

# KAGRO launches relief for embattled merchants

National organization will set up cooperative to lower retail prices

By Sophia Kyung Kim

A national grocers group has launched a three-prong campaign to help their embattled members: provide relief to riot victims, step up interethnic dialogue and create a distribution center to make prices competitive with big stores in ghetto areas.

About 50 presidents and board chairmen—representing 50 national Korean American Grocers Association chapters—attended the third annual meeting May 22-24 in Atlanta. The meeting was pushed up a month to address the aftermath of the Los Angeles riots.

A frank discussion on U.S. race relations was also conducted. Merchants reaffirmed the need to work more closely with the African American community and listened to three Los Angeles KA community leaders share their views on Korean-black tensions.

"All Korean Americans realize we

need to work together, be united," said David H. Kim, Southern California president. "Now is the time to go back to the neighborhood, talk and make the relationship work."

Before the three-day meeting adjourned, the National KAGRO issued a statement on the L.A. riots, which was distributed to the mainstream media.

The statement condemned the way the media has portrayed the riots as a conflict between KAs and African Americans.

"...the real issue is pervasive racism and poverty," it said. "Korean Americans have been wrongly and unjustly scapegoated for America's societal problems ... We believe the U.S. government is responsible for restoring our community's confidence and faith in our system."

The establishment of a national cooperative—where merchants could save up to 40 percent on merchandise by eliminating middlemen's profits—will help improve relations between Koreans and blacks, said Yang Il Kim, National KAGRO president.

By buying merchandise at the same prices as chain supermarkets, Korean mom-and-pop merchants can pass on their savings to their customers, Yang Il

• See KAGRO, Page 8

## KAGRO

continued from page 1

Kim said.

At the same time, it will help Korean-owned stores economically compete with the larger stores, he added.

"Low income people always compare prices between major supermarket chains and mom-and-pop stores that belong to our members," Kim continued. "They complain that our prices are too high, that we rip them off. Now if we are able to charge the same as the superchains, they won't complain. It will promote our image as honest businessmen."

A financial institution—which Yang Il Kim wished to keep anonymous—has guaranteed National KAGRO a matching loan of \$30 million to get the program off the ground. KAGRO chapters plan to raise the money by selling stock to interested participants.

The National KAGRO hopes to set up five or six distribution centers around the nation no later than September.

The wholesale food industry has also pledged to help KAGRO members whose stores were burned and looted, said Yang Il Kim.

Several companies such as Coca-Cola and Certified Grocers, a wholesale food company, have offered to extend two- to three-month credit to KAGRO riot victims when they purchase merchandise, said Yang Il Kim.

The various KAGRO chapters have also pledged to raise

\$500,000 to help its members who were affected by the riots get back on their feet, David H. Kim said.

Numerous wholesale food companies such as Philip Morris, Coca-Cola and Coors will also kick in about \$5 million, according to Yang Il Kim.

Instead of handing out cash to victims, the National KAGRO office plans to purchase equipment and goods that individual merchants request such as cash registers and stock, Yang Il Kim said.

During the discussions on Korean-black relations, Bong Hwan Kim, executive director of the Korean Youth Center, described the tension as "nothing more than a predominant symptom of a larger black and white problem."

"The interests of the power structure in America are best served by minority groups being divided, fighting each other for crumbs," he said.

Jai Lee Wong, consultant for the L.A. County Human Relations Commission, urged the KA community to do collective political fund raising, make an KA agenda and present it to politicians to "make them accountable."

Ed Chang, assistant professor of women's and ethnic studies at Cal Poly Pomona, addressed the possible negative implications of having South Korean government officials offering assistance to KA merchants.

It further alienates the KA community from mainstream America by presenting Korean Americans as foreigners, Chang said.

"The Korean government should not get involved in this. It is a domestic matter," he said.