America's Nonprofit Arts Industry Key Business Driver, Generating $135.2 Billion in Economic Activity and Supporting 4.1 Million Jobs According to Americans for the Arts’ Arts & Economic Prosperity IV™ Study

Research Demonstrates Nonprofit Arts Industry’s Contributions to Supporting and Sustaining Local Jobs and Businesses

Study Reveals Significant Role Cultural Tourism Plays in Fueling Local Economies

WASHINGTON, D.C. — Americans for the Arts, the nation’s leading nonprofit organization for advancing the arts and arts education, today announced the findings from Arts & Economic Prosperity IV™, the fourth economic impact study of the nonprofit arts and culture organizations and their audiences. The largest and most comprehensive of its kind ever conducted, it shows that the arts industry continued to serve as an economic engine throughout the Great Recession, pumping billions of dollars into the nation’s economy.

According to the study, the nonprofit arts and culture industry generated $135.2 billion dollars of economic activity—$61.1 billion in spending by nonprofit arts and culture organizations, plus an additional $74.1 billion in spending by their audiences. This economic activity had a significant impact on the nation’s economy, supporting 4.1 million full-time equivalent jobs, and generating $22.3 billion in revenue to local, state and federal governments—a yield well beyond their collective $4 billion in arts appropriations.

“Arts & Economic Prosperity IV™ demonstrates that nonprofit arts and culture organizations are valuable contributors to the business community,” said Robert L. Lynch, president and CEO of Americans for the Arts. “They are employers, producers, consumers and key promoters of their cities and regions, and they leverage significant event-related spending by their audiences for local merchants. This study makes it clear that the nonprofit arts and culture industry are not only drivers of business but also a key component to economic sustainability and future prosperity.”
“Arts & Economic Prosperity IV™ offers evidence that the nonprofit arts industry provides not just cultural benefits to our communities, but also makes significant, positive economic contributions to the nation’s financial well being,” said Jonathan Spector, president and CEO of The Conference Board.

Nonprofits Arts Organizations’ Spending Keeps Jobs and Dollars Local

In 2010, nonprofit arts and culture organizations alone supported 2.2 million full-time equivalent jobs, 1.1 million of which were a result of direct expenditures by nonprofit arts, representing 0.87 percent of the U.S. workforce. Compared to the size of other sectors of the U.S. workforce, these numbers are significant. In fact, nonprofit arts and culture organizations support more U.S. jobs than there are accountants, auditors, public safety officers and lawyers.

In addition, studies consistently show that dollars spent on human resources typically stay within a community longer, thereby having a greater local economic impact. And Arts & Economic Prosperity IV™ results show that nearly half (48.4 percent) of a typical nonprofit organization’s expenditures are for their human capital—artists and personnel.

“Nonprofit arts and culture organizations are rooted locally—more than most businesses,” said Lynch. “They essentially operate as a small business, employing people locally in jobs that cannot be shipped overseas and purchasing goods and services within the community. What’s more, spending by these organizations directly supports other locally-based businesses not typically associated with the arts—construction, plumbing, accounting, printing and an array of occupations that span multiple industries.”

“Disney has a rich legacy in animation, film and storytelling, so naturally we consider the arts to be an essential part of our business, as well as an essential element of our communities,” said Meg Crofton, president, Walt Disney World Parks & Resorts Operations, U.S. and France. “We have seen how the arts not only enrich American life, but also support millions of jobs across the country and generate billions of dollars in economic impact.”

Impact of Cultural Tourism

Tourism industry research has consistently shown that arts tourists stay longer and spend more than the average traveler. Arts & Economic Prosperity IV™ results reflect this principle. Among those audience members surveyed, 32 percent live outside the county in which the arts event took place. And, their event-related spending is more than twice that of their local counterparts ($39.96 vs. $17.42). As such, communities that draw cultural tourists experience an additional boost of economic activity that further propels local economic engines.

“Arts & Economic Prosperity IV™ proves that the arts and the cultural tourists that flock to them are good for the economy,” explains Lynch, who also serves on the U.S. Travel and Tourism Advisory Board, a position appointed by the U.S. Secretary of Commerce. “The arts are magnets for tourists, and local businesses reap the financial rewards of the increased spending
they bring to local economies. Simply put, the arts and culture industry is a cornerstone of tourism and economic development in America."

**Americans for the Arts** is the leading nonprofit organization for advancing the arts and arts education in America. With offices in Washington, D.C. and New York City, it has a record of more than 50 years of service. Americans for the Arts is dedicated to representing and serving local communities and creating opportunities for every American to participate in and appreciate all forms of the arts. Additional information is available at [www.AmericansForTheArts.org](http://www.AmericansForTheArts.org).

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