

Macro Roundup Article

Headline: [America's New Business Boom](#)

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Publication	Apricitas Economics
Publication Date	January 16, 2024

Tweet: The pandemic-era entrepreneurship boom has driven an increase in the share of workers employed by firms less than 5 years old to 11.3%, the highest since 2010. @JosephPolitano

Summary: The end result of this boom in new businesses has been that, for the first time in decades, the share of workers employed by young firms is rising. In 2022, 11.3% of jobs were in firms less than 5 years old, the highest share since 2010, and 8.6% of jobs were in firms 6-10 years old, the highest share since 2014. Plus, in several key sectors, the rise in employment at young firms has been even more pronounced, with the share of jobs in companies below 5 years old or younger rising 1.3 pp in transportation/warehousing, 0.9 pp in Management and Information, and half a pp in Manufacturing. Of course, that still means the vast majority of Americans are employed at firms that are more than a decade old, highlighting just how prolonged the decline in business dynamism has been, but that trend is now finally beginning to be reversed. Related: Business Applications Eked Out a New Record in 2023 and Creative Destruction After the Pandemic and The Economics of Inequality in High-Wage Economies

Primary Topic: Business Cycle

Topics: Business Cycle, Database, GDP, Op-Ed/Blog Post, Weekly

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