

Sources of Real Economic Growth

| Source of Real Economic Growth | | | | |
|---------------------------------------|-----------------------|-----------------------|-----------------------------|---------------------------|
| Private Non-Farm Business | | | | |
| = Labor Input* + Capital Input* + TFP | | | | |
| Periods | Real GDP ¹ | Labor Input • (a) | Capital Input • ($1 - a$) | Total Factor Productivity |
| 1987-2020 | 2.7 | 0.8 | 1.2 | 0.7 |
| 1987-2021 | 2.8 | 0.8 | 1.2 | 0.8 |
| 2000-2007 | 2.8 | 0.2 | 2.3 | 1.3 |
| 2007-2019 | 2.0 | 0.4 | 1.6 | 0.5 |
| 2020 | -4.3 | -3.3 | 1.0 | -2.0 |
| 2021 | 7.4 | 3.4 | 0.7 | 3.2 |

¹Excludes Nonprofits, Private Households, Owner-occupied Housing, Government and Government Enterprise.

* Contribution points towards output growth. Here, a is the average labor cost share. Source: Bureau of Labor Statistics.