

The U.S. Arts Economy (1998-2017): A National Summary Report

The Economic Impact of the Arts Is on the Rise

In 2017, the production of arts and cultural goods and services in the United States contributed \$877.8 billion, or 4.5 percent, directly to the nation's GDP. There were over 5 million wage-and-salary workers employed in the arts and cultural sector. Compensation for these workers totaled \$405 billion in 2017.

The arts continue to contribute more to the U.S. economy than do construction, transportation and warehousing (combined), and agriculture (among other sectors). The arts also generate a widening trade surplus. From 2006 to 2017, this surplus grew 9-fold, to more than \$25 billion.

Below are summary findings on the arts economy. Click on the topic to go directly to that section of the document.

Total Value of the U.S. Arts Economy

Trends in Arts and Cultural Production

Workers Engaged in Arts and Cultural Production

Consumer Spending on Admissions to Performing Arts Events

Arts and Cultural Contributions to the Creative Economy

Exports of Arts and Cultural Goods and Services

The Nonprofit Arts Economy

The U.S. Arts Economy (1998-2017): A National Summary Report was produced by the National Endowment for the Arts in March 2020 using data from the Arts and Cultural Production Satellite Account (ACPSA), produced in partnership with the U.S. Bureau of Economic Analysis. More information is available at www.arts.gov.

I. Total Value of the U.S. Arts Economy

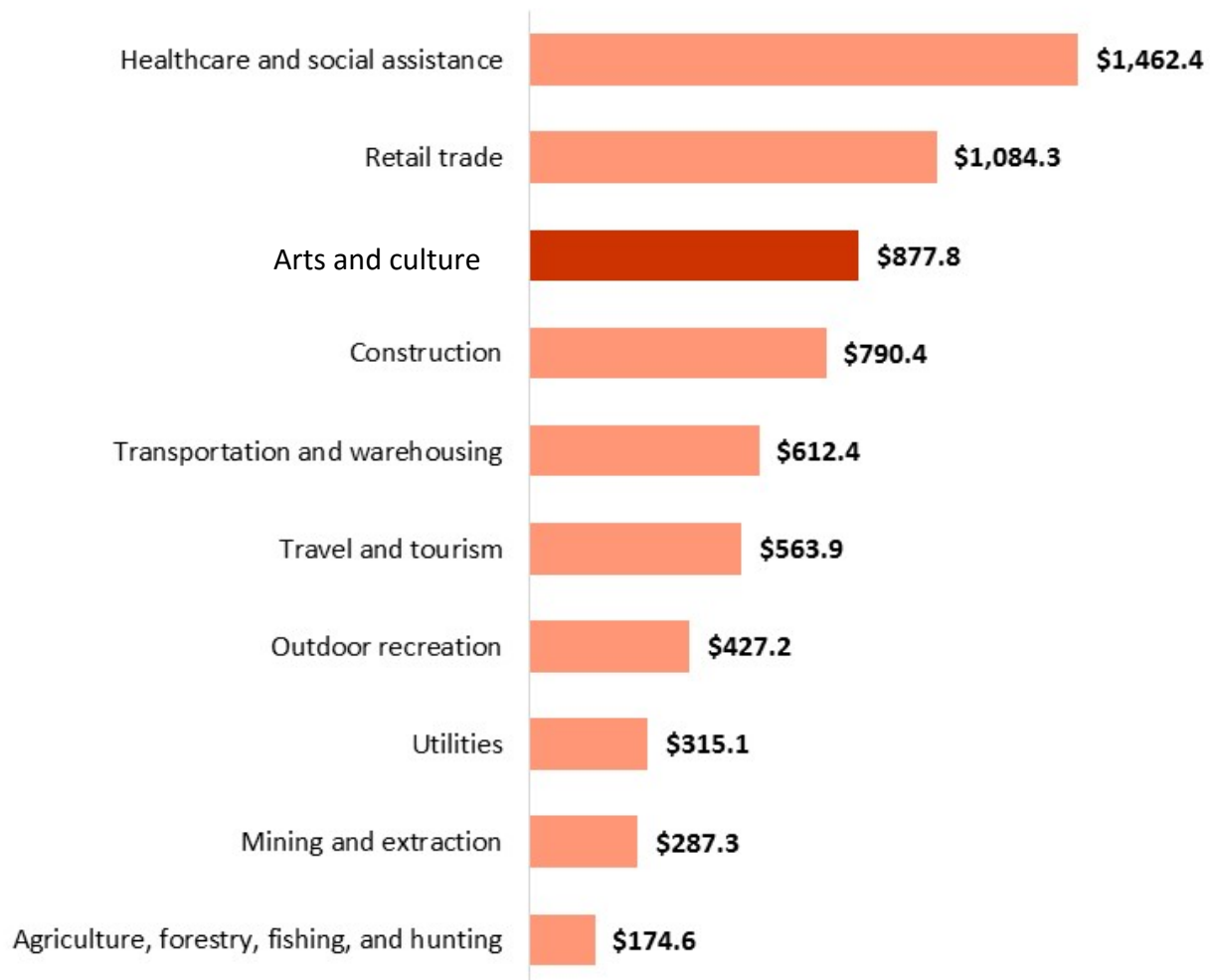
1. In 2017, arts and cultural production contributed \$877.8 billion to the U.S. economy.

- That production amounted to 4.5 percent of U.S. GDP.

2. Arts and culture surpasses a number of other sectors such as construction, transportation and warehousing, and agriculture (including, forestry, fishing, and hunting).i

- The value added by arts and culture to the U.S. economy is 5 times greater than the value added by the agricultural sector.
- Arts and culture adds \$87 billion more than construction and \$265 billion more than transportation and warehousing to the U.S. economy.

Value added to U.S. GDP by selected sector: 2017
(Billions)

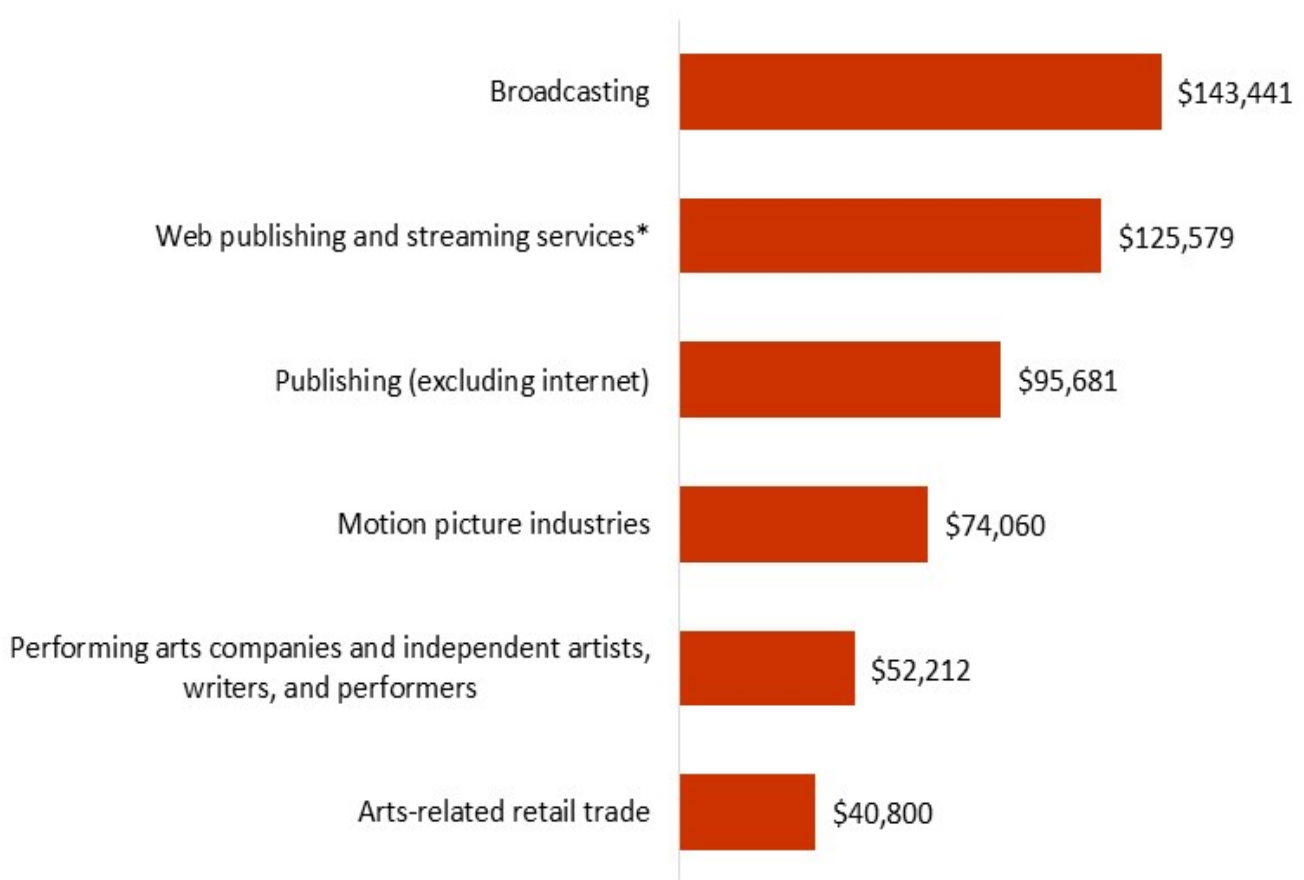


Source: Value Added by Industry, U.S. Bureau of Economic Analysis

3. Six detailed industries emerge as top contributors to the total economic value added by arts and culture:

- Broadcasting (excluding sports; web publishing and streaming services; publishing (excluding internet publishing); motion picture industries; performing arts companies and independent artists, writers, and performers; and arts-related retail trade.

Top contributors to arts and cultural GDP, selected industries: 2017
(millions)



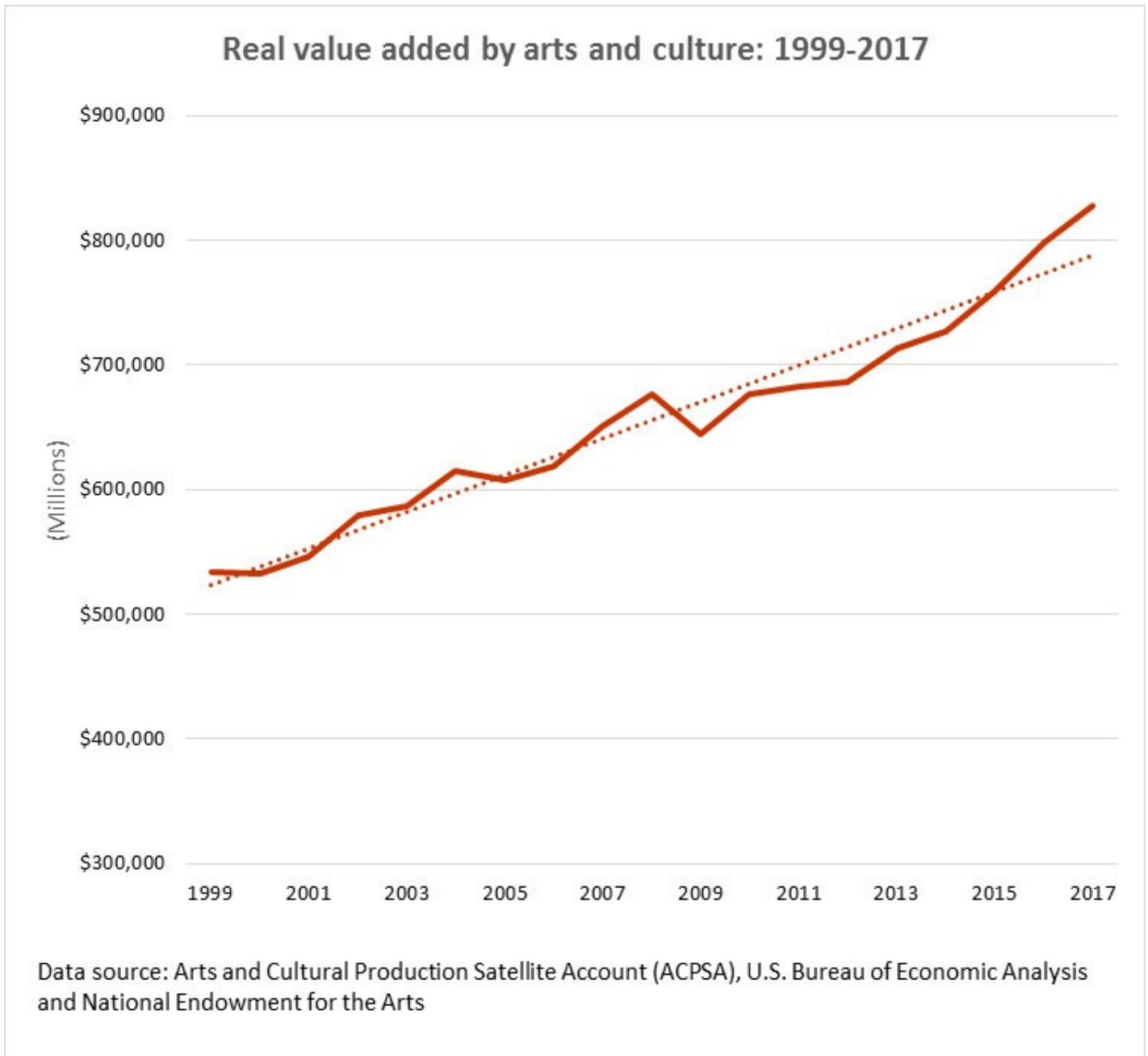
*See the endnotes to this summary report for more information on the industry labeled "web publishing and streaming services." Graph excludes arts and cultural production by government.

Data source: Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis and National Endowment for the Arts

II. Trends in Arts and Cultural Production

1. For nearly two decades, the total economic value added by arts production has generally risen.

- Over the most recent 3-year period (2015-2017), the average annual growth rate of the value added by arts and culture (adjusted for inflation) was 4.45 percent, more than double the growth rate of the total U.S. economy (+ 2 percent).

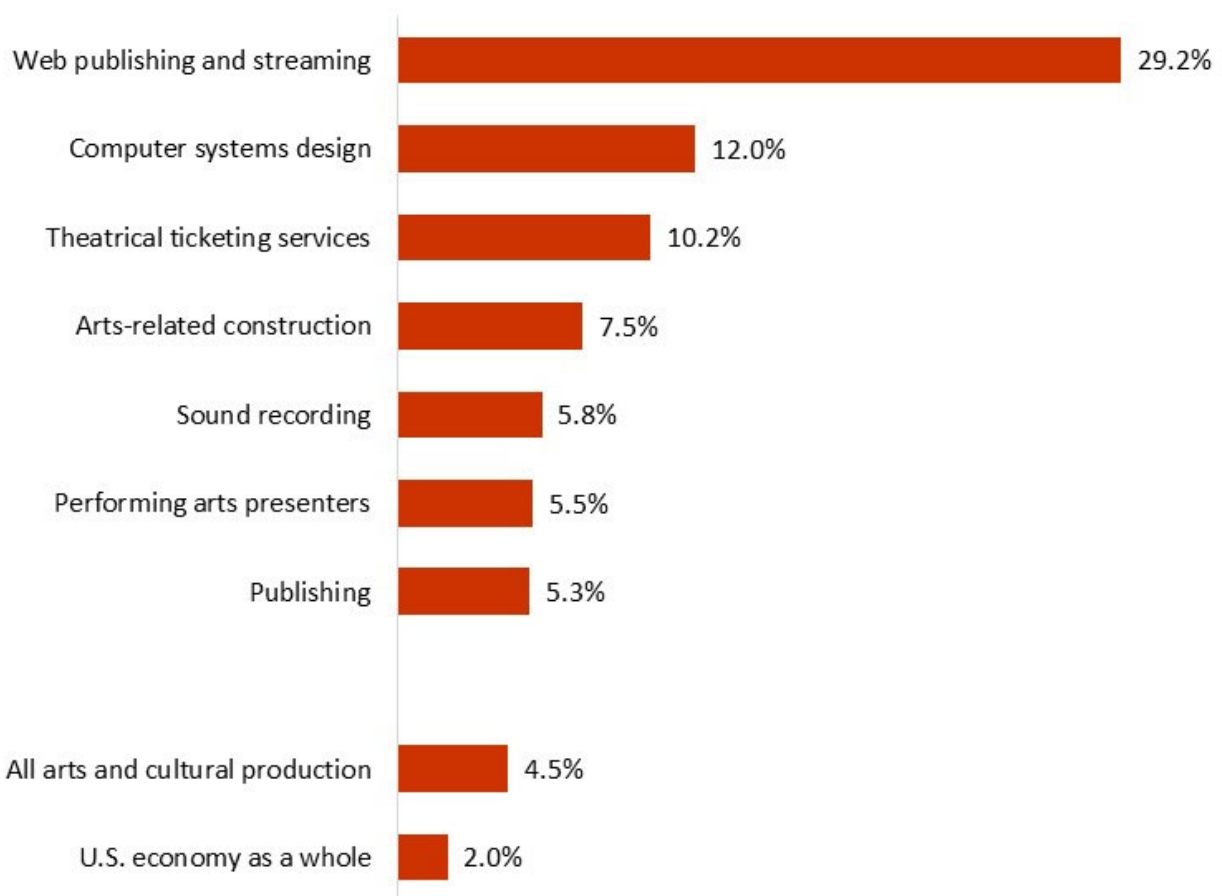


2. The fastest-growing industries producing arts and cultural goods and services include web publishing and streaming, sound recording, and performing arts presenters.

- The total value added to the U.S. economy by web publishing and streaming grew by an average annual rate of 29.2 percent from 2015 to 2017.

- The value added by sound recording grew by 5.8 percent over the same three-year period.
- The value added by performing arts presenters grew at nearly the same clip—5.5 percent.

Fast-growing industries by average annual growth rates of real value added from arts and culture: 2015-2017



Notes: See the endnotes to this summary report for more information about the industry labeled "web publishing and streaming"; computer systems design refers to designs supporting sound recording and motion picture production; other support systems include ticketing services for arts events.

Data source: Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis and National Endowment for the Arts

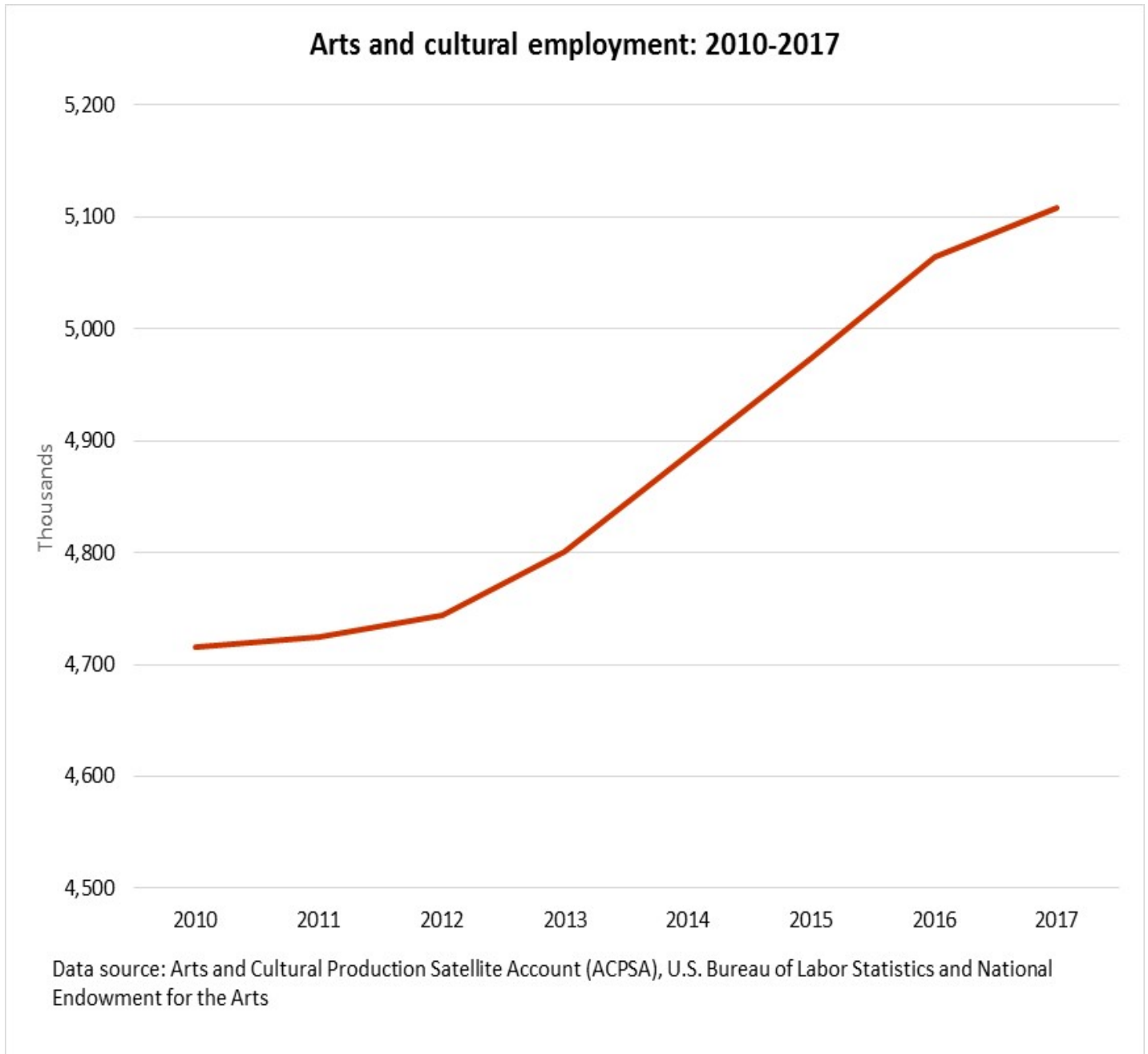
III. Workers Engaged in Arts and Cultural Production

1. In 2017, the arts and cultural sector employed more than 5 million wage-and-salary workers.

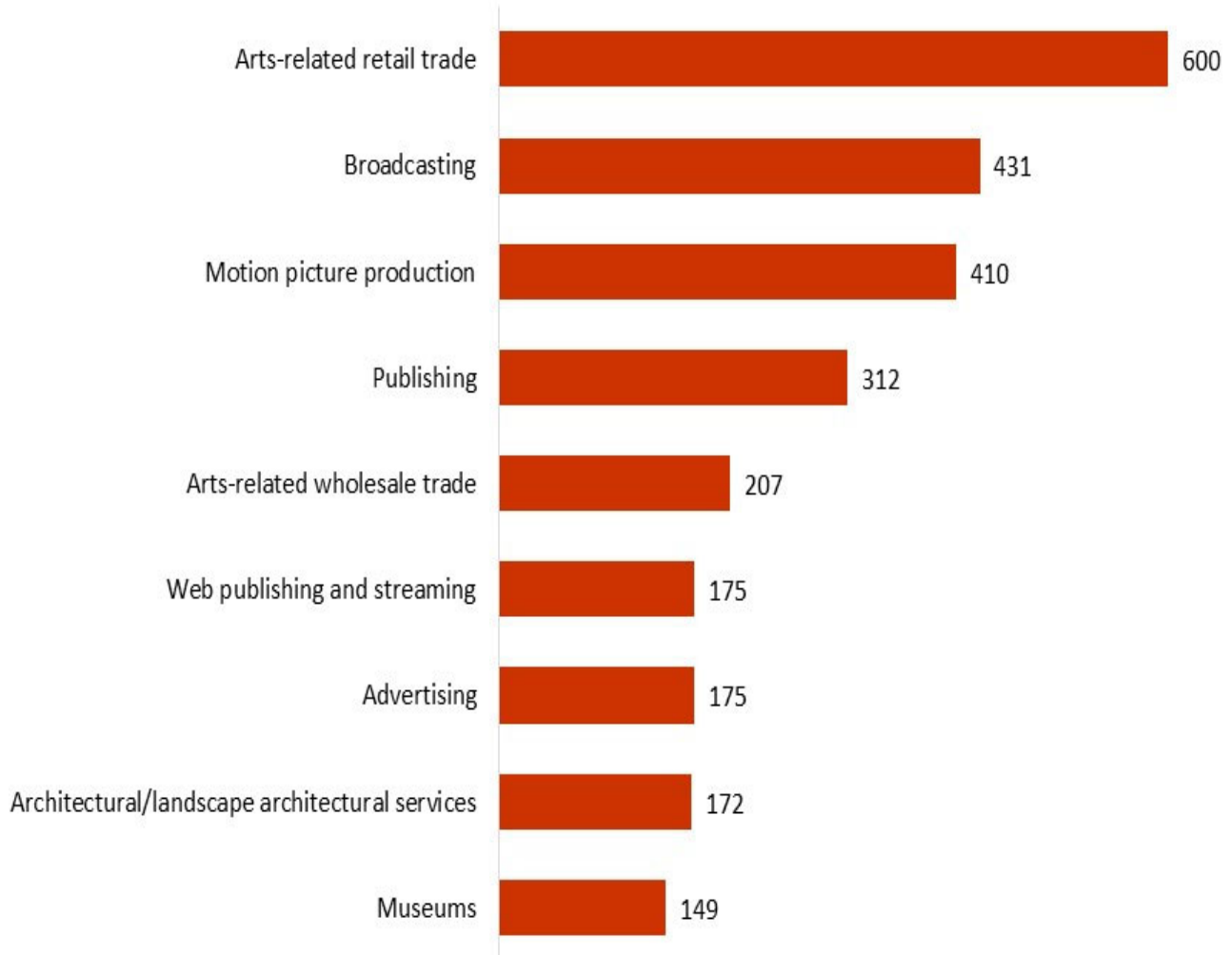
- Compensation for those workers topped \$400 billion that year.

2. The number of workers employed to produce arts and cultural goods and services has risen in recent years.

- Between 2010 and 2017, the years following the Great Recession, the arts and cultural economy added 392,000 workers.



Top-ranking industries by number of people employed to produce arts and cultural goods and services: 2017 (thousands)



Notes: Arts-related retail and wholesale trade include art galleries, book and music stores, and florist shops. See the endnotes to this summary report for more information about the industry labeled "web publishing and streaming." Graph excludes arts and cultural employment by government.

Data source: Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis and National Endowment for the Arts

IV. Consumer Spending on Admissions to Performing Arts Events

1. In 2017, consumers spent \$26.5 billion on admissions to performing arts events.
2. Between 2000 and 2017, consumer spending on admissions to the performing arts, as a share of all U.S. consumer spending, rose from 0.13 percent to nearly 0.20 percent.

Personal consumption spending on admissions to performing arts events: 2017

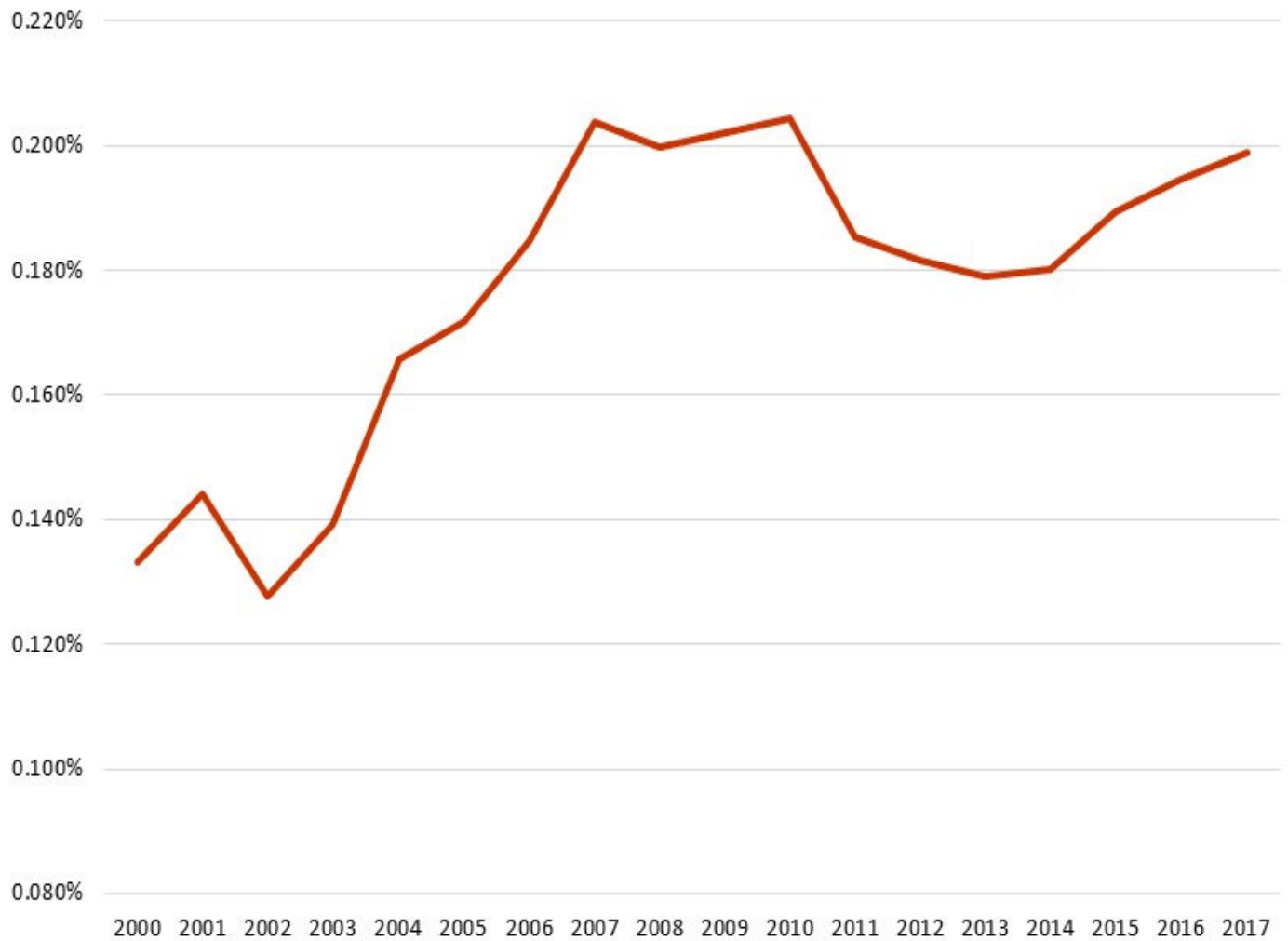
(in millions)

Performing arts	\$26,460
Theater/musical theater/opera	\$17,004
Music groups and artists ¹	\$3,669
Other performing arts ²	\$3,030
Symphony orchestras and chamber groups	\$2,033
Dance	\$724

¹ Includes jazz, rock, and country music performances.

² Examples include carnivals, circuses, ice-skating performances, and magic shows

Consumer spending on admissions to performing arts events, as a share of all personal consumer spending: 2000-2017



Data source: Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis and National Endowment for the Arts

V. Arts and Cultural Contributions to the Creative Economy

1. Arts and cultural production accounts for half of the U.S. “creative economy.”

- In 2017, copyright-intensive industries contributed \$1.1 trillion to the U.S. economy. Of that value, \$569 billion stemmed from the production of arts and cultural goods and services.

2. Between 2015 and 2017, average annual growth in production of copyright-intensive arts and cultural goods and services grew 6.3 percent.

- Average annual growth in production was particularly strong for web publishing and streaming; sound recording; and publishing, including arts-related software publishing.

Value added by copyright-intensive industries: 2017

(millions)

	Total value added	Value added from arts and cultural production
All copyright-intensive industries	\$1,101,742	\$569,015
Broadcasting ¹	\$279,903	\$143,441
Web publishing and streaming ²	\$140,683	\$125,579
Publishing	\$262,974	\$95,681
Motion picture industries	\$77,186	\$74,060
Performing arts companies and independent artists, writers, and entertainers	\$53,095	\$52,212
Advertising	\$75,898	\$30,056
Specialized design	\$23,132	\$21,468
Sound recording	\$14,222	\$14,129
Photographic services	\$8,617	\$8,444
Computer systems design ³	\$166,032	\$3,945

¹ Excludes sports.

² See the endnotes to this summary report for more information about the industry labeled "web publishing and streaming."

³ Refers to computer systems design supporting sound recording and motion picture production.

Data source: Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis and National Endowment for the Arts

Average annual growth rates of real value added by arts and culture: 2015-2017

Copyright-intensive industries only

All copyright-intensive industries	6.3%
Web publishing and streaming ¹	29.2%
Computer systems design ²	12.0%
Sound recording	5.8%
Publishing	5.3%
Advertising	1.6%
Motion picture industries	0.2%
Performing arts companies and independent artists, writers, and entertainers	-0.1%
Broadcasting ³	-0.4%
Photographic services	-0.8%
Specialized design	-3.4%

¹ See the endnotes to this summary report for more information about the industry labeled "web publishing and streaming."

² Refers to computer systems design supporting sound recording and motion picture production.

³ Excludes sports.

Data source: Arts and Cultural Production Satellite Account (ACPSA),
U.S. Bureau of Economic Analysis and National Endowment for the Arts

Arts and Cultural Production as Investment

Historically, private fixed assets were in the form of physical capital (i.e., plant and equipment assets). In more recent years, however, the BEA has expanded its definition of investment to include the capitalization of intangible assets.

For example, software development was first counted as fixed private investment in 1999. And in 2013, the national income and product accounts (NIPAs) were revised to include research and development expenditures as investment.

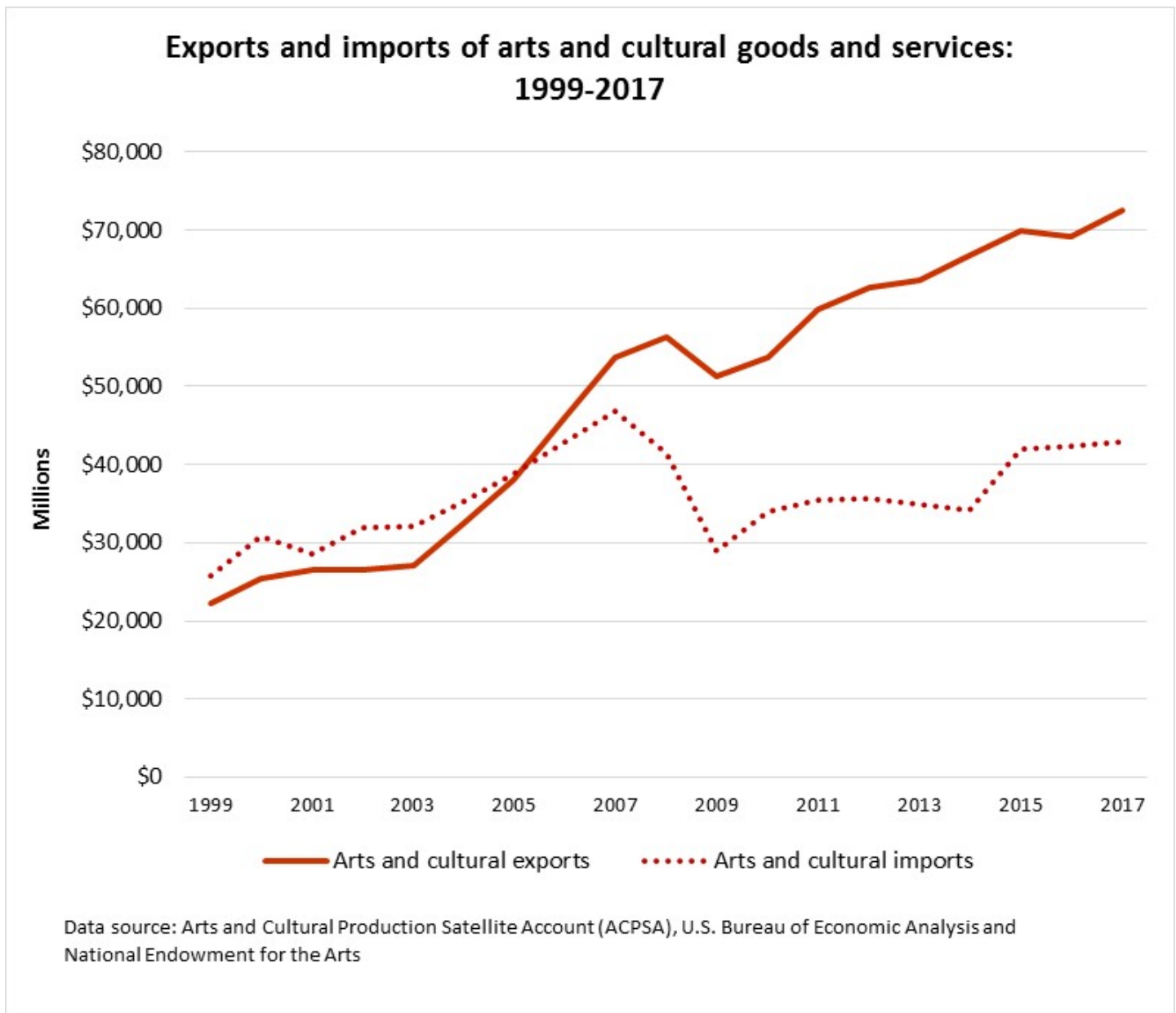
Also in 2013 was the BEA revision that capitalized "entertainment originals." Entertainment originals refer to theatrical movies; long-lived television programs; books; music; and other "miscellaneous entertainment" such as scripts and scores for the performing arts, greeting card designs, and stock photography.

In 2015, for example, investment in entertainment originals was **\$77.3 billion**. In 2017, that investment rose to **\$84 billion**.

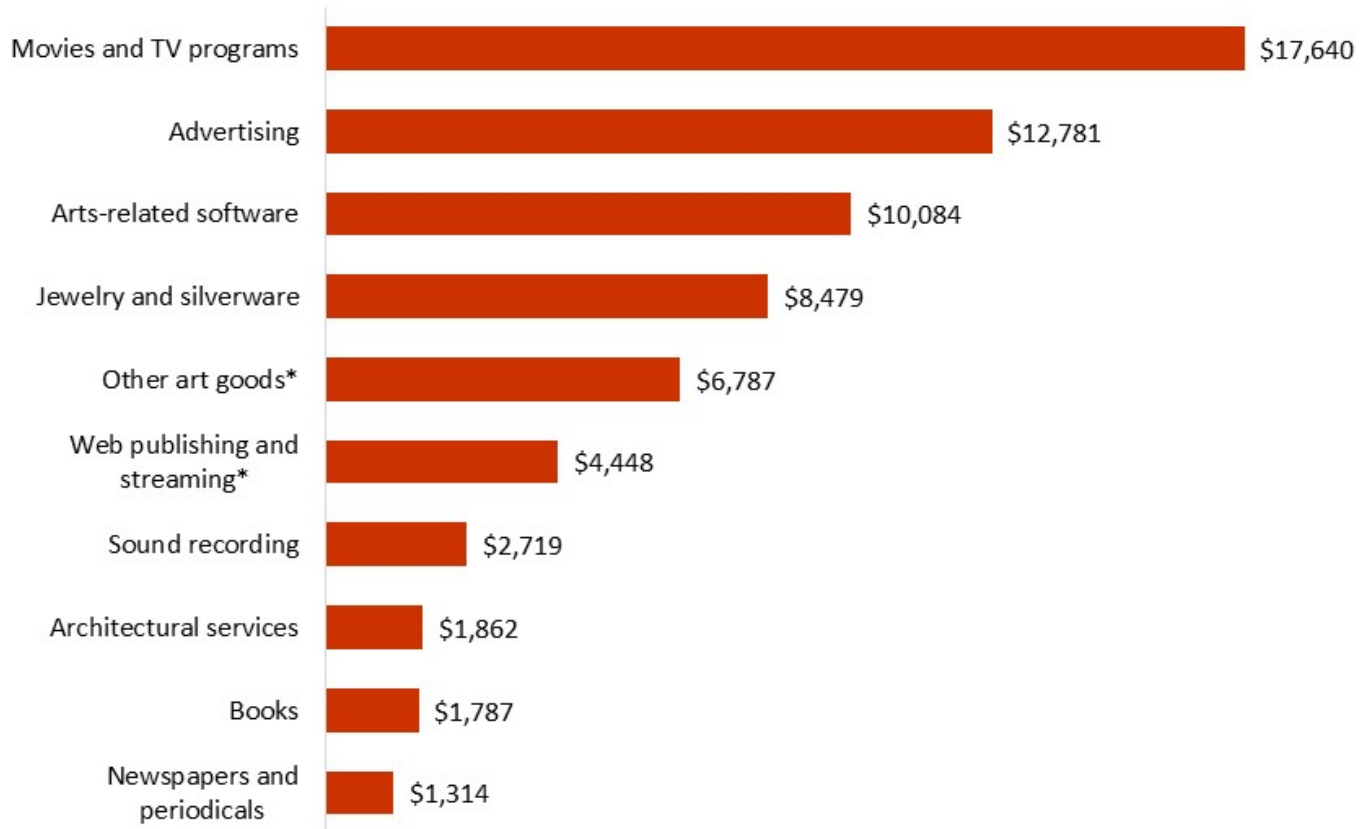
VI. Exports of Arts and Cultural Goods and Services

1. The U.S. exports more arts and cultural goods and services than it imports, resulting in a trade surplus.
 - In 2017, the U.S. exported nearly \$30 billion more in arts and cultural goods and services than it imported.
 - The arts and cultural trade surplus has increased since 2006, when it was \$3.3 billion.

2. Arts and cultural exports are driven by movies and TV programs, advertising, arts-related software, and jewelry and silverware.
 - In 2017, those commodities accounted for \$49 billion, or two-thirds of all U.S. arts exports.



Top U.S. exports of arts and cultural goods and services: 2017 (Millions)



*Other art goods include the manufacture of selected art goods such as art supplies (e.g., brushes, canvases), blown glass objects, and pottery; See the endnotes to this summary report for more information about the industry labeled "web publishing and streaming."

Data source: Arts and Cultural Production Satellite Account (ACPSA), U.S. Bureau of Economic Analysis and National Endowment for the Arts.

VII. The Nonprofit Arts Economy

1. In 2017, nonprofit performing arts companies, performing arts presenters, and museums (and similar institutions) contributed approximately \$15 billion to the U.S. economy and employed more than 200,000 workers.

- The total value added to the U.S. economy by tax-exempt motion picture and sound recording industries was \$700 million.

Nonprofit Book Publishers

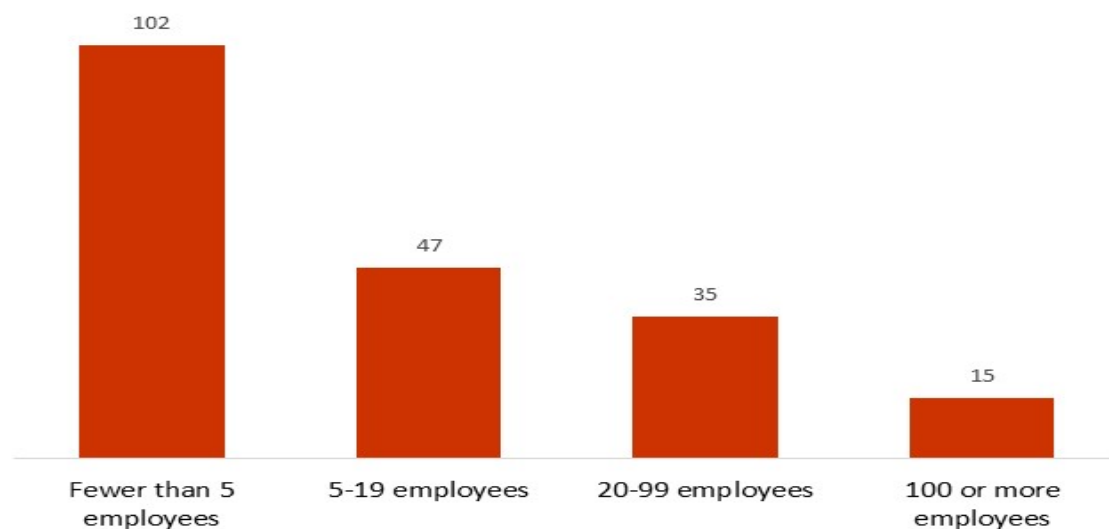
County Business Patterns (CBP) data, which are produced by the U.S. Census Bureau, furnish statistics on business establishments by legal form of organization and by employment size.

In 2017, the CBP tallied 2,440 book publishers. More than 40 percent of those were “S” corporations, which refers to corporations in which profits/losses are channeled to the owners, who also pay the taxes. Nearly 800 were “C” corporations, meaning that the corporation is a separate entity from the owners.

That year, there were also 200 nonprofit book publishers. They employed just under 6,000 workers and paid more than \$300 million in compensation.

About half of the nonprofit book publishers employed fewer than five employees. Another 47 establishments employed between 5 and 19 employees, while 35 staffed 20-99 workers. In 2017, 15 nonprofit book publishers employed 100 or more employees.

Counts of nonprofit book publishers by number of employees staffed: 2017



Data source: County Business Patterns, U.S. Census Bureau

Value added and employment in selected tax-exempt arts industries: 2017		
	Value added (millions)	Employment (thousands)
Performing arts companies	\$13,957	122
Taxable	\$8,845	47
Tax-exempt	\$5,112	75
Theaters and opera companies	\$6,566	67
Taxable	\$3,688	27
Tax-exempt	\$2,878	40
Dance companies	\$703	10
Taxable	\$92	1
Tax-exempt	\$612	9
Music groups and artists	\$4,986	38
Taxable	\$3,379	12
Tax-exempt	\$1,607	27
Other performing arts companies	\$1,702	7
Taxable	\$1,687	6
Tax-exempt	\$15	1
Performing arts presenters	\$15,288	112
Taxable	\$12,238	83
Tax-exempt	\$3,050	29
Museums, historical sites, and similar institutions	7,876	149
Taxable	734	16
Tax-exempt	7,142	133
Museums	5,410	95
Taxable	401	7
Tax-exempt	5,009	88
Historical sites	336	9
Taxable	25	1
Tax-exempt	311	8
Zoos, botanical gardens, and nature parks	2,130	45
Taxable	308	8
Tax-exempt	1,821	37
Motion picture and video industries	\$74,060	410
Taxable	\$73,615	402
Tax-exempt	\$445	8
Sound recording industries	\$14,129	17
Taxable	\$13,861	17
Tax-exempt	\$268	*
Estimates by the Office of Research & Analysis, National Endowment for the Arts		
* Fewer than 1,000		

Endnotes

ⁱ The sectors given are not mutually exclusive. For example, arts and cultural production includes parts of the construction sector—namely, the building of arts and cultural facilities; travel and tourism includes related performing arts spending.

ⁱⁱ In this report, “other information services” is labeled “web publishing and streaming.” The category also includes non-government libraries and archives and other services such as stock photo agencies.

ⁱⁱⁱ “Real” estimates are measured in 2012 chained dollars.

^{iv} The Arts Endowment’s Office of Research & Analysis defines the “creative economy” as value added by industries that the U.S. Patent and Trademark Office has identified as copyright-intensive. See “Intellectual Property and the U.S. Economy: 2016 Update,” Economics & Statistics Administration and U.S. Patent and Trademark Office.

^v Estimates by tax status were derived by combining data from the Arts and Cultural Production Satellite Account (ACPSA) and the Economic Census, which is produced by the U.S. Census Bureau. The analysis also used data from the Census Bureau’s Nonemployer Statistics (NES) program, which captures the earnings of self-employed workers.

Value added by nonprofit performing arts presenters (\$3 billion), for example, was derived by multiplying the total ACPSA value added for the industry (\$15.3 billion) by 20 percent, which is the share of revenue earned by tax-exempt promoters of performing arts, sports, and similar events, according to the 2017 Economic Census.

This method, however, may understate nonprofit value added by performing arts presenters. It is likely that the 20 percent estimate would be higher if the Economic Census data for promoters excluded sports and other non-arts events. In other words, if the Economic Census data were restricted to performing arts presenters, the share of revenue tallied as tax-exempt may have been greater than 20 percent.

A similar argument applies to employment in tax-exempt performing arts establishments—it may have been higher than the 29,000 workers shown in this report for 2017.