



# JESSE JACKSON EXPOSED

## A Judicial Watch Special Report

### INTRODUCTION

For the first time ever, Jesse Jackson was made to answer for his behavior in a court of law, and it was Judicial Watch that finally forced him to take the witness stand as a defendant in a civil lawsuit. The trial took place in January 2006 in Los Angeles, California and featured a showdown between the so-called civil rights leader and a conservative black minister, Reverend Jesse Lee Peterson, who had been assaulted by Jackson and his son, Jonathan, at a community outreach meeting.

Despite trying every legal tactic available, Jackson's former ACLU attorney couldn't prevent the shameful publicity of a trial that would expose Jackson's infamous shakedown tactics and racially divisive politics.

Jackson had been exposed previously – in a book and in various conservative media reports – as an extortionist who uses his influence as a civil rights leader to essentially blackmail large, wealthy corporations with claims of discrimination and threats of boycotts.

While some of Jackson's tactics had been published in the past, this special report offers detailed information – never before released – gathered during the discovery process of Judicial Watch's lawsuit and the subsequent trial. It also includes incriminating admissions from Jackson made under oath at trial.

After a nearly two-week trial, a conflicted Los Angeles jury failed to convict Jackson. Deliberations were heated and lengthy, and the jury was hung at 6-6 for several days before finally agreeing on a partial verdict on the charges against Jesse Jackson.

Three jurors who ultimately sided with Jackson told Judicial Watch that they believed Rev. Peterson, but felt they did not have enough evidence of injury to vote his way. Jonathan Jackson told *The Los Angeles Times* that Judicial Watch is out to destroy his family's organization (Rainbow/PUSH Coalition), its funding, and its mission.



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Photo: Mug shot of Jesse Jackson from a previous 1999 arrest.

The jury could not reach a verdict on an assault charge against Jonathan Jackson. Faced with the prospect of a retrial on this charge, the Jacksons elected to enter into a settlement agreement with Reverend Peterson by which all sides agreed not to proceed any further with the litigation.

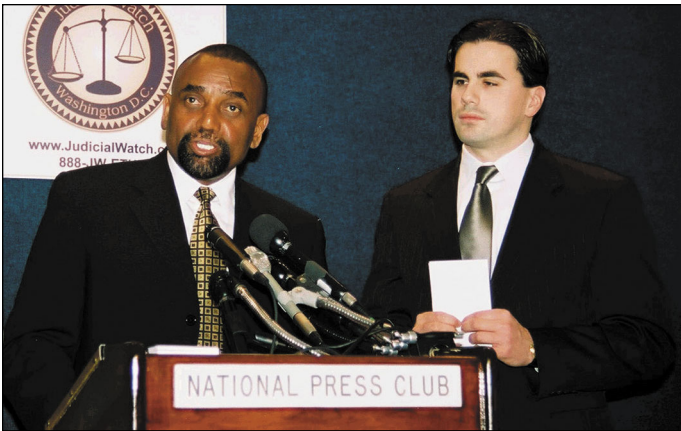
### JACKSON'S ATTACK ON REV. PETERSON

The case of Jesse Lee Peterson vs. Jesse Jackson begins with an ironic twist. The setting was a 2001 Los Angeles meeting sponsored by the Los Angeles Trade Bureau, an arm of Rainbow/PUSH, during which Toyota Motor Sales, U.S.A., Inc. discussed its recently created 21st Century Diversity Strategy. During this meeting, Jackson verbally attacked Rev. Peterson and Jonathan physically struck him, all because Rev. Peterson dared to stand up and ask a Toyota

official if he was required to go through Jackson's Rainbow/PUSH Coalition in order to participate in the diversity program.

Rev. Peterson was seeking to establish a business relationship to benefit his Los Angeles-based nonprofit called Brotherhood Organization for a New Destiny (BOND), a nationally recognized religious organization that focuses on rebuilding the family and stresses the importance of self-reliance and honesty rather than victimization and reparation.

As a black conservative, Christian leader, Rev. Peterson knew



Rev. Jesse Lee Peterson with JW President Tom Fitton at a press conference.

he had no chance of sharing in the benefits of the Toyota program if he had to go through Jackson. Toyota had announced the multi-million dollar program after Jackson and Rainbow/Push threatened to boycott the Japanese auto maker for an advertisement Jackson deemed "racist." J. L. Armstrong, a good friend of Jackson's, who Jackson referred to as "Brother Armstrong" during the meeting, was the liaison between Toyota and Rainbow/Push for the diversity program. Jackson fawned over "Brother Armstrong" at the meeting and told the audience that he had secured a promotion for Armstrong at Toyota when it established the diversity program. "Brother Armstrong" was the gatekeeper to the benefits of the Toyota program, and he clearly was beholden to Jackson.

Members of Rainbow/PUSH's Trade Bureau stood to benefit substantially from the new Toyota program. In the past, Jackson and Rainbow/Push had intimidated mega-companies like Toyota into spending millions of dollars on so-called minority outreach programs. Jackson and Rainbow/PUSH would then refer members of the Trade Bureau to the browbeaten corporation for lucrative contracts and other business opportunities. At the same time, Jackson and Rainbow/Push garnered large membership fees paid by Trade Bureau members who sought these business opportunities. It's a tightly controlled shake-down operation that Jackson has created under the guise of remedying discriminatory practices or advocating for minority-owned businesses. In reality, it is Jackson's means of self-promotion, self-aggrandizement, and self-enrichment.

Trade Bureau memberships come with perks – and a hefty price tag. Members pay \$1,000 for a gold membership, \$500 for silver and \$300 for basic. Additionally, there is a \$300 application fee. Those who dish out the \$1,000 get additional meeting opportunities with wealthy corporations and an exclusive networking reception with Fortune 500 trading partners, as well as a private meeting with Jackson that includes a photo opportunity with him.

The Trade Bureau has what it calls a strict code of conduct, and herein lies the greatest irony of this lawsuit. The code

requires members to maintain professionalism and decorum while fostering relationships and specifically says, "Trade Bureau members shall not threaten, intimidate or harass trading partners in an effort to force business relationships ..."

Yet, as dialogue recorded at the meeting proves, Jackson and his son threatened, intimidated and harassed Rev. Peterson at the meeting. What's more, Jackson and his son even resorted to physical violence. As he so clearly demonstrated at this meeting, Jackson is anything but the pacifist he claims to be from his early civil rights days. His bullying tactics are now his trademark, and he believes he is untouchable.

During a question and answer session at the meeting, Rev. Peterson stood up, introduced himself and politely asked Toyota's Vice President of Communications, Irving Miller, how a conservative, black organization like BOND could participate in the new Toyota program without having to go through Rainbow/PUSH.

From the podium, Jackson chastised Peterson, stating that "the issue is not conservative or liberal. It's some parasites who want to pick apples from trees they didn't shake." During cross-examination at trial, Jackson admitted he intentionally branded Rev. Peterson a "parasite" and that Rev. Peterson was not entitled to pick the "apples" or Toyota program benefits from the Toyota "tree" because, unlike Jackson, Rev. Peterson had not shaken the Toyota tree. Jackson made himself, and his strong-arm tactics, very clear. Jackson shakes the corporate trees, and Jackson chooses who picks up the fruit.

As the meeting adjourned, Jonathan Jackson blocked Rev. Peterson from leaving the areas around his seat and cursed him, causing Rev. Peterson to become frightened for his safety. Shortly thereafter, Jonathan escalated his tactics of intimidation and violence by striking Rev. Peterson in the shoulder and cursing him as Rev. Peterson stood at a refreshments table. Jesse Jackson then walked over, stood next to Jonathan and joined in, cursing Rev. Peterson and verbally assaulting and physically threatening him. Jackson also incited the crowd that had gathered around, which became angry and began cursing and shoving Rev. Peterson. Rev. Peterson testified that he feared for his life and said he felt like he was at a Klan meeting. Jackson and his son's assault and battery upon Rev. Peterson exposed Jackson for what he is – a bully. Ironically, Jackson's bullying tactics were also a stark violation of the Trade Bureau's own so-called code of conduct, which is published in a handbook and displayed on its web site.

Jackson's strong-arm tactics against his adversaries even became evident at trial, as Richard Swann, a defense witness, admitted that he was afraid to testify against Jackson because he feared Jackson would ruin his business.

## JACKSON'S ROAD TO RICHES

Such strong-arm tactics have become Jackson's modus operandi. For decades he has intimidated numerous companies into donating hundreds of millions of dollars to his organization by suing, protesting, and boycotting them under the guise of redressing racism. All the while, Jackson benefited himself first and foremost. Among the big players are Texaco, Coca-Cola, Ford, Anheuser-Busch and several telecommunications giants.

As early as 1982 Jackson launched a boycott of Anheuser-Busch because it purportedly did not have enough black-owned distributorships nationwide. The beer company eventually contributed \$510,000 to Jackson and established a \$10 million fund to help blacks buy distributorships. When Jackson's two sons (Yusef and Jonathan) purchased a River North distributorship in Chicago for an estimated \$30 million, Jackson dropped the boycott and became the company's best friend.

Jackson has gone so far as to lobby the Federal Communications Commission to block companies seeking government approval to merge, until they donate money to his organization. In the late 1990s, he opposed the merger of telecommunications giants SBC and Ameritech, saying it would be detrimental to low-income customers.

Money changed Jackson's mind, however. He became the deal's biggest cheerleader when the companies donated \$500,000 to one of his Rainbow/PUSH funds.

Shortly after that, he opposed a merger of AT&T and TCI but, once again, reversed his position after AT&T wrote a \$425,000 check. Fearing the wrath of Jackson's racism accusations, other telecommunications giants – including GTE and

Bell-Atlantic – followed suit with big contributions.

Such shakedown anecdotes are abundant in Jackson's storied public life, and the Toyota case is only the most recent of many. The Toyota shakedown began with a postcard advertisement that Toyota used during the summer of 2001 to promote a new sports utility vehicle.

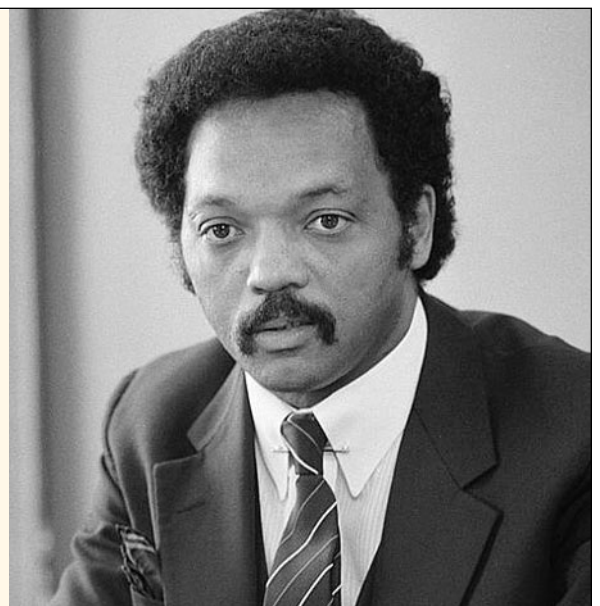
The ad featured a smiling black man with an image of the SUV visible on his bright gold tooth. Jackson said the ad was racist, and Toyota immediately pulled it. That was not enough for Jackson. He threatened a boycott of Toyota, and the auto maker's frantic executives agreed to meet with him. With Jackson at their side a few months later, Toyota executives announced a new, \$7.8 billion diversity program – the one featured at the Los Angeles meeting where Rev. Peterson was attacked for daring to ask Toyota how a conservative, black organization that was not part of Jackson's inner circle could work with Toyota in a positive, mutually beneficial way.

Toyota's Irving Miller, the vice president of corporate communications, admitted in his sworn deposition that company officials were deeply concerned about the potential boycott and that it was the reason Toyota developed the so-called 21st Century Diversity Strategy, which pledged to make \$700 million in contracts and business opportunities available to minority firms each year for a period of ten years.

Visibly nervous during his deposition in Los Angeles, Miller was careful to avoid testifying that the multi-million dollar plan was actually devised or controlled by Jackson. He did admit, however, that Toyota discussed Jackson's concerns and that those concerns are "manifest in the program that we developed."

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Photo: Jesse Jackson in 1983.



That apparently included promoting Jackson's good friend, J.L. Armstrong, to a key management position at Toyota where he became the point man for minority businesses and organizations seeking to benefit from the new diversity program. In other words, Jackson's hand-picked man conveniently became the gatekeeper at Toyota for deciding who would get the \$700 million worth of contracts and business opportunities pledged by Toyota per year.

A longtime friend of Jackson, Armstrong is a minister at First African Methodist Episcopal Church, the oldest church founded by African Americans in the City of Angels. The congregation of about 18,000 members has several dozen "ministries" within 14 corporations that claim to "bless and reach" tens of thousands of seekers in greater metropolitan Los Angeles.

At Jackson's request, Armstrong rose through the ranks at Toyota. A videotape of the now infamous 2001 meeting at which Rev. Peterson was viciously attacked shows Jackson taking credit for Armstrong's recent promotion to national sales manager at Toyota. Although Jackson and Armstrong claimed not to know each other very well when they testified in depositions given prior to trial, Jackson repeatedly referred to Toyota's new national sales manager as "Brother Armstrong" at the 2001 meeting, and a videotape shows Jackson embracing "Brother Armstrong" just after announcing his promotion. The two men were clearly very well acquainted. Indeed, at trial, Jackson admitted that Armstrong was a "good friend."

When asked if Toyota's 21st Century Diversity Strategy had anything to do with "Brother Armstrong's" promotion, a jittery Irving Miller testified: "Well, I think only in the, in the regard that his responsibilities were going to increase because of the role that he will have in, in assisting to administer this program."

Jackson also repeatedly referred to "Brother Armstrong" at the 2001 meeting as Rainbow/PUSH's ambassador to Toyota. Undoubtedly, "Brother Armstrong" is a Jackson crony put in charge of controlling who gets a piece of the Toyota megabucks pie. It's simply a way for Jackson to control the multi-million dollar program, since Rainbow/PUSH provides Toyota with the names of individuals or entities that will benefit. Jackson explained the process under oath: "[T]he way it

worked simply is that when a company gives its procurement, what it does, we recommend names that can engage with them."

Jackson also asserted that membership in his Trade Bureau is essential, since that apparently is how he controls who benefits from these rich programs. Jackson said the Trade Bureau seeks "to overcome patterns of discrimination and exclusion" although, as Rev. Peterson's case show, he will gladly exclude those minorities who don't pay him.

Even Jackson's former security guard, Roger Tinsley, testified that only by joining the Trade Bureau would minority companies be able to "be in front of Toyota and other corporations to provide contracts for your business and opportunities."

**Jackson finally was forced to admit, under oath, what many have known for years; that Jackson's brand of civil rights comes with a price tag. If you don't join the Trade Bureau — and pay dues to Jackson — you won't have any chance of picking up the apples from the trees Jackson shakes.**

Jackson drove home the point at the 2001 meeting by using an analogy from the Bible to tout the benefits of membership in his Trade Bureau. Jackson compared the Trade Bureau to "Noah's Ark," claiming that minority businesses and organizations had to be inside the "ark" in order to survive: "Those who could not swim inside the ark survived. Those who could swim outside of it drowned . . . So wise men and wise women build an ark . . . That's what putting up the money is about." At trial, Jackson tried explained the analogy this way: "[U]nless you were organized and build an infrastructure, you cannot grow and participate."

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rights comes with a price tag. If you don't join the Trade Bureau — and pay dues to Jackson — you won't have any chance of picking up the apples from the trees Jackson shakes.

In many ways, Rev. Jesse Lee Peterson provides a perfect foil to Jackson, which is one of the reasons Judicial Watch agreed to represent him in his lawsuit. A hung jury may have failed to convict Jackson of legal wrongdoing, but Jackson's unethical and self-enriching race-peddling was clearly exposed for all to see. Jackson now is truly the emperor with no clothes.



# Judicial Watch

Because no one is above the law!



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## ABOUT JUDICIAL WATCH

Judicial Watch, Inc., a conservative, non-partisan educational foundation, promotes transparency, accountability and integrity in government, politics and the law. Through its educational endeavors, Judicial Watch advocates high standards of ethics and morality in our nation's public life and seeks to ensure that political and judicial officials do not abuse the powers entrusted to them by the American people. Judicial Watch fulfills its mission through investigation, litigation, and public outreach.

### Investigation:

Open government is honest government. This is the principle that drives Judicial Watch's fight against government secrecy. Using open records laws, such as the federal Freedom of Information Act (FOIA) and the states' Sunshine Laws, Judicial Watch forces the release of government documents into the public domain. When elected and appointed public officials or government agencies stonewall investigations or try to hide behind special privilege, Judicial Watch takes strong legal action to force them to comply with open records laws. Our persistence and strategy has proven extremely effective. Judicial Watch has filed more than 900 open records requests in its first ten years, leading to the release of hundreds of thousands of documents into the public domain.

### Litigation:

Litigation and the civil discovery process not only uncover information for the education of the American people on anti-corruption issues, but they can also provide a basis for civil authorities to criminally prosecute corrupt officials. Judicial Watch has filed more than 150 lawsuits against corrupt public officials, achieving numerous victories on behalf of the American people. This is what separates Judicial Watch from other watchdog organizations. Judicial Watch is willing to take action, to use the civil court system in order to achieve justice. Thanks, in part, to its aggressive litigation, Judicial Watch was recently named one of the "top ten" most effective government watchdog organizations by *The Hill* newspaper.

### Public Outreach:

Judicial Watch's investigation, legal, and judicial activities provide the basis for strong educational outreach to the American people. Judicial Watch's public education programs include speeches, opinion editorials (op-eds), publications, educational conferences, media outreach, radio and news television appearances, and direct radio outreach through informational commercials and public service announcements. Through its publication *The Verdict*, educational mailings, and special reports, Judicial Watch educates the public on abuses and misconduct by political and judicial officials and advocates for the need for an ethical, law abiding and moral civic culture. Judicial Watch also pursues this educational effort through its Internet site, [www.judicialwatch.org](http://www.judicialwatch.org), where many of the open records documents, legal filings, and other educational materials are made available to the public and media.

**"I think it is fair to say that Judicial Watch has been singularly successful in bringing scandals to light, educating the public, and using the legitimate tools of the judicial system to obtain justice on behalf of the American people."**

– Former Congressman Bob Barr (R-GA)