

**Economics 4450**  
**African American Entrepreneurship**  
**T.B. Boston, Spring 2011**  
**TTh 9:35 – 10:55 Rm G10 Old CE Bldg**

Office: School of Economics, Old CE Building, Rm 237, 124 Bobby Dodd Way

Office Hours: 11:00 to 12:15 TTH and by appointment

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**There are no Prerequisites for the course:** There is no required textbook. Readings are located at: <http://buzzport.gatech.edu>.

Related books that are recommended for your library:

1. Juliet E Walker (2009) *The History of Black Business in America: Capitalism, Race, Entrepreneurship*. (Chapel Hill: The University Of North Carolina Press)
2. Eric Flamholtz and Yvonne Randle (2007) *Growing Pains: Transitioning from an Entrepreneurship to a Professionally Managed Firm*. (San Francisco: John Wiley and Sons)
3. Rhonda Abrams (2006) *Successful Business Research: Straight to the Numbers You Need Fast*. (Palo Alto: The Planning Shop)
4. Modern Language Association (2009) *MLA Handbook for Writers of Research Papers*, seventh edition (New York: MLA)

**Objectives:**

The purpose of this course is to develop an understanding and appreciation of the dynamics of entrepreneurship in general and African American entrepreneurship and minority entrepreneurship, in particular. The course will focus primarily on the state of African American entrepreneurship, including its history, current status, practices and strategies. Students will become acquainted with the literature, data sources and empirical techniques for conducting empirical research on business dynamics. Students will have the option of selecting to prepare a final research paper or business plan. Learning objectives include the development of public presentation skills and the ability to organize, prepare and present business related information and research in a concise and professional manner.

Active and informed classroom participation and regular attendance are expected of each student. Furthermore, in addition to classroom discussions, each student will be assigned a major business topic to present to the class.

## **Grading Procedures**

Grading will be based on five activities: 1. Class presentation (10%); 2. Mid-semester examination (30%); 3. Second examination (25%); 4. Final semester research paper or business plan (30%) and class participation and attendance (5%). The grading scale is as follows: A = 90% to 100%; B = 80% to 89.9%; C = 70% to 79.9%; D = 60% to 69.9%.

## **Content of Examinations**

Examinations will cover lecture notes, assigned reading material and material presented by discussion leaders.

## **Location of Reading Material**

There is no required text for the course. Most readings are posted on the class website. Readings that are not posted on the class website are available on the World Wide Web; a link to the site is provided after the reading. For presentations made by students, only the discussion leader is required to obtain the reading/book. The material presented in class must be summarized electronically and a hard copy and electronic copy must be provided to me at the time the presentation is made. Students will be responsible for the summary of the discussion leader's class presentation, but not the book or article, which discussions drawn.

Class presentations must be accompanied by a power point and the presenter is responsible for summarizing the material in the most efficient manner and stimulating class discussion. Each student will have 15 minutes to present material and five minutes to entertain class discussion. An electronic copy of the discussion summary will be posted on the class website.

## **Important Dates**

March 8<sup>th</sup>: Examination #1

March 21-25: Spring break

April 5<sup>th</sup>: Concept Paper of final research or business plan

April 7<sup>th</sup>: Approval and comments on concept paper

April 12<sup>th</sup>: Examination #2

April 28<sup>th</sup>: Last class

May 3<sup>rd</sup> 5:00 pm. Final research paper or business plan due in my office.

May 7<sup>th</sup>: End of term

## **Required Readings:**

### **Introductory Lecture**

Student's introductions, review of Syllabus and course requirements, selection and assignment of student discussion material, overview of the course material, and general discussion of African American entrepreneurship.

### **Topic #1: Introduction to African American Entrepreneurship**

Colbert Rhodes and John Butler, (2004) " Understanding Self-Perceptions of Business Performance: an Examination of Black American Entrepreneurs" Journal of Development Entrepreneurship. Volume 9, No. 1 pp. 55-71.

U.S. Census Bureau, 2007 Survey of Business Owners:

<http://www.census.gov/econ/sbo/>.

### **Topic #2: African American Entrepreneurship: Historical Background and Contemporary Status**

1. Juliet Walker (1998) The History of Black Business in America: Capitalism, Race, Entrepreneurship. (New York: Macmillan press) reviewed by Maceo Dailey, H-Net Reviews in the Humanities and Social Science, June, 1999.

2. World Book Encyclopedia:

- o From Africa to America
- o From Slavery to Freedom
- o The First Years of Freedom

[http://www.worldbook.com/wb/Students?content\\_spotlight/aajourney/aajourney](http://www.worldbook.com/wb/Students?content_spotlight/aajourney/aajourney)

3. Tara D. Fields, February 14, 2004. Georgia Court Records, Georgia Legislative Laws Relating to Slaves, Number of Slaves and Free Persons of Color. University of Georgia Archives.

- o 1829 and 1833 Acts: Laws banning the teaching of blacks to read
- o 1845 Act: law banning slaves and free blacks from engaging in construction contracts
- o 1865: Abolition of slavery

<http://files.usgwarchives.net/ga/court/lawsfreed.txt>

4. Race and Slavery Petition to the North Carolina Gen. assembly, 11285609, Smithville, North Carolina 1846: petition to prevent blacks from engaging in construction contracting.

[http://library.uncg.edu/slavery\\_petitions/transcripts/11285609.asp](http://library.uncg.edu/slavery_petitions/transcripts/11285609.asp)

5. Order of Maj. Gen. William T. Sherman, "Order by the Commander of the Military Division of the Mississippi, in the field, Savannah, Georgia, January 16, 1865. Special Field Orders, No. 15. Order redistributing coastal lands to freed slaves.

<http://www.history.umd.edu/Freedmen/sfo15.htm>

### **Topic 3: Development of the Enclave Economy; African-American Businesses from slavery through Jim Crow Segregation**

1. Free Blacks in the Immediate Post Slavery Era
  - a. Emancipation Proclamation  
[http://www.pbs.org/wnet/jimcrow/stories\\_events\\_emancipate.html](http://www.pbs.org/wnet/jimcrow/stories_events_emancipate.html)
  - b. Reconstruction  
[http://www.pbs.org/wnet/jimcrow/stories\\_events\\_reconstruct.html](http://www.pbs.org/wnet/jimcrow/stories_events_reconstruct.html)
  - c. Hayes-Tilden Election and the Rise of Klan Terror  
[http://www.pbs.org/wnet/jimcrow/stories\\_events\\_election.html](http://www.pbs.org/wnet/jimcrow/stories_events_election.html)  
[http://www.pbs.org/wnet/jimcrow/stories\\_events\\_kkk.html](http://www.pbs.org/wnet/jimcrow/stories_events_kkk.html)
2. U.S. Supreme Court Decision, Plessy v. Ferguson (1896)  
<http://www.bgsu.edu/departments/acs/1890s/plessy/plessy.html>
3. Thomas Maloney (2002) African-American Migration to the North: New Evidence from the 1910s. Economic inquiry

### **Topic 4: Entrepreneurship and Affirmative Action in the Post-Civil Rights Era**

1. Boston, Thomas . (1999) and, New York: Routledge, (selected Chapters)
2. Insight Center for Community Economic Development (2007) The Evolution of Affirmative Action
3. Insight Center for Community Economic Development (2007) The Impact of State Affirmative Procurement Policies on Minority and Women Owned Businesses in Five States
4. Timothy Bates (forthcoming, 2009) *Utilizing Affirmative Action in Public Sector Procurement As the Local Economic Development Strategy*, Journal of Economic Development [25]
5. Thomas D. Boston (2007) *Increasing the Capacity of the Nation's Small and Disadvantaged Businesses (SDBs)*, a report prepared for the Congressional Black Caucus Foundation

### **Topic 5: The Current Characteristics of Minority Owned Businesses**

1. Ying Lowery (2007) Minorities in Business: a Demographic Review of Minority Business Ownership, Small Business Research Summary, SBA office of advocacy April 2007, No. 298, pp 1-50.
2. Gwen Richtermeyer (2002) Minority Entrepreneurs: a Review of Current Literature, Business Research and Information Development Group, University of Missouri, Lincoln University.

### **Topic 6: Business Growth**

1. Eric Flamholtz and Yvonne Randle (2007) Growing Pains: Transitioning from an Entrepreneurship to a Professionally Managed Firm. (San Francisco: John Wiley and Sons). Chapter 1 pp 26 – 47.

2. Boston, Thomas D. and Linje Boston. "Secrets of Gazelles: Differences Between African American High-Growth Oriented Entrepreneurs and Other Small Business Owners" *The Annals of the American Association of Social and Political Science* vol 613 (September 2007):108 – 130
3. Gary Hamel (2001) *Leading the Revolution*. Ivey Business Journal

#### **Topic 6: Business Research**

1. Modern Language Association (2009) *MLA Handbook for Writers of Research Papers*, seventh edition (New York: MLA). Summary notes will be provided by the professor.
2. Rhonda Abrams (2006) *Successful Business Research: Straight to the Numbers You Need Fast*. (Palo Alto: The Planning Shop). Summary notes will be provided by the professor.
3. Boston, Thomas. "High-Growth Black Owned Firms: A Further Exploration" (forthcoming, 2009) *Small Business Economics*

#### **Topic 7: Minority Entrepreneurship and Community Development**

1. Boston, Thomas D., *The Role of Black-owned Businesses in Black Community Development*, ed., Paul Ong, *Jobs and Economic Development in Minority Communities: Realities, Challenges, and Innovation*. Philadelphia: Temple University Press, 2006:161 – 175.
2. Boston, Thomas D "Location Preferences of Successful African American-owned Businesses in Atlanta" *Review of Black Political Economy*, Vol. 24. nos. 2-3, (Winter 1996). 337-357.
3. Initiative for a Competitive Inner City (2005) *State of Inner City Economies: Small Businesses in the Inner-City*, Small Business Administration Office of Advocacy
4. Sawicki, David S. and Mitch Moody (1998) Chapter 5: "Deja-vu All Over Again: Porter's Model of Inner-City Revitalization." *The Inner City*: ed in Boston, Thomas D and Catherine L. Ross, eds., (1997) *The Inner City: Urban Poverty and Economic Development in the Next Century*. (New York: Transaction Press)

### Articles for Class Presentations:

1. Amy Harmon (2000) "A Limited Partnership: The Internet Entrepreneur had the Idea: The White one Became the Venture's Public Face" The New York Times, June 14, 2000.
2. Race riots in Atlanta and Tulsa Oklahoma: see readings posted on class web site and also: Independent Newspaper, October 4, 1906 "The Atlanta Massacre: An Educated Negro" J. Birnbaum and C. Taylor eds. Pp181 -183.
3. The debate between Booker T. Washington and W.E.B. DuBois: See background material on Washington DuBois [4 & 5]
  - Booker T. Washington (1895) Booker T. Washington Delivers the 1895 Atlanta Compromise Speech.
  - <http://historymatters.gmu.edu/d/39/>
  - W.E.B DuBois Critiques Booker T. Washington, "Of Mr. Booker T. Washington and Others" in The Souls of Black Folk . <http://www.bartleby.com/114/3.html> accessed 1/13/2005.
4. Ying Lowery (2007) Minorities in Business: a Demographic Review of Minority Business Ownership, Small Business Research Summary, SBA office of advocacy April 2007, No. 298, pp 1-50.
5. Maritza Salazar (2007) The Effect of Wealth and Race on Startup Rates, Small Business Administration Office of Advocacy
6. The Boston Consulting Group (2005) The New Agenda for Minority Business Development
7. Women Entrepreneurs
  - Erin Kepler and Scott Shane (2007) Are Male and Female Entrepreneurs Really That Different? Small Business Administration Office of Advocacy
  - Ying Lowery (2006) Women Business, 2006: a Demographic Review of Women's Business Ownership. Small Business Administration Office of Advocacy, Small Business Research Summary no. 280
8. Asian Entrepreneurs
  - David Choi, et al (2005) Development Processes and Performances of Asian-American Founded Ventures in Silicon Valley
  - Marilyn Fernandez and Kwang Kim (1998) Self-Employment Rates of Asian Immigrant Groups: an Analysis of Intragroup and Intergroup Differences. International Migration Review, Volume 32, No.3

9. Hispanic Entrepreneurs

- Diana Nichols (2008) Hispanic Entrepreneurship in the US: 1979-2002
- Jimmy Sanders and Victor Nee (1996) Immigrant Self-Employment: the Family and Social Capital in the Value of Human Capital. Vol 61 No 2.

**Books for Class Presentations**

10. Graves, Earl G. How to succeed in Business Without Being White, published by Harper Business 1997 (pgs 1-6, 119-138)
11. Lewis, Reginald F. and Blair S. Walker (1995). "Why Should White Guys Have All the Fun?" How Reginald Lewis Created a Billion-Dollar Business Empire. New York, John Wiley & Sons, Inc
12. Gross, T. Scott (2001). Micro Branding: Build a Powerful Personal Brand & Beat Your Competition. Washington, Leading Authorities Press. [14]
13. Doug Tatum (2007) No Man's Land: What to Do When Your Company Is Too Big to Be Small but Too Small to Be Big. (New York: the Penguin Group) [15]
14. W. Chan Kim and Renée Mauborgne (2005) Blue Ocean Strategy: How to Create Uncontested Market Space and Make Competition Irrelevant (Boston Massachusetts: Harvard Business School Press) [16]
15. Sherman, Andrew (2007) Grow Fast Grow Right: Twelve Strategies to Achieve Breakthrough Business Growth (Parts one and two) Kaplan Publishing, Chicago [17]
16. Calloway, Joe (2005). Indispensable: How to Become the Company That Your Customers Can't Live Without. Hoboken, John Wiley & Sons, Inc [18]
17. Eric Flamholtz and Yvonne Randle (2007) Growing Pains: Transitioning from an Entrepreneurship to a Professionally Managed Firm. (San Francisco: John Wiley & Sons) pp 1 – 47 (only) [19]
18. Richard Stutely (2002) The Definitive Business Plan: the Fast Track to Intelligent Business Planning for Executives and Entrepreneurs (Edinburg Gate, Great Britain: Pearson education limited) [20]
19. Carmine Gallo (1020) The Presentation Secrets of Steve Jobs: How to be Insanely Great in Front of Any Audience ( New York: McGraw Hill)
20. Taylor, William (2006) Mavericks at Work: Why the Most Original Minds in Business Win (New York: HarperCollins)

21. Malhotra, Deepak, et al (2007) *Negotiating Genius: How to Overcome Obstacles and Achieve Great Results at the Bargaining Table* (New York: Bantam Books)
22. Uldrich, Jack (2008) *Jump the Curve: 50 Essential Strategies to Help Your Company Stay Ahead of Emerging Technologies* (Avon Massachusetts: Platinum Press)
23. Champy, Jim (2008) *Outsmart: How to Do What Your Competitors Can't* (Upper Saddle River, New Jersey: Pearson Education)