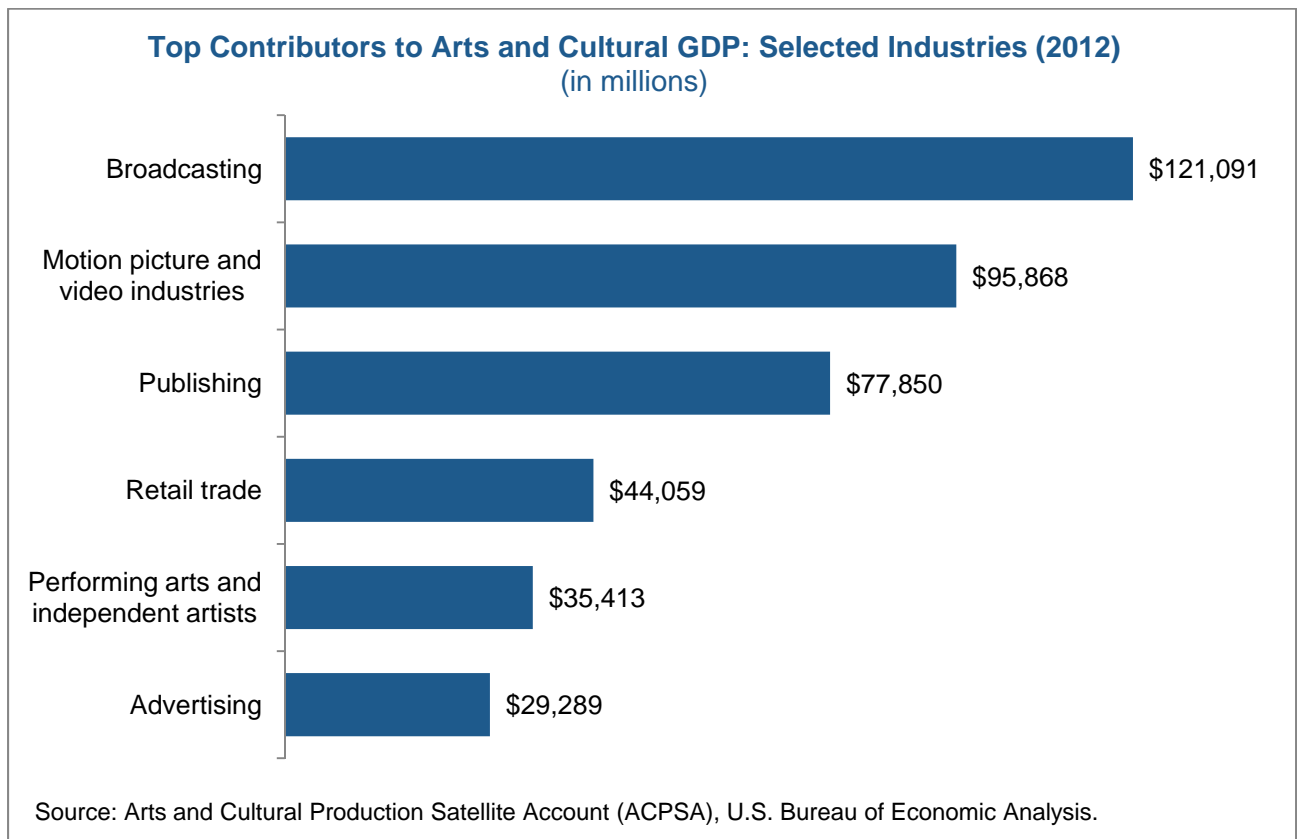


ACPSA Issue Brief #1: The Arts and GDP

In 2012, the most recent year for which reliable estimates are available, the production of arts and cultural goods added more than \$698 billion to the U.S. economy. This production amounted to 4.32 percent of GDP.

Six detailed industries emerge as top contributors to the total economic value added by arts and culture. They are: broadcasting; motion picture and video industries; publishing; retail trade; the performing arts and independent artists; and advertising services.¹ (Government, also a top ACPSA industry, is discussed in the next section of this Issue Brief.)

In 2012, these six industries accounted for 58 percent of arts and cultural GDP.



¹ The figures reported refer to arts and cultural production by industry, which differs from an industry's entire value added. For example, ACPSA value added by publishing (\$77.9 billion) is 42 percent of all value added by the publishing industry. For more information, see ACPSA Table 2, Output and Value Added by Industry, 2012. [Hyperlink]

Government Production of Arts and Cultural Commodities

In 2012, government (federal, state, and local) as an *industry* generated nearly \$2.2 trillion in value added, making it one of the largest sectors in the U.S. economy. Similarly, government is among the top producers of arts and cultural commodities—in 2012, U.S. federal, state, and local governments contributed \$96.1 billion of ACPSA's value added.

For example, in *gross output*, governments produced nearly \$3.7 billion in nature park services, and \$829 million in historical site services.² However, the government's greatest contribution to arts and cultural production is in educational services, a commodity that describes visual and performing arts education at public primary and secondary schools and at public colleges and universities. In 2012, government generated \$92.9 billion in gross output of arts-related educational services.

Government Production of Selected Arts and Cultural Goods and Services, 2012

Commodity	Gross output (in millions)
Arts education services	\$92,897
Government commodities ¹	\$25,267
Natural parks	\$3,673
Museums	\$1,281
Construction	\$866
Historical sites	\$410
Architectural services	\$564
Botanical gardens and zoos	\$394

¹ Includes services provided by arts-related federal government agencies (e.g., National Endowment for the Arts and The Corporation for Public Broadcasting) and by state arts agencies.

Source: Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis.

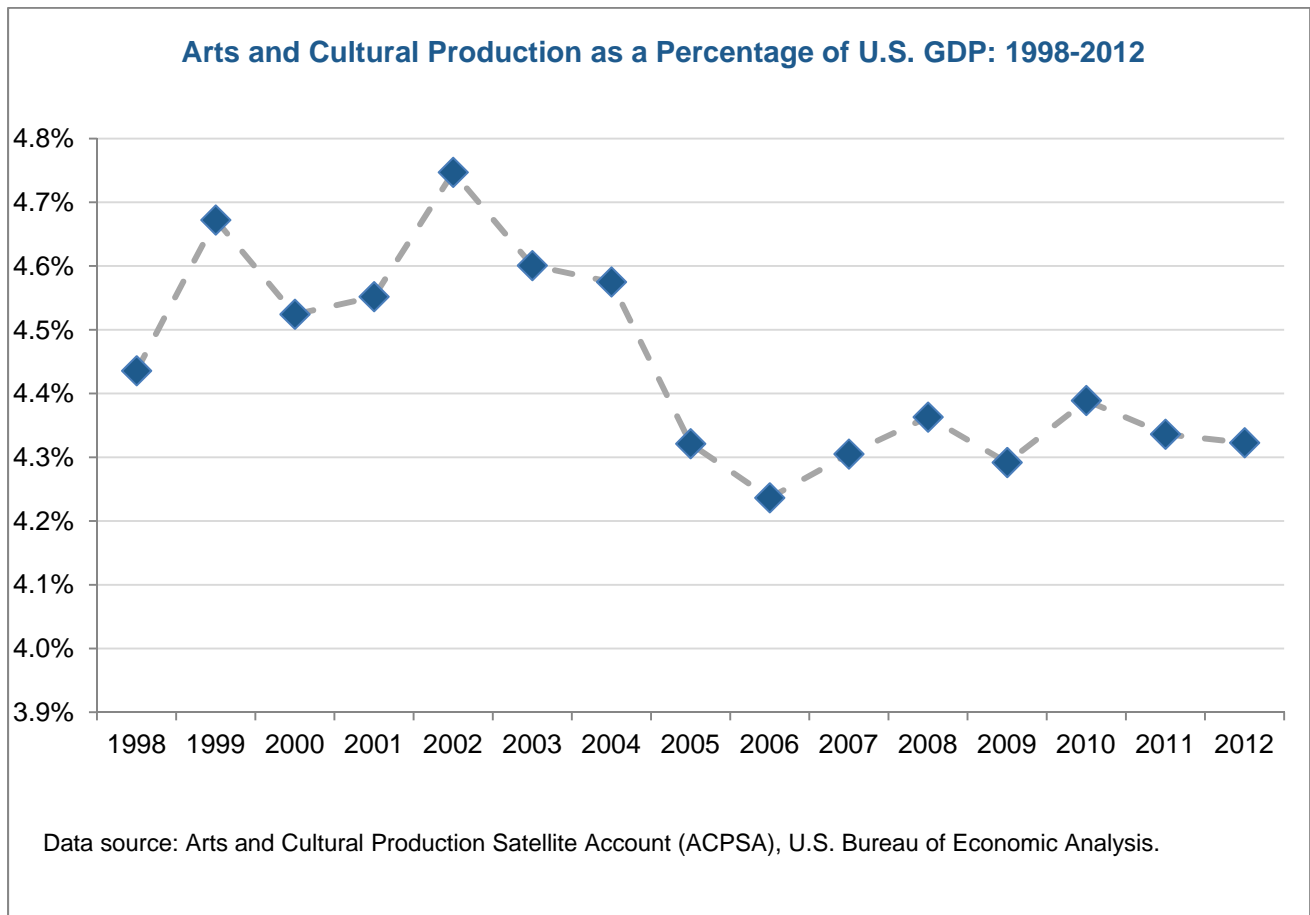
² Within the ACPSA, industry production by commodity is reported as gross output, which is equal to value added plus intermediary costs such as utilities and material costs.

Trends in Arts and Cultural Value Added

Although arts and cultural production accounted for 4.32 percent of U.S. GDP in 2012, that share was down 0.43 percentage points from its peak of 4.75 percent in 2002.

In 2005, the share slipped to 4.32 percent. Motion picture and video industries, which rank second among all ACPSA industries (excluding government), likely contributed to that decline due to lower box office sales and movie theater admissions in 2005.³

Arts and cultural value added, as a share of U.S. GDP, fell further to 4.29 percent in 2009—a pattern undoubtedly reflecting the U.S. economic recession of 2007-2009. In the years that followed, arts and cultural production rose, albeit modestly, to roughly 4.3-4.4 percent of GDP.



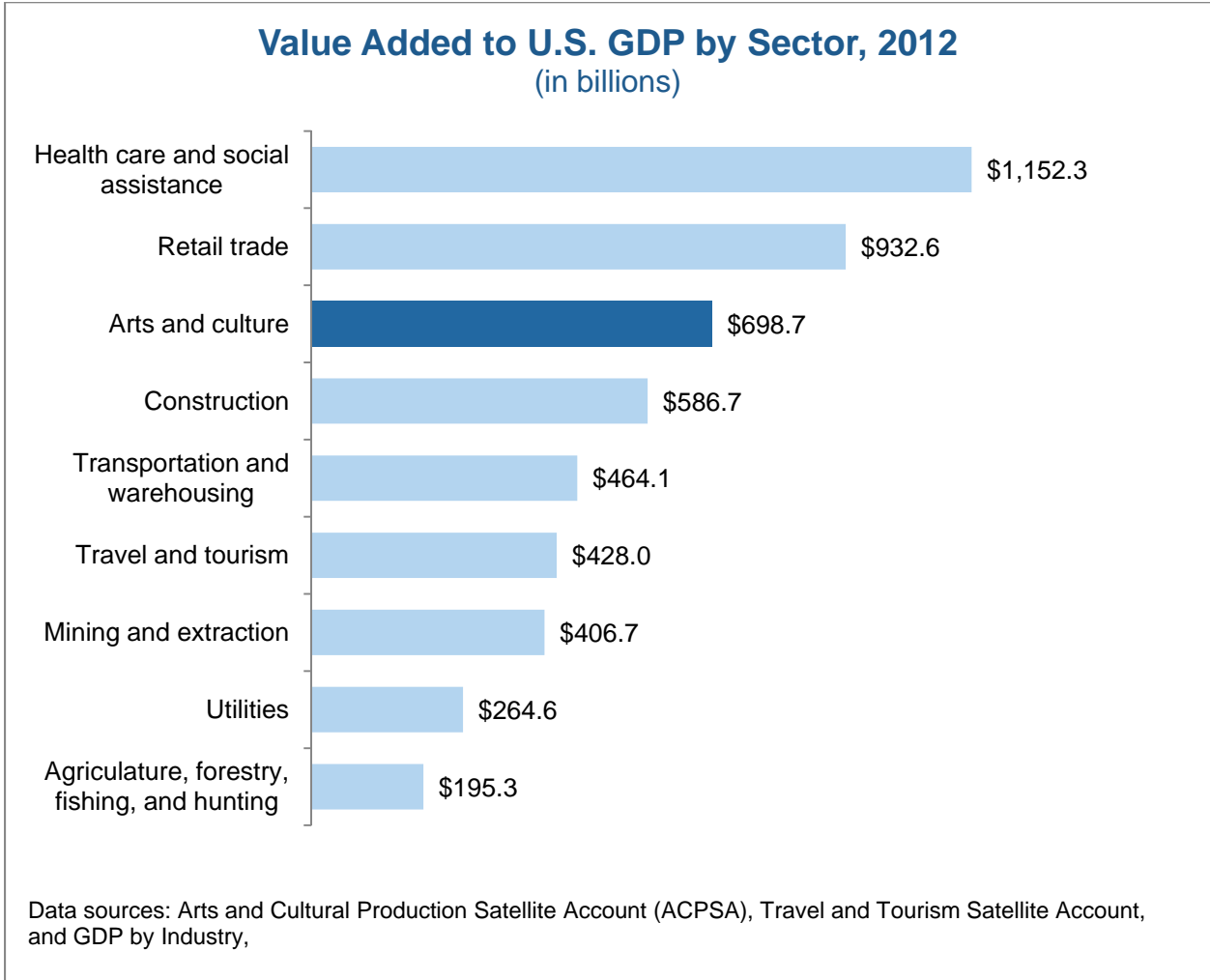
³ According to the Motion Picture Association, U.S. box office sales fell from \$9.54 billion in 2004 to \$8.99 billion in 2005. Further, U.S. movie theater admissions slid by 8.7 percent in 2005. For more information, see [U.S. Theatrical Market: 2005 Statistics](#), issued by the Motion Picture Association, Worldwide Market Research.

Comparing Arts and Culture to Other Sectors of the Economy

The graph below shows value added by arts and culture in comparison with various other sectors of the U.S. economy.

In 2012, for example, arts and culture's value added was smaller than that of health care (about \$454 billion less) and of retail trade (\$234 billion less). However, arts and culture surpassed construction by \$112 billion, and its value added was more than 3 times greater than that of agriculture,

(The comparisons shown below are not mutually exclusive. For example, arts and cultural production includes parts of construction—namely the building of new arts and cultural facilities—and travel and tourism includes related performing arts spending.)



Output and Value Added to U.S. GDP by Industries Producing Arts and Cultural Goods and Services, 2012
(in millions)

	Gross output	Value added to U.S. GDP	Notes
All U.S. arts and cultural production	\$1,132,254	\$698,695	
<i>Arts and entertainment</i>			
Performing arts	\$26,802	\$16,116	
Theaters*	\$12,266	\$7,376	
Opera companies*	\$1,632	\$982	
Dance companies*	\$1,294	\$778	
Music groups and artists*	\$9,328	\$5,609	
Symphony orchestras and chamber groups*	\$3,182	\$1,913	
Other music groups and artists*	\$6,146	\$3,695	A
Other performing arts*	\$2,281	\$1,372	
Circuses*	\$336	\$202	
Other performing arts, except circuses*	\$1,946	\$1,170	B
Independent artists, writers, and performers	\$31,062	\$19,297	
Promoters of performing arts	\$19,753	\$7,553	C
Agents and managers for artists	\$3,650	\$2,113	
Museums	\$11,520	\$5,075	
<i>Information</i>			
Publishing	\$123,397	\$77,850	
Newspapers and periodicals*	\$64,848	\$40,912	
Books*	\$20,224	\$12,759	
Other print publishing*	\$6,251	\$3,943	D
Software*	\$32,074	\$20,235	E
Motion picture and video production	\$118,822	\$95,868	
Sound recording	\$20,137	\$16,303	
Broadcasting	\$221,877	\$121,091	
Other information services	\$62,073	\$31,961	F
<i>Design and professional services</i>			
Architectural services	\$22,600	\$13,910	
Landscape architectural services	\$3,976	\$2,305	
Interior design services	\$10,787	\$6,308	
Industrial design services	\$2,335	\$1,512	
Graphic design services	\$10,037	\$6,573	
Other design services	\$903	\$639	G
Computer systems design	\$3,695	\$2,696	H
Advertising agencies	\$47,032	\$29,289	I
Photography and photo-finishing services	\$13,586	\$8,045	J
<i>Education</i>			
Fine arts education	\$5,322	\$2,855	K
Education services	\$8,120	\$4,726	L
<i>Support services</i>			
Government	\$132,693	\$96,109	
Grant-making and giving services	\$888	\$519	
Unions	\$1,586	\$1,147	
Rental and leasing	9116	5288	
Other support services	838	439	M

Output and Value Added to U.S. GDP by Industries Producing Arts and Cultural Goods and Services, 2012			
<i>(in millions)</i>			
Continued)			
	Gross output	Value added to U.S. GDP	Notes
<i>Manufacturing</i>			
Printed goods	\$17,769	\$8,066	N
Jewelry and silverware	\$9,139	\$3,884	
Musical instruments	\$1,854	\$893	
Custom architectural woodwork and metalwork	\$5,414	\$1,902	
Camera and motion picture equipment	\$547	\$316	
Other goods	\$4,217	\$1,951	O
<i>Trade</i>			
Wholesale	\$47,889	\$29,000	P
Retail	\$70,188	\$44,059	Q
<i>Construction</i>			
	\$20,875	\$10,356	R
<i>Other industries</i>			
	\$41,753	\$22,681	S
* Estimate was derived by the NEA's Office of Research & Analysis using data from the Arts and Cultural Production Satellite Account, U.S. Bureau of Economic Analysis; and/or the Economic Census and Non-Employer Statistics, U.S. Census Bureau.			
Note: Detail may not add to total due to rounding.			

Table Notes	
A	Includes jazz, rock, and country bands and artists; choirs; and bugle corps.
B	Includes magic and ice-skating shows and traveling carnivals.
C	Includes performing arts festivals.
D	Includes art prints, posters, calendars, greeting cards, and maps.
E	Restricted to video games and arts-related software such as photo-editing and CAD software.
F	Includes Internet broadcasts and publishing, news-syndication services, and stock photography services.
G	Includes fashion, fur, and jewelry design.
H	Restricted to computer systems design that supports motion picture, video, and sound-recording production.
I	Excludes public relations agencies, media-buying representatives; material distribution (e.g., fliers), and sign painting.
J	Excludes one-hour photo-finishing services.
K	Includes music and dance schools.
L	Non-government primary and secondary and college and university visual and performing arts programs and departments.
M	Refers to theatrical ticket offices and agencies.
N	Includes lithographic, gravure, screen, and digital printing of magazines, newspapers, calendars, and art works; book printing; letterpress; and binding and pre-press services.
O	Includes pressed and blown glass, pottery, and art goods.
P	Includes wholesale trade of photographic equipment and books, periodicals, and newspapers.
Q	Includes music stores; book stores and newsstands; photographic equipment stores; and florist shops.
R	Restricted to construction of arts and cultural structures.
S	Other industries producing arts and cultural goods and services.