beer,” Mack said. This is a marked departure from Mack’s rhetoric when he was attempting to buy Blatz when he stated his reasoning for brewery ownership was to “mobilize Black people” have Blacks become

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21 Jan Crosby, interview by author, Milwaukee, WI, October 17, 2019.
22 Rogers (Kendi), 182.
“producers as well as consumers.” Mack rationalized this shift by pointing to the fact that most of the beer was sold in the Oshkosh area, where the population was almost entirely White, therefore it would not make good marketing sense to rely on the Black narrative for sales. “I emphasize that I’m selling a quality product,” Mack said, “It’s not a Black beer. It’s a beer for everyone.”

While the economic strategy and location of Mack’s efforts changed, the racial tensions and considerations remained the same. As UBE assumed control of Peoples, Mack again sought to calm White fear of a Black-owned brewery. He emphasized that both Blacks and Whites would work for the company, although he wanted to get as many people in the Black community involved as possible, especially at their distribution warehouse in Milwaukee and through stock sales. After rumors circulated that the brewery would be staffed by only African Americans, Mack publicly reassured locals that the current twenty-one-person all-White workforce of the brewery would be retained, stating that reporting on these rumors was “unfounded” and “very much irresponsible.” Mack understood the backdrop of what his new minority-owned venture was up against, stating to reporters, “Myself and Oshkosh are much on the spot…This is regarded as one of the most bigoted cities in the country, north and south. If sales are down, it

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25 Carole Malone and Dave Novick, “The Blacker the Beer,” Milwaukee Courier, July 12, 1969, Box 1, Folder 1, Crosby Papers.
26 Bob Lowe, “Black Brewer Prospers in Oshkosh.”
28 “Black Brewery to Open within Two Months,” Milwaukee Star, July 18, 1970, Box 1, Folder 1, Crosby Papers; “Peoples Brewery Sold to Milwaukee Group,” Paper for Central Wisconsin, April 15, 1970, Box 1, Folder 2, Crosby Papers.
will be a black eye on Oshkosh, not on me. I can hold up my end. It’s a matter of whether Oshkosh can hold up its end.”

Rumors were also rampant that the beer would not be of the same quality under black management. “It was good beer ‘til the ni—er came,” said one Oshkosh bartender. Mack eventually responded by having a scientific analysis done to prove the beer was still a quality product. The highly respected Siebel Institute in Chicago conducted the test. Siebel declared that “The sample makes an exceedingly good impression in almost every respect.”

While at first most retailers in Oshkosh pulled Peoples beer from shelves and taps, within the first year of Mack’s ownership all but two area retailers returned to carrying Peoples. A small victory also occurred in February of 1971 when Mack announced that Peoples would be served at the Milwaukee Arena and Milwaukee County Stadium for the upcoming Brewers baseball season. Even so, Peoples ended their first year with Mack at the helm having lost $100,000, a large deficit for a small business to overcome.

As the first Black brewery owner in Wisconsin, Mack envisioned a lofty future for his organization. He wanted Peoples to be the beer of Black culture in America. Breaking with Peoples’ tradition of mostly distributing to establishments in the Oshkosh area, Mack quickly

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29 Akin and Reiherzer, 147.
31 Letter to customers from Ted Mack, 21 April 1971 Box 1, Folder 3, Crosby Papers.
32 Letter from J.E. Siebel Sons’ Company, Inc. to Peoples Brewing Company, April 5, 1971, Box 1, Folder 3, Crosby Papers.
33 “Black Brewery May Leave Milwaukee,” *Milwaukee Star*, September 11, 1971, Box 1, Folder 1, Crosby Papers.
34 “Black Firm to Sell Beer at Stadium,” *Milwaukee Journal*, February 16, 1971, Box 1, Folder 1, Crosby Papers.
drew a plan of expansion. He targeted cities with large Black populations, with Milwaukee being the first. Plans also included distribution into Chicago, as well as Indianapolis and Gary, Indiana. Mack even talked of expanding business as far south as Memphis and eventually into 111 different markets. Mack was determined that African Americans would have a beer to call their own.36

This vision of a beer for Black America was reflected in Peoples advertising during Mack’s tenure. In one advertisement (Figure 5) from 1971, there are a Black man and a Black woman relaxing and playing cards, branded with the Peoples’ logo, with glasses full of Peoples beer. This simple scene revealed a great deal not just about how Mack envisioned his Black customers, but also about the representation of Black people in marketing. Historian Brenna Wynn Greer states that “Black capitalism was a catalyst for visuals that proclaimed Black citizenship after World War II.”37 Capitalism, after all, was and still is seen as patriotic in the United States. What better way to stake a claim to the American Dream than to be portrayed as a consumer? The 1971 Peoples advertisement also sought to give Black consumers a sense of ownership in the product. At the top of the advertisement in bold letters it proclaims, “People who know their beer drink Peoples,” with “their” signaling who this product belonged to. As part of the plan to engage the Black community in Milwaukee, Mack opened a Peoples distribution warehouse there. Expecting to sell 2,000 barrels of beer in

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36 “New Brew for Peoples,” Milwaukee Journal, November 25, 1970, Box 1, Folder 1, Crosby Papers.
Milwaukee every month, one year into the venture Peoples had not yet surpassed 1,000 barrels per month.  

Problems arose when Peoples attempted to distribute into Indiana as agents for the Indiana Alcoholic Beverage Commission (ABC) impounded a Peoples delivery truck and sent it back to Wisconsin. Indiana ABC chairman John Smock said the reason for stopping the truck was that by law in Indiana, breweries can only sell to distributors. Peoples did not have a distributor in Indiana because no distributor would take on a Black-owned beer; therefore, Peoples could not sell beer there. Mack charged back, “Everywhere we go we run into the White power structure.”

Another issue was that Blacks in Milwaukee were not buying Peoples Beer. Mack refused to lower the price of his “premium beer,” as he did not want to compromise the image of a Black brewery into being seen as cheap. “You can’t make a quality product and give it away,” Mack argued. African Americans, most of whom were of lower socio-economic status, could not afford a more expensive beer and continued to buy lower priced products rather than buy a Black-owned beer. Mack lamented this lack of support in the Milwaukee beer market, “Whites are saying they don’t want no N—r beer, and I don’t know what the Blacks are doing.” Pearl Mack recalls, “The culture [in the late 1960s] was that the Caucasian race could do better for you than you could do for yourself.”

In contrast to the struggles that Peoples’ sales were encountering in urban markets, in college towns the beer was taking off. Peoples was very popular in nearby Ripon and Madison.

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39 “Brewery Venture Snarled in Indiana,” Milwaukee Journal, July 3, 1971, Box 1, Folder 1, Crosby Papers.
with drinkers perhaps feeding off of the anti-establishment vibe of the name Peoples.\textsuperscript{41} However, those sales failed to make up for ground lost elsewhere. “It just doesn’t make sense,” Mack said, “the Madison truck brings in more money than all three trucks in Milwaukee.”\textsuperscript{42}

The challenges Mack faced led him into a pattern of desperate maneuvers to try to salvage the brewery. On November 5th, 1971, Peoples purchased the branding rights to everything owned by their cross-street rivals, Oshkosh Brewing Company (OBC). Production stopped at the OBC complex. Mack moved all beer production to the Peoples plant, ironically consolidating the beer industry in Oshkosh back into one brewery, the very thing that Peoples was founded in rebellion of in 1913. Mack hoped that adding the 20,000 barrels per year sold by OBC would help make up for the production gap between Peoples and the larger national breweries; however, it did little to change his financial outlook.\textsuperscript{43} OBC President Harold Kriz said, “I doubt if we will ever operate again as a small brewery. The way business is nowadays, there’s no profit.”\textsuperscript{44} Mack failed to see OBC’s willingness to sell their brands as writing on the wall for his own endeavors with Peoples.

The purchase of OBC was not a cure all for Peoples’ ills. They had a $390,000 SBA loan commitment with an agreement to sell $200,000 in stock, which they did.\textsuperscript{45} Problems arose when sales failed to keep up with Mack’s expansion plan. Mack’s excuse for this was the lack of an

\textsuperscript{41} “Black Brewery May Leave Milwaukee,” \textit{Milwaukee Star}, September 11, 1971, Box 1, Folder 1, Crosby Papers.
\textsuperscript{42} Edward H. Blackwell, “Beer Business Different, Mack Finds,” \textit{Milwaukee Journal}, September 17, 1971, Box 1, Folder 1, Crosby Papers.
\textsuperscript{44} “Beer Label Rights Go to Black Firm,” \textit{Milwaukee Journal}, November 5, 1971, Box 1, Folder 1, Crosby Papers.
\textsuperscript{45} “Blacks Buy Oshkosh Brewery,” \textit{Milwaukee Courier}, July 18, 1970, Box 1, Folder 1, Crosby Papers.
advertising budget, which he attempted to remedy by planning another stock sale, all the while neglecting his payments to the SBA loan.\footnote{“Set to Compete: Mack,” \textit{Daily Northwestern}, January 12, 1972, Box 1, Folder 2, Crosby Papers.} The announcement of another stock sale occurred in January of 1972.

By February, the board of directors had grown concerned for the financial condition of the brewery. Mack and the board agreed to hold a special meeting in early March with agenda items including the brewery’s financial accounting status, sales volume in each market they were in, holding more regular board meeting while Peoples was in financial crisis, and to establish definitions of the roles and responsibilities of board members. These agenda items all point to the board growing weary of Mack’s management of the brewery and looking for ways to involve themselves more in Peoples’ operations.\footnote{Letter from Board of Directors to Ted Mack, Sr., February 22, 1972, Box 1, Folder 3, Crosby Papers. Letter from Theodore Mack, Sr., to Henry Crosby, February 24, 1972, Box 1, Folder 3, Crosby Papers.}

The board’s fears of a dire fiscal collapse were not unfounded. In October the IRS filed a $35,809 tax lien against Peoples for unpaid excise taxes on beer and unpaid withholding taxes and social security taxes. Mack argued against the lien telling reporters, “I don’t owe them what you say.” The IRS countered, “the tax is not in contest…but (rather) how it’s going to be paid.” The IRS laid out several options of payment beyond the brewery simply paying the tax, which Peoples was not in a position to do. The options boiled down to bankruptcy or allowing the IRS to seize assets and subsequently selling them to cover the tax cost.\footnote{“Tax Lien Filed against Brewery,” \textit{Oshkosh Northwestern}, October 16, 1972, Accessed March 13, 2021, Newspapers.com.} Mack had taken Peoples as
far as he could. On November 8, 1972, beer production stopped at Peoples and by November 14th all but a few employees had been laid off.49

Mack had sought to own a brewery as a measure of Black empowerment. During the late 1960s, the Black capitalism movement created a flurry of Black business activity and a return to the “Buy Black” campaigns of years earlier.50 While Mack partnered with the federal government to purchase Peoples, after the brewery’s closing he sought to reclaim those goals for his venture, though in increasingly desperate ways.

Mack tried the most far-flung options he could, both in a figurative and literal sense. In December, a Black legislator from Alabama visited Mack to see if Mack would be interested in moving Peoples to the deep South. This would have been a long shot scheme as brewing was not legal at that time in Alabama. Mack defended the meeting stating, “My first responsibility is here to the stockholders of the company and the be certain they do not lose their investment in it.”51

Even further than Alabama, Mack travelled to Nigeria in January of 1973 for three weeks at the invitation of some Nigerian businessmen representing a group called the Ogbomosho Investment Club (OIC). “They feel because they are the largest Black country on earth, they must have some Blacks to run industry,” Mack said. “They have a shortage of beer. It is being rationed in a country of 65 million people. They thought it would be nice to bring American beer into that area, if possible. I did go with all of us in mind.”52 Apparently the visit went very well

49 “Peoples Brewing Halts Production,” Milwaukee Journal, November 8, 1972, Box 1, Folder 2, Crosby Papers.
with OIC. A statement released by Mack and OIC urged, “It is believed by both parties that extreme haste is of the utmost essence in this matter. Among the matters discussed and agreed upon during the trip were: The new brewery would be based in Western Nigeria, the OIC would own up to 49% of the company, the proposed name of the new brewing company would be the Peoples Brewery of Nigeria Limited and the cost of the new 200,000 barrel brewery – $8 million. The deal never came to fruition.

Ted Mack sent the brewery’s stockholders a letter in February of 1973 calling them to a meeting at Jabber’s Bar, which was next door to Peoples, to update them on the status of the idle brewery. He informed the stockholders that despite his efforts of restarting the brewery or moving it elsewhere, their SBA-backed loan had reverted to the federal government and that Peoples was likely to enter bankruptcy. Mack also told stockholders of the only real chance Peoples had at surviving: suing the federal government.

One of Black capitalism’s central critiques was that the government coopted the genuine desires of Black capitalists to enter the economic mainstream in order to quell the unrest in urban centers in the 1960s. While government intervention did produce many Black enterprises, most did not remain in business long. Mack was insistent that the government was conspiring with larger business forces to keep minorities marginalized.

Mack argued that Peoples defaulted on their loan due to the SBA and Department of Defense (DOD) failing to provide contracts to the brewery. So, Mack and Peoples sued the SBA

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53 Statement by Theodore Mack and A. Ayandele, January 16, 1973, Box 1, Folder 12, Crosby Papers.
54 Letter from Theodore Mack, Sr. to Stockholders, February 5, 1973, Box 1, Folder 3, Crosby Papers.
and DOD for $1 million for not helping Peoples secure the government contracts. Peoples cited in the suit that Anheuser-Busch, the leader in beer sold to the government, netted over $76 million in 1972 in government sales. By proportion Peoples, as a minority business, should have netted $500,000. Jan Crosby remembered, “They got 130-some odd dollars. That was sinful, absolutely sinful.” Peoples lost the suit for not demonstrating the probability of their “ultimate success.”

Records do exist of the SBA acting as a liaison between Peoples and the DOD, and the various branches of the military, in August of 1972, just as the financial situation within Peoples was spiraling out of control. The response from the Marine Corps was that while opportunities did exist for Peoples to sell beer to them, their purchases were restricted to brands that had “an acceptable level of customer demand to warrant stocking the item.” How was Peoples supposed to compete as a small, regional brewery in a setting where they had little to no brand recognition?

Another way that the DOD kept Peoples out of their contracts was through specifying which products they would buy. The DOD advised that they only purchased beer that contained less than 3.2% alcohol by volume. Therefore, as Peoples did not manufacture a beer with that amount of alcohol, they would have to produce one and conduct a lab analysis prior to being able

56 Jan Crosby, interview by author, Milwaukee, WI, October 17, 2019.
57 “People Pay in Auction of Brewery,” Milwaukee Journal, June 20, 1974, Box 1, Folder 2, Crosby Papers; Peoples Brewing Co. v. Small Business Administration, Box 2, Folder 2, Crosby Papers.
58 Letter from Lieutenant Colonel Beal to E.A. Goodbout, August 9, 1972, Box 1, Folder 3, Crosby Papers.
59 Letter from William J. Yingst to E.A. Goodbout, August 7, 1972, Box 1, Folder 3, Crosby Papers.
to compete for contracts. This put Peoples in the difficult position of producing a beer for a specific customer, where that customer ultimately might not buy it.

The advice given to Mack from the OMBE was to personally contact several large military installations in Peoples main market area where sales were the strongest. If the military installations accepted a trial period and there was enough interest from the service members on base, then they could move forward to a larger contract.\(^6\) This approach would have been very time consuming at a point in the venture when Mack needed an injection of fresh capital into Peoples fast.

Mack also contacted the SBA for counseling services in June of 1972. When the SBA questionnaire asked “What, in your opinion, is the greatest problem in your business operation?” Mack simply answered, “Downward industry trend of small breweries,” making no mention of the racial bias of customers, nor the lack of government assistance that plagued his business specifically.\(^6\) These requests perhaps fell on deaf ears at the SBA, as at the February 1973 Mack claimed, “Through our ‘marriage’ with the federal government, they were going to give us government contracts and all the technical assistance we needed. We never got any.”\(^6\)

The supposed lack of government assistance may be because the government was looking after other interests in the brewing industry. Unbeknownst to Mack, there were backdoor beer deals going on with big breweries designed to keep him, and other small breweries, out of the business. A former Securities and Exchange Commission (SEC) employee, August Bequai, testified in Congress about the existence of a payoff scheme by big breweries such as Pabst,

\(^6\) Letter from Israel Rubin to Theodore Mack, June 22, 1972, Box 1, Folder 3, Crosby Papers.
\(^6\) “SBA Request for Counseling Questionnaire,” June 22, 1972, Box 1, Folder 4, Crosby Papers.
Schlitz, and Miller. Schlitz created a $1 million payoff fund to induce hotels, restaurants, and distributors to use their products exclusively. If retailers refused, the big breweries pulled their product.\textsuperscript{63} An example of this happening occurred in Wausau, Wisconsin in 1976. A beer distributor there alleged that a Schlitz executive had told him to cut the price of their beer that was being sold to a local racetrack, while Schlitz would reimburse the distributor for the money lost. When the distributor refused as he saw this as improper inducement, Schlitz pulled out of their distributor agreement. As Schlitz was one of the largest breweries selling beer at this time, and the distributor had been selling their beer for 36 years, this might have been enough to put the distributor out of business.\textsuperscript{64}

The practice was known as “black bagging.” The term developed as at one point brewery representatives carried literal black bags loaded with cash to use as inducements for establishments to carry their products exclusively. While Pabst stopped the practice in the late 1960s, Schlitz and Miller didn’t follow suit until at least 1973, and as evidenced by the aforementioned episode with the Wausau distributor, Schlitz kept it up, at least with distributors.\textsuperscript{65} It seems that black bagging was a poorly kept secret that was being ignored by government authorities. “Was it blatant?” Bequai mused, “Yeah, it was blatant…No one was really policing that whole area. That’s what shocked me most.”\textsuperscript{66}

\textsuperscript{63} “Ex-SEC Attorney Accuses Big Brewers,” \textit{Milwaukee Journal}, April 10, 1976, Box 1, Folder 2, Crosby Papers.
\textsuperscript{64} David L. Beal, “Refused Price Deal, Beer Dealer Claims,” \textit{Milwaukee Journal}, April 11, 1976, Box 1, Folder 2, Crosby Papers.
\textsuperscript{65} Richard Kenyon, “Insider Affirms Beer Payoffs,” \textit{Milwaukee Journal}, April 18, 1976, Box 1, Folder 2, Crosby Papers.
\textsuperscript{66} “Informant Fears Beer Industry,” \textit{Milwaukee Journal}, May 12, 1976, Box 1, Folder 2, Crosby Papers.
There were also government failings within the brewery payoff scandal. Bequai stated to Congress that the Bureau of Alcohol, Tobacco, and Firearms, which regulates the beer industry, failed to cooperate in the probe and investigations of the breweries.\(^\text{67}\) Bequai’s testimony also took some within the SEC by surprise, with the agency stating that Bequai did not have permission to discuss the brewery investigation. Because of his testimony, Bequai also found himself under investigation by the SEC.\(^\text{68}\) “I’m concerned because I’ve taken on a powerful industry,” Bequai said.\(^\text{69}\)

Mack, Crosby, and other executives at Peoples kept an eye on this, seeing black bagging as another reason for Peoples’ struggles. They may have been on to something as it was later uncovered that this practice took place within the Department of Defense. Bequai validated this concern as he brought forth the accusation that the breweries were conducting a similar practice with the military. “They funneled bribes, especially to military accounts involving the Army and the Air Force.” Bequai noted in his testimony, “One Schlitz franchise in Florida was order to make illegal payoffs…at the local base. In addition, he was also directed to sell his beer to the military at low cost. He refused, fearing prosecution. Schlitz revoked his license.\(^\text{70}\) Accounts such as this must have felt validating, yet heartbreaking, to Ted Mack and his associates in the case they had brought against the government three years earlier. Had Peoples obtained Bequai’s testimony prior to their own lawsuit, perhaps they might have won.

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\(^\text{68}\) Frank A. Aukofer, “If an Agent Blabs, SEC Has Options,” *Milwaukee Journal*, April 16, 1976, Box 1, Folder 2, Crosby Papers.

\(^\text{69}\) Frank A. Aukofer, “Beer Industry Informant Grows Fearful,” *Milwaukee Journal*, May 12, 1976, Box 1, Folder 2, Crosby Papers.

\(^\text{70}\) “Ex-SEC Attorney Accuses Big Brewers,” *Milwaukee Journal*, April 10, 1976, Box 1, Folder 2, Crosby Papers.
Bequai’s testimony not only sheds light on one reason for the failure of Peoples, but also for the quickly consolidating brewing industry. Smaller firms just could not compete with the goliaths of the brewing industry, making the government’s support for the endeavor a failed prospect from the start. Most of the small breweries of the era were regional at their largest, meaning they could not afford to lose market share in their home area. Mack and Peoples bucked this trend in trying to sell their product to black communities across the Midwest, bringing on the pressure from big breweries put the pressure on other distributors to keep Peoples products out.

“Price rigging and payment of illegal inducements are carried on in the beer industry to such a scale that they have become a way of life,” August Bequai declared to Business Week magazine, “Through illegal acts, a handful of giants has destroyed hundreds of smaller brewing companies to the detriment of the public and the business community in this country.”

Bequai’s testimony underscores the fallacy of Black capitalism. The government, it seems, was working in active concert to keep Black entrepreneurs out of the economic mainstream when it had vested interest in the status quo. The Mack family today argues that the practice of black bagging was one of the biggest reasons that Peoples went out of business. “My father’s business ended because of systematic racism,” Theodore Mack Jr. said, “He was practically black bagged. He was competing against the big boys like Budweiser. They were scared of my daddy. So, they took him out before he got too big.”

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The SBA lost over $351,000 on their loans to Peoples Brewing. They tried to recoup some of the cost through auctioning the remaining equipment at the brewery in 1974 but only managed to bring in around $114,000. One of the buyers at the auction event grumbled, “The taxpayers really took a bath on this one.” Ted Mack fought back at the assertion that it was his or his associates’ fault for the brewery’s demise, saying, “The federal government helped put us in business and at the same time helped put us out of business.”

Peoples was indeed out of business and Mack’s dream of Black brewery ownership was over. The days immediately following the brewery’s closure were very difficult, Pearl Mack described, “There was a lot of emotional debris…He had put his life into this.” Mack moved back to Milwaukee and sold insurance while putting his social work background to use in running several group homes. Once working to harness capitalism to advance the cause of justice, Mack now ministered to the needs of capitalism’s victims. But he did not stop organizing and building. In 1977, he led a Black business group in purchasing Misericordia hospital, making it the first Black-run hospital in Wisconsin. He also served on Wisconsin Governor Pat Lucey’s Committee on Minority Business. Interestingly, it wasn’t brewing that ever made him money; it was insurance. The very industry that helped him earn enough capital to buy Peoples also sustained his family later. After the brewery’s closure, Mack joined the “Million Dollar

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73 “People Pay in Auction of Brewery,” Milwaukee Journal, June 20, 1974, Box 1, Folder 2, Crosby Papers.
Roundtable” of sales for New York Life. Eventually, Mack retired to Atlanta, Georgia, where he died on February 4, 2019.\textsuperscript{77}

The Black capitalism movement that financed Mack’s dream of Black brewery ownership faded with the resignation of President Nixon and a severe recession in 1974. The capitalist leanings of some Black power advocates dissolved too, as to not be associated with an unpopular leader like Nixon in a movement that Nixon had taken ownership of. Once again, Black capitalists and politicians were not on the same page as to how to move forward.\textsuperscript{78}

\textsuperscript{77} “Small Businessmen Worry about Liability,” \textit{Appleton Post Crescent}, September 24, 1976 accessed November 9, 2020, Newspapers.com; “Celebration of Life for Mr. Theodore Mack, Sr.,” February 9, 2019, Funeral Program, Westside Community Christian Methodist Episcopal Church, Atlanta, GA.

\textsuperscript{78} Rogers (Kendi), “Acquiring ‘A Piece of the Action,’” 182.
While Ted Mack and Peoples failed to survive the Black capitalism era, other entities encountered more success, though with a very different business model. Taking advantage of Black capitalism programs, fast food franchises found success in urban areas. In historian Marcia Chatelain’s book *Franchise: The Golden Arches in Black America*, she laid bare some major reasons that fast food franchises were successful in urban areas, while Peoples Beer was not. First, through the fast-food corporate structure, restaurants were supported by advertising campaigns on larger levels.¹ Ted Mack and Peoples were entirely on their own in getting their product shown to new markets, competing with the large corporate giants of the brewing industry like Pabst and Anheuser-Busch. Second, the fast-food franchises could become community entities through direct contact with consumers. For instance, Black-owned McDonald’s franchises were counted on to support schools and community organizations in their neighborhoods, endearing them and connecting them to the community.² Conversely, just by the very nature of the beer industry and how the product is distributed would have made those connections very difficult for Peoples, never mind the fact that establishments that carried the beer were likely taverns and liquor stores, entities that were often more tolerated than celebrated. Another stark difference between Chatelain’s examples in *Franchise* and this study about Peoples, is that Peoples shows Black entrepreneurs not just selling products under a corporate banner, but actually attempting to control the means of production. Peoples also shows African Americans attempting to own a business outside of urban areas. The fact that Peoples existed in a small, White community, makes this study unique as thus far historians have mostly considered

² Chatelain, *Franchise*, 163.
African American-owned businesses during the civil rights era within African American communities, largely in urban settings.  

Chatelain’s work in *Franchise* also exposes another fallacy of Black capitalism, that African Americans could navigate the American capitalist system and make it on their own. Fast food franchisees were all given support and guidance from White corporate officers. The White corporate officers had a vested interest in seeing urban fast-food franchises succeed, as their success would help them corner an entire market demographic. This in turn would lead to the fast-food corporation gaining a customer base they could exploit. Conversely, Mack and Peoples hoped that the federal government would assist them in providing contracts and assistance and were supplied with feigned guidance. It did not matter so much to the government, or even Nixon particularly with his Black capitalism campaign promises, if Peoples prospered. The government’s victory was in getting Ted Mack to apply for the loan to buy Peoples. Those optics showed Nixon and the government following through on their assurances to the Black business community. After that, he was on his own.

When Peoples Brewing closed in 1972, the brand and its story of Black ownership quickly faded into obscurity. Ted Mack gave very few interviews over the subsequent years, and the story is not included in any works by scholars of Black capitalism, Milwaukee’s civil rights struggles, or even brewing history. The physical reminder of People’s presence in Oshkosh also

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disappeared as most of the brewing complex was demolished in 1974. Today, Peoples’ much longer history as a regional brewery looms larger in the consciousness of Oshkosh locals. Lee Reiherzer, a local Oshkosh beer historian and author said, “If you go to somebody in Oshkosh and you start talking to them about Peoples Brewing, Ted Mack is not going to be the first thing that comes to mind—you know, they’re going to talk about that their grandfather worked there, or their father worked there, or that beer was served in their family’s tavern, or that’s the beer their parents or grandparents drank.”

Peoples Beer and its connection to Black capitalism is getting another chapter, however. In August of 2020, Peoples returned, though it did so not in Oshkosh, but in Sacramento California as a brand in the lineup of Oak Park Brewing (OPB). OPB was founded by Sacramento brewing industry veterans Geoff and Becca Scott, restaurateur Dana Huie, and Kevin Johnson – a former NBA player turned Sacramento mayor turned entrepreneur. Johnson is the main reason that Peoples was reborn, said OPB’s co-owner and brewer, Geoff Scott, “He personally reached out to Mr. Mack Jr., and he flew out a couple times to talk with him in Georgia and they just talked about life, dreams, everything that they could talk about … and they formed a very good relationship as people and friends. And then Mr. Mack agreed to partner

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5 Lee Reiherzer, phone interview by author, March 24, 2021.
6 James Patrick, “Oak Park Brewing’s Newest is Much More than a Beer, It’s a Black History Lesson, Sacramento Bee, August 28, 2020, accessed May 20, 2021, https://www.sacbee.com/food-drink/article245276520.html. Johnson holds interest in multiple Sacramento businesses and is perhaps more well known for his time as an NBA player and mayor. His time in his previous careers was laden with sexual assault accusations and a scandal pertaining to misusing funds during the Obama presidential administration. More on those scandals can be found here: https://thehill.com/homenews/administration/68905-obama-accused-of-doing-favors-for-ally.
with him to get the original recipe to the Peoples Beer and be able to produce it under the Peoples brand.”

“I like the heart of this man,” Mack said of Johnson, “And I told my family, because they didn’t trust him. My father got burned many times because he trusted people. They didn’t want me to trust this man, so make sure you got your business side tied up, which I did. But I still trusted the heart of the man. We prayed together, shared some things together and I like his heart.”

Johnson and the elder Mack would have had a great deal in common for their vision of economic empowerment for the Black community. In January of 2020, Johnson and the venture capital firm SeedInvest launched their latest initiative, Black Capital. “Our goal is for Black Capital to be a vehicle for wealth creation,” Johnson said, “Our vision is to increase income and wealth for the African American community. That’s our goal. That’s our vision. Our mission is to empower our community to start investing.”

Working with Oak Park Brewing to relaunch Peoples also brings to light longstanding issues relating to the lack of diversity in brewing industry. According to the non-profit trade group the Brewers Association, Black ownership accounts for only one percent of the nation’s 8,000+ breweries, and Black employees making up a little over 4%. “I think the People’s Beer

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7 Geoff Scott and Rodg Little, phone interview by author, January 27, 2021.
creates opportunity, it creates a platform for us to work on our company goal, mission statement, to be all-inclusive and diverse, a place where people feel comfortable coming and they’re not going to be pushed,” Geoff Scott said, “I think this helps us push that message forward because the beer industry can be pretty segmented, and we have one of the only Black brewers in Northern California working here.” The Brewer mentioned by Scott is Rodg Little, one of the few Black head brewers in the country. The experience of brewing the beer of such a fabled brand is not lost on him. “It’s history, you know,” Little said, “And actually getting to be a part of that and share the story of the beer, 50 years later, I mean—who gets that opportunity?”

Whether Peoples Beer with Oak Park Brewing can deliver on its goal of creating wealth for the Black community remains to be seen. The brewing industry has greatly changed since the days of the UBE when the industry was rapidly contracting. In contrast, the brewing industry continues to quickly expand. Competition is no longer solely with the brewing giants of Anheuser-Busch and Miller, though those operations still command a large market share, but with the ever-growing craft brewing scene made up of small, local and regional breweries that command loyal customers. Perhaps the unique story of Peoples’ past can cut through the noise and become a beer for the Black community.

The evolution of my research of Peoples Brewing and Ted Mack over the past four years has made this project rewarding and surprising. Rewarding in that I had the opportunity to visit notable repositories such as the Library of Congress and interview people who saw the story unfold firsthand like Pearl Mack and Jan Crosby. Most people assume that the story of beer in

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11 Geoff Scott and Rodg Little, phone interview by author, January 27, 2021.
America revolves solely around German immigrants; this story shows how diverse brewing history in America actually is.

This research has also been surprising as the topic matter and bibliography quickly veered from beer and food history and into the history of economics and capitalism, which is something I did not anticipate. I have been able to bring race into the conversation involving beer brewing in an accessible way that helps people learn the story of Black capitalism at the same time, which is valuable when working with the public as often as I do as a public historian.

There is still work to be done in the realm of brewing and Black capitalism. I note in the footnotes in Chapter Two that there were two brewing endeavors pursued by Blacks prior to the Black ownership of Peoples. There was also a Black-owned beer brand in Chicago started by a former NAACP leader there in 1969. These stories and their nuances will enhance the story of Peoples by showing a larger effort in the Black community to use capitalism and beer to achieve economic parity.

When Peoples Beer relaunched in Sacramento in 2020, Theodore Mack Jr. said, “This is a continuation of destiny, this is not a rebirth. It is a turning of a page to the new chapter in our road to the promise. Dr. Martin Luther King said, ‘We as a people will get to the promised land.’ Well, that’s the same thing for my dad’s beer. I’m just carrying on his legacy.”

My hope is to take that sentiment with me to the rest of the story of Black capitalism and beer.

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Figure 1.

Figure 2.

Figure 3.

Figure 4.

Figure 5.

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