



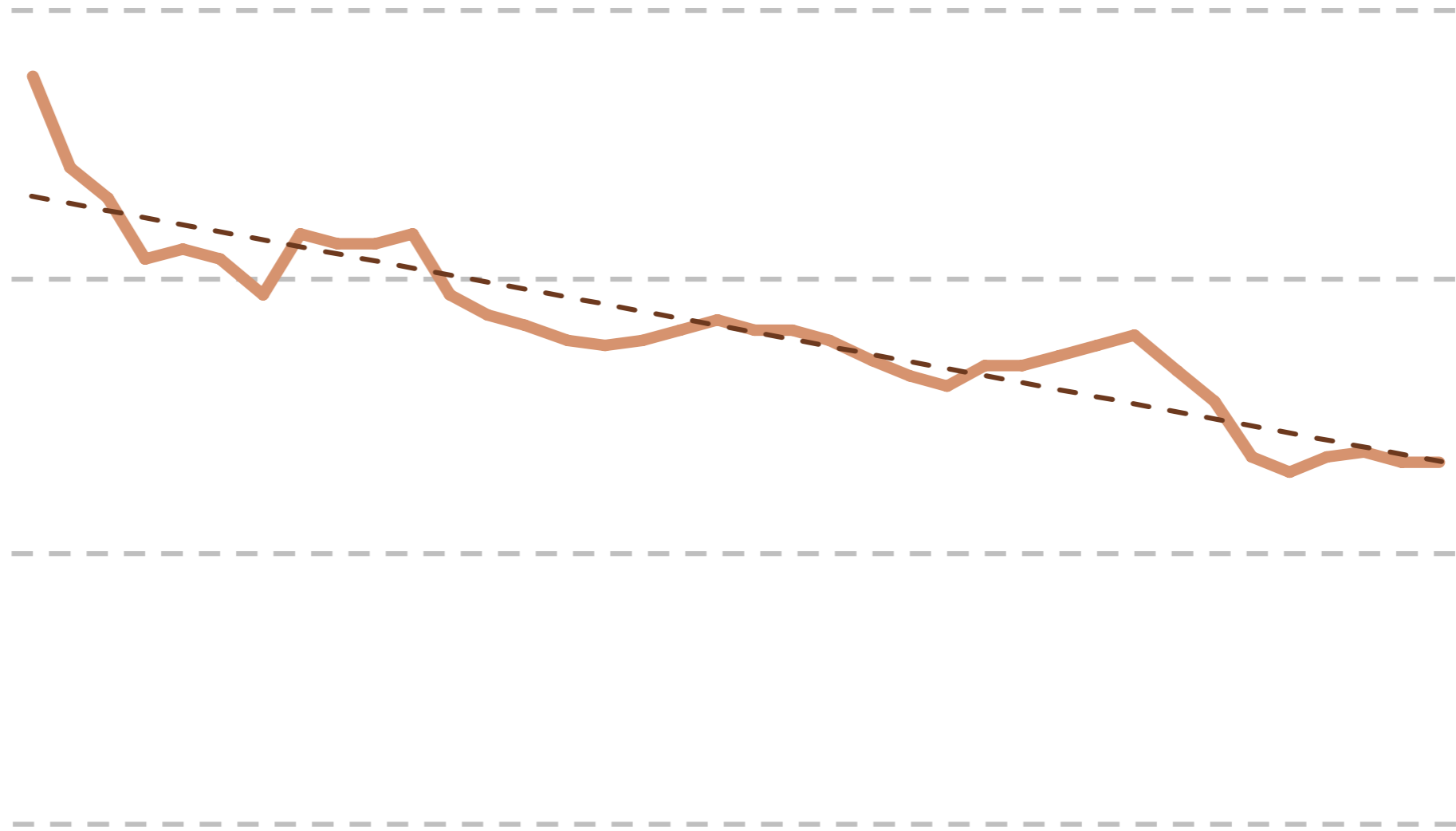
2017 IEDC Fed Forum

Washington D.C.

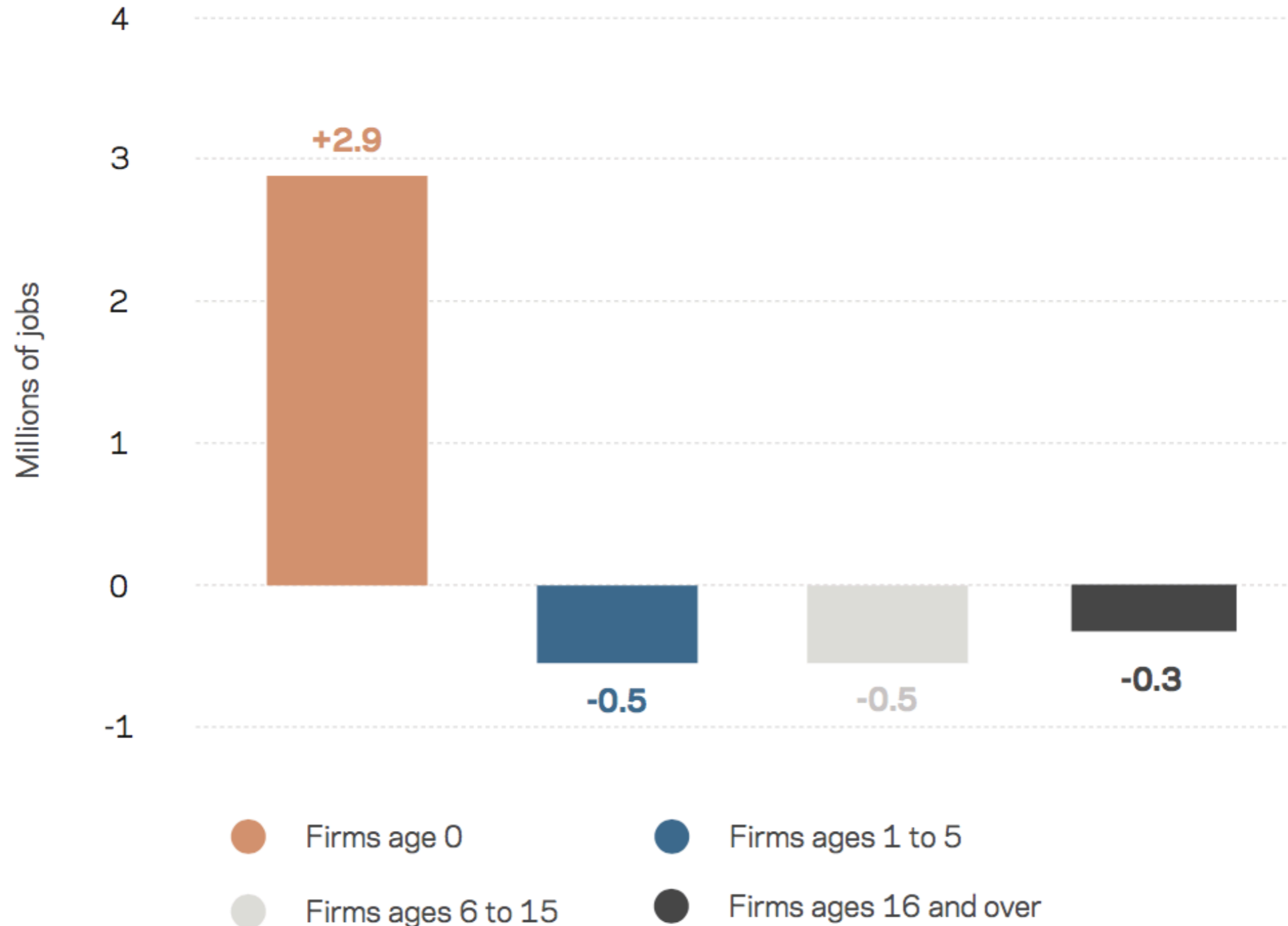
April 10, 2017

The slowdown in firm creation is the centerpiece of a pervasive decline in economic dynamism

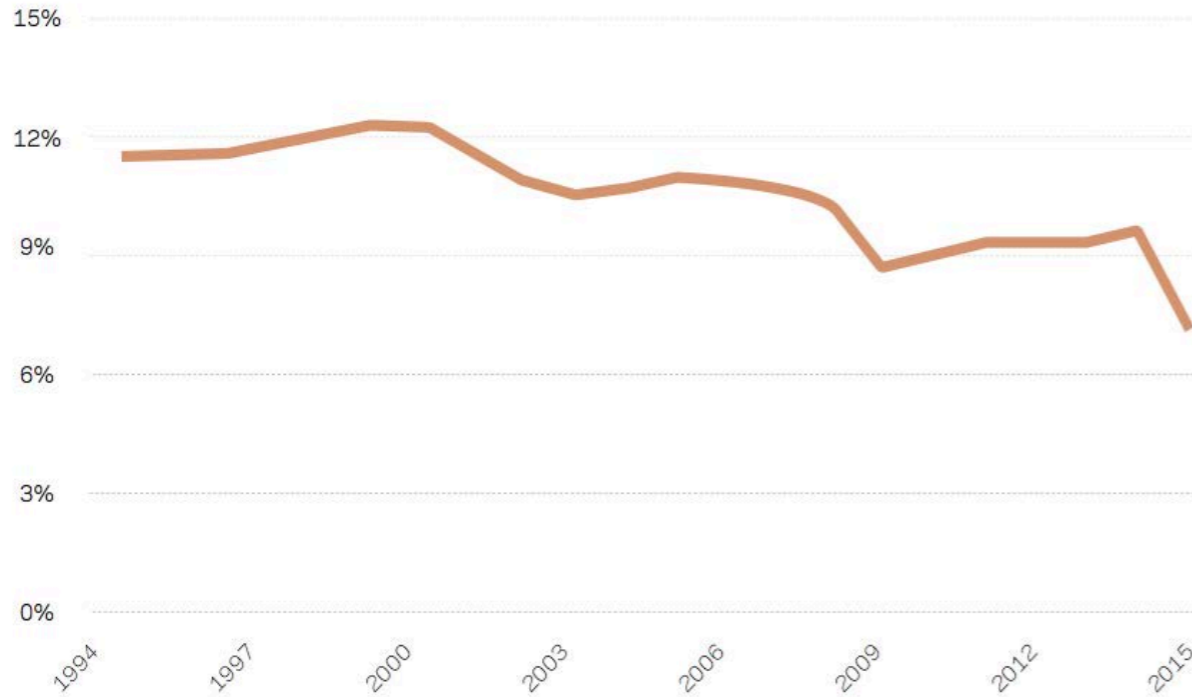
Startup Rate



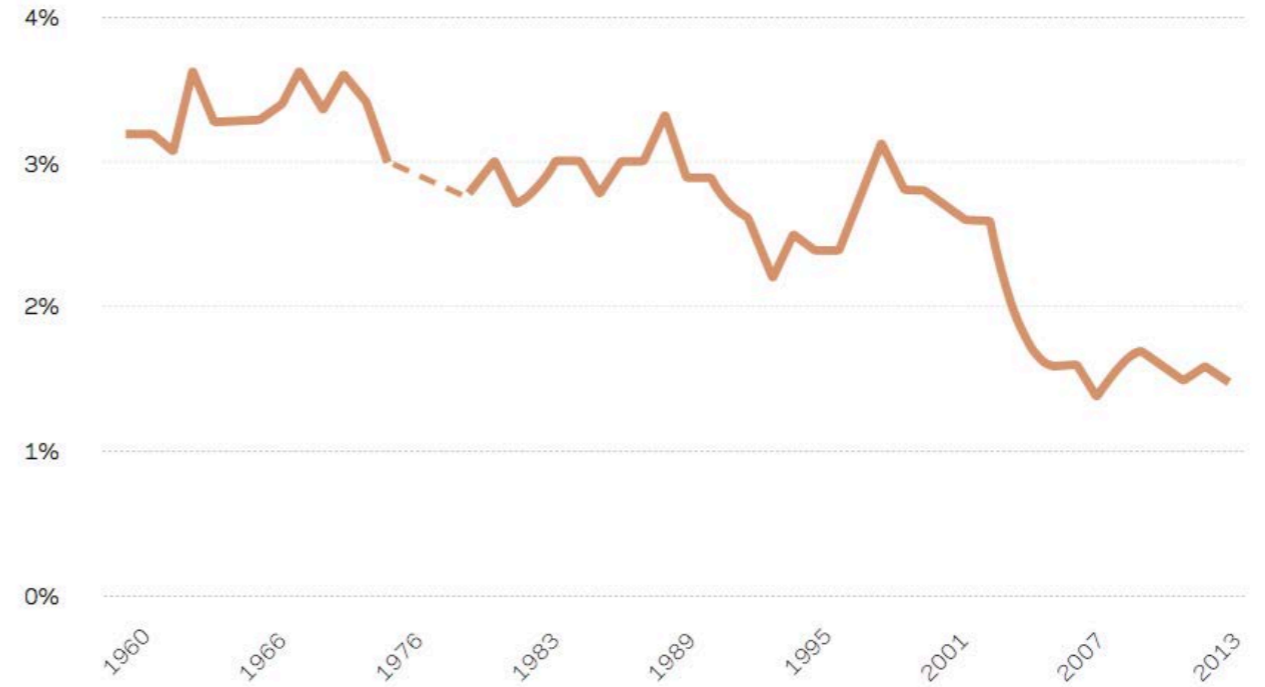
Average net annual job creation by firm size (1992-2014)



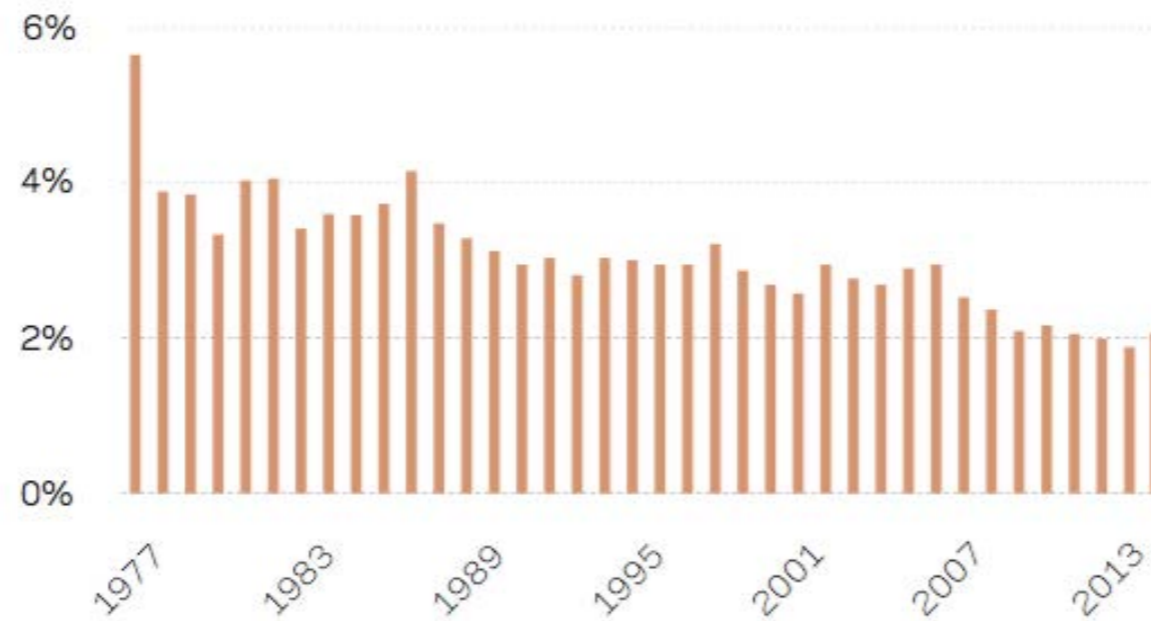
Job Turnover Rate



Percent of the population moving across state lines

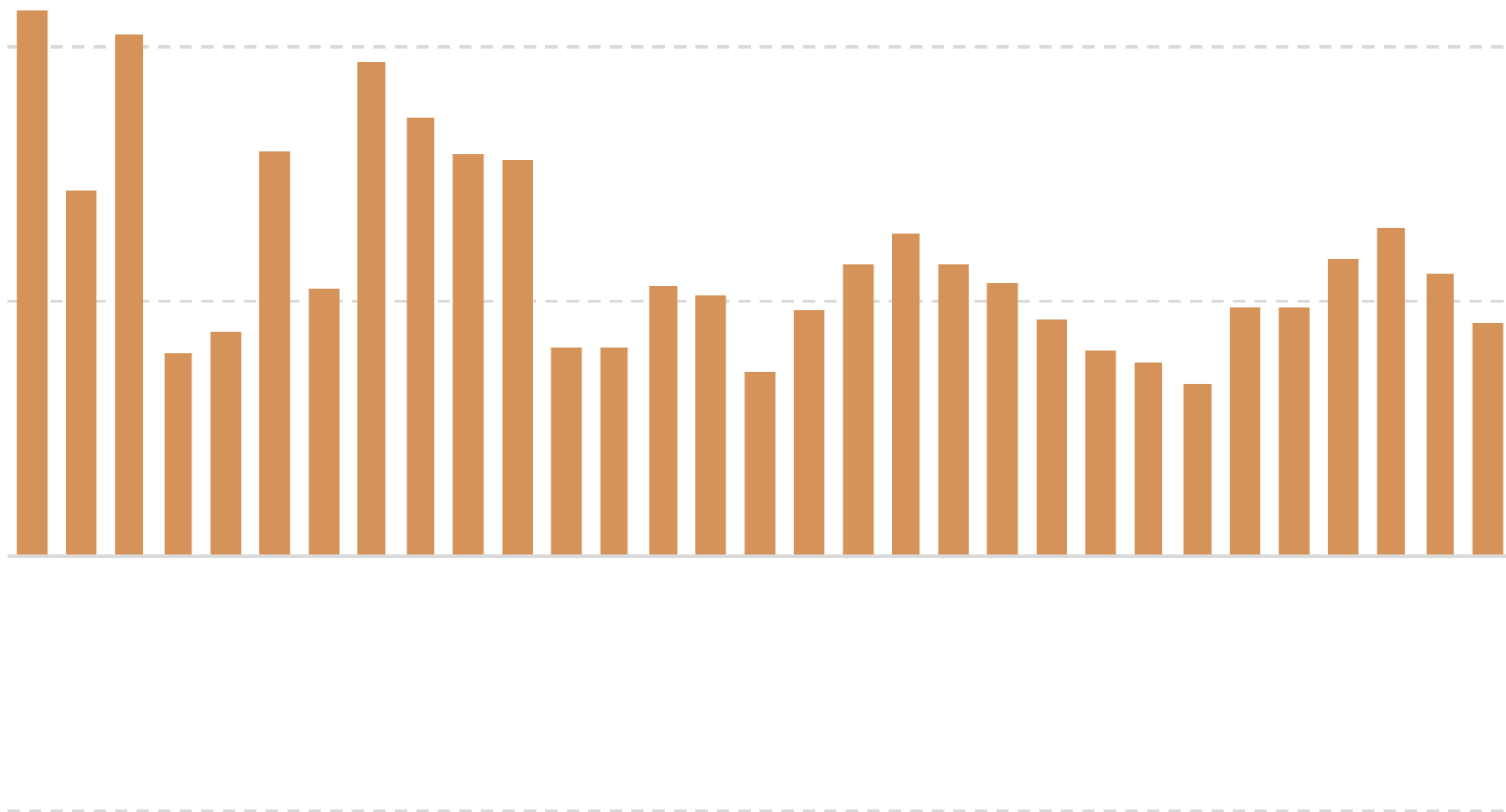


Total U.S. employment in new companies



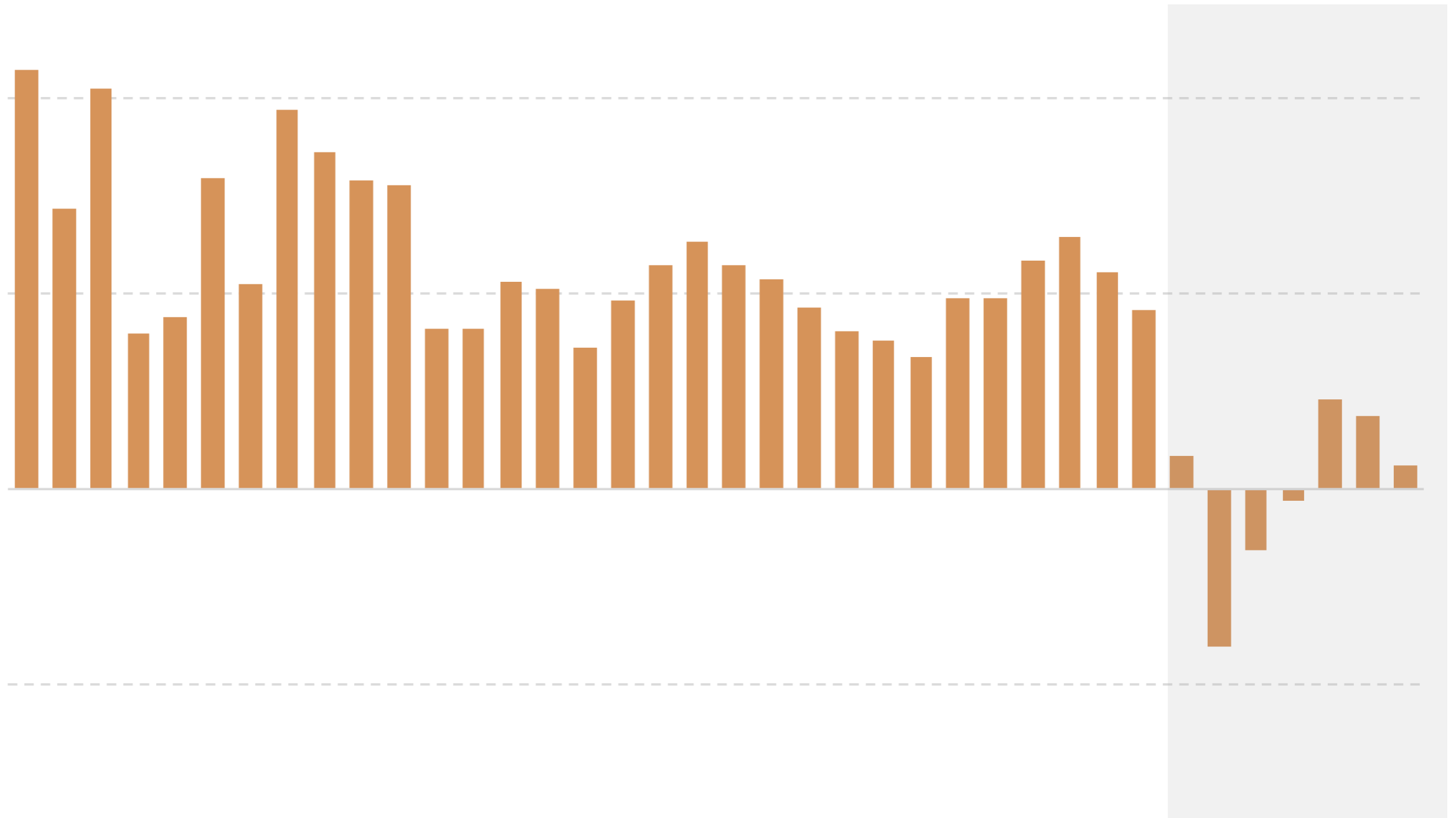
Historically, the number of firms in the economy increased every year...

Net change in the number of firms in the U.S. economy



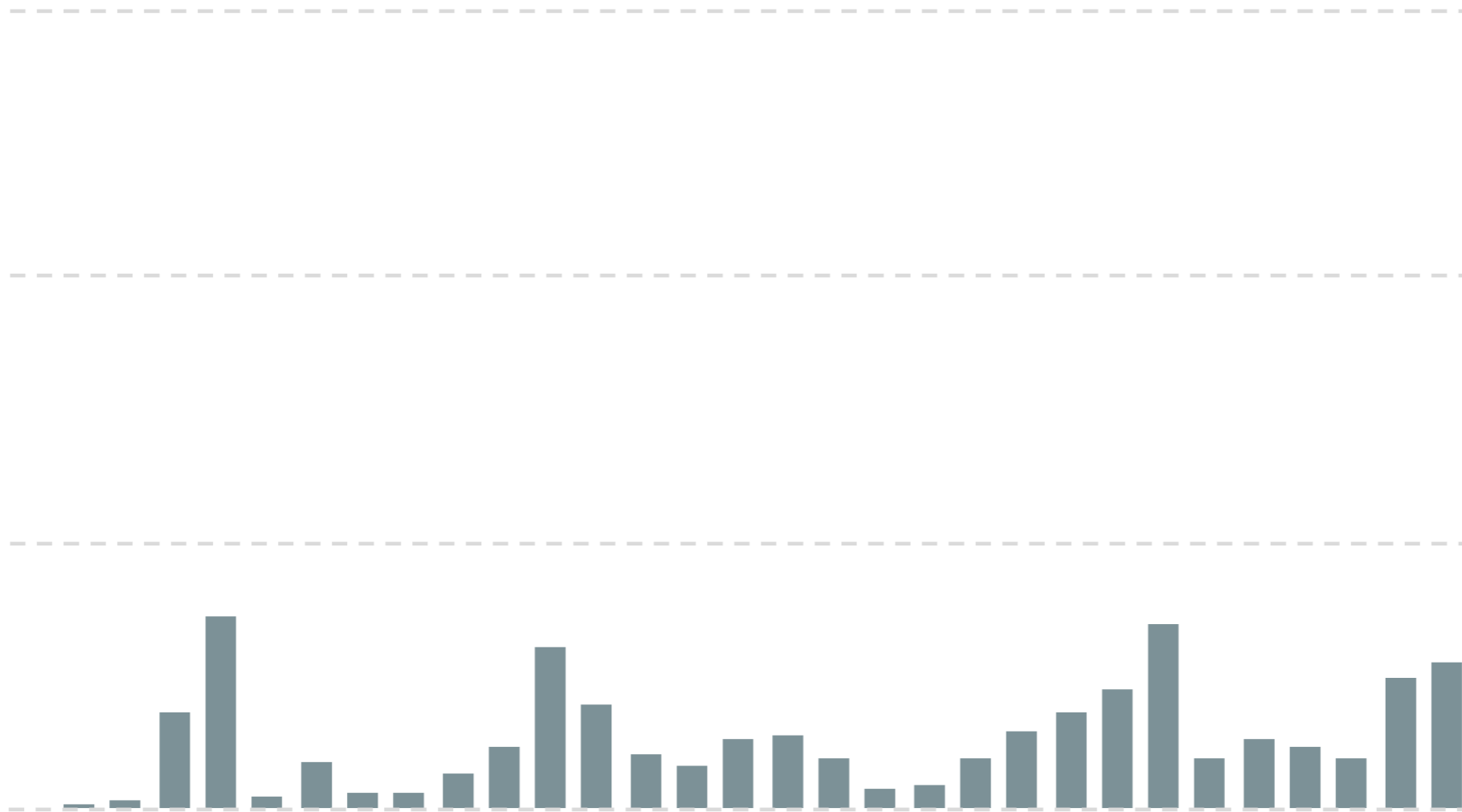
...but the great recession marked a turning point with firm deaths outnumbering births for the first time

Net change in the number of firms in the U.S. economy



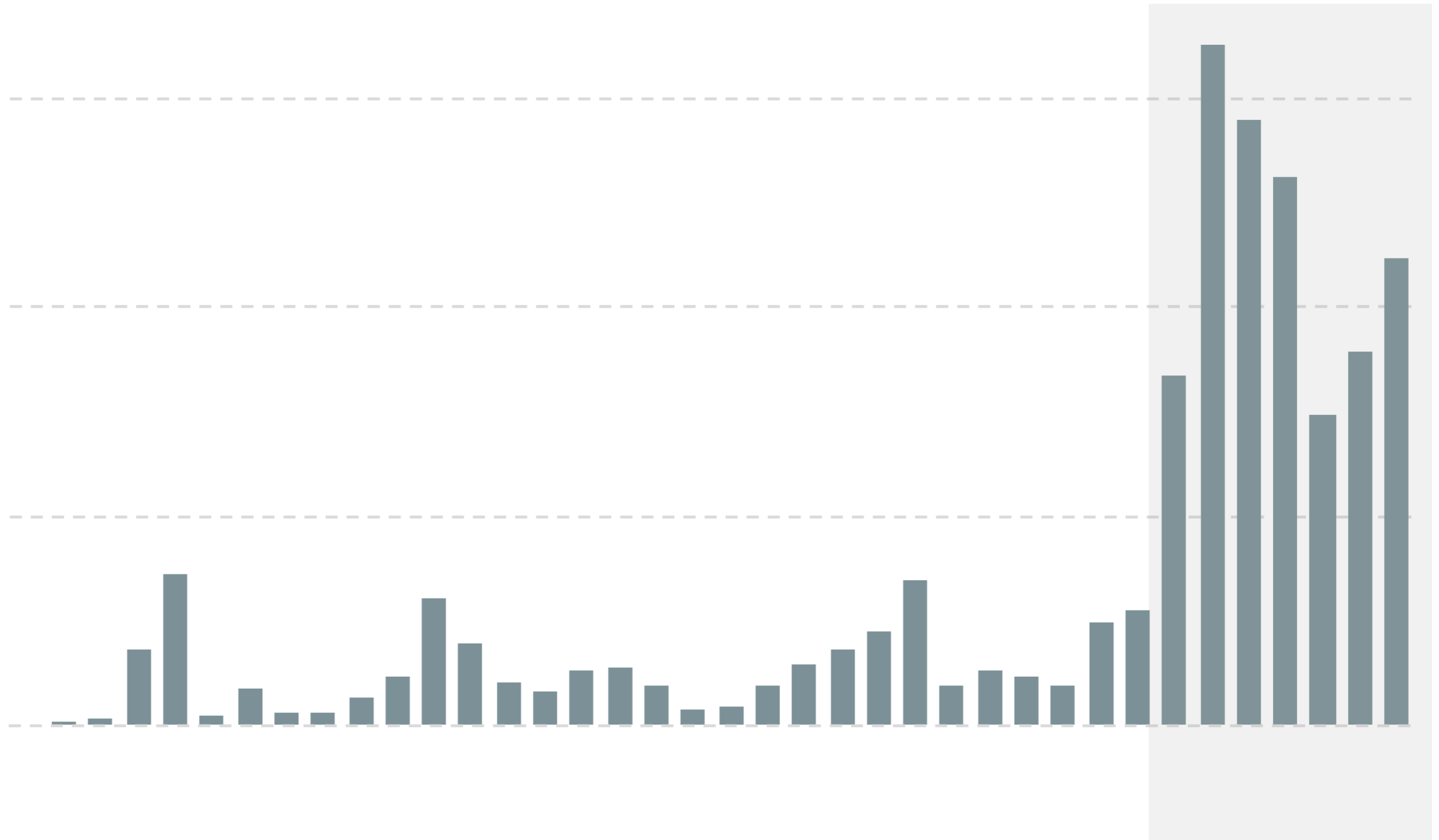
In the 30-year period starting in 1977, very few metro areas saw more firm deaths than births...

Number of metro areas in which the firm death rate exceeds the firm birth rate
(Total = 366)



... after 2007, the number of metro areas where firm deaths exceeded births more than quadrupled

Number of metro areas in which the firm death rate exceeds the firm birth rate
(Total = 366)



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