

Macro Roundup Article

Headline: [Business Applications Eked Out a New Record in 2023](#)

Article Link: <https://eig.org/2023-business-formation/>

Author(s)	Kenan Fikri and Daniel Newman
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Tweet: An @InnovateEconomy analysis of @uscensusbureau data finds that new business applications from firms that are likely employers hit 1.8mm in 2023, a new record high.

Summary: Americans filed 5.5 million applications to start new businesses in 2023, nearly 1.8 million of which are highly likely to hire employees. Both figures are series highs, slightly surpassing 2021's banner year when the disruptions wrought by the pandemic pushed early-stage entrepreneurial activity to its prior record. The latest data from the U.S. Census Bureau's Business Formation Statistics through December 2023 provide further evidence that the background rate of startup activity in the U.S. economy has settled at much higher levels than before COVID-19 struck. In total, 484,000 more likely employer business applications were filed in 2023 than in 2019, an increase of 37 percent. Last year's haul was also 8 percent higher than 2022's. Related: Surging Business Formation in the Pandemic: Causes and Consequences? and Creative Destruction After the Pandemic and Business Formation Boom

Primary Topic: Business Cycle

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

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