



**BlackEconomics.org®**

## “A Black American Entrepreneurship Bulletin: An Updated Forecast”

In 2011, BlackEconomics.org analyzed and forecasted out to 2050 seven important Black American economic variables in a monograph entitled [53](#): Population, employment, income, entrepreneurship, educational attainment, criminal justice, and health. This bulletin on entrepreneurship follows up that analysis in consideration of Black America’s future.

Selected “Do Nothing” actual and underlying forecasts for entrepreneurship from 53 were:<sup>1</sup>

|                                  | 2010  | 2012  | 2017  | 2018  | 2020  | 2030  | 2040  | 2050   |
|----------------------------------|-------|-------|-------|-------|-------|-------|-------|--------|
| Black American Firms (Thousands) | 2,166 | 2,345 | 2,862 | 2,978 | 3,225 | 4,801 | 7,149 | 10,644 |

In 2011, US Department of Commerce, Bureau of the Census statistics on Black entrepreneurship (number of nonemployer and employer firms) were only available up to 2007. At that time, statistics were collected and released for quinquennial census years (years ending in 2 and 7). Since 2011, the Census Bureau has released statistics for 2012 and 2017. In addition, a new Census Bureau statistical program (the *Annual Business Survey*) now publishes statistics on entrepreneurship by race/ethnicity for each year with about a three-year lag.<sup>2</sup> In 2021, the Census Bureau reported that there were 3,364 thousand Black American firms in the US in 2018. We forecasted the 2018 estimate out to 2050 by conservatively using 75% of the average annual growth rate in the number of Black firms from 1969-to-2018 (4.9%). This period spans the breadth of statistics available on US entrepreneurship by race/ethnicity. Newly available statistics and decadal forecasts are presented below.

|                                  | 2017  | 2018  | 2020  | 2030  | 2040  | 2050   |
|----------------------------------|-------|-------|-------|-------|-------|--------|
| Black American Firms (Thousands) | 3,075 | 3,364 | 3,616 | 5,190 | 7,448 | 10,690 |

The forecasts published in 53 understated somewhat the growth in Black entrepreneurship. The new forecasts show the number of Black American-owned nonemployer and employer firms reaching 10,690 thousand by 2050. The 2050 estimate translate into one Black American-owned firm for every five Black Americans (we estimated the Black American alone [population](#) to be 57.3 million in 2050).

Note that for 2018, the composition of the 3.364 million Black firms was 3.240 million nonemployer and about 0.124 million employer firms. Measured against other races/ethnicities, the ratio of employer firms-to-total firms is small. An increase in this ratio by 2050 could enable Black employer firms to employ more Black Americans and help reduce the Black [unemployment](#) rate, which is forecasted to be 11.7% in 2050.

<sup>1</sup> The “Do Nothing” forecasts assumed that Black Americans would not adopt any policies or actions to modify our 2010 modus operandi through 2050.

<sup>2</sup> Census Bureau data on entrepreneurship by race/ethnicity are available at: [Nonemployer Statistics by Demographics \(NES-D\) Tables \(census.gov\)](#) (nonemployers, Table 1); and [Census - Table Results](#) (employers) (Ret. 121221).