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ANOTHER "MARSHALL PLAN" NEEDED TO EMANCIPATE AFRICAN AMERICANS FROM THE VICIOUS CYCLE OF POVERTY

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ABSTRACT

African Americans are experiencing a critical market failure that is characterized by a vicious cycle of poverty. Among other proxies, the enduring poverty is mostly due to African Americans' disenfranchisement in the price-driven economy. The proxies of poverty portray a large measure of unacceptable disparity between blacks and white people in contemporary America. Unlike the resolve of the Great Depression, the Great Recession and the various other recessions, this disparity is unlikely to be resolved by the price mechanisms. Particularly, the huge unemployment that characterizes African Americans suggests that the group experiences an economic depression in the presence of the whites' economic recession. The US has an obligation to resolve the endemic African American poverty with another "Marshall Plan", which needs to be deliberately and exogenously directed. This bailout can be likened to when the US was bailed out of the Western European economy after World War II with the Marshall Plan in 1948.

Contribution/Originality: African Americans are characterized by several misery proxies of a vicious cycle poverty. This persisting poverty inherited from the period of involuntary servitude cannot be minimized in the context of a free market. The legislation and the proclaimed "Great Society" have not really impacted the group to observe a strong market orientation for reducing poverty. Minimizing this endemic poverty to boost African American's market participation will require a thoughtful and deliberate exogenous "Marshall Plan". This plan will be considered just like the US Marshall Plan of the 1940s that bailed out Europe from the ruins of the World War II. This plan is expected to enhance the market parities and justice in the contemporary America.

1. INTRODUCTION

African American systematic exogenous poverty is a type of hardship that is beyond contemporary impoverishment leading to a vicious cycle of poverty. While contemporary poverty is the poverty that an average American has some chance of encountering, vicious cycle poverty is the endemic part of poverty that remains persistent from generation to generation and is unlikely to be resolved by a price mechanism. This poverty is inherited from slavery and Jim Crow due to the group's long period of involuntary servitude in America. Among other limitations, systematic poverty limits the group's access to quality education, entrepreneurial capital, and decent housing. It promotes disproportionate unemployment and incarceration, and educational and purchasing power disparity.

Contemporary poverty could emanate from frictional or seasonal unemployment due to store closures, use of automation within stores, shifts within the technological economy, unnecessary household demand for more leisure, and lack of relevant education and training. With proper fiscal and monetary policies and relevant education and training, contemporary poverty could be alleviated, especially in the long run. Poverty associated with the Great Depression with a twenty-five percent unemployment rate was contemporary and was eventually resolved by the self-correcting mechanisms of the market economy and with increased government spending. Even poverty relative to some forms of human discrimination could be addressed and resolved in the contemporary market economy with or without government intervention.

Particularly, the most recent big recession, the Great Recession, which lasted beyond the two quarters needed to warrant being called a depression, was resolved by self-correcting mechanisms. These mechanisms were facilitated by increased government spending. It could be said that poverty resulting from price failure could eventually be resolved mostly by the self-correcting mechanisms of the market economy and with an increase in government spending. Government purchase activities are mostly known to complement the functionality of the self-correcting mechanisms of the price economy.

By 1945, the economies of Western Europe had been devastated by World War II. With the markets' self-correcting mechanisms and of the knowledge of how to rebuild war-damaged institutions and infrastructures, the US Marshall Plan bailed out the European war-damaged economies with over $13 billion[1] (the equivalent of $114 billion in 2020). Without the bailout, these economies could not have recovered, and persistent poverty would have prevailed. This type of foreign aid is one of the few foreign aids that accomplished the purpose that it was set up to accomplish. In the spirit of the Marshall Plan that bailed out the European economies, Bob Johnson, African American entertainment TV founder, recommended that $14 trillion be paid as reparation for African American servitude[2] as some non-African American groups have received some reparations for significant past wrongs. The US has recently announced additional humanitarian aid of $64 million for Afghanistan, and this brings the total amount given to this country since 2002 to four billion dollars[3]. Moreover, donations from other countries are expected to total $12 billion over the next four years[4]. The financial considerations for other groups imply that African Americans must be considered for Marshall Plan compensation due to the significant past wrongs that still characterize this group.

Just as the Western European economies would not have recovered from the war devastation without US financial intervention, poverty within the African American group which is transferred from generation to generation cannot be resolved in a price economy without sufficient governmental exogenous financial and educational interventions as recommended. Ali, Ohls, Parker, & Walker (2018) stated that non-contemporary poverty endured by African Americans is yet to be addressed. This is to say that the chronic or endemically transferred poverty embedded within contemporary African American poverty will not be alleviated in the price economy in the absence of elevated governmental exogenous financial interventions. This study's perspective is that the African American poverty situation compares to the poverty caused by World War II in Europe in the 1940s and therefore needs to be addressed with deliberate financial and educational interventions to substantially minimize poverty and achieve racial income equity in America.

[1] https://en.wikipedia.org/wiki/Marshall_Plan.

[2] https://www.washingtoninformer.com/bob-johnson-calls-for-14-trillion-in-reparations/.

[3]https://www.usaid.gov/news-information/press-releases/sep-13-2021-united-states-nearly-64-million-additional-humanitarian-assistance-afghanistan and https://www.state.gov/the-united-states-announces-additional-humanitarian-assistance-for-the-people-of-afghanistan/.

[4]https://www.reuters.com/article/afghanistan-diplomacy-aid-int/foreign-aid-to-afghanistan-could-reach-12-billion-over-four-years-some-with-conditions-idUSKBN2842S2.

African Americans face significant disproportionate wealth ownership in the United States. Sufficient wealth was accumulated by white Americans before extending market participation rights to African Americans in a concentrated price economy. Given the current global and domestic market competitiveness, firms' concentration, and constraints imposed by various empirical measures, African Americans continue to have a marginal or latent participation in the price economy. Until today, members of the group do not seem to have had adequate insight into the economy to build wealth (Collins, 2016). The past denial of African Americans in the market culture during the American servitude period seems to explain the group's vicious cycle of poverty and incarceration, market disenfranchisement, and the inability to understand the voluntary market transactions and specific entrepreneurial attributes of the market economy (Ucbasaran, Westhead, & Wright, 2008). Particularly, the inability to accumulate an appreciable wealth signifies that the group is yet to understand the principal roles of the price mechanism as the allocator of scarce resources. The market concepts—scarcity of resources, utility and profit maximization, product substitutions, specialization, comparative and speculative advantages, savings and investments, and entrepreneurship and partnerships—may not have been well understood by the group.

The vital market concepts must be understood and demonstrated pragmatically by African American groups to fare well in the competitive and price driven economy. With limited understanding of these market principles, African Americans observe a highly limited market arena to acquire wealth in contemporary America, and the outcome has been a persisting vicious cycle of poverty. With highly limited market vision, African Americans observe high unemployment rates (Rehg, 2013). Particularly, the members of the group do not exhibit substantial levels of market entrepreneurship and partnerships to establish small businesses, especially in their neighborhoods. Instead, most African Americans depend on the majority for employment, and this dependence leads to high incidences of unemployment within the group, especially in recessionary periods (Rehg, 2013). Strong market partnerships necessary for underwriting initial substantial business outlays are yet to be identified among African Americans. With a highly limited market foresight, an African American's median net worth in 2001 was $19,024 compared to a white person's net worth of $120,989 (Lui, Robles, Leondar-Wright, Brewer, & Adamson, 2006).

The limitation of both market entrepreneurship and partnerships in the group leads to the consequence of the persisting poverty and, therefore, of stunted inherited wealth and of contemporary incomes. These are the basis for the group's experience of unacceptable purchasing power disparities. Not all the members of any racial group may understand the intricacies of the market arena. The limitations of the African American market understanding could be said to have originated from their long market disenfranchisement. Therefore, the long standing African American market participatory unawareness, most especially in the financial market, will partly explain the persisting and chronic part of their poverty (Lui et al., 2006).

Unfortunately, current income, not wealth, is used to assess a group's economic performance and its purchasing powers. Appreciative contemporary income will add to the recipients' existing wealth to command more comparative and speculative advantages. If African Americans' stunted wealth is relatively constant over time, it would imply that contemporary income appreciates sluggishly or is stagnating and will lead to more income and wealth disparities. Accumulated wealth, especially inherited wealth, contributes to the contemporary aggregate income that includes entrepreneurial profits, wages and salaries, dividends, rent, and royalties.

If the group's economic performances are assessed based on comparative wealth, then clear, limited African American wealth ownership and the wealth and income inequalities would be more apparent. Given the market ignorance of the group, the ratio of African American wealth to that of white Americans would be substantially insignificant and would clearly reveal the group's ownership in contemporary America. The goals of this study, therefore, are to present a compelling advocate for the government's deliberate exogenous interventions in the form of another Marshall Plan to emancipate African Americans from the vicious cycle of poverty. The following is the layout of the rest of the study: Section 2 highlights some of the challenges in the assessment of poverty; Section 3 discusses the critical sources of poverty; the stigmas of poverty and the study's methodology are respectively handled in Sections 4 and 5; Section 6 contains a request for a renewed Marshall Plan; and Section 7 provides direction for future studies on this topic.

2. SOME CHALLENGES ENCOUNTERED IN ASSESSING AFRICAN AMERICAN POVERTY

African American market performance is mostly assessed from earned wages since there is a latent participation of the group in the financial market (Lui et al., 2006). Measuring a racial group's aggregated wage and the related poverty poses a constant challenge. Only an indexed composite series of aggregated wages of all market participants of all racial groups is measured. Moreover, the unavailability of aggregated wages by individual racial groups poses a challenge in measuring a group's average wage relative to productivity, and from a high frequency wage data series. An average wage measured from high frequency data would be ideal for measuring racial groups' wage gaps. With the measures of the wage gaps, each group's economic performance and occupational adjustments could be appropriately understood and managed. The composite of all racial groups' poverty is measured on a ten-year basis from the census data. Also, poverty is not measured using high frequency data to support frequent assessments for combatting and minimizing a group's poverty. The most likely outcome from delayed assessments could be even worse poverty. There is no series on each group's wealth and all groups' wealth estimates could be subjective. Also, home ownership, another measure of a group's wellbeing, is not constructed from high frequency series. Due to the limitations of these series, the estimates from the market indexes may not be accurate enough to help us understand the devastating impact of the Great Recession and of the coronavirus pandemic on the African American experience. The dimensional extensiveness (duration of poverty) and intensiveness (magnitude of deprivation) effects of African American poverty depends mostly on the composition of the households. Buss (2010) noted that the per capita income of the poor has remained almost constant, while that of the rich increased between 1987–2007. Though poverty is likely to increase as the family size becomes larger, the household families headed by two economically employed spouses are the most likely to avoid very extreme poverty. Therefore, African American households headed by one spouse are more likely to be poor. The levels of both the extensiveness and intensiveness of the poverty in families headed by one spouse depends on the market income of the single spouse. Therefore, a vicious cycle of poverty describes a situation whereby the spouse or spouses do not earn income from market activities. Where family household heads engage in limited work activities due to a preference for engaging in family activities, their children's welfare could be adversely impacted, leading to child poverty. Child poverty should not be tolerated and is most common in urban areas in America. However, a high dimension of child poverty exists in African American families[5]. Children who do not have responsible parents or guardians to direct their upbringing are likely to experience abject poverty. These individuals accept poverty and are more likely to commit crimes, attend institutional facilities, and engage in hedonic consumption.

3. CRITICAL SOURCES OF THE AFRICAN AMERICAN POVERTY

Poverty can be explained by the extent of a group's market foresight and participation. Without an entrepreneurial and business partnership culture, and access to venture capital and opportunities, African Americans, after the emancipation, were scattered among the overwhelming white population in a severe competitive and comparative economy. The group was overwhelmed on foreign land by the members of the group that have market attributes. From a marginal economic perspective, the members of the African American group, therefore, have been unable to enter the market or self-employment to reduce their unemployment rate and poverty. Without the market foresight, the African American unemployment rate remains very high, even during a growth

[5] http://nces.edu.gov/pubs2010/2010015.pdf.

economy[6]. Limited self-employment and self-reliance would explain why the group's unemployment rate was roughly twice that of white people during the Great Recession (Rehg, 2013).

Particularly, with a latent ownership of competitive small businesses that are most common in the US economy, African Americans tend to seek employment in government and non-profit organizations, and they depend on the majority for private sector employment. Creating and sustaining small businesses is very challenging in the competitive US economy and most small businesses may not withstand the competition beyond a year before shutting down. It is therefore obvious that African Americans who are not part of the competitive free enterprise culture and do not have market entrepreneurship and partnerships may not be able to create businesses that can withstand the market competition. Instead, African Americans tend to gravitate toward exercising entrepreneurship and partnerships in the context of faith-based and non-profit organizations. As a result, the economy tends to sustain high productivity and wages by creating substantial unemployment, mostly from the impoverished and uneducated. These insights led to a detailed discussion of market principles by Nwaokoro (2017).

African Americans' non-recessionary unemployment rate is unacceptable, even in an economic growth period. During the growth period of 2019, the respective rate was still higher than that of white people[7]. African American unemployment rates worsen in a recessionary economy. During the great recessionary period, African American and white unemployment rates imply that African Americans are in a depression when whites are in a recession (Rehg, 2013). Recessionary unemployment rates perpetuate the African American endemic poverty. Since African Americans derive the most aggregated income from labor resources, the high level of unemployment and its duration seriously and adversely impact the group's acquisition of consumer goods and services, education and training, health care, housing, and savings and investments.

Poverty is correlated with race in contemporary America. Despite the laws that aim to correct the past discriminatory wrongs, even during wage growth, African American people are still the most likely to be poor. The poverty inherited from slavery and Jim Crow periods due to human discrimination was not resolved by the market forces and are particularly responsible for the African American people being poor. Due to African American economic vulnerability, an adverse exogenous event, such as the coronavirus in April 2020, resulted in an African American unemployment rate of 16.7%, which is higher than the 15.7% of the entire labor force. The related estimate from Michigan State was 27.2%[8]. So, the limitations of resources for self and community development hold back the group's economic development and increase its poverty. A long duration of increasing or unabated unemployment magnifies poverty and perpetuates the vicious cycle of poverty that the price economy cannot resolve.

Another critical outcome of inherited poverty that leads to persistent African American poverty is the heavy and disproportionate incarceration of the members of the group (Georgia Department of Corrections, 2010). Unfortunately, most of the incarcerated are young and do not have a GED or high school diploma[9]. Moreover, felons carry conviction stigmas and may not regain economic reputation and general trustworthiness after

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[6] See the black and white unemployment rates for December 2019: https://www.nytimes.com/2020/02/07/business/black-unemployment-wages.html?te=1&nl=the-upshot&emc=edit_up_20200210&campaign_id=29&instance_id=15880&segment_id=21141&user_id=421309b2bc11732c5f04b819b26e2bb6&regi_id=6912145620200210.

[7] See the black and white unemployment rates for December 2019: https://www.nytimes.com/2020/02/07/business/black-unemployment-wages.html?te=1&nl=the-upshot&emc=edit_up_20200210&campaign_id=29&instance_id=15880&segment_id=21141&user_id=421309b2bc11732c5f04b819b26e2bb6&regi_id=6912145620200210.

[8] https://sgp.fas.org/crs/misc/R46554.pdf.

[9] All incarceration estimates are retrieved from http://www.prisonpolicy.org/reports/rates.html.

conviction. They may not find gainful employment and may not earn according to the dictates of their productivity. It could take substantial productivity and trustworthiness for felons to achieve employment advancements. The major consequences of the heavy and disproportionate African American incarceration implies perpetuated poverty, stagnating incomes and wealth, and unfavorable purchasing power disparity. Incarceration leads to the consequences of costs that comprise the private costs of the incarcerated and of the societal costs of litigation and rehabilitation. In Albany, MSA Georgia, for example, the African American incarceration rate exceeds that of the state of Georgia (Georgia Department of Corrections, 2010). Economic deprivation in a non-market space can compel commission and acceptance of crimes, the associated penalties, and poverty. So, it could be obvious that enduring economic deprivation could compel commission and repetition of crimes. People with a limited education are more likely to display irrational behavior that may even lead to continuous commissions of the same crimes for which the respective individuals have already been punished. Particularly, irrational behavior within stratified, restricted and impoverished spaces where African Americans live will most likely lead to an infestation of crime, hedonic consumption, teen pregnancies, and school dropouts. These situations adversely impact market orientation preferences. In these situations, it is difficult to reform irrational behavior through market incentives, education, job opportunities and occupational training. Given the critical impoverishment, those with higher incomes could engage in conspicuous consumption to differentiate themselves from the rest with the aim of being accepted by the majority group. However, market learning and mentoring may not take place alongside conspicuous consumption in an impoverished space. In the absence of market orientation, even the few scattered small businesses such as laundromats, gas stations, pawn shops, and retail and service shops in African American neighborhoods are mostly owned by whites and new immigrants. In summary, while people who display irrational or antisocial behavior and do not express an interest in market orientation beg for money, upper-class individuals with higher incomes who consume to "keep up with the Joneses" tend to waste their income on conspicuous consumption.

Unemployment and criminal justice discrimination are unacceptable but are most likely to impact African Americans, especially in rural America. This discrimination perpetuates income and wealth inequalities, unfavorable purchasing power, health disparities, and poverty. The criminal justice system is less likely to provide judicial equity to the poor, especially in restricted, impoverished environments. The poor, who are unlikely to have access to defense attorneys, would only have legal representation from public defenders, and it is doubtful that the legal outcomes from public defense representation would be rooted in judicial equity. The poor, who are unable to achieve judicial equality, may embrace some market stigmas that will lead to extended poverty. The primary consequence of all these adversities that distort African American participation in the economic market is the group's inability to aggregate the most income from the economic markets.

4. EFFECTS OF POVERTY

Poverty, a state of economic deprivation, can impact self-worth and could lead to loss of both political and market enfranchisement, and can cause labor stigmatization (Wiese, Loomis, & Mitchell, 2019). Suppa (2021) posited that social segregation and deprivation significantly reduce life fulfillment. Therefore, a long duration in poverty could substantially and adversely impact individuals' informed rationality in the market economy and in observing work ethics. The poorest may not compare the utility from work to that from hedonic activities, from program incomes, or from handouts to achieve improved individual welfare. People will exercise market effort relative to their human capital to engage in economic activities if they reap the rewards.

Crime could be linked to poverty, especially among the less educated. Particularly, the poor in restricted and stratified environments who lack access to market mentoring are more likely to self-select crimes and hedonic activities. Therefore, enduring poverty or a vicious cycle of poverty could be responsible for the repetition of crimes and convictions. Enduring poverty may not provide an exit for those entrapped to emancipate themselves to engage in education and training or other market activities.

Poverty could compel an individual to work for a market wage that is not commensurate with job itself. Poverty-entrapped individuals without education and market principles are more likely to have offspring that are poor. A compelling situation of intergenerational poverty calls for the deliberate eradication of poverty. Poverty must not be seen as a choice, especially in an advanced economy. Literature and empirical evidence have not substantially shown that poverty can be minimized only in the context of the market without some compelling policy actions (Nwaokoro, Ojemakinde, & Ali, 2015; Nwaokoro, Ojemakinde, & Washington, 2017; Phillips, 2015). Therefore, both economic markets and deliberate actions outside of the markets can begin to minimize the vicious cycle of poverty.

Poverty could relate to the African American probability of death. A high probability of death is expected where poverty affects people's access to proper nutrition and healthcare. Poor individuals who do not have access to frequent medical check-ups may, in critical situations, end up at emergency rooms as witnessed during the coronavirus pandemic. These individuals could die before having the required medical treatment. Extreme impoverishment in restricted areas could lead to health problems caused by preexisting health conditions, which could elevate the probability of death. Poverty has been linked to illnesses such as stroke, heart disease, cancer, and family disintegration (Lardner & David, 2005; Owen & Martinez, 2008; Riddell, Jean, Stephen, & Geoffrey, 2011). These diseases could be linked to African Americans having a mortality rate that is higher than that of whites[10]. Poverty, therefore, can elevate the negative effects of other societal adversities such as human discrimination, disproportionate incarceration, market and political disenfranchisement, and disparities of health, income, wealth, purchasing power, and school dropouts. These adversities should suffice to recognize poverty as a human disease that needs to be eradicated.

5. METHODOLOGY

African American poverty can be summarized from the perspective of wage disparity. This disparity is explained by the impact of many years of slavery, Jim Crow laws, human discrimination, disproportionate incarceration, and the inability to strongly embrace a free market's entrepreneurship and partnerships. The estimates of the adversities are summarized by the wage disparity. These market and non-market estimates suggest that the market by itself cannot resolve the persistent African American poverty without thoughtful and deliberate exogenous interventions of another Marshall Plan to deal with the issue. The adversities in American society have distorted the wages that are supposed to be explained by the dictates of marginal productivity. The wage rate from Dougherty County, Georgia, for the African American majority is highly limited (Nwaokoro, 2012). Therefore, the African American income enhancement can be stated as:

$$\textit{African American income improvement} = f\,(\textit{Marshall Plan}).$$

The various labor laws--Full Employment Act of 1946, Full Employment and Balanced Growth Act of 1978, and the affirmative action policies—do not seem to have advanced the market income of African Americans (Nwaokoro, 2012). The Marshall Plan with deliberate and adequate exogenous investments will enhance the stunted African American human capital and market-related knowledge through development institutions and infrastructures. With functional education, the plan will enhance the shift of the African American labor demand. An increase in labor demand will elevate the respective physical productivity of labor, wage rates, and aggregate income. The learnings, institutions, and infrastructure brought about by the plan will create a conducive environment for entrepreneurs and partnerships to flourish to reduce the unacceptable market disparities.

The study, therefore, cites some critical and diverse estimates to highlight the vicious cycle of poverty among African Americans driven by the historical trajectories listed in Table 1. These adversity estimates portray what the status quo will be in the absence of another Marshall Plan for African Americans. The group's high unemployment,

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[10] Racial and ethnic differences in mortality at older ages: https://www.ncbi.nlm.nih.gov/books/NBK109843/.

poverty, incarceration, teenage pregnancy, political disenfranchisement rates, the limited wage growth and participation in the financial market, and the length of time it takes for African Americans to achieve economic parity with whites all indicate the urgent need for another Marshall Plan. A long period of group-based discrimination and incarceration can stigmatize labor, leading to a vicious cycle of poverty as demonstrated by the misery-proxy estimates.

The disparity estimates speak of the disparities and inequalities in contemporary America. The state of Georgia's disparity wage rate of .48 suggests that an average African American earns forty-eight cents for every dollar earned by the average white person (Nwaokoro, Williams, & Washington, 2021). This wage disparity should not be acceptable in America and cannot be corrected by the contemporary forces of market demand and supply.

Table 1. Estimates of proxies of poverty.

Criteria	Estimates
Black unemployment rate: 2008 & 2010[a]	(9.2%, 2008), (17.50%, 2010)
White unemployment rate: 2008 & 2010[a]	(4.4%, 2008), (9.50%, 2010)
Hispanic unemployment rate: 2008 & 2010[a]	(6.4%, 2008), (12.6%, 2010)
Black unemployment rate: December 2019[11]	6.4%
White unemployment rate: December 2019	2.9%
Median wage growth of blacks[12]	4%
Median wage growth of whites	3.4%
Hourly male wage gap of blacks and whites[b]	22.0%
Black children poverty rate[c]	34%
White children poverty rate[c]	10%
Stock ownership[d]	10%[d]
Black incarceration rate: 2014[e]	40%
White incarceration rate: 2014[e]	39%
Hispanic incarceration rate: 2014[e]	19%
Black teen pregnancy[f]	9% (1996)
Years for black family to build the wealth of today's white family[g]	228 years
Black disenfranchisement (2004)[h]	15% of black voting population

a: see Rehg (2013).
b: see Wilson (2016).
c: http://nces.edu.gov/pubs2010/2010015.pdf.
d: see Lui et al. (2006).
e: All incarceration estimates were retrieved from http://www.prisonpolicy.org/reports/rates.html.
f: Greer (2013).
g: Collins (2016).
h: Robinson (2015).

An income improvement for African Americans can be brought about by the forces of fundamental policy of exogenous interventions and by increasing market knowledge and equalizing the power of functional education. Most African Americans reside in the southern US, which houses roughly one-third of the US population and about 40% of those are considered poor (Riddell et al., 2011). This region harbors labor discrimination and mass incarceration of African Americans relative to the group's population, and this can adversely impact the group's market understanding. Dorsey (2020) identified health disparity in particular that is faced by black women due to historical trajectories and provides solutions.

[11] See the black and white unemployment rates for December 2019: https://www.nytimes.com/2020/02/07/business/black-unemployment-wages.html?te=1&nl=the-upshot&emc=edit_up_20200210&campaign_id=29&instance_id=15880&segment_id=21141&user_id=421309b2bc11732c5f04b819b26e2bb6&regi_id=6912145620200210.

[12] See the median wage growth of blacks and whites in December 2019: https://www.nytimes.com/2020/02/07/business/black-unemployment-wages.html?te=1&nl=the-upshot&emc=edit_up_20200210&campaign_id=29&instance_id=15880&segment_id=21141&user_id=421309b2bc11732c5f04b819b26e2bb6&regi_id=6912145620200210.

6. A REQUEST FOR A "MARSHALL PLAN"

Income, wealth, and incarceration disparities have long been perceived in America and have been addressed by enacting critical legislation and by the proclamation of The Great Society, which is a set of legislation, policies and programs aimed at reducing poverty, racial injustice and crime. Since the end of World War II, the economy has not been left to use the power of a self-correcting mechanism without some critical regulating legislation. This shows that America has the tradition of enacting legislation to address inequities that the market could not. The most important legislation and polices intended to address such inequities include the Full Employment Act 1946, Full Employment and Balanced Growth Act 1978, Civil Rights Act 1964, Voting Rights Act 1965, affirmative action proclamations of the 1970s, and some restrictive trade laws, especially for the steel industry. However, these laws have not resolved the epidemic poverty that African Americans experience.

The urge for a great society led to the provision of some non-market institutions of Social Security, Medicare and Medicaid, unemployment benefits, student loans and grants, minimum wage and workplace security, aid for mothers with dependent children, and welfare institutions such as the Department of Human and Social Services. While some of the institutions intend to liberate Americans from temporary and seasonal poverty, the institution of Social Security is aimed at minimizing age-related poverty and the probability of death among seniors (Bata, Nwaokoro, & Seay, 2020). Unfortunately, given the misery estimates in Table 1, the intervening legislation and The Great Society have not really transformed or revolutionized African Americans' market orientations and income. Thus, a request for another Marshall Plan in America is to address African American poverty. This deliberately policy-driven plan is expected to impact African Americans in minimizing the estimates of the persisting misery indexes. Minimizing these estimates using some thoughtful and deliberate policy-driven exogenous actions that the marketspace cannot provide could lead to the establishment of the desired market parities and justice in contemporary America.

Cornelius & Lawrence (2020) requested a bold social agenda to clear the twentieth and twenty-first countries' structural US racism that hinders the distribution of commonwealth. A specific, thoughtful, policy-driven plan would mitigate the misery that disproportionate incarceration causes African Americans. Those who are most incarcerated are poor, young, in their prime, and may not have criminal justice equity. Felons carry conviction stigmas that tend to adversely impact their productivity, wages, and vertical job mobility. These situations can amount to losses of human endowment and deadweight productivity that lead to both private and societal costs. There would be lower crime levels if people have market-related education and are integrated into the market arena, and repeat crimes would be substantially minimized if people are able to relate the impact of their training to their productivity and wages.

A thoughtful policy-driven economic emancipating plan would spur African American entrepreneurship and partnerships. These conditions are mostly exercised by African Americans in non-profit and faith-based organizations that provide guidance for moral formation, poverty alleviation, and disaster management that are not included in the private competitive conditions and struggles within the marketplace. Moving into a real private sector where profit is maximized, incomes earned from dividends, interest, wages, and rent according to the market resources that one owns, will spur the African American market attributes. While an enhanced entrepreneurship will lead to pragmatic profit-maximization efforts in the product and service markets, and earnings from other economic areas, the fear and lack of trustworthiness in market partnerships can be handled by legal documents that detail members' rights, benefits, and obligations.

7. CONCLUSION AND DIRECTION FOR FUTURE STUDY

A vicious cycle of poverty characterizes African Americans. The enduring poverty is explained by the estimates of the disparity indexes provided in the study originating from the days of slavery and Jim Crow laws. If African American poverty is assessed from the perspective of the whites, a huge and unacceptable disparity exists.

Particularly, the unemployment estimates imply that African Americans are in an economic depression when the whites are in an economic recession. The various legislation, affirmative action, and The Great Society have not had a significant impact in minimizing African American poverty. Emancipation from slavery has failed to deliver some factors of production to African Americans who also lacked the free market attributes of entrepreneurship and partnerships.

This research, therefore, takes the stance that the poverty epidemic cannot be resolved by the free market's price mechanism without thoughtful, policy-engineered, exogenous, economic intervention. The study has succeeded by asking for a deliberate policy-driven economic intervention as another Marshall Plan to reduce the poverty and disparities among African Americans that the market could not. This intervention must be thought of as relative to the Marshall Plan of the 1940s that addressed war-torn Europe. The study also recommends pragmatic education and training to boost African American market participation with the attributes of entrepreneurship and partnerships in the contemporary economy. Future studies could measure the Marshall Plan that would have the required income multiplier effect. There is also an urgent need to address the market attributes of entrepreneurship and partnerships to vertically elevate the African American market experience and learning curve.

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