Mass incarceration refers to the high and growing rate of imprisonment amongst a particular population of people. The problem of mass incarceration is common among African Americans and has greatly affected their economic position and wealth accumulation over time. In light of this, the main objective of this study is to identify the economic impacts of mass incarceration on the families of the incarcerated. This research explores these impacts from two major perspectives: the direct impact on the family and children of the incarcerated and the impact on the incarcerated vis-à-vis the labor and education market. The primary method of research was through analyzing federal and state statistical information while referring to scholarly articles and literature. This study aims at fully assessing the economic impact of mass incarceration and identifying the best practices to lessen the negative impact. The goal of this research is to influence subsequent decisions and policies of the key players in the American Criminal Justice System on issues concerning incarceration of African Americans.