

New Commentary in Fortune Asserts the Emergence of a “New Procurement Economy”

Warns of Widening Racial Wealth Gap in U.S. if Opportunities are not Realized for Small and Medium-Sized Businesses

NEW YORK, NY, USA, October 17, 2023 /EINPresswire.com/ -- A new commentary published in [Fortune](#) argues that the U.S. economy is in a “new procurement economy” where small and medium-sized businesses can take advantage of billions of dollars in business opportunity. But unless these businesses are positioned to take advantage of this opportunity, there is a risk of creating an even wider racial wealth gap.

The piece, headlined "America's new industrial revolution is creating a procurement economy. Unless we act now, it will make the racial wealth gap even worse," was co-written by Xavier de Souza Briggs, Senior Fellow at Brookings Metro; Charisse Conanan Johnson, Co-CEO of [Next Street](#); and Bruce Katz, Founding Director of the Nowak Metro Finance Lab at Drexel University.

Among the key arguments in the piece:

- The U.S. economy is navigating not one but two industrial revolutions. The first was catalyzed by digital technology, wireless broadband and now generative AI. The second is being fueled by massive public and private investments spanning infrastructure upgrades, the net-zero transition, and a domestic reshoring of advanced manufacturing from computer chips to electric vehicles and batteries.
- This second industrial shift is not just about big companies like Intel, Ford or Siemens, but also thousands of small and medium-sized enterprises needed to supply goods and services to the government or major firms receiving government contracts.
- Unless we act, these massive shifts—and the billions of dollars in business opportunity they represent—will make the racial wealth gap even worse. This is the promise and challenge of what has been labeled the “new procurement economy.”
- To meet this moment, we need to tackle the problem from multiple angles. In addition to making buyer practices more inclusive and innovative, we need to invest more strategically in developing small and medium-sized suppliers in a deeply equitable way and on a much larger scale.

- This is an opportunity we have not seen since the wartime economic mobilization of the 1940s. To take advantage of this opportunity, funding and collaboration are needed. Tackling this challenge would have huge economic and social payoffs.

The full piece as published in Fortune can be found [here](#).

NOTE: The piece's co-authors are available for interviews to further discuss the arguments and recommendations shared in the piece.

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