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“How is Black Entrepreneurship Affected by the Media?”

BlackEconomics.org recognizes that the media has the power to shape thought and action and can motivate stereotype formation that results in prejudice and discrimination. Discrimination, in turn, is an important contributor to economic inequalities.

A key economic inequality is in entrepreneurship. Black American entrepreneurship lags White American entrepreneurship significantly in the US.¹ There are many reasons for this inequality, including the fact that Black “cultural capital” is not pervaded by entrepreneurship.² In other words, Black youth do not see sufficient evidence of Black business ownership in their areas of influence (community) and, therefore, they do not pursue entrepreneurship as a career goal. Fortunately, this appears to be changing somewhat as of late.

However, one aspect of Black cultural capital is viewing and using the media as a guide to establish career goals. Consequently, given the importance of popular movies, we asked: To what extent do popular movies convey Black characters who are entrepreneurs?

In May 2021, we considered the media by analyzing Academy Award nominated/winning movies over the past generation in an essay entitled, “[What Popular Movies Do and Don’t Do](#).” For this essay, we employ the same datasets that were used for the just-mentioned essay.³ Based on the methodology cited in that essay, we identified the principal character in 43 “Black popular movies” and in 130 “non-Black popular movies.”^{4,5} We classified these principal characters by employment type: (1) Employee of a private or public entity; (2) entrepreneur (business owner); (3) engaged in

¹ Based on 2018 statistics from the US Census Bureau (www.census.gov) and Bureau of Labor Statistics (www.bls.gov), the ratio of Black American businesses to the Black labor force was 16.1 percent, while the ratio of White American businesses to the White labor force was 20.4 percent (Ret. 072821).

² Broadly defined, cultural/social capital is non-physical environmental factors that can be used strategically for physical productive purposes. See “Social Capital,” <https://www.encyclopedia.com/social-sciences-and-law/sociology-and-social-reform/sociology-general-terms-and-concepts/social-capital> (Ret. 093021).

³ The datasets are available upon request from BlackEconomics@BlackEconomics.org.

⁴ By “principal character,” we mean the lead character who is featured most in the movie. In the case of movies with vignettes with different characters in each vignette, the principal character is the one that is most central to the movie’s storyline.

⁵ These statistics differ from those cited in the earlier essay for two reasons: (1) The popular Black movie dataset included one movie without important Black characters (the movie featured a Black Director); and (2) the popular non-Black movie dataset included a duplicate from the popular Black movie dataset, which was eliminated. These data revisions have no material effect on the results of the analysis presented in the May 2021 essay.

a nonprofit entity; (4) engaged in criminal activity; and (5) unemployed. Table 1 and Chart 1 reflect our findings.⁶

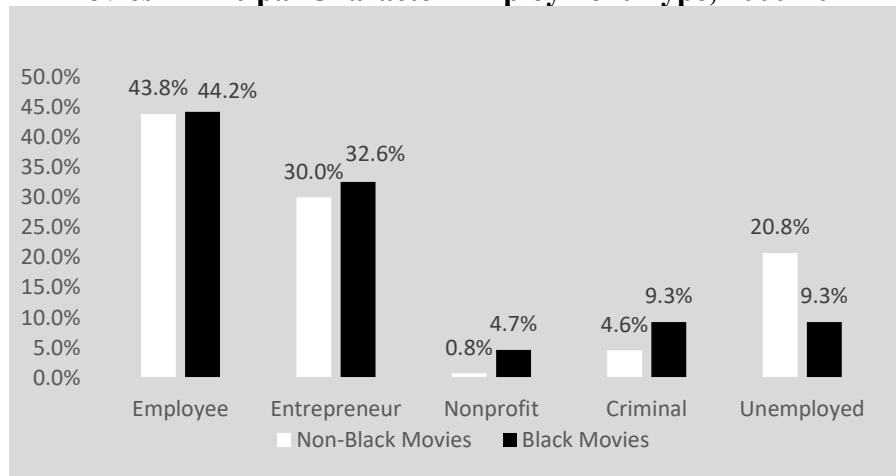
Table 1 and Chart 1 show that, given common knowledge concerning Black representation in the labor force (mostly employees with a small subset of business owners), Black popular movies understate Black employee principal characters, but overstate considerably Black entrepreneurship principal characters relative to non-Black popular movies. It is also noteworthy that, relative to popular non-Black movies, popular Black movies reflect a much higher proportion of principal characters who perform nonprofit and criminal activities, but fewer unemployed principal characters.

Table 1.—Academy Award Nominated/Winning Popular Movies Principal Character’s Employment Type, 2000-2021

Line No.	Employment Type	Non-Black Movies	Black Movies
1	Employee	57	19
2	Entrepreneur	39	14
3	Nonprofit	1	2
4	Criminal	6	4
5	Unemployed	27	4
6	Total	130	43

Sources: Wikipedia with **BlackEconomics.org** computations and analysis

Chart 1.—Academy Award Nominated/Winning Popular Movies’ Principal Character Employment Type, 2000-2021



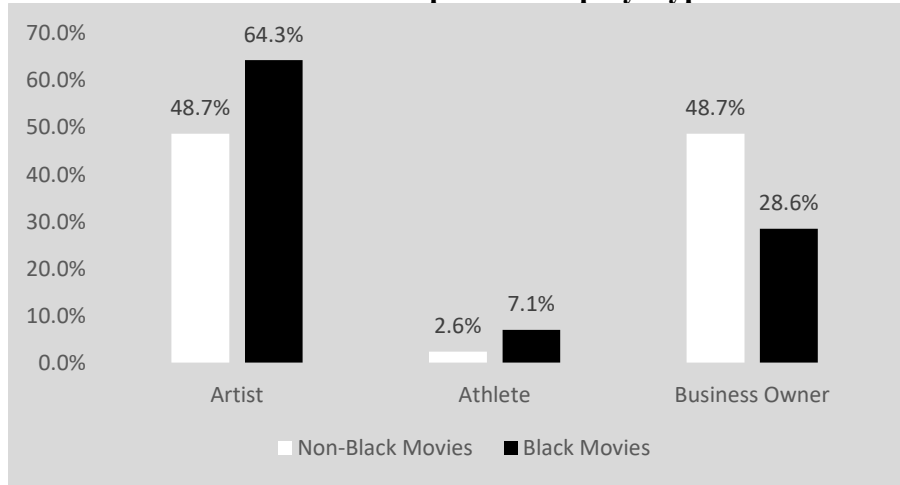
Source: Derived from Table 1 by **BlackEconomics.org**

Due to our interest in entrepreneurship, we extended the analysis to consider the nature of entrepreneurship by classifying entrepreneurs into three main types: (1) Artists (e.g., musicians, authors/writers, painters/sculptors, photographers, etc.); (2) business owners; and (3) athletes (namely boxers). (See Chart 2; next page).

⁶ While beyond the scope of this essay, similar analyses of television programs might be revealing.

Chart 2 highlights the fact that, relative to non-Black movies, Black popular movies reflect a preponderance of entrepreneurial principal characters who are artists, but a much smaller proportion of business owners. Also, popular Black movie principal characters who are athletes capture a much larger proportion of the total number of movies than for non-Black popular movies.

Chart 2.—Entrepreneurship by Type



Sources: Wikipedia with **BlackEconomics.org** computations and analysis

These results cause concern because they may help explain current outcomes, which are not overly favorable. That is, while the number of Black entrepreneurs is increasing rapidly and may be influenced by the intensive portrayal of the principal characters in popular Black movies as entrepreneurial, most Black entrepreneurs own and operate very small businesses.⁷ Specifically, the portrayal of one-person (nonemployer, artist-type) businesses in popular Black movies is very evident in real life. The near absence of principal characters as owners of large going concerns in popular Black movies may explain partially why there are not more large Black businesses in the US today. The saying goes: “If you can’t see it, then you can’t achieve it.”

Because Black movie producers and screenwriters are experiencing increased opportunities to create and produce popular Black movies today, it is hoped that this analysis will motivate the development of more Black popular movies that have principal characters who are owners of large businesses. This could be a key precursor to the formation, operation, and success of more and large Black-owned businesses over the next generation.

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10/08/21

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⁷ According to the US Census Bureau (www.census.gov), of the 3.1 million Black-owned business in the US in 2018, only 124.6 thousand or 4.0% were employer firms; the remainder were nonemployer firms.