

Private Equity: By the Numbers

The private equity (PE) industry is continuing to grow at a rapid pace.

- PE employs [11.7 million people](#) – nearly 3 million more than just two years ago.
- There are more than [18,000 PE funds](#) – a nearly 60% increase in just the last five years.
- PE currently has [\\$4.4 trillion](#) in assets under management, including \$1 trillion of uninvested capital.
- The size of these funds has more than [doubled](#) since 2016.

As a result of this growth, PE touches virtually every corner of society...

- PE investments in health care have increased more than [20-fold](#) over the last 20 years, with investments spanning from nursing homes, to hospitals, to ambulatory services.
- PE has invested at least \$1.1 trillion dollars in the energy sector over the last decade, with [80%](#) of that in fossil fuels.
- About [half](#) of all daily newspapers in the country are owned by PE or hedge funds.
- Three PE firms control more than [90%](#) of the prison telecom market, and they're also big players in prison health care, commissaries, and food service.

...and the costs to consumers, families and communities have been massive.

- PE is responsible for killing more than [1.3 million](#) retail jobs over the last decade.
- When PE firms buy out public companies, employment shrinks [13%](#) in the two years after the buyout.
- Between 2015-2019, nearly [two-thirds](#) of retail companies that went into bankruptcy were PE owned.
- When PE takes over a nursing home, mortality rates jump by [10%](#), implying that PE ownership causes more than *1,000 additional deaths* every year, on average, compared to non-PE owned nursing homes. Bills for patients also rise more than 10%.
- PE ownership of [housing](#) is associated with rising rents, higher rates of eviction, and worse quality.
- PE buyouts of private [colleges](#) lead to higher tuition and student debt, lower graduation rates and graduate earnings, and more law enforcement actions for fraud.
- Bankruptcy rates among companies purchased in leveraged buyouts are [10 times](#) higher than non-PE backed companies.
- PE has helped drive the growth in income inequality since 1980. One [study](#) found that there are more PE managers who make at least \$100 million annually than investment bankers, top financial executives, and professional athletes combined, while another found the number of PE [multibillionaires](#) rose from three in 2005 to 22 in 2020.
- Private equity is helping to drive market concentration in health care: KKR and Blackstone control [30%](#) of the market for outsourced ER doctors; PE owns two of the three medical air transport companies that together control two-thirds of that market.

Meanwhile, pension funds and other PE investors are being fleeced.

- The typical PE fund has [failed](#) to outperform the stock market since at least 2006...
 - ...yet the four biggest PE firms collected \$230 billion in performance fees over a 10-year period. “This wealth transfer from several hundred million pension scheme members to a few thousand people working in private equity might be one of the [largest in the history of modern finance](#).”
- In a recent survey of limited partners (which include investors like public pension funds), [nearly half](#) of respondents reported that more than half of the private funds they had invested in over the last year had contractually modified or reduced their fiduciary duties.
- The SEC found that about [50%](#) of PE firms it had audited had not shared the fees it collected from portfolio firms with limited partner investors, even when they are required to share them.