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# Interview with George Guscott

by  
Abha Pandya



*George Guscott*

George Guscott was born in 1927 in Boston. An engineer with a degree from Northeastern University, he worked in an engineering firm for many years before branching off, very successfully, into real estate development. His firm, Long Bay Management Company, which he manages with his two brothers, is one of the largest minority-owned real estate companies in the city of Boston. In a ride in his van through Roxbury and Dorchester, Guscott proudly pointed to all the real estate he owns and spoke reflectively about the struggles and victories he encountered over the years to get to where he is today.

Aside from being a successful businessman, Guscott, a warm and congenial man who laughs easily and often, has been committed to black political development all his life, both as an observer and as a participant. He was on the board of the NAACP for ten years and says that any person of color who looks at the organization and its objectives should ask themselves, “Why aren’t I in the NAACP?” He also ran a TV program called “Lift” for the NAACP for 13 years.

Guscott argues that race relations are contingent on economic development and sees race as an extension of economic relations in the United States. He suggests that race distrust is based upon economic fear and ignorance. “When there’s a threat to economic welfare you find ways to hate the individual who you see as the threat,” says Guscott. “No one will admit it. They may say they don’t like the color of the skin or the shape of the eyes, but what they mean is fear of economic competition. If you are used to having three-quarters of the pie and may now get only half, you don’t like it.” He predicts that the next battle for racial equality will be in the economic arena, when people of color, black and Latino, seek to control their own economic destiny by owning and controlling their own companies.

“My people were Garveyites,” says Guscott proudly, “both my mother and father. They believed and practised what Marcus Garvey stood for. My people came from Jamaica, and they knew of Garvey before they came to this country. They were very strong about the idea of ‘who you are’ and they instilled it in all their five children.”

A millionaire who lives in a large Victorian house

in Roxbury, close to much of the property he owns, Guscott says matter-of-factly, “I think I have got everything I aspired for. Most people aspire for everything they possibly can achieve. In that respect I don’t know too many who succeed. But I’ve got a lot more than I dreamed of. Now I am more interested in those who come behind us—to help them take heed and build on what we have achieved....I want to act as a mentor....We don’t have to reinvent the wheel each time...we must help and encourage people who come behind us in whatever way we can.”

The Guscott brothers recently donated \$300,000 to the National Center of Afro-American Artists in Roxbury. “We believe that such institutions are needed in the community. The black community has to have its own institutions,” said Guscott. “We’ve known of Elma Lewis’ school from years ago....It has had a positive effect on the community. She got sick some time ago, and the school went right down. We are hoping that this will help to bring the school back up to where it was. This is a matching grant.... We hope this will enable them to leverage dollars from other philanthropic institutions, so eventually they will have an endowment...that is badly needed. This institution is known not just locally but throughout the world.”

In this interview Guscott offers up some provocative ideas about his work and about the realities of black life in this country.

**Pandya:** I believe you try to use minorities in much of your real estate development work?

**Guscott:** Wherever possible. We are not always able to accomplish that, but we do whatever is possible. We do have a development right now called the Granite 5. It is a redevelopment of 218 multi-family units in Roxbury. In that development we have approximately 50 people working, people from our construction company, plus a number of subcontractors. At any given time, of the 50 to 100 people on various sites that are working for us, better than 70% are minority. This covers a whole spectrum of disciplines from stone cutters to carpenters, painters, masons, just about any trade you can name. The

mechanical contractor is minority, the floor coverings are being handled by a minority, so is the floor sanding. So we try to use minorities whenever we can. You can do more for people by helping them economically. But it has cost us on occasion.

**Pandya:** Why is that?

**Guscott:** Because in this country minorities haven't, in most instances, got an opportunity to get grounding and experience within the construction trades. They've had, in most instances, to get it the hard way. They may not have the contacts to get materials at lower prices, like some of their majority competitors who've been in the field longer and who meet at the golf course on Sunday mornings and discuss their deals. So they had to do it the hard way.

As a consequence, on occasion, we have had to be innovative, which means that we have had to buy the materials for the various subcontractors, either because they don't have the contacts or don't have

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the capital to make that kind of large investment. Whenever they've had a shortfall in terms of long lead items, we've gone in and done whatever we could to solve the problem and, of course, charged them at the end of the project. That way they have been able to take the job, whereas otherwise they wouldn't even have been able to bid on it.

This is not to say all minority contractors or subcontractors are in that position. This position, of course, is not peculiar to minorities. Over the years we have always tried to use minorities because we know that if we don't do it, who is going to do it? Charity begins at home.

**Pandya:** Is the current construction boom in the city helping minorities? Are you a part of it?

**Guscott:** Yes, we are somewhat a part of it. Let me digress for a moment. For more than three years, I have belonged to an organization called the Massachusetts Association of Real Estate Brokers. This organization is geared towards minorities. It was formed in 1947 because minorities could not join the majority group. I belong to this group, and I travel around the country and make national contacts. I began to realize that there was more development potential in the Boston area than in any other city in the country. As a result of this some of us decided that we needed an organization here in Boston. The upshot is that we formed an organization called the Minority Developers Association, which has been in existence for about three years and is about to become a part of the National Association of Real Estate Brokers and Contractors.



*Abha Pandya*

This Association has had some contact with the city of Boston, with the powers that be, in terms of areas that need to be developed. Many of its members are in developments or in joint ventures on land that the city has owned and is now developing. So in that sense some of the minorities are participating in the boom, and this is going to help the community.

**Pandya:** Could you name some of these projects?

**Guscott:** Well, there is one sponsored by the Columbus Baptist Church. It is on Columbus Avenue at the corner of Camden Street, and it is called Douglas Plaza. Two of our members are participating in that—Taylor Associates and Larry Smith Associates.

**Pandya:** What about the Lena Park Development?

**Guscott:** Oh, that's a different kind of situation in that it is a nonprofit, community type of development. They have done some redevelopment work by hiring contractors and in some cases development consultants, whereas in the Minority Association, we do the development ourselves—through our own construction or production companies. It's a profit type of situation, which is totally different from the nonprofit. They don't have to show any profit, they can operate at a loss. Whereas when you are working for yourself or a group of investors you can't do that. It's not that I have anything against nonprofits, but I think they should stick with what they do best, which is human services. They shouldn't switch over to being developers because they just don't have the expertise or the drive to do it properly. Besides it's unfair competition because they're funded by the state.

Let me get into another thing. There is something called the Ruggles-Bedford Group. A group of minority developers and architects joined together with the Chinese community in the Bedford Street area of downtown Boston and formed the Columbia Plaza Association. They have been awarded development rights to Parcel 18 next to Northeastern University and another parcel next to Lafayette Place. In the process of doing the development they have already hooked up with a majority company. Columbia Plaza Associates have 50% of the deal,

and the deal is over \$400 million. We are talking serious development, very serious development.

We are a part of that group. We were a part of the initial group that got together and decided to go after that deal in the first place. This was some years ago. Then we sought to enlist the Chinese community because the other part was in their neighborhood. This has turned out to be a very, very good situation. We have made some good contacts. We've got a better insight into the Chinese community, they've got a better insight into the black community. This situation hasn't been duplicated anywhere else in the U.S., but we are hoping to build on it. We also have a member from the Hispanic community on the project.

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The initial investment, before we knew whether it was worth anything, was \$125,000. We raised over \$2½ million. This was when this was still an idea, and you had to have the confidence to put down that kind of money because you stand to lose it. Then you are very serious. You have to be looked at in a new light, and that's what happened. The majority and minority community began to look at us differently when we came up with \$2½ million, and it was equity money. In the final stages there were seven groups competing for the contract, short listed to three, and we ended up with the contract.

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**Pandya:** Tell me something about your company, The Long Bay Management Co.

**Guscott:** It is composed of three brothers—Ken, Cecil, and me. We are the sole owners and we have no partnerships. We did our first development in 1972. We were still working on different jobs. I am an engineer, Ken is an engineer. We decided to do this small development where my mother lives in Roxbury. I owned the building, and it had reached the point where it really needed to be fixed.

So we decided to go to the Massachusetts Housing Finance Board and get a loan. We went to them and they said it was really too small. So I went and looked at the building next door and talked to the two owners. They were willing to sell. So we bought and put together a package of 17 units and went back to Mass. Housing. They still said it was too small, so we said, "What minority development are you

doing in the state?" and really raised so much noise about it. Well, that caused them to think it wasn't worth it doing any development at all with minorities. But finally they did give us a loan. So we did that development. We didn't make any money, but we didn't lose any money either because it was a learning experience. We finished it in 1973, and it is still in use. My mother still lives there, and Mass. Housing is still bringing people to look at it and boast about it. We had hardly finished before they started bringing people around, showing off, saying "We did it." And here we had to drag them kicking and screaming. Typical bureaucracy.

In 1979 HUD offered another property—227 units—and we bought these for \$1.2 million. These were sold with a subsidy. This was in the Roxbury/Dorchester area, and it took us maybe five years to turn that around before it was paying for itself. In the meantime we started to develop this block on Massachusetts Avenue where our offices are located. These were all abandoned buildings, empty, boarded up, and this took us a couple of years to develop. We got this from the BRA.

Then we bought this old warehouse at the corner of Washington Street and Columbus Avenue in Roxbury and converted that into offices which are rented by the state. What was interesting about this development was that we just had an open fence when construction was going on, and we never lost anything. There was never any vandalism. We never had a guard, we only put a dog out at night, and we never lost anything. People were telling us this is a bad place, you're going to lose stuff, you can't do this. I bought 240 hemlock plants for the garden and these were lying on the lot for two or three days and nobody got them—not a plant—and these things cost \$35 to \$45 apiece. We decided to have a lot of glass and the state said: "No, you must have bars on windows. We are going to have more than a hundred computers in those offices." We said we are not going to put any bars, and we argued with them and said, "Let us do it our way. If you have a problem

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then we'll look at another solution but right now we are not putting any bars on the windows." They kept insisting....you know, "People will break in....do this, do that...." That place has been open since December 19, 1986, and they haven't had one broken window as a result of vandalism. No problem at all. There are no bars and no guards at night.

The point is that in this so-called bad section where you had these supposedly bad people, nothing happened. I planted a few thousand dollars worth of roses, azaleas, rhododendrons, and people said, “You can’t do that—the kids will come and pick them up.” Hey! No problem. There is no fence around, you know what I mean? So how come? And this is supposed to be the bad section of the city.

Our philosophy has always been if you treat people like animals they are going to act like animals. If you treat people like decent human beings, treat them like you’d like to be treated yourself, nine out of ten times they are going to respond in kind. And that’s exactly what happened.

**Pandya:** What difference has all this made in the black community?

**Guscott:** It made a difference in that the community is a little better off now because they see that somebody cares, and the fact that it is one of their own makes it even better. So that’s the difference. Some of the people around will come up to you and say, “Gee, that was a great job!” Even though they may be into drugs, they recognize that somebody is doing something for the community. You’ve got to get involved and control things and see that certain things get done and the only way you’re going to do it is by doing it yourself.

**Pandya:** How is your relationship with the city and other developers?

**Guscott:** We have a pretty good relationship with the city and with some of the other majority developers. We talked to them on occasion about joint ventures but we did not go through with them.

**Pandya:** Do they use minority workers and suppliers?

**Guscott:** Some are better in this than others, in terms of utilizing minorities. Again that’s what we try to do—utilize minority suppliers whenever we can. The best example is in Miami where the dollar turns around five to seven times before it leaves the

*The best example is in Miami where the dollar turns around five to seven times before it leaves the Hispanic community. In the black community you are lucky if it sleeps there overnight.*

Hispanic community. In the black community you are lucky if it sleeps there overnight. If it turns around once you are lucky but it shouldn’t be that way. If you are going to develop a community it can’t be that way. That’s one of the reasons why we make sure that we put dollars in the hands of minority people, and we also encourage them to do the same. They in turn will turn those dollars within the community so that more people benefit. No sense

in getting a majority company person and paying him \$100,000; that majority person may not have any minority workers and he’s going to take that \$100,000 and put it in a bank in, say, Newton. That’s not going to do much good here. So we utilize a minority bank and we have a payroll in the minority bank, thereby forcing the workers to go there and maybe set up an account there. That’s the way it works. The other ethnic groups do the same thing. It’s just that we haven’t gotten as sophisticated as some of the other ones.

**Pandya:** So, do you think minority developers—and the black community—are getting their fair share of the state’s resources?

**Guscott:** [No.] That’s what that Mandela thing was all about. I think I know the reasons why no one wants to talk about this, and I think one of the prime reasons is when people know what kind of percentages they truly represent, they feel different about themselves and about their situation.

**Pandya:** What did you think of the Mandela campaign? [The Mandela campaign was an effort behind a referendum to take steps towards separating from the city of Boston the area surrounding and including predominately black neighborhoods and incorporating this separated area as the new city of Mandela, named after Nelson Mandela. The referendum failed in the 1984 election and again in the 1988 election. This interview took place just prior to the 1988 election.]

**Guscott:** I thought that the argument that they made had a lot of validity to it, and I think it affected the powers that be to the point that they are now starting to do things that they should have done a long time ago. I think the Mandela campaign would have probably passed if they had better communications in terms of publicizing what they were really about. I’ll tell you something else. You can measure how important the situation was by the opposition to it, by the effort that was made to oppose it and by the dollars that were paid to defeat it.

**Pandya:** Are you saying that a lot of money was flowing?

**Guscott:** You better believe it. Oh, yes! A lot of money was flowing to crush it. That tells you something. The amount of effort that was being organized and directed towards crushing it, you gotta say there has to be something to this, otherwise why this maximum effort to destroy it? What made me start looking at it a little differently was when I realized the efforts the powers that be were making to get rid of it.

Abha Pandya is a freelance journalist and has published in the Christian Science Monitor and in newspapers and magazines in India. She is a staff writer for the Citywide Educational Coalition and is working on a book on the Mandela Campaign.