

## SAY IT LOUD: BLACK – MONEY – POWER (TIME TO SUPPORT BLACK BUSINESS)

Written by Jeffrey L. Boney, Associate Editor  
Wednesday, 27 March 2013 00:00

---

# SAY IT LOUD

## BLACK – MONEY – POWER



The Tulsa Race Riot was one of the worst acts of racial violence in American history. Over 35 square blocks of homes and businesses were torched by mobs of angry Whites on June 1, 1921. The riot began because a White woman named Sarah Page allegedly lied on an African American man, named Dick Rowland.

As a result, a White lynch mob decided that it was going to take matters into its own hands and kill Dick Rowland, thus prompting one of the most intentional genocides on Black people in American history.

The Tulsa Race Riot was a large-scale racially motivated conflict, between the White and Black communities of Tulsa, Oklahoma, in which the wealthiest African American community in the United States, the Greenwood District also known as 'Black Wall St' was burned to the ground. The Black dollar in that community turned over more than 30 times, leaving many to wonder how they too could experience the same level of success that the Black residents of 'Black Wall St' experienced.

In 2012, the African American population in the United States reached almost 43 million, representing approximately 13.7% of the U.S. population. Since 2000, the total U.S. population only increased by 11.3%, while the Black population increased by 17.9%, a rate that is 1.6 times greater than overall growth. With a projected buying power of 1.1 trillion by 2015, Black consumers remain at the forefront of social trends and media consumption.

As a Black consumer, these figures should serve as a wake-up call, as well as an opportunity to use these statistics to better understand the value that the Black dollar has and the role that Black people play in the overall economic infrastructure of the United States. Each purchasing

## **SAY IT LOUD: BLACK – MONEY – POWER (TIME TO SUPPORT BLACK BUSINESS)**

Written by Jeffrey L. Boney, Associate Editor  
Wednesday, 27 March 2013 00:00

---

decision that the Black consumer makes has an impact on every company's bottom line.

### **NIELSEN 2012 AFRICAN AMERICAN CONSUMER REPORT**

The African-American Consumers: Still Vital, Still Growing 2012 Report, the second of three annual installments conducted by information and analytics company Nielsen, provides an in-depth analysis of African American consumers to help better understand their buying behaviors, as well as what influences and motivates their actions. The report provides a single-source view into what consumers watch and buy, as well as an opportunity for small and large companies to better understand how to grow market share by tapping into this highly influential and growing consumer segment.

The report found that if Black people in America had their own country, their nearly 1 trillion in annual buying power would make them the 16th largest country in the world. More importantly, the report uniquely highlights how African American consumers can take advantage of using their collective spending power to bring additional economic resources or more customized product offerings to their communities.

### **LEADING BY EXAMPLE**

Recently, a coalition of Black media owners, professional and political organizations called on African American consumers across the nation to begin immediately to redirect a minimum of \$20.00 per week in spending to Black-owned businesses. The initiative being called "The Million Dollar Black Spending Power Campaign" is being organized by local groups in a number of key cities. It is projected that even with minimal support this effort may turn 1 million per week back into predominantly Black communities throughout the country.

The initiative is the brainchild of Bob Law, longtime radio personality, entrepreneur and community activist, who recently sent an open letter to the Congressional Black Caucus (CBC), highlighting the assault on Black-owned radio and requesting the CBC to bring the matter to the attention of the FCC and the full Congress. One of the reasons that Law and his supporters created "The Million Dollar Black Spending Power Campaign" is because Black communities are suffering the highest unemployment rates, the lowest median family income and the highest levels of consumer debt.

## **SAY IT LOUD: BLACK – MONEY – POWER (TIME TO SUPPORT BLACK BUSINESS)**

Written by Jeffrey L. Boney, Associate Editor  
Wednesday, 27 March 2013 00:00

---

“From the corporate community to other ethnic groups, every community seems to benefit from Black spending except the Black community,” said Law. “We fully intend to renegotiate the Black community financial relationship with corporate America and others doing business in the African American marketplace. We believe however that a significant starting point is for Black Americans to first take control of our own spending.”

The coalition plans to organize ongoing nationwide activities, along with utilizing online business directories, websites, social media, Buy Black Meet up Groups, referral networks educational events, community forums, local community based expos and Black media outlets to begin to mobilize Black consumer dollars.

### **NUMBERS DON'T LIE**

The average income for African American households nationwide is \$47,290 with 35% earning \$50,000 or more. With an overall aggregate household income level of \$695.6 billion, African Americans continue to be viable consumers, which is why they are projected to have a collective buying power estimated to reach 1.1 trillion by 2015.

Sadly, according to an analysis of 2009 Census data provided by the Pew Research Center and cited by the Associated Press, the median wealth of White U.S. households in 2009 was 113,149, compared to \$5,677 for Blacks. The wealth gap between White Americans and Black Americans is the widest that it has been in a quarter-century, with White households having over 20 times the net worth of Black households.

The dollar circulates almost 10 times within the Jewish community before it reaches the outside. The dollar circulates almost 6 times within the Asian community before it reaches the outside. The dollar circulates at a larger level in the White community than all groups.

The African American dollar, however, does not even circulate one time within its own community.

## **SAY IT LOUD: BLACK – MONEY – POWER (TIME TO SUPPORT BLACK BUSINESS)**

Written by Jeffrey L. Boney, Associate Editor  
Wednesday, 27 March 2013 00:00

---

The lack of financial support by Black people, who don't support Black businesses with their dollars, should not lead anyone to be surprised about the wealth disparity numbers that exist within the Black community. Small businesses are the backbone of America. They create jobs and support communities. Black people must support Black businesses to ensure long-term sustainability.

### **LEARN YOUR HISTORY**

In her research study entitled, "African American Entrepreneurship: The View from the 1910 Census," Michigan Census Research Data Center Executive Director Margaret Levenstein provides some interesting information on the history of Black businesses in this country. The 1910 Census was the first to include a question on employment status and served as the first nationwide survey to include information about race and business ownership.

One of the most striking findings in her study was that in 1910, African Americans were more likely than Whites to be employers and almost as likely as Whites to be self-employed. She found that this was in contrast to today, when African Americans are only a third as likely as Whites to work in their own businesses.

By researching and understanding what has worked for Black people historically in the area of entrepreneurship, the African American community can create an environment that creates sustainable jobs and tackles the high unemployment debacle it is currently experiencing.

But simply starting a business isn't the only solution. The Black community has to not only learn from successful communities of old, like 'Black Wall Street,' it must also begin to empower itself by creating its own jobs and helping to financially support its own businesses to become more than just a mom-and-pop establishment.

### **ELIMINATE THE EXCUSES**

There are definitely some tremendous generational factors that have contributed to the current financial fiasco the Black community finds itself in; but with Black people being in America

## **SAY IT LOUD: BLACK – MONEY – POWER (TIME TO SUPPORT BLACK BUSINESS)**

Written by Jeffrey L. Boney, Associate Editor  
Wednesday, 27 March 2013 00:00

---

longer than most immigrants that have come here, a more serious approach has to be taken to address this dilemma sooner than later. It is time to make a commitment to eliminate all excuses and lead by example, one Black household at a time.

While Black people have the right as American citizens to spend their money where they want and how they want, not supporting their own businesses and entities contributes to the extinction of those establishments.

The same thing applies to African American small businesses. There are many Black consumers who want to spend their money with African American small business, but they don't know how to locate them, because they don't advertise and market their products and services. If the Black consumers don't know where you are and how to patronize you, then you are hurting yourself.

Another major issue that impacts the Black consumer is the disparity in advertising dollars that are spent with African American media outlets by major corporations and other large entities.

Ask yourself the question. What major companies and entities reinvest the hard earned dollars that you spend with them back in the community by advertising in Black media outlets? Do you see the stores that you shop in daily or the companies that you spend money with monthly reinvesting in your community and showing you how much they truly appreciate your dollar?

The lack of engagement in the community that spends money with them shows that there is a true need for a fair method of administering advertising spending to better reflect and align with the preferences of Black consumers and the media environments most trusted by Black consumers. Companies and advertisers must realize that African American consumers are an extremely diverse group and that spending money with African American media outlets to reach the African American consumer should not be lumped into one category.

The reality is, Black buying power is ever-increasing, so major corporations, entities and businesses shouldn't overlook the buying power of the African American consumer. Black consumers should realize the power they possess and use that power wisely and with care.

## **SAY IT LOUD: BLACK – MONEY – POWER (TIME TO SUPPORT BLACK BUSINESS)**

Written by Jeffrey L. Boney, Associate Editor  
Wednesday, 27 March 2013 00:00

---

The real question is, once the African American consumer realizes the power they possess and begins spending their money in their own community, would advertisers and businesses pay attention then?

Time will tell.