



**BlackEconomics.org®**

### “Eliminating Excuses”

After demoralizing and unforgiveable losses, football enthusiasts often hear coaches and players say: “We make no excuses, but...”

When these words roll off their lips, we say: “Stop! Make no excuses! Accept defeat! Move on!”

Now translate that scenario to our everyday lives, and then project it into the future.

We can do nothing about the past, but know it well, learn from it, demand Reparations where they are due, and be willing to pay for any wrongs that we may have committed.

#### **But the future is another story altogether!**

This winding introduction points to the following statement: **“Black America no longer has an excuse for failing to work to produce more substantial economic progress.”**

In the end, economic outcomes or assessed through balance sheets. Formal businesses must develop balance sheets. Our households are informal businesses; therefore, we should have balance sheets. If not fully documented, then certainly we should have balance sheets in our mind’s eye. We should know quite well our nonfinancial and financial assets (sometimes labeled as noncurrent and current assets) and liabilities (short- and long-term).

We characterize the difference between our total assets and liabilities as our net worth or net position. If our net worth is not increasing (becoming more positive or less negative) from year-to-year (unless we are facing unique circumstances), then we are likely failing to meet our life goals. Arguably, all this is irrelevant for persons on the right side of retirement, who are spending down their assets—with no intent to maximize their legacy.

To increase our net worth, we must increase our assets more than our liabilities. Most households cannot increase their non-financial assets regularly because this typically involves “big ticket” items. However, we should continue increasing our financial assets through saving and investment.

**Because we are not financial advisers,** we will not comment on investment. However, we want to follow up on a 2019 BlackEconomics.org submission, [“How Black America Could Save Billions—Households at Least \\$500.”](#) Specifically, we want to share a simple idea concerning how Black America can save a substantial amount each year, improve our net worth and begin to stop presenting excuses about our financial condition.

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**Proposition: Black Americans can increase our saving and improve our balance sheets by being more judicious about travel/tourism spending because of the following reasons.<sup>1</sup>**

- The income and wealth of the average Black American household are fractions of national averages.<sup>2</sup> To catchup we should identify strategies for increasing our earnings and wealth.
- Today’s technology enables virtual (near in-person) participation in events that were formerly only possible in person.<sup>3</sup>
- Black American religious, fraternal, civic, and other organizations may determine that not only could a switch from in-person to virtual conventions and conferences (events) generate saving for their membership, but if membership is willing to share some of the saving with them, then virtual events could be more financially lucrative (increasing revenue

and reducing expense) than in-person events for these organizations.

- Often, it is possible to learn and experience what other locales offer very easily, comfortably, and effectively without traveling to the locales.

**In other words, there are meaningful and significant reasons to forego some of our tourism, which can generate saving.**

How much saving? We cannot indicate an amount precisely. However, we can develop an estimate of saving for 2019 as follows:

- US households’ tourism spending for 2019 was estimated at \$860.9 billion.<sup>4</sup>
- Black Americans represented 13.4 percent of the population and 13.4 percent of households in the US during 2019.<sup>5</sup>
- Adopting the 13.4 percent share, we multiply it by the \$860.9 billion in spending and arrive at \$115.4 billion as a

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<sup>1</sup> In addition to the reasons given, we invite for consideration our September 1, 2023 submission, “[De-Dignification and Economic Exploitation of Black Americans](#),” which discusses airlines’ use of AI (artificial intelligence)-enabled price discrimination that is aimed at enticing us to pay our highest “willingness to pay” amount for airfares. This is certainly disadvantageous for Black American tourists.

<sup>2</sup> As widely known statistics, the US Census Bureau reported that mean Black American household income was about 69.2 percent of the national mean for 2019; see “Table H-5. Race and Hispanic Origin of Housholder—Households by Median and Mean Income: 1967-2022,” <https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-income-households.html>. Also, the Federal Reserve Board reports that median Black American household wealth was about 14.5 percent of that held by White households (the wealthiest households in the US) in 2019; see “Disparities in Wealth by Race and Ethnicity in the 2019 Survey of Consumer Finances,” <https://www.federalreserve.gov/econres/notes/feds-notes/disparities-in-wealth-by-race-and-ethnicity-in->

[the-2019-survey-of-consumer-finances-20200928.html](#). (Ret. 091423)

<sup>3</sup> We acknowledge that initial/inaugural organizational gatherings may warrant in-person arrangements.

<sup>4</sup> See the Bureau of Economic Analysis’ Tourism Satellite Accounts for 2019 (2019 is chosen for comparison; see footnote 6), “Table 3. Demand for Commodities by Type of Visitor; 2019” <https://www.bea.gov/data/special-topics/travel-and-tourism/tourism-satellite-accounts-data-sheets> (Ret. 091323).

<sup>5</sup> The population percentage is from the Census Bureau; see “Annual Estimates of the Resident Population by Sex, Race, and Hispanic Origin for the United States: April 1, 2010 to July 1, 2019” <https://www.census.gov/data/tables/time-series/demo/popest/2010s-national-detail.html>. The household percentage is from the Bureau of Labor Statistics; see “Table 2100. Race of reference person: Shares of annual aggregate expenditures and sources of income, Consumer Expenditure Survey, 2019,” <https://www.bls.gov/cex/tables/calendar-year/aggregate-group-share/reference-person-race-2019.pdf>. (Ret. 091423)

first-round estimate of Black American tourism spending. Given that Black American mean household income is only 69.2 percent of the national mean, we apply this percentage to the first-round estimate to arrive at a conservative value of \$79.8 billion for Black American tourism spending for 2019.

- A 2020 report from MMGY Global, “The Black Traveler: Insights, Opportunities & Priorities,” indicates that Black Americans spent \$109.4 billion on tourism during 2019.<sup>6</sup>
- Splitting the difference between our \$79.8 billion and MMGY Global’s \$109.4 billion estimates, we settle on a conservative \$94.6 billion estimate of Black American tourism spending for 2019. We suggest that Black Americans could reduce our tourism spending by 10 percent without reducing our well-being substantially. In other words, it should be possible for Black Americans to easily save around **\$9.5 billion** by adopting a more judicious posture toward our tourism spending.

Saving \$9.5 billion in tourism spending is significant and can be considered along with other possible saving that is discussed in our 2019 submission that is mentioned above.

Even non-economists recognize that a reduction in tourism demand means certain going concerns will suffer. Given Black Americans’ increasing business engagement in hospitality industries, there could be a concern that reductions in Black American

tourism spending will injure Black businesses. A response to that concern is that there is scope for the above-described saving without injuring Black businesses. Black Americans could decide to capture much of the proposed saving through a reduction in automotive-related and airline spending. To our knowledge, there are no major Black American owners of automotive manufacturers, petroleum firms, or airlines in the US. Yet we could still frequent Black American-owned hotels and restaurants in areas of influence (communities or cities) where we reside to enjoy relaxing respites in new/different environs not too far from home—“our quiet getaways.”

As Black Americans consider this saving proposition, the following statements come to mind:

- If you do not know that you are in a war, then you do not know that you must fight.
- If you have not identified your opposer, then you do not know who to fight.

Now that our opposers are increasingly in clear view and we realize that we are in an economic war at the very least, then it should be an easy choice to start fighting to win the war by eliminating excuses about our economic plight. The saving described herein is not gargantuan; however, “every little bit helps.” What we know is that we can fight and win the war against economic exploitation and oppression of Black Americans one transaction (strategic game play) at a time.

B Robinson  
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<sup>6</sup> See MMGY Global (2020), “The Black Traveler: Insights, Opportunities & Priorities;” <https://www.mmgyglobal.com/the-black-traveler-insights-opportunities-priorities/>. Selected details of the just-cited report are provided in “New Study Reveals the Spending

Power of Black U.S. Travelers;” <https://www.afar.com/magazine/new-study-reveals-the-spending-power-of-black-us-leisure-travelers>. (Ret. 091223)