



LABOR MARKETS IN *TRANSITION*:

Demographics, Productivity and Macroeconomic Policy

JACKSON HOLE ECONOMIC POLICY SYMPOSIUM
FEDERAL RESERVE BANK OF KANSAS CITY
AUG. 21-23, 2025

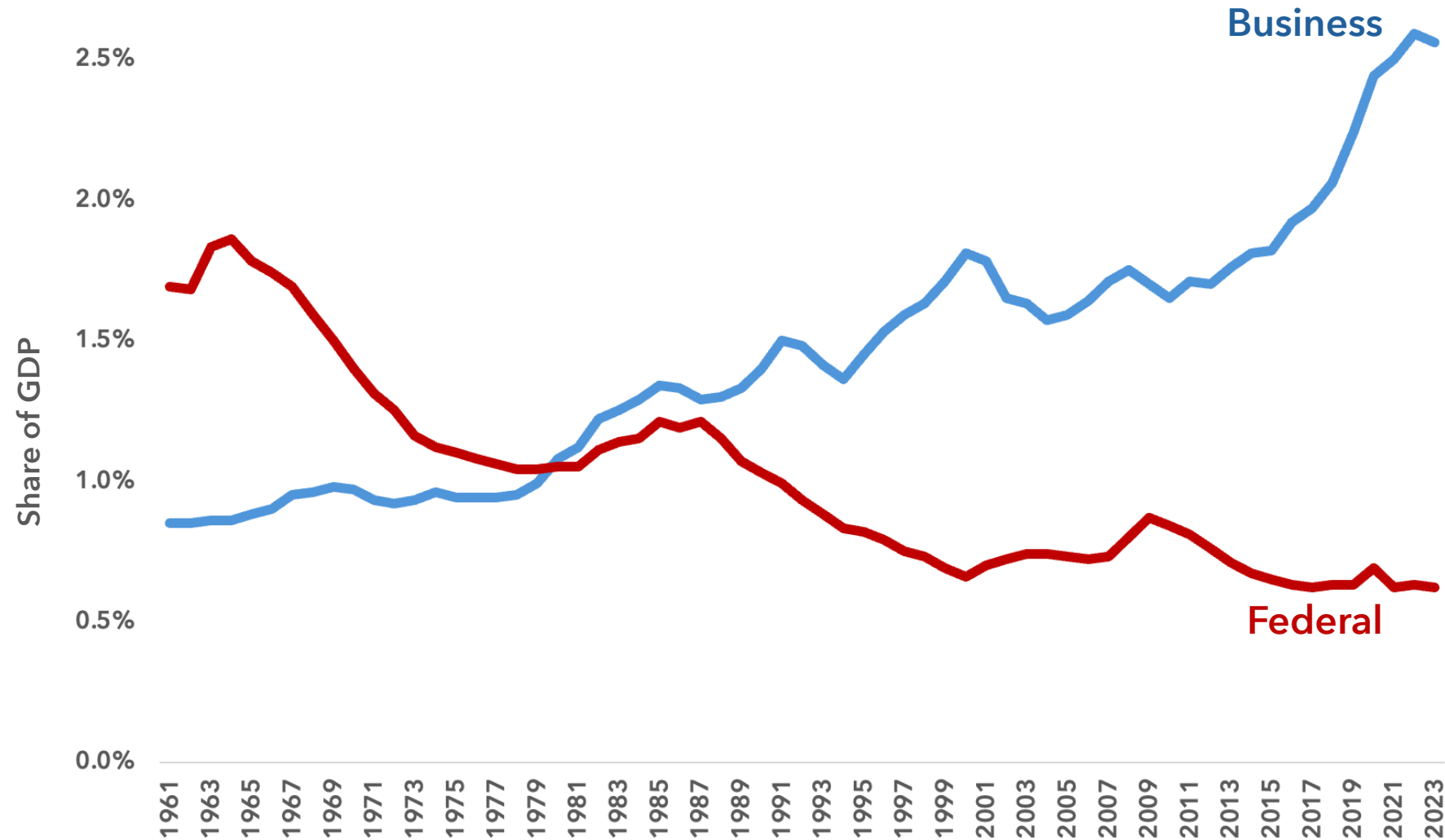


SHIFTS IN THE U.S. INNOVATION ECOSYSTEM

**CONSOLIDATION, DECLINING DYNAMISM,
AND THE SMALL BUSINESS SQUEEZE**

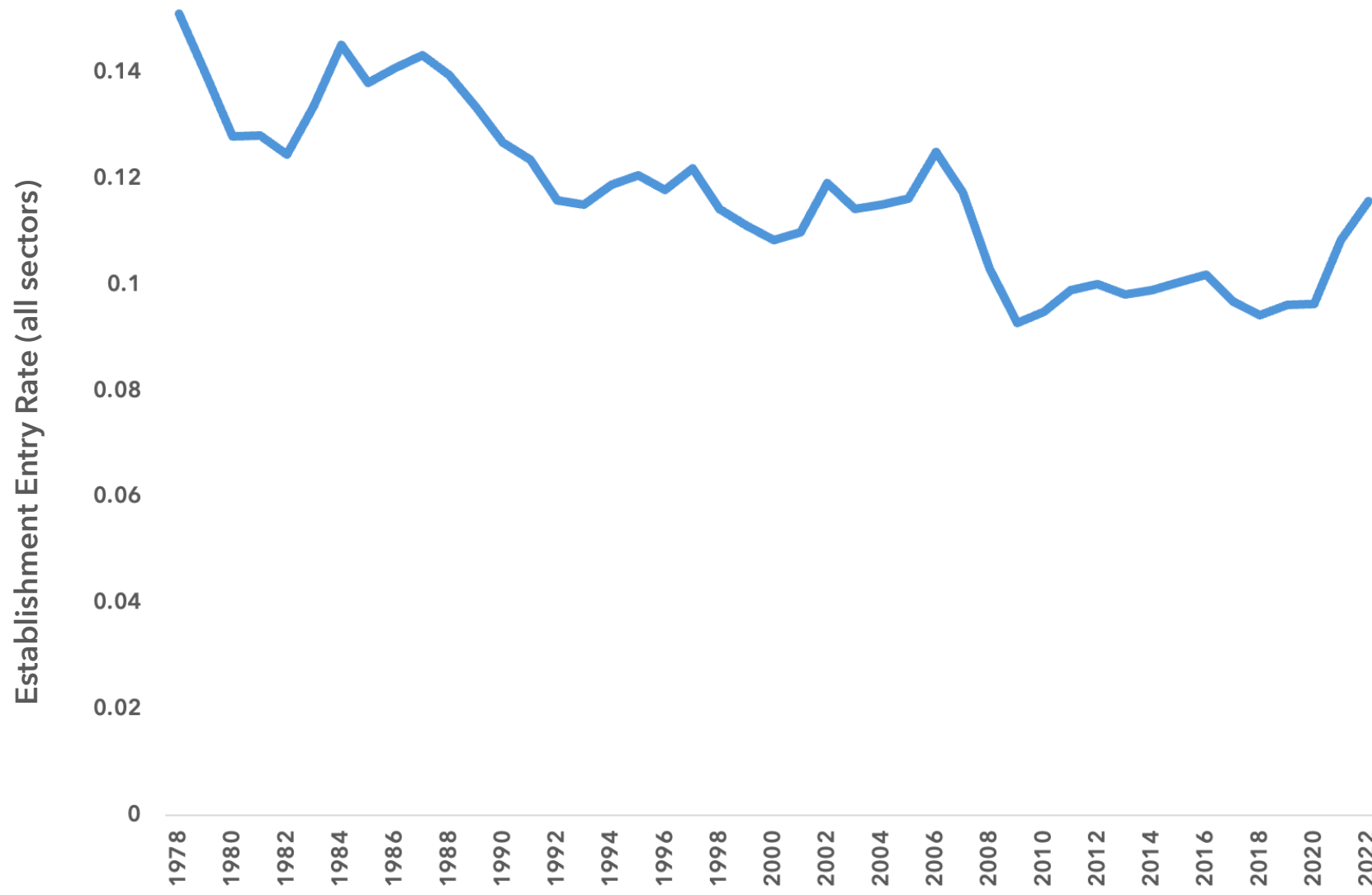
UFUK AKCIGIT

The Changing Mix of R&D: Business and Federal Shares



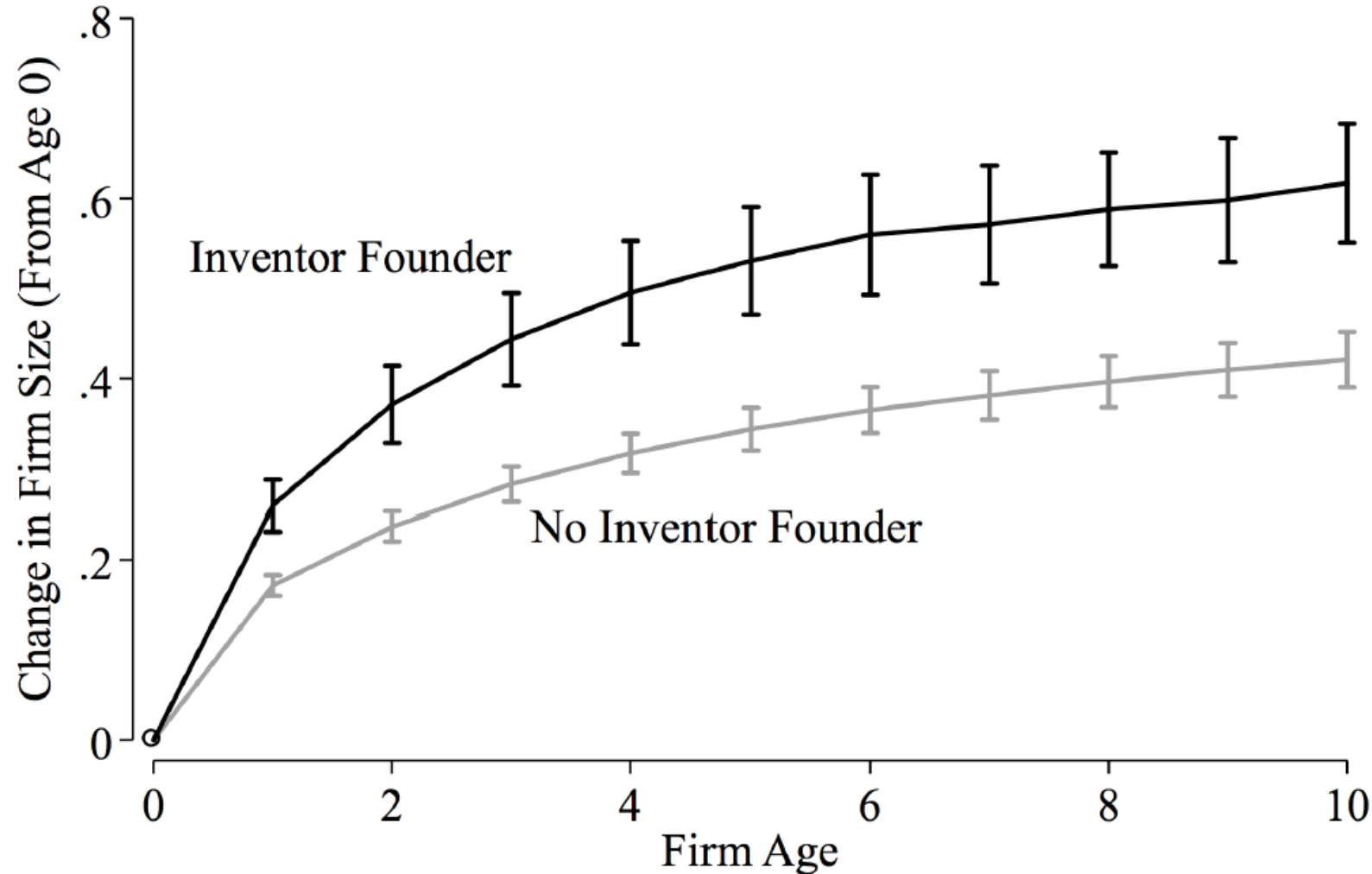
Source: National Science Foundation

When Fewer Dare to Start



Source: US Census Bureau, Business Dynamics Statistics Datasets

More Jobs from Inventor Entrepreneurs

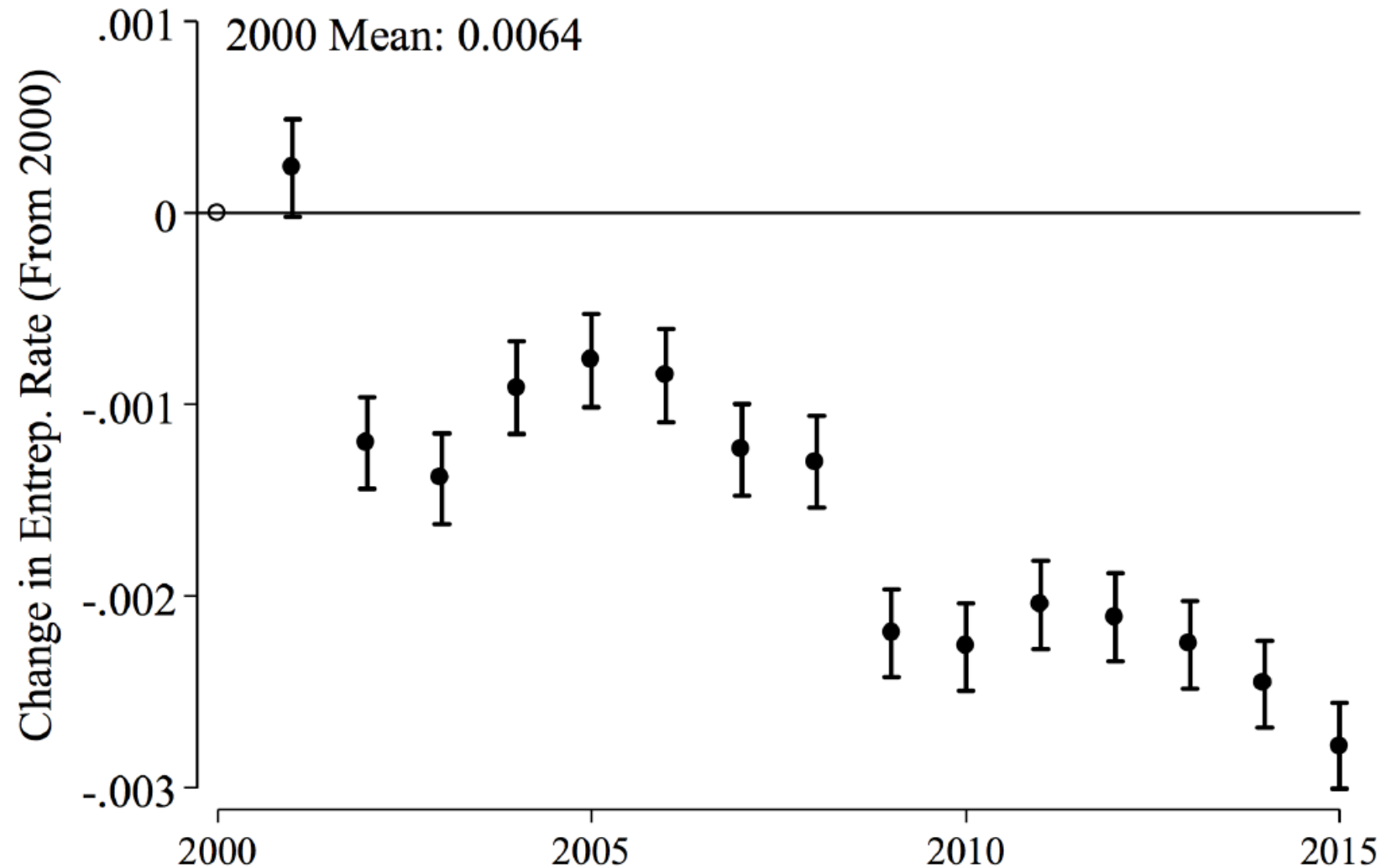


Inventor-founded startups create **30p.p.** (=70%-40%) more employment growth by the age of 5.

Inventor-founded startups enter **42% larger** (8.1 vs 5.7).

Source: Akcigit and Goldschlag (2023)
Where Have All the "Creative Talents" Gone?
Employment Dynamics of US Inventors

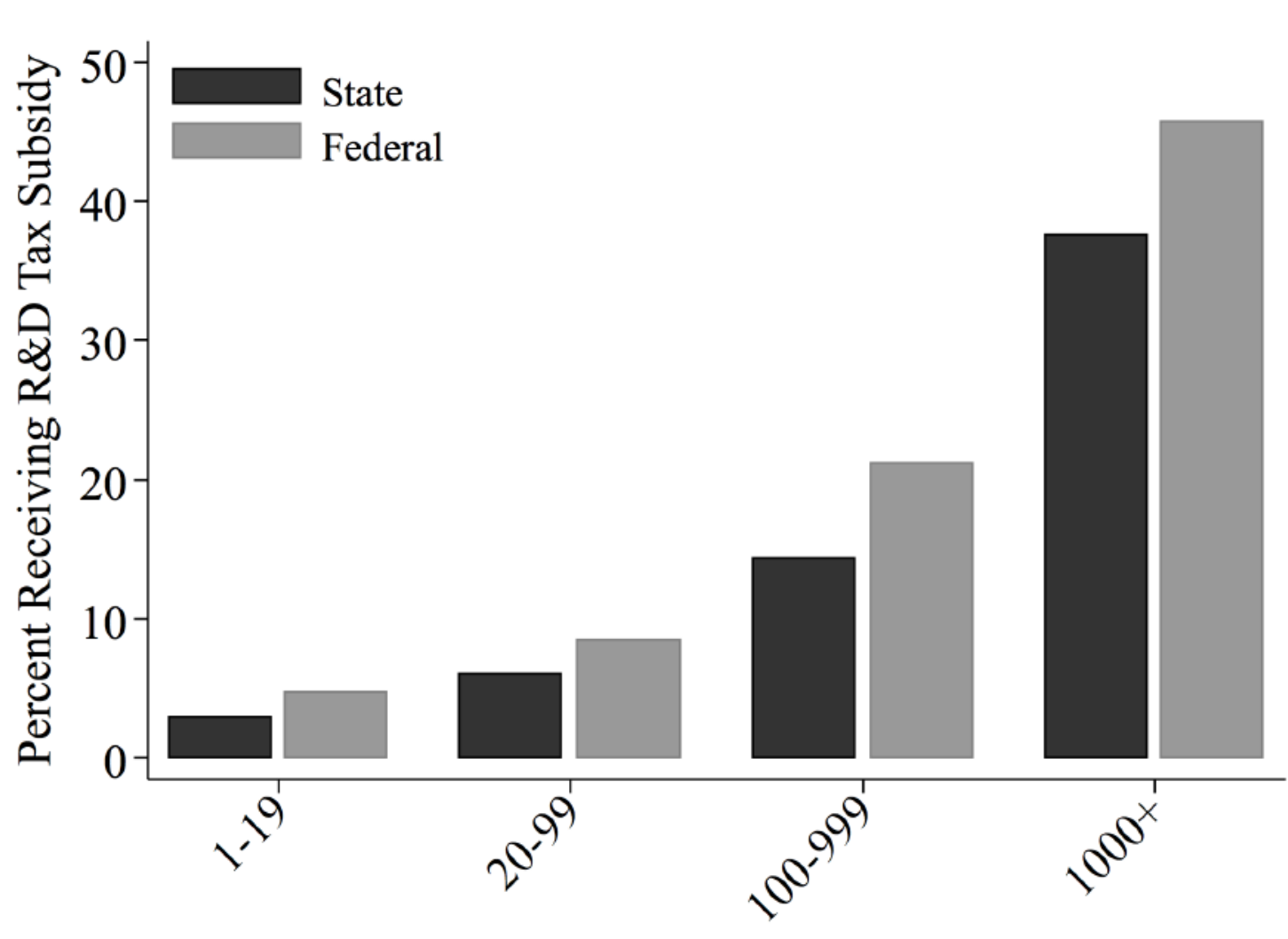
The Decline of Inventor-Led Startups



Entrepreneurship rate of inventors dropped by **44%** in 15 years.

Source: Akcigit and Goldschlag (2023)
Where Have All the "Creative Talents" Gone?
Employment Dynamics of US Inventors

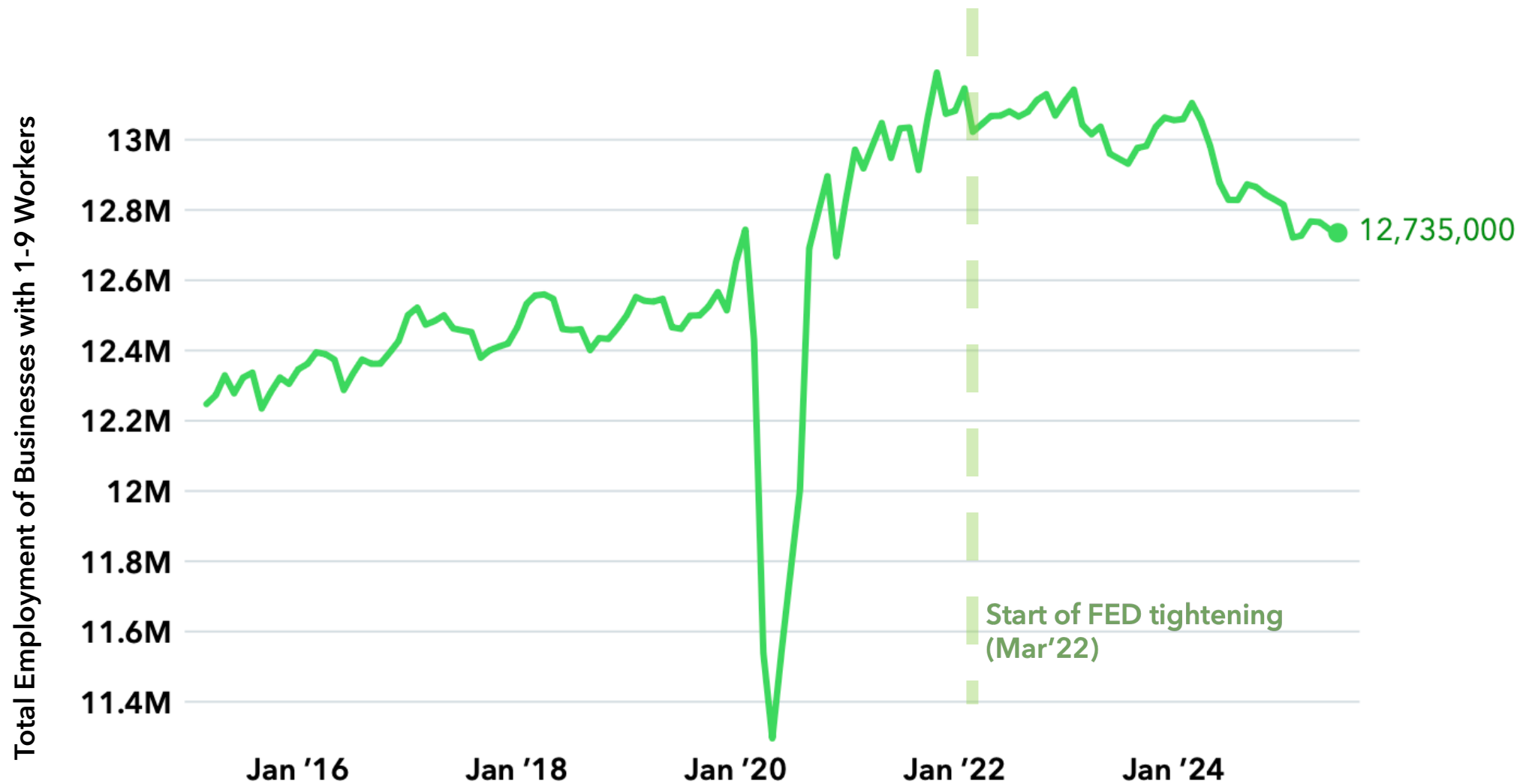
Who Really Gets the R&D Boost? The Big Players



Large corporations disproportionately utilize more government **R&D subsidies** compared to small firms.

Source: Akcigit and Goldschlag (2023)
Where Have All the "Creative Talents" Gone?
Employment Dynamics of US Inventors

Small Business Employment in Decline



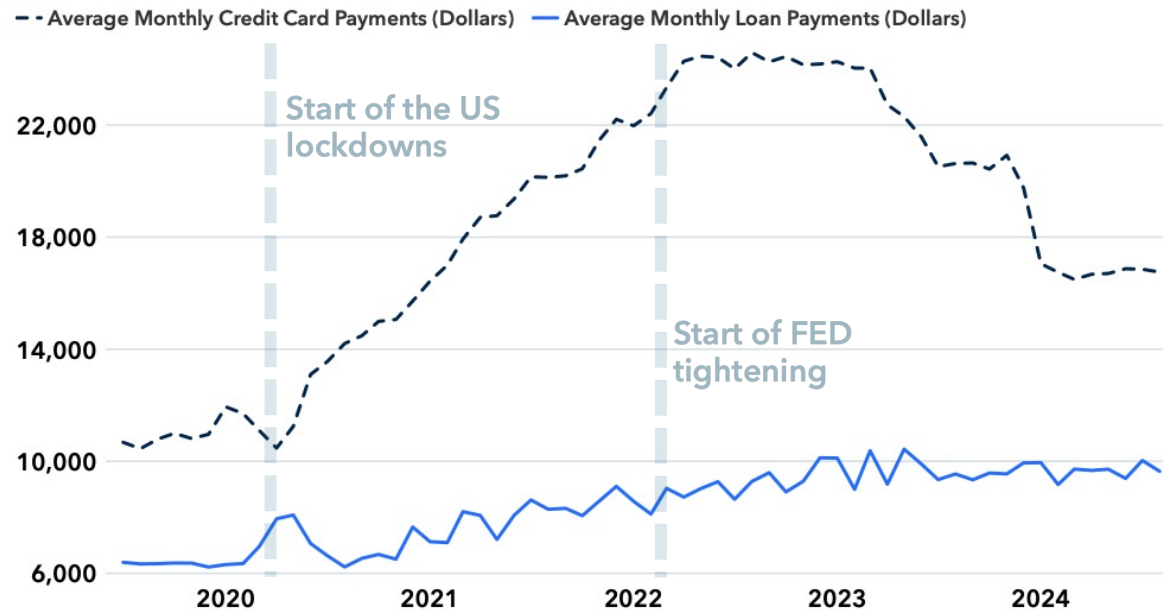
Source:

Akcigit, Chhina, Cilasun, Miranda, Ocakverdi, Serrano-Velarde (2023)
"Intuit QuickBooks Small Business Index"

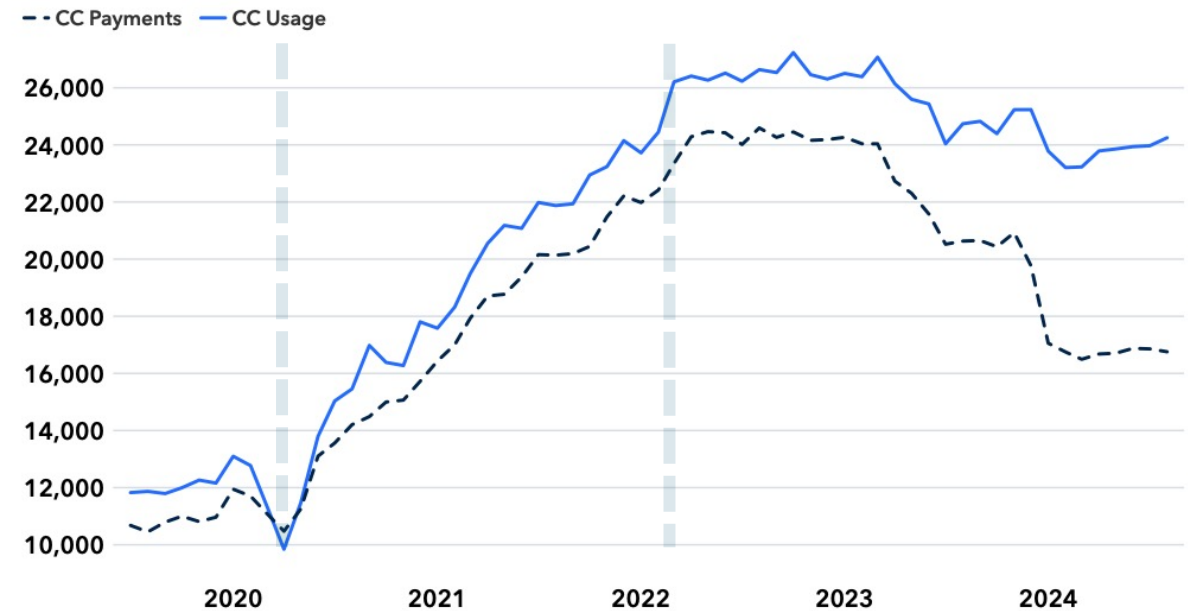
LABOR MARKETS IN TRANSITION:

DEMOGRAPHICS, PRODUCTIVITY AND MACROECONOMIC POLICY

Credit Cards Up, Repayments Down on Main Street



(A) PAYMENTS INTO CREDIT CARDS AND LOANS



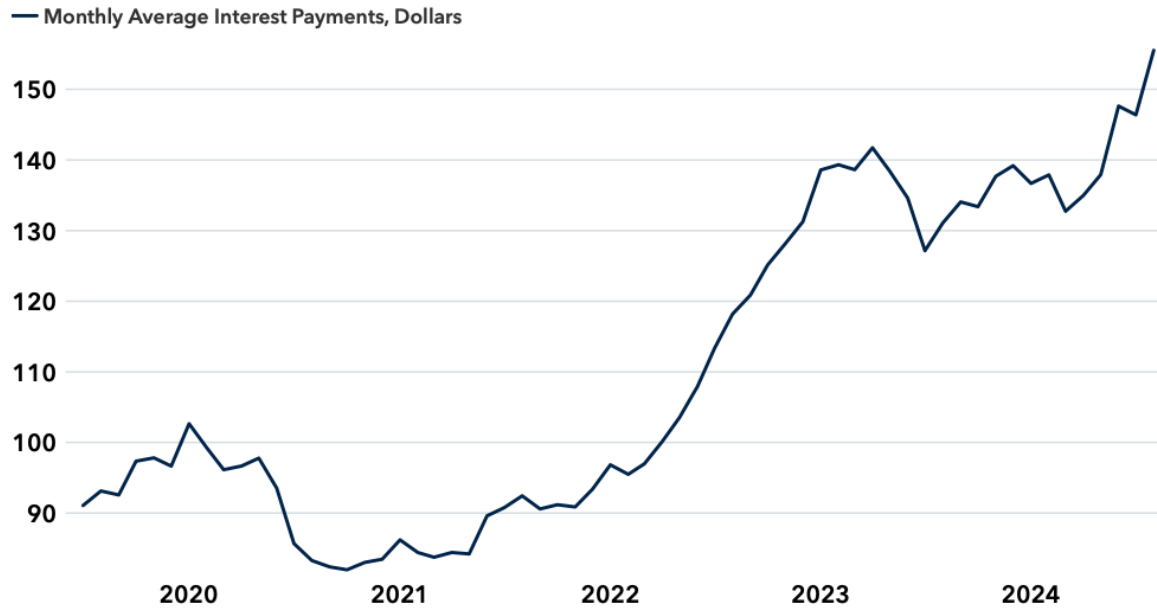
(B) CREDIT CARD USAGE AND PAYMENTS

Notes: Panel (A) plots the average credit card payments and average loan payments for the firms in the sample. Panel (B) plots the credit card usage along with credit card payments for the same set of firms.

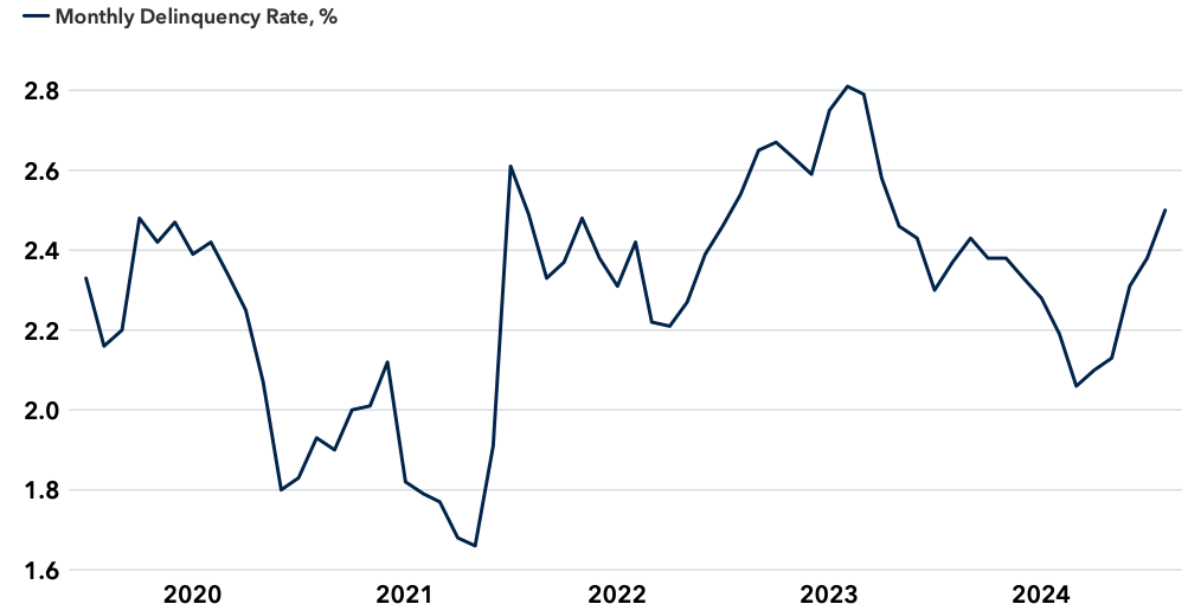
Source:

Akcigit, Chhina, Cilasun, Miranda, Serrano-Velarde (2025)
"Credit Card Entrepreneurs"

Credit Card Costs Climb, Delinquencies Follow



(A) INTEREST PAYMENTS ON CREDIT CARDS



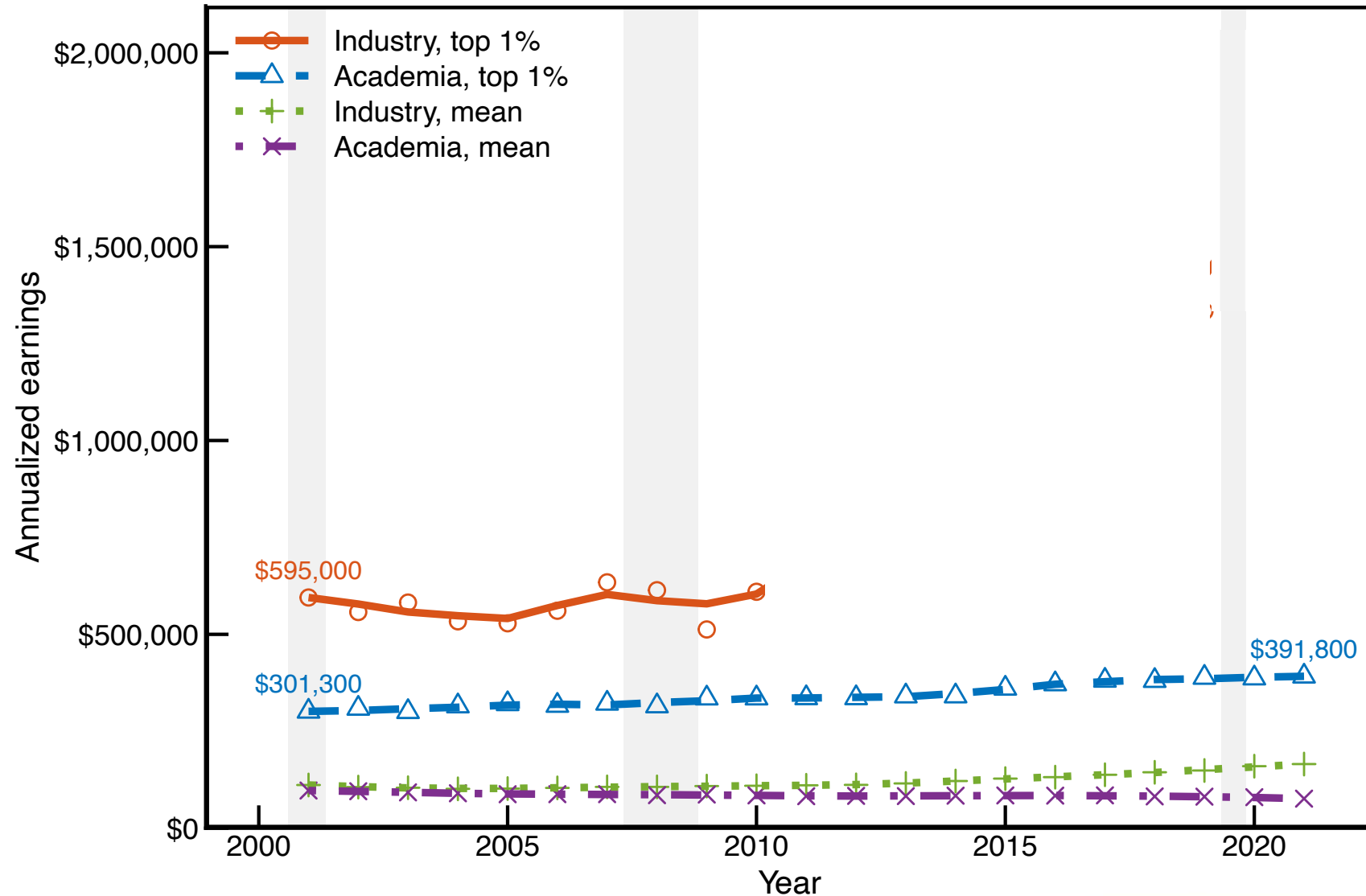
(B) DELINQUENCIES ON CREDIT CARDS

Notes: Panel (A) plots the average interest payments on credit cards for the firms in the sample. Panel (B) plots the monthly delinquency rates for the same set of firms.

Source:

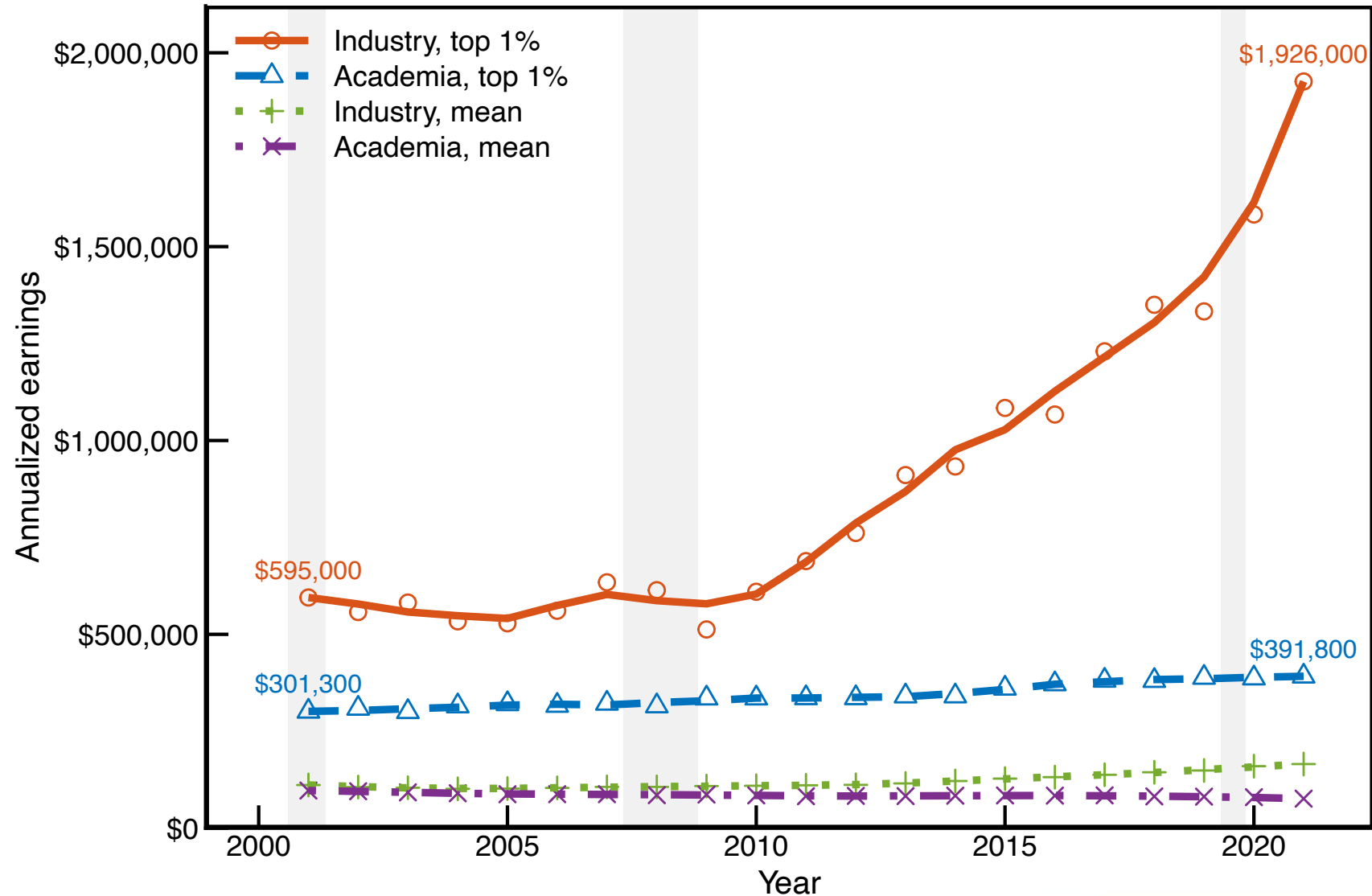
Akcigit, Chhina, Cilasun, Miranda, Serrano-Velarde (2025)
“Credit Card Entrepreneurs”

Attention (and Money) Is All You Need



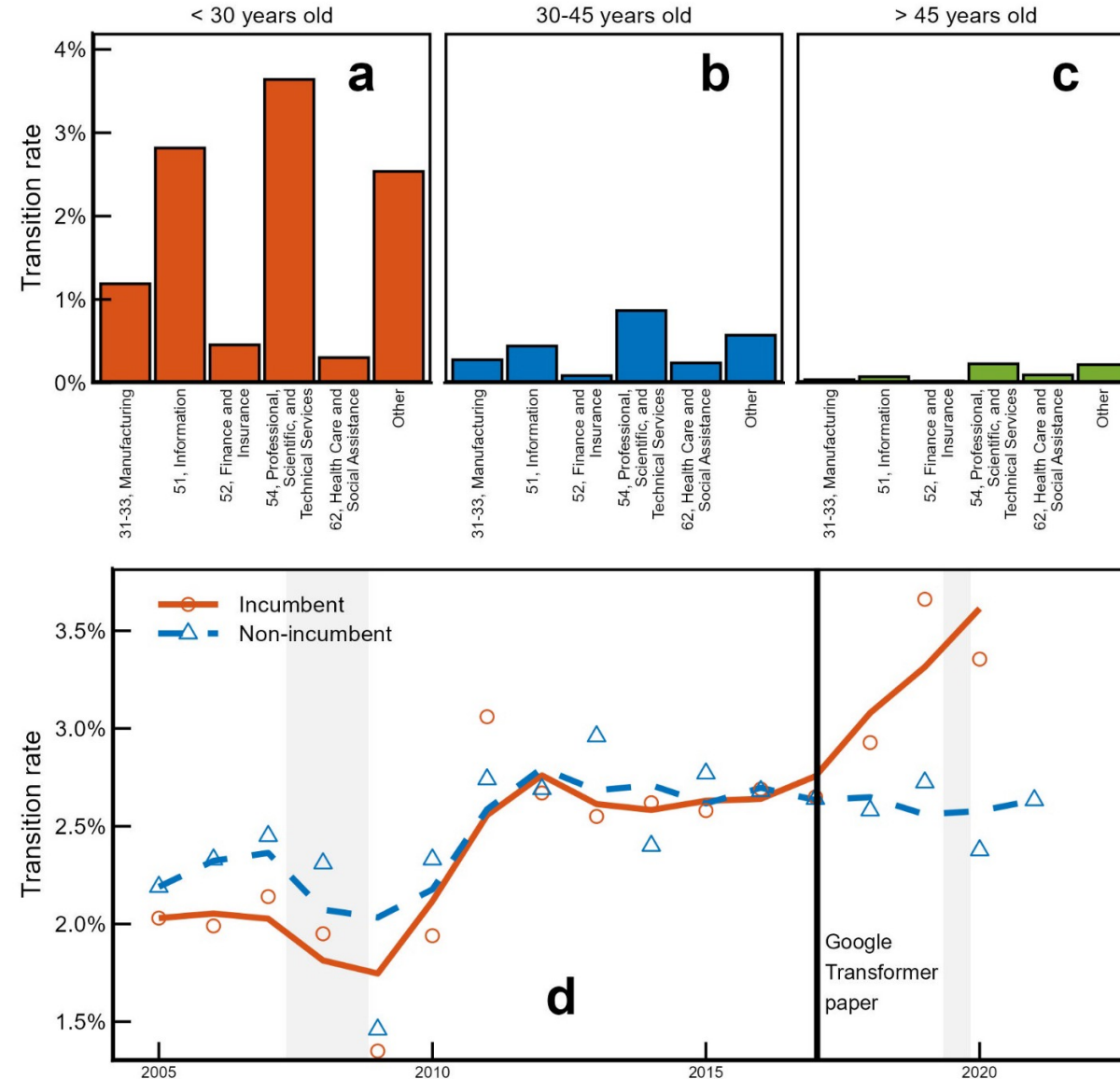
Source: Akcigit, Chikis, and Goldschlag (2025) "Attention (And Money) Is All You Need: Why Universities Are Struggling to Keep AI Talent"

Attention (and Money) Is All You Need



Source: Akcigit, Chikis, and Goldschlag (2025) "Attention (And Money) Is All You Need: Why Universities Are Struggling to Keep AI Talent"

From Ivory Tower to AI Tower: Academic Exodus to Industry



Source: Akcigit, Chikis, and Goldschlag (2025) "Attention (And Money) Is All You Need: Why Universities Are Struggling to Keep AI Talent"